

# Why Nepal seems stuck in an unending transition



Nepal's history in recent decades has been marked by tumultuous events and transformations, and its relations with India by sharp fluctuations. Many books on both subjects have been written by scholars and foreign policy practitioners, Nepalese as well as Indian. Yet, too many unanswered questions remain, about the hows and whys of the past, the depth and challenges of present trends, and prospects for the future, in an increasingly uncertain post-Covid world.

Nepal registered several significant turning points in a relatively short span of time—among them achievement, at last, of full-fledged multi-party democracy after two popular upheavals and not a little help from across the southern border; a peaceful negotiated

end to ten years of violent Maoist insurgency and the mainstreaming of Maoists into the democratic polity; adoption of a Constitution (albeit somewhat imperfect and hastily rushed through); a peaceful and in the end dignified exit of the institution of monarchy; the assertion of a new identity as a secular federal democratic republic. Nepal now seems stuck in an unending transition.

Thoughtful Nepalese commentators who were in the forefront of those demanding change are the first to voice their acute sense of disappointment at how things are turning out—the poor quality of democracy, rampant corruption and mal-governance, institutional failures, economic mismanagement and chronic instability punctuated with

revolving-door governments and little pretence of ideological consistency or adherence to political commitments.

Nepal's internal institutional shortcomings are a cruel reality. Also cruel is the realisation that for democracy to be meaningful, it is not enough to have regular and reasonably credible elections or even a free press and the right to dissent, which undoubtedly exist to a laudable degree in Nepal today. Unless there are independent institutions which cannot be remote-controlled by the government of the day, there is a real danger of democracy becoming a caricature of itself.

Nevertheless, there is hope within and among friends outside Nepal, especially India, that it is on

the right track, and that with patience, perseverance, experience and support, the kind of leadership and direction it desperately needs will emerge, and Nepal will experience a speedier and smoother transition to a minimum desirable level of governance and inclusive development.

There is also undoubtedly space for India and Nepal to jointly create a sustainable positive trajectory for bilateral ties which would do more justice to their exceptionally rich and unique civilizational links and economic complementarities and make a more meaningful contribution to a stronger sub-region.

We have attempted in this book to analyse how the situation unfolded in the way it did, and as to whether the principal actors (including India) might help shape a better future in keeping with the expectations and needs of the people on both sides of the border. Both countries owe it to themselves to revisit the past and introspect, even if it means asking uncomfortable questions. It is more necessary than ever before to draw lessons from the past, for it has repeated itself far too often. We do need to reimagine, perhaps to "repurpose" an age-old relationship, so that it can fulfill its real potential in a geo-political and geo-economic landscape so completely different from the one it inherited when the British left

India in 1947, and yet it is the latter which has somehow continued to shape mindsets and policies on both sides for so many decades. One understanding that hopefully will flow out of this study is that realpolitik, bargaining style diplomacy of the transactional kind and knee-jerk responses need not and cannot be the basis for relations between two countries such as India and Nepal, with such unique and deep historical, familial, religious, cultural, geographical and economic ties. Irritants, potential or real (including longstanding ones like the 1950 Treaty) and differences (for example on the border, which appears to be devoid of chances of a political or diplomatic solution given the resolution passed by Nepal's Parliament), can and should be sought to be sorted out in the way hiccups within a family are tackled, keeping the basis as well as continuing need of unshakeable bonds always in mind. Sporadic attempts through normal diplomatic exchanges on such issues have been going on for some time, with no signs of progress. A Track 2 initiative (High Level Expert Group) blessed by both Prime Ministers was set up a few years ago and managed to prepare a confidential joint report with recommendations, but the Report has yet to be presented to the Prime Ministers because of the controversy that would result from non-implementation.

If such issues are discussed keeping the larger picture of an unbreakable age-old relationship and a vision of long-term interests always in mind, they will hopefully be subsumed by the latter, just as the major irritant of the Tanakpur Barrage constructed by India was subsumed by the larger vision of the Mahakali Treaty of 1996 which, unlike the former, was negotiated in a spirit of equality and respect for mutual interests, needs and sensitivities. In that sense, Defence Minister Rajnath Singh's relaxed and friendly response to Nepal's strong objections to its inauguration of roads in border areas now claimed by Nepal, recommends itself over exchanging maps dating back to East India Company or British India days (Our History, Their History, Whose History? to borrow the title of Romila Thapar's book), or issuing stern official statements and presenting counterclaims, which would be a standard official reaction.

