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India-Nepal relation and its challenges

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Abstract

India, the world's largest democracy, shares a longstanding and multifaceted relationship with Nepal, rooted in historical, cultural, and political ties. The foundation of India-Nepal relations has traditionally been built on mutual friendship and cooperation. Their geographical proximity has necessitated a dynamic relationship, often shaped by regional power rivalries and external influences. Since 1959, following Tibet's diminished role, Nepal has emerged as a critical buffer state between India and China, significantly enhancing its geopolitical relevance in the Asian region. This paper explores the evolution of India-Nepal relations and assesses the potential avenues for re-examining and strengthening bilateral cooperation between the two nations.

Keywords: India, China, economy, neighbourhood policy, cooperation, development.

Introduction

India and Nepal have historically shared a deep and enduring relationship shaped by geographical proximity, cultural ties, and mutual cooperation. However, in recent years, this relationship has faced a series of challenges, resulting in what can be described as a bittersweet partnership. A significant factor influencing this dynamic is the growing presence and strategic engagement of China in Nepal, which has raised concerns in India. Key issues such as unresolved border disputes, a growing trust deficit, security concerns, and political interference have added layers of complexity to the bilateral relationship. The legacy of the 1950 Treaty of Peace and Friendship, coupled with internal political instability in Nepal and its expanding ties with China, continues to strain relations between the two neighbors (Acharya M.R., 2011) ^[1].

Despite these challenges, India and Nepal maintain close ties based on an open border, deep-rooted people-to-people connections, and a shared cultural heritage. There is a longstanding tradition of free movement across the border, further reinforcing the significance of their relationship (Adhikari R., 2012) ^[2].

Key Challenges in India-Nepal Relations

- **Border Disputes:** Disputes over regions such as Kalapani, Lipulekh Pass, and Limpiyadhura have intensified tensions, with Nepal asserting territorial claims over these areas. These disagreements stem from differing interpretations of historical treaties and have fueled nationalist sentiments within Nepal (Baral L.R., 2010) ^[3].
- **Trust Deficit and Political Interference:** India is often perceived by Nepal as interfering in its domestic affairs and delaying developmental initiatives. This perception has led to a significant trust deficit. Additionally, Nepal's frequent changes in government result in inconsistent foreign policy approaches towards India.
- **Security Concerns:** The porous India-Nepal border facilitates the illicit movement of arms, counterfeit currency, and other contraband. There is also concern about the potential spread of extremist ideologies and cross-border terrorist activities (Baral L.R., 2012) ^[4].
- **Trade Imbalances and Economic Disparities:** Nepal runs a large trade deficit with India. Although Nepal enjoys duty-free access to the Indian market, Indian goods often face higher tariffs in Nepal. Furthermore, inadequate infrastructure and high transaction costs at border checkpoints hamper effective trade relations.
- **Socio-Economic Ties:** While socio-economic relations are strong, they have not been adequately modernized to meet current demands.

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This gap has hindered Indian investments in Nepal and affected long-term economic cooperation (Bhattacharya S., 2008) ^[5].

- **The China Factor:** Nepal's increasing engagement with China-particularly in infrastructure and economic sectors-has caused unease in India. China's growing influence is perceived as a strategic challenge to India's traditional position in Nepal.
- **Gurkha Recruitment and Other Issues:** India's Agnipath Scheme, which alters the terms of military recruitment, including that of Gurkhas, has led Nepal to suspend recruitment under the new framework. This issue has further strained the historically strong military relationship between the two nations (Dixit K.M., 2013) ^[6].

Need for quiet dialogue

Resolving the multifaceted challenges in India-Nepal relations requires sustained and sensitive diplomacy. Inflammatory rhetoric around nationalism and territorial claims must be avoided in favor of calm and constructive dialogue. It is essential for both countries to build trust, address core issues, and establish pragmatic solutions through continuous engagement (Muni S.D., 2016) ^[7].

As a regional leader, India must uphold its "Neighbourhood First" policy by demonstrating respect, empathy, and understanding in its interactions. A spirit of mutual cooperation and compromise is crucial for strengthening ties with Nepal and fostering long-term regional stability.

Research Methodology

This study adopts a qualitative approach, relying on secondary data to explore the complexities of Indo-Nepal relations. Data were sourced from academic journals, government reports, books, reputable media articles, and think-tank publications. Scholarly databases such as JSTOR and Google Scholar were used to obtain peer-reviewed articles. Official documents from Indian and Nepalese governmental agencies and international organizations provided additional insights and policy perspectives.

Research Objective

The primary objective of this research is to examine the political, strategic, and socio-economic challenges affecting India-Nepal relations. The study aims to:

- Analyze historical and contemporary ties between the two nations
- Identify major points of conflict and cooperation
- Assess the impact of third-party influences, particularly China
- Recommend policy measures to enhance bilateral engagement and mutual trust

Conclusion

The India-Nepal relationship is a rich tapestry woven from shared history, cultural connections, and geopolitical realities. Despite existing treaties and mutual interests, challenges such as border disputes, trade imbalances, and foreign policy divergences continue to strain ties. Nevertheless, there is significant scope for constructive engagement, particularly if both nations commit to dialogue, respect each other's sovereignty, and work toward a common vision of regional peace and prosperity. By addressing these challenges through a nuanced and

cooperative approach, India and Nepal can transform their relationship into a model of regional partnership in South Asia.

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