

Nepal gets a high Rs. 650 crore outlay

Neighbourhood first: Prime Minister Narendra Modi at the Pashupatinath temple in Kathmandu. File photo

India's annual financial allocation to Nepal for 2018-19 has nearly doubled under the Union Budget presented on Thursday.

The External Affairs Ministry has been allocated a total Rs. 15,011 crore, which indicates a marginal increase of Rs. 1,321 crore over the previous year's grant.

For India's development and diplomatic engagement under the 'Neighbourhood First' policy, the Budget has allocated Rs. 5545 crore. Bhutan is traditionally the largest recipient of Ministry's allocation.

It has maintained the same position even as the allocation increased by Rs. 71 crore to touch Rs. 2,650 crore.

More for Myanmar

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

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

Rehabilitation work

Former Indian Ambassador to Nepal Ranjit Rae said the budgetary increase was a likely step ahead from the 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 some time and was discussed with the Nepalese leaders," Mr. Rae said.

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

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

Funds for varsities

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

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

Indicating the evolving policies of the government, the Ministry has made no allocation for the Haj.

The government had allocated Rs. 12.13 crore in 2016-'17. There was no allocation for Haj last year too.

END

Downloaded from **crackIAS.com**

© **Zuccess App** by crackIAS.com

crackIAS.com