



# 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 Kalapani**.

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

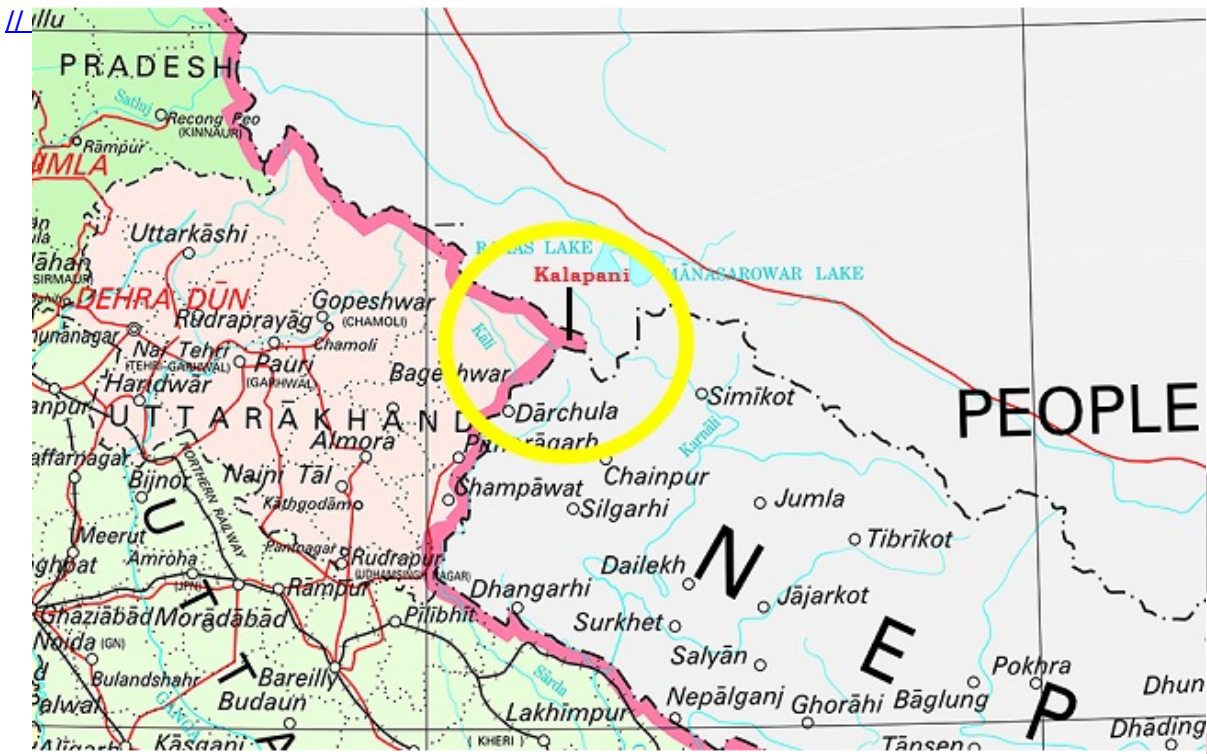
## Key Points

- 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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