

NATIONAL

# Big increase in allocation for Nepal



## Kallol Bhattacharjee

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### **Bhutan continues to be the the largest recipient of Ministry of External Affairs' allocation**

India's annual financial allocation to Nepal for 2018-19 has nearly doubled under the Union Budget presented on Thursday. Under the general budget, the Ministry of External Affairs (MEA) has been allocated ₹15,011 crore, which indicates a marginal increase of ₹1,321 crore over the previous year's grant.

For India's developmental and diplomatic engagement under the 'Neighbourhood First' policy, the Budget has allocated ₹5545 crore. Bhutan is traditionally the largest recipient of MEA's allocation. It has maintained the same position even as the allocation increased by ₹71 crore to touch ₹2650 crore.

### **More for Myanmar**

However, the giant leap in allocation was for Nepal, which received ₹650 crore from the MEA. This year's allocation is the third consecutive and the largest increase in the allocation for Kathmandu.

In 2016-17, Nepal received ₹332.72 crore, which was increased to ₹375 crore last year. At ₹280 crore, Myanmar's allocation too has improved from ₹220 crore of last year.

Former Indian ambassador to Nepal Ranjit Rae said the budgetary increase is a likely step ahead from Indian commitment to help Nepal recover from the 2015 earthquake.

"The budgetary increase indicates it is likely to cover the earthquake reconstruction fund that was in the pipeline for sometime and was discussed with the Nepali leaders," said Mr. Rae.

A senior researcher from MEA's think tank, Research and Information System for Developing Countries (RIS), said on condition of anonymity that that Terai road network and railway connectivity plans are also likely to absorb a part of the increased allocation.

Large allocation has also been made for the prominent cultural arm of the MEA, Indian Council of Cultural Relations (ICCR), which has received an increased allocation of ₹20 crore to touch ₹255 crores.

### **Allocation for varsities**

However, the new initiatives for building infrastructure in Chabahar and Seychelles have also been granted allocations of ₹150 crore and ₹350 crore respectively.

South Asia University, a major educational initiative for the South Asian region, has received ₹375 crore and the Nalanda University got ₹200 crore.

Indicating the evolving policies of the government, the MEA has made no allocation for the Haj. The government had allocated ₹12.13 crore in 2016-'17. There was no allocation for Haj last year too.

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