

Trade & commerce relationships between Indo-Nepal

Dinesh Ch Joshi, Bhuwan Ch Joshi

Assistant Professors, Department of Commerce, G D College Kanda, Uttarakhand, India

Abstract

Any society's economy serves as the fundamental foundation for its development. Only by achieving financial luxuries is it possible for people to develop mentally, physically, and culturally. The resources and commercial activities a country has access to have been seen to be the primary drivers of its progress. Neither a passport nor a visa are necessary for travel between India and Nepal. The two countries' trade has been boosted by this politically open border. In the wider Himalayan belt, Nepal has trade ties with Tibet and Uttarakhand. Since ancient times, Nepal has been a significant hub for trade between India and Tibet since Nepal served as the passageway from India to Tibet.

Keywords: trading and commercial, Nepal and India relationship, trade relations between china and us, transactional relationship in business examples

Introduction

A higher standard of living, more employment opportunities, and the ability to enjoy a greater choice of commodities are all outcomes that may be directly attributed to increased international trade between countries with distinct economies. Since the beginning of human commerce, international trade has existed. However, in recent years, it has become significantly more important as a bigger percentage of GDP is devoted to exports and imports. This is due to the fact that more countries are participating in international trade (Embassy of India, Kathmandu, Nepal: About India-Nepal Relations, 2020) ^[1].

Both Nepal and India made a long and illustrious history, and that includes a long and illustrious history of trading among the two countries. Since ancient times, Nepal and India have engaged in commerce with one another, the primary focus of which has been on the regulation of various items. There are special bonds of friendship and collaboration which establish between Nepal and India. Characterized by the absence of a border and by the strong ties of kinship and other personal connections that exist between its inhabitants a mode of living. This continues to be the case. Nepal possesses a border that is more than 1,850 kilometers long with the Following five states of India: Bengal, Bihar, Uttar Pradesh, Sikkim and Bihar.



Fig 1: represents the map of Nepal borders for trading in India

Literature Review

According to (Embassy of India, Kathmandu, Nepal: About India-Nepal Relations, 2020) ^[1] the most important commercial partner that Nepal has with India. The total amount of money exchanged between the two countries during 2018-19 amounted to INR 57,858 Cr (US\$ 8.27 billion). In the fiscal year 2018-19, the value of Nepal's exports to India was INR 35,58 Cr (US\$ 508 mm), while the value of India's exports to Nepal was INR 54,300 Cr (US\$ 7.76 bn). Petroleum products, automobiles and spare parts, M. S. Billet, rice and paddy, various equipment and components, pharmacy, electrical apparatus, cement, agricultural device and parts, coal, M. S. Wires, rods, coils, bars, green party, cold-rolled plate in coil, thread, and other goods are among Nepal's most important imports from India. Since 1992, Nepal has adhered to an alternative policy that is liberal, and in 2014, the country adopted a new trade strategy. Since Nepal became a member of the WTO in 2004, its trade with other countries has increasingly focused on a wide range of countries throughout the globe. Nepal maintains trade relationships with more than a hundred different countries. Through the implementation of its National Trade Integration Strategy (NTIS) in 2010, Nepal acknowledged the eligibility of 19 products for export.

Investment from India in Nepal Indian businesses are most significant traders in Nepal, and their investments, they account for more than 30 percent of the total amount of foreign direct investments that are accepted by (INDIA-NEPAL BILATERAL RELATIONS, n.d.). There are roughly 150 Indian businesses now operating in Nepal, serving several industries including production, services (Throughout the period of a year, India and Nepal engage in the buying and selling of various goods to each other. In Jauljibi, there are a great number of shops owned by people from India. Nepalese people from the Hukku and Jaljiya villages of Nepal and the villages bordering Nepal live in. Because there are no stores on the other side of the bridge, the Nepali villages that are close by use Jauljibi as their primary commercial district. This bridge is used by the people traveling to and from the Nepalese communities that are located nearby, such as Sananchaura, Chaskot, Shankarpur, Arichina, and Reethachopata.

(India-Nepal Relations, n.d.) claims that the government of the organization used a rattling of the switches. According to the entries in Pradhuman Singh's diary, who held the position of Subedar in 1825 - "Ponies were used to transport our company to Pithoragarh from Almode, where the grain originated. From the Thagi nagarkoti in Pithoragarh, Captain Elliott was able to purchase 1 mana worth of rice, flour, and pulses for 1 rupee, as well as 1 goat for 4 Anne, 4 Sir ghee, and a 10 man wood contract for 1 rupee." During that time period, Soar did not have a very sizable marketplace where people could conduct business. The cantonment was merely symbolic, and as a result, consumption was severely restricted. Because of this, neighborhood merchants used to conduct business in Nepal, where they would negotiate prices for their wares, then carry those products on their backs to the mandis of Tanakpur, Haldwani, and Kathgodam to sell them. At that time, rice changed into offered for sale within the mandis of the world at a fee of two rupees mana (1 mana = 18 kg). Traders from the plains used to come here and load up their horses with goods like ghee, rice, and various grains before bringing them down to the ground level. If the local buyers around here used to approach the salmon themselves by horse, they might be able to receive freight at a fee that ranges from two to four rupees for each horse. In particular from the vantage points of Baramdev and Jhulaghat, Uttarakhand's trade with Nepal developed into what it is now. The information on Jhulaghat's imports and exports that follow spans the years 1876 to 188.

Table 1: represents the Nepal and India export and import

Year	Export from Uttarakhand to Nepal (in rupees)	Import of Uttarakhand from Nepal (in rupees)
1876-77	57000	67000
1877-78	74356	66655
1878-79	78626	86189
1879-80	88647	107326
1880-81	98540	101810
1881-82	96298	113985
1882-83	98640	135651
Total	592107	678616

Methodology

The data is gathered in this research is through the secondary source of data in which different articles, books and website. Different interviews of leaders in which they are talking and reviewing about the progress in trade between India and Nepal is analyzed and enough information.

Conclusion

Shown above figure of Uttarakhand-Nepal