

## **Nepal's Prime Minister K.P Sharma Oli's Visit to India Renewing Ties**

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**Abstract:** *this paper attempt to highlight the new beginning of Indo- Nepal relationships, touch the sky during Oli's visit which was strains due to new constitution adopted by Nepal. The paper also explains political and economic prospective of Indo- Nepal relations. The paper also identifies several agreements which signed between Modi and Oli. These agreements may be improve bilateral ties between the two countries.*

**Keywords:** ties, dialogues, unscrupulous, symbol, Goodwill, Fiscal deficit, Misunderstanding, Cross-Border, and Reconstruction.

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### **Introduction**

Nepali Prime Minister K. P Sharma Oli paid a six day official visit to New Delhi on 19<sup>th</sup> February 2016. It was his first visit to India after assuming charge of the office. He held extensive talk with Indian leadership with a major focused on mending ties hit by issues related to Nepal new constitution. The external affairs minister of India received Oli accompanied by a 77 member delegation. Prime Minister Narendra Modi, while recognize the new constitution of Nepal told his Nepali counterpart K.P Oli that smooth functioning that the work of Nepali government would depend on consensus and Dialogue. Modi hoped that Nepal become more peaceful by resolving the constitution issues through negotiation and by strengthening unity among different groups. The

Madhesis had been protested against the new constitution and by blockade border areas. The agitation had affected Indo- Nepal relation.

### **Objectives**

1. To study Indo- Nepal relations in the context of Oli's visit.
2. To explain political and economic prospective in the context of Oli's visit
3. To identify the agreements signed between Indo- Nepal during Oli's visit.

### **Methodology**

The methodology undertaken in this paper includes historical and analytical methods. The primary as well as secondary sources that are available on the subject have been used. A primary source includes policy documents, reports, official statements and interview of policy makers. In the secondary sources, the major works of different distinguished authors in the field have also been included and analyzed.

### **Discussion**

K.P Oli's six-days visit to India from 19<sup>th</sup> February to 24<sup>th</sup> February. He went Mumbai where he held meeting the business community. He also visited Hindustan Unilever Ltd's industrial park. Oli accompanied by senior members of the Nepal Cabinet, including Deputy Prime Minister and Foreign Minister Kamal Thapa, who played a major role in defusing the blockade. India sent senior BJP leader Subramanian Swamy as a special emissary for talks with Oli and Maoist leader Prachanda. Swamy was accorded high protocol, though his visit was regarded as "unofficial". , "Much of the strain of the last few months in India-Nepal ties was due to indirect communication between the leaderships of both sides and India had welcomed Nepali leaders across the board to establish political dialogue with their Indian political counterparts" Oli also visited Gujarat on the February 23<sup>th</sup> where he participated in events showcasing the recovery efforts of the State government after the 2002 Bhuj earthquake.

Oli told that my meeting with PM Modi had been useful and productive ...and misunderstanding had been cleared between the two countries. K.P Oli's state to state relation was highly symbolic which recognizes the importance of Nepal-India.

India and Nepal signed seven agreements at a summit meeting of Prime Minister Narendra Modi and his Nepal counterpart K.P. Sharma Oli, even as leaders of the Madhesi people in Nepal threatened one more blockade. After the signing ceremony at the Hyderabad House, Oli stated that both sides were determined to avoid the disruption of Nepal's transit facilities as experienced over the past five months. Referring to Nepal's dependence on India for receiving essential commodities, Oli further stated without naming Madhesi protesters, "Unscrupulous elements should not be allowed to abuse the open borders between Nepal and India". Oli said that differences persisted between India and Nepal over how to address the aspirations of the blockade-enforcing Madhesis, the "unscrupulous elements". Though both the sides tried to address the grievances of the pro-blockade agitators by agreeing to build a road network in the Madhes region, the leaders of the Madhesis are planning more agitation.

Upendra Yadav of the United Madhesi Democratic Front said on that his organisation would re-launch the blockade. "We do not think the Prime Minister of Nepal was implementing the remaining constitutional amendments. We will have to re-launch our economic blockade to end the policy of racial discrimination that the Nepali elite practices against the Madhesi people of the Terai region" Yadav "We are mobilizing our people and will soon be back on the streets of Madhes region and restart the blockade",

### **Political and Economic perspectives**

Prime Minister Narendra Modi asked visiting Prime Minister of Nepal KPS Oli to adopt an "all inclusive" constitution in an "amicable" manner during their first ever bilateral talks. Both countries also signed seven agreements to strengthen economic ties. Modi stated "We discussed all issues of bilateral importance. Nepal had progressed steadily towards the path of democracy. Its adoption of the constitution is a significant step to that effort. But its success depends on agreement and dialogue. I hope Nepal will be able to achieve an all-inclusive constitution and that it will be done," PM Oli, on the other hand, stated the main objective of visit to India is to "clear the misunderstandings" following the protests by Nepal's Madhesi population that led to the blockade of all borders between both countries, Nepal government accused India of imposing. Oli stated that

"It is a great opportunity for me to visit my neighbour and I am happy that the misunderstandings are over. Our relations are beyond governments and beyond formal deals ... For Nepal, relationship with

India is important. India is our biggest trading partner. Nepal has vision of graduating from being a least-developed country by 2022. Economic relations between our two countries are crucial for this goal,”

Oli also raised concerns about Nepal’s widening trade deficit with India. He also expressed Nepal’s unease over the usage of India-Nepal border by “unscrupulous elements.”