Similarly, Nepal Ambassador Dr Shankar P Sharma's attendance of a New Delhi function to celebrate consecration of the Ram Mandir at Ayodhya, and his reflection that Nepal's parallel claim to Ram's birthplace being in Nepal (former PM KP Sharma Oli had in fact earlier protested that India was "manipulating history" to deny Nepal its rightful claims) should be taken simply as a confirmation of the rich shared cultural links between the two countries, commends itself over the strident condemnation of Oli's claim in India. We realise that some of our assessments and assertions will be contested. We are confident however that on many issues, some facts which are not yet in the public domain will get known in due course, and bear these out. One area of special sensitivity has been Nepalese resentment of alleged Indian involvement in its internal affairs. Indian writers tend to lay a major portion of the blame on sections of the Nepalese elite who indulge in ultra-nationalism for short-term gains. We have tried to examine the facts as objectively as possible. It has been wisely said that "the essence of strategy is choosing what not to do." This seems to have relevance for some actions of Nepal as well as of India, in the seven and half decades since India's independence.

have best been avoided, for they have left a lasting impact on its perceptions of India.

We suggest this not as a mea culpa acknowledgement but rather in the spirit of External Affairs Minister S Jaishankar's reflections in December 2023 (made in a wider context) of the importance of looking back and introspecting in order to keep correcting ourselves to set the foreign policy right, "It is very important for us, after 75 years of Independence, to introspect about... because often, we tend to think that the decisions which were taken, were the only decisions that could have been taken, which may not be entirely true."

As for Nepal, its political leaders will hopefully realise sooner rather than later that it is entirely in that country's long-term interests to consolidate its position as South Asia's dependable partner in India's quest to sit at the global high table.

At the time of writing, while India is led by a strong Prime Minister in Narendra Modi, Nepal is headed by the shrewd Maoist leader Prachanda leading a coalition, his Maoist party being the third largest, in a climate of political instability. There is a welcome trend towards pragmatic national self-interest in bilateral ties with India, major agreements have been reached on bilateral and sub-regional energy cooperation with welcome new emphasis on delivery and follow-up, one must keep one's fingers crossed that this trend continues. However, unfortunately, there seems to be a certain fatigue in expending political energy on self-destructive anti-India posturing, which cannot but pose new challenges to the continuance of a positive trajectory in bilateral ties. There are already ominous signs that the appetite for power at any cost may again lead to opportunistic political rearrangements with new uncertainties.

The relevance of the China factor in India's foreign policy has only increased in recent years. Tibet is not the only reason for Chinese activism in Nepal. But Nepal's traditional penchant for playing the China card to maximise benefits to itself from India has had to adjust to new factors. At the geopolitical level, the major Western powers are now much more alert to Chinese attempts to expand its influence and much more proactive in countering them

as evidenced through mechanisms like the Quad and Indo-Pacific mechanisms. The Indian government itself under Prime Minister Narendra Modi is much more confident about dealing with China and much less vulnerable to blackmail tactics.

The Chinese have exposed themselves to Nepal's political elite through fairly clumsy attempts at intervention in internal politics which have backfired on them. Even on the economic side, they are not finding it as easy as before to impress Nepalese businessmen, bureaucrats or politicians. Significantly, even seven years after BRI was launched and Nepal subscribed to it, not a single project has been negotiated by successive Kathmandu governments, each of which has found reasons to postpone decisions on Chinese terms.

Yet there is no reason for complacency. Neutralising India's natural influence in its neighbourhood is clearly a high Chinese priority, and its actions in every neighbouring nation, (most recently Maldives) are confirmation, if confirmation was needed, that the String of Pearls concern is not in the realm of fanciful imagery but a strategic challenge to the India growth story.

Watching the frequent fluctuations in the graphs of India's relations with its neighbours, South Asian scholars often pose the question, "Is India losing South Asia?" on the other hand, Indian diplomats with deep knowledge of India's repeated efforts to improve relations with its neighbours usually pose the question the other way around, "Is South Asia losing India?" China's increasing footprint in the region, and the penchant for India's neighbours to frequently encourage it is a subject of continuing debate. There is only one way to address this reality, and that is for India to get its act together, adjust its diplomatic functioning style, policies and priorities, create an ambience of mutual trust, expand the thrust of Atmanirbharta to include at least selected close neighbours including Nepal, and give them their rightful place as co-passengers on the journey towards speedy inclusive development. Neighbourhood First needs to be perceived by our neighbours as a living day-to-day Indian foreign policy priority and not just a slogan. But if there is one country with which India needs to make a fresh beginning, it is Nepal.

