

**GOVERNMENT OF INDIA
EXTERNAL AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:6497

ANSWERED ON:05.05.2010

VISIT OF NEPALI PRESIDENT

Anandan Shri K.Murugeshan;Rao Shri Sambasiva Rayapati;Reddy Shri Magunta Srinivasulu

Will the Minister of EXTERNAL AFFAIRS be pleased to state:

- (a) the details of discussions held with the President of Nepal during his recent visit to India and the agreements/pacts signed on the occasion;
- (b) the details of the financial and foodgrains aid provided to Nepal during the last three years and the current year, year-wise; and
- (c) the efforts made by India to ensure that peace prevails in Nepal?

Answer

THE MINISTER OF EXTERNAL AFFAIRS (SHRI S. M. KRISHNA)

(a): The President of Nepal, Dr. Ram Baran Yadav, paid a State Visit to India from February 15-18, 2010 at the invitation of President of India. Discussions were held on issues of mutual interest and both sides expressed their satisfaction at the state of bilateral relations between the two countries and resolved to work together to further strengthen relations and enhance cooperation. The following Agreements and Memoranda of Understanding were signed during the visit:

- (i) Air Services Agreement,
- (ii) Memorandum of Understanding on Development of Railway Infrastructure at Five Border Points along the Indo-Nepal Border,
- (iii) Memorandum of Understanding on the Establishment of Nepal-Bharat Maitri Polytechnic at Hetauda, and
- (iv) Memorandum of Understanding on the Establishment of Nepal-Bharat Maitri Sabhagriha at Birgunj.

(b): Assistance provided to Nepal in the last three years is as follows:

2007-08	2008-09	2009-2010
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Project Assistance	Rs.100.48 crore	Rs.112.53 crores	Rs.150 crores
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Financial Assistance	NIL	Rs. 20 crores	NIL
(Kosi Flood Relief Assistance)			

Food Aid	NIL	NIL	NIL
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Exact expenditure is being compiled

In addition, the Government of India extended a US\$ 100 million Line of Credit to Nepal in June 2006 for infrastructure development projects as prioritized by Nepal. Government of India announced extension of a new line of credit of US\$ 250 million to the Government of Nepal during the State Visit of the President of Nepal to India in February, 2010.

Export of 10,000 MT of wheat and upto 15,000 MT of non-basmati rice was allowed by Government of India in 2008. Similarly, export of 50,000 MT of wheat, 25,000 MT of non-basmati rice and 10,000 MT of yellow peas dal and additional 200,000 MT of wheat, if required by Nepal, was approved in 2010.

(c) India has consistently maintained that the peace process and the drafting of the new Constitution by a duly elected Constituent Assembly has to be Nepali-owned and Nepali-driven process. Government of India has expressed full support for the peace process and efforts to bring about economic transformation in Nepal.