He said Nepal’s prosperity and growth remains one of India’s main priorities. Lauding the economic and trade ties between both countries, Modi said the pacts signed take bilateral business ties to the next level. The significant Memorandums of Understanding (MoUs) signed between India and Nepal these included utilization of Indian grant of \$250 million for post earth quake reconstruction, improving road infrastructure in Nepal’s Terai area, cultural cooperation, transit routes between Nepal and Bangladesh through the Vishakhapatnam port, rail transit facility and construction of transport corridors. “We must realize that transport corridors between both countries can lead to highway of growth,” Both leaders jointly inaugurated a power transmission line from Muzaffarpur (India) to Dhalkebar (Nepal). That provided 80 MW of power to Nepal with immediate effect. That would gradually reach its full capacity of granting 600 MW of power to Nepal by December 2017. Modi also highlighted some of ongoing hydroelectric power projects on which both sides are working upon.

“I am glad that Nepal and India are working on several hydroelectric power projects that have a total capacity of nearly 7,000 MW. These projects should be expedited,” he said. Modi said both sides have initiated work on establishing integrated check-posts for smoother flow of trade. Visiting Nepal Prime Minister K.P. Sharma Oli on Sunday described his country’s constitution as “institutionalized democratic struggle.” “Where is discrimination in the Nepali constitution? The constitution was drafted after consulting all sections of the Nepali people like the Tharus, the Madhesis, and the Janajati’s, and does not discriminate against anyone in Nepal,” Oli said at a press conference in Delhi. Oli’s comments are significant as it marks a hardening of Nepal’s position; just a day after Foreign Secretary S. Jaishankar spoke of Nepal’s “assurances” on making the constitution more inclusive. Oli’s comments led leaders of the United Madhesi Democratic Front (UMDF) that they too would harden their position and revive the protest against the government. “Madhesi people are upset and we shall soon be back with protests on the streets and blockade on the border, as that is the only way to convince the Nepali government of our demands,” said Upendra Yadav of UMDF. Oli argued

that Madhesi do not have a solid basis for reverting to the blockade which froze Nepali economy and hit India-Nepal ties. “We will ask about the reasons for the unhappiness if anyone wants to reinforce the blockade on Nepal-India border, as the constitution can address all issues,”

Oli’s colleague and Deputy Prime Minister Kamal Thapa said the government of Nepal was in touch with the Madhesi, but could not clarify the reasons for the trust deficit between the two sides. He further said “Another blockade will not be in anyone’s interest. I personally briefed the Madhesi leaders before arriving in Delhi and they seemed to be satisfied with our position. So the latest threats appear liket public posturing to me,”

Oli acknowledged that “some misunderstanding” had appeared between India and Nepal after the promulgation of the Nepali constitution on September 20, 2015. But the constitution was drafted through an open consultative process, he said. “Rounds of discussion took place before the draft of the constitution was finalized. We did not bring the constitution under the cover of the night,” Oli said.

He assured the Madhesi that agitation would not be allowed to spiral out of control into a violent secessionist movement like the Tamil agitation of Sri Lanka. Nepal Prime Minister KP Sharma Oli urged that Indian industry to invest heavily in the Himalayan country, notwithstanding the recent border blockade that adversely impacted bilateral trade following the Madhesi unrest.

“When it comes to investing in Nepal, Indian investors have natural advantages... Nepal follows a liberal investment policy and we have many other things to offer,” Oli said India while addressing FICCI, CII and Assocham.

The Nepal government was setting up a National Investment Board that will grant single-window approvals to foreign investments. The government is also planning to set up Special Economic Zones (SEZs) and industrial parks near the Indo-Nepal border areas. Oli stated “Railway connectivity between India and Nepal is being developed, and cross-border roads are being improved. Besides, hydropower, solar energy and biomass hold immense potential between us,”

He said Nepal is also undertaking trade facilitation measures. “We must emphasis that commerce and connectivity must not be affected by considerations other than economics,”

Nepal is trying to overcome the problems of poverty and underdevelopment and also offered lower tax rates to foreign investors he added that the he was able to clear the “misunderstandings” between both nations during his meeting with Prime Minister Narendra Modi. He was referring to the agitation led by the Indian-origin Madhesis against their newly promulgated Constitution. Their main complaint was that the constitution failed to give them a greater say, including specially-designated states for them. India and Nepal have signed nine agreements related to grants meant for Nepal’s reconstruction post the earthquake, power, and trade and railway connectivity.

## **Conclusion**

The visit opened a fresh chapter of Indo- Nepal relations which was soured due to new constitution adopted by Nepal. Nepali prime Oli and Indian prime minister signed nine agreements related to grants meant for Nepal’s reconstruction post the earthquake, power, and trade. Railway connectivity between India and Nepal is being developed, and cross-border roads are being improved. Besides, hydropower, solar energy and biomass hold immense potential between us. both countries endorsed new developmental projects showed their willingness to improve the peace and security at border area in Terai region , both countries promised to improve border infrastructure. Thus Modi hoped that Nepal become more peaceful by resolving the constitution issues through negotiation and by strengthening unity among different groups. The Madhesis had been protested against the new constitution and by blockade border areas. The agitation had affected Indo- Nepal relations.

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