## Nepal's flimsy claims on Kali River will not change ground realities, but India must be vigilant



A recent visit to the border areas of the Central Sector of the Indo-Tibet boundary was an eye-opener. The first thing that I witnessed was the considerable efforts that have been made by the Central government (through the Border Road Organisation of the Indian Army) to connect 'to the world' in these remote locations.

The accounts of travellers, yogis (particularly Swami Pranavananda in the 1930s), yatis (to Kailash Mountain), or Indian officials posted in Gartok in western Tibet always struck me for the description of the harsh terrain near the tri-junction of India, Tibet, and Nepal; till recently, the journey was indeed extremely perilous.

To give an example, a few years ago, it took up to a 27-day walk for a yatri to travel from Darchula to Lipulekh and

later come back (in Tibet, they were taken by buses to the Kailash base camp). Today the road reaches a few hundred metres from the top of Lipulekh, the border pass separating Kumaon (near the tri-junction with Tibet and Nepal) from Purang County (Dzong) in Tibet. The black-topping of the road between Darchula and Lipulekh is not yet fully completed, but it is a matter of a few more months before the tar will be laid all the way to the pass.

The implication of this development is that access to the Indian Army and the Indo-Tibet Border Police (ITBP) is far easier; today, the defence forces can answer any contingencies in the shortest possible time, which also makes the lives of the local population simpler.

Though this area did not witness any confrontation

during the 1962 War with China and is not directly claimed by Beijing, it remains 'disputed' through China's proxy, Nepal. The issue was recently in the news when Kathmandu decided to incorporate on their 100-rupee banknotes a new political map of Nepal, covering the so-called disputed territories of Lipulekh, Limpiadhura, and Kalapani as part of the Nepali territory.

External Affairs Minister S Jaishankar was quick to answer: "I saw that report. I have not looked at it in detail, but I think our position is very clear. With Nepal, we were having discussions about our boundary matters through an established platform. And then, in the middle of that, they unilaterally took some measures on their side. But by doing something on their side, [Nepal is] not going to change the situation between us or the reality on the ground," said Jaishankar.

Nepal, which now tries to unilaterally change the maps, has not always claimed the Indian village of Kalapani, the main resurgence of the Kali river, which has its origin in a rivulet near Lipulekh.

In May 2020, an argument erupted between India and Nepal; the immediate reason was an 80-km road from Darchula to Lipulekh.

Strategically, this road is crucial for India, but also

important for the yatis and local traders, Lipulekh being one of the three landports between India and Tibet.

It was only in 1998 that the CPN-ML faction led by Bam Dev Gautam started claiming some Indian territory in the vicinity of Kalapani as Nepalese. According to Buddhi Narayan Shrestha, a former Director General of the Land Survey Department, the 'Kali River' was the Kuti Yankti river that arises below the Limpiadhura range and not the Kali accepted by India; Nepal began then claiming an entire area of 400 km<sup>2</sup>.

But why was no claim put forward by Nepal for the previous 150 years? This has never been explained by Kathmandu, and some flimsy historical excuses are being used today.

A Nepali argument is that the flow of the Kuti river is more significant, though this does not prove anything. In his book, History of the Kailash-Mansarovar, Swami Pranavananda, who extensively wrote on the subject, mentioned the confluence of the Kali and Kuti rivers "at a distance of 2 or 3 furlongs down below the road. This clerk was today better and fit to travel, I started and camped at Kalapani Police Post. A section of P.A.C. [Provincial Armed Constabulary] under Subedar Sher Singh has been stationed here since June 28, 1955. The Garbyang villagers have cultivated land close to the post." When the police post was set up by the Uttar Pradesh government, probably in 1952, Nepal did not object.

After a war between British India and Nepal in 1814, the Nepalis were sent back across the Kali River in May 1815, and subsequently, the Sugauli Treaty was signed on March 4, 1816. Article 5 of the Treaty stated: "The Rajah of Nepal renounces for himself, his heirs and successors, all claim to or connexion with the countries lying to the west of the River Kali, and engages never to have any concern with those countries or the inhabitants thereof." Unfortunately, no map was attached, which could have authoritatively shown the exact alignment and source of the Kali River.

