2010

The political situation in Nepal is presently unstable. The adoption and framing of the new constitution has eluded consensus. With the aim of establishing a consensus between the political parties GoI has sent its former foreign secretary Shyam Saran to Nepal in August 2010.

2011

* India-Nepal sign MoU for mutual cooperation in election management.

## Background

1950 Indo-Nepal Treaty of Peace and Friendship

* This is a bilateral treaty establishing a close strategic relationship between the two South Asian neighbours.
* The treaty allows for the free movement of people and goods between the two nations and a close relationship on matters of defence and foreign affairs.
* The treaty has been unpopular in many segments of Nepal, especially the Maoists, which regard it as a breach of its sovereignty
* For India, the treaty is a way to contain the Chinese influence in Nepal
* Present status: The Maoists (Prachanda) have been demanding a revision of the treaty

Security

India’s big brother attitude

Panchkeshwar Dam

Saptkosi Dam

Strategic importance of Nepal

Close people to people contacts: Cultural ties

Security concerns

Kalapani dispute

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