

Nepal to Introduce New Currency Note Featuring Indian Territories

Why in News?

Nepal recently announced the **printing of a new Rs 100 currency note** featuring a map that includes the Indian territories of **Lipulekh**, **Limpiyadhura**, and <u>Kalapani</u>.

■ The Nepal government has authorized the **Nepal Rastra Bank** to replace the current map with the updated version on the currency note.

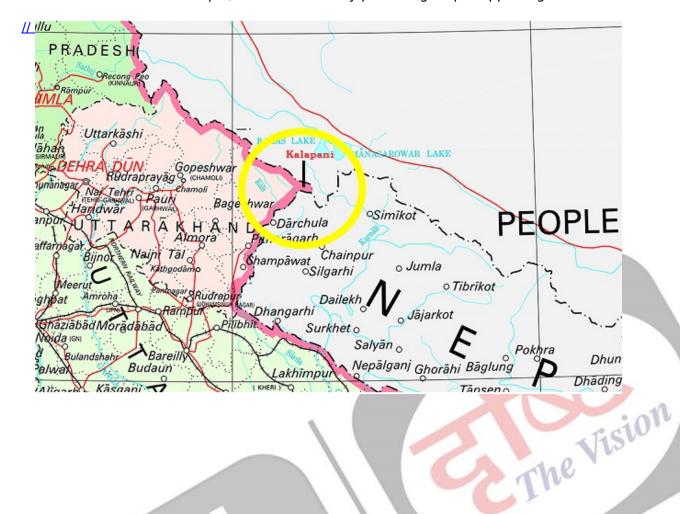
Key Points

- Lipulekh, Kalapani and Limpiyadhura, which India earlier had included in its November 2019 map.
 - Tensions between New Delhi and Kathmandu emerged after Nepal issued a political map in May 2020, which included the same territories.
 - Diplomatic relations came under further strain when Nepal handed over a diplomatic note to India objecting to the inauguration of a road linking Kailash Mansarovar via Lipulekh in 2020.
 - India's Ministry of External Affairs had responded to Nepal's objection, stating that the road, passing through Uttarakhand's Pithoragarh district, fell entirely within the Indian territory.
- Nepal has asserted its claim based on the Sugauli Treaty of 1816. According to the treaty all territories east of the Kali (Mahakali) river, including Limpiyadhura, Kalapani, and Lipulekh, belong to Nepal.
 - The Sugauli Treaty, signed on 4th March 1816, between the East India Company and Guru Gajraj Mishra, delineated the boundary line of Nepal following the Anglo-Nepalese War of 1814-16.
 - India, however, has stated that the 1950 Treaty of Peace and Friendship between India and Nepal annulled the Sugauli Treaty.
 - Nepal argues that treaties such as the 1923 Nepal-Britain Treaty of Friendship reaffirmed its sovereignty during the era of British rule.

Border Dispute Between India and Nepal

- India and Nepal have border disputes over Kalapani Limpiyadhura Lipulekh trijunction between India-Nepal and China and Susta area (West Champaran district, Bihar).
- Kalapani Region:
 - Kalapani is a valley that is administered by India as a part of the Pithoragarh district of Uttarakhand. It is situated on the Kailash Mansarovar route.
 - Kalapani is advantageously located at a height of over 20,000 ft and serves as an observation post for that area.
 - The Kali River in the Kalapani region demarcates the border between India and Nepal.
 - The **Treaty of Sugauli** signed by the **Kingdom of Nepal and British India** (after **Anglo-Nepalese War**) in **1816** located the Kali River as Nepal's western boundary with India.
 - The discrepancy in locating the **source of the Kali** river led to boundary disputes between

India and Nepal, with each country producing maps supporting their own claims.



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