In any case, at that time, no scientific survey worth the name could be carried out; it was only by the mid-19th century that the Himalayan border was first surveyed by the Great Trigonometrical

Survey of India (a precursor of the Survey of India), in a more scientific manner.

Today, the Nepalis base their claims on an old map that is neither accurate nor authentic. From 1998 until 2020, the Nepalese government continued to keep quiet, but in May 2020, Kathmandu for the first time released a map incorporating the entire area east of the Kuti Yankti River as part of their territory. To make it worse, on June 13, a bill seeking to give legal status to the new map was unanimously approved by the lower house in the Nepal Parliament.

The political struggle within the ruling party in Nepal further complicated the issue.

Interestingly, in the early 1950s, the Indian police already manned a check post at Kalapani. In his diary, Lakshman Singh Jangpangi, the Indian Trade Agent in Gartok, wrote: "July 10, 1955. I could not start on 9th, as my clerk suddenly ran a very high temperature and was unable to leave his bed. The Compounder was sent with the advance party on 6th. This clerk was today better and fit to travel, I started and camped at Kalapani Police Post. A section of P.A.C. [Provincial Armed Constabulary] under Subedar Sher Singh has been stationed here since June 28, 1955. The Garbyang villagers have cultivated land close to the post." When the police post was set up by the Uttar Pradesh government, probably in 1952, Nepal did not object.

But there is more, the "Boundary Treaty between the People's Republic of China and the Kingdom of Nepal," signed by President Liu Shaoqi of China and King Mahendra of Nepal on October 5, 1961, shows the Kali River as per the Indian stand. Article I (1) defines the China-Nepal boundary line, which "starts from the point where the watershed between the Kali River and the Tinkar River meets the watershed between the tributaries of the Mapchu (Karnali) River on the one hand and the Tinkar River on the other hand".

**SYMBOLIC POSSESSION NOTICE**

**ICICI Bank** Branch Office: ICICI Bank Ltd., Office Number 201-B, 2nd Floor, Road No 1 Plot No-83, WIFIT Park, Wagle Industrial Estate, Thane, Maharashtra- 400604

The undersigned being the Authorised Officer of ICICI Bank Limited under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and in exercise of the powers conferred under section 13 (12) R/w Rule 3 of the Security Interest (Enforcement) rules 2002, issued demand notices upon the borrowers mentioned below, (on the underlying pool assigned to ICICI Bank by Dewan Housing Finance Ltd.) in relation to the enforcement of security with respect to a Housing Loan facility granted, pursuant to a loan agreement entered into between DHFL and the borrower, to repay the amount mentioned in the notice within 60 days from the date of receipt of the said notice.

As the borrower failed to repay the amount, notice is hereby given to the borrower and the public in general that the undersigned has taken symbolic possession of the property described herein below in the exercise of powers conferred on him/her under Section 13(4) of the said Act read with Rule 8 of the said rules on the below-mentioned dates. The borrower in particular and the public in general is hereby cautioned not to deal with the property and any dealings with the property will be subject to the charge of ICICI Bank Limited.

Sr. No.	Name of the Borrower(s)/ Co-Borrower(s) (DHFL Old LAN & ICICI New LAN)	Description of Property/ Date of possession	Date of Demand Notice/ Amount in Demand Notice (₹)	Name of Branch
1.	Sunitaben Manishbhai Patani & Manishbhai Mohanbhai Patani (Old DHFL Lan No - 20100043691 & New ICICI Lan No- QZABD00005011640)	Tenament No- D/82, Parshwanath Township C H S L, Part-10, Krishna Nagar, Naroda-Ahmedabad, Survey No. 893/1, 896/1, 897/1, Ahmedabad- 382330/ May 28, 2024	February 29, 2020 Rs. 15,66,343.00/-	Ahmedabad

The above-mentioned borrowers(s)/ guarantors(s) are hereby given a 30 day notice to repay the amount, else the mortgaged properties will be sold on the expiry of 30 days from the date of publication of this Notice, as per the provisions under Rules 8 and 9 of Security Interest (Enforcement) Rules, 2002.

Date : June 01, 2024  
Place : Ahmedabad

Authorized Officer  
ICICI Bank Limited

**ICICI Home Finance** Corporate Office: ICICI Home Finance Company Limited ICICI HFC Tower, Andheri - Kurla Road, Andheri (East), Mumbai- 400059, India

Branch Office: 4th Floor, Krishan Capital, Near Bank of Baroda, Zanzarda Road, Junagadh, Gujarat- 362001  
Branch Office: 3rd floor, 301, Nakshatra-3, 150 Fit Ring Road, Near Raoya Telephone Exchange, Rajkot- 360007

[See proviso to rule 8(6)]  
**Notice for sale of immovable assets**

E-Auction Sale Notice for Sale of Immovable Assets under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 read with proviso to Rule 8 (6) of the Security Interest (Enforcement) Rules, 2002.

Notice is hereby given to the public in general and in particular to the Borrower(s) and Guarantor(s) that the below described immovable property mortgaged/charged to the Secured Creditor, the **Physical Possession** of which has been taken by the Authorized Officer of ICICI Home Finance Company Ltd., will be sold on "As is where is", "As is what is", and "Whatever there is", as per the brief particulars given hereunder:

Sr. No.	Name of Borrower(s)/ Co-Borrowers/ Guarantors/ Legal Heirs, Loan Account No.	Details of the Secured asset(s) with known encumbrances, if any	Amount Outstanding	Reserve Price/ Earnest Money Deposit	Date and Time of Property Inspection	Date & Time of Auction
(A)	(B)	(C)	(D)	(E)	(F)	(G)
1.	Vaghela Rajulbhai Rameshbhai (Borrower) Vaghela Geelaben Rajulbhai (Guarantor Name) Loan Account No. LHJGH00001408046 & LHJGH00001408045	"Shubham Residency Sadguru Park Madhuram Junagadh- 362001	Rs. 18,00,381/- May 22, 2024	Rs. 10,89,900/- Rs. 108,990/-	July 01, 2024 11:00 AM 03:00 PM	July 10, 2024 02:00 PM 03:00 PM
2.	Nakani Faruk Gafarbai (Borrower) Ninjan Alarakhbhai Ibrahimhai (Co-Borrower Name 2) Loan Account No. LHRAJ00001401340	"R S No.2444 C S Sheet No.36 Office No.6 First Floor Jay Gopal Shopping Center Jetpur Dist Rajkot Jetpur Rajkot- 360007	Rs. 5,56,070/- May 22, 2024	Rs. 4,49,920/- Rs. 45,000/-	July 01, 2024 11:00 AM 03:00 PM	July 10, 2024 02:00 PM 03:00 PM

The online auction will be conducted on website (URL Link- <https://BestAuctionDeal.com>) of our auction agency **Globe Tech**. The Mortgagees/notice are given a last chance to pay the total dues with further interest till **July 09, 2024 before 05:00 PM** else these secured assets will be sold as per above schedule.

The Prospective Bidder(s) must submit the Earnest Money Deposit (EMD) RTGS/ Demand Draft (DD) (Refer Column E) at **ICICI Home Finance Company Limited, 4th Floor, Krishan Capital, Near Bank of Baroda, Zanzarda Road, Junagadh, Gujarat- 362001** on or before **July 09, 2024 before 04:00 PM** The Prospective Bidder(s) must also submit signed copy of Registration Form & Bid Terms and Conditions form at **ICICI Home Finance Company Limited, 4th Floor, Krishan Capital, Near Bank of Baroda, Zanzarda Road, Junagadh, Gujarat- 362001** on or before **July 09, 2024 before 05:00 PM** Earnest Money Deposit Demand Draft (DD) should be from a Nationalized/Scheduled Bank in favor of "ICICI Home Finance Company Ltd. - Auction" payable at Junagadh, Rajkot.

For any further clarifications with regards to inspection, terms and conditions of the auction or submission of tenders, kindly contact **ICICI Home Finance Company Limited on 9220807300** or our **Sales & Marketing Partner NexXen Solutions Private Limited**.

The Authorized Officer reserves the right to reject any or all the bids without furnishing any further reasons. For detailed terms and conditions of the sale, please visit <https://www.icicifh.com/>

Date : June 02, 2024  
Place : Junagadh, Rajkot

Authorized Officer  
ICICI Home Finance Company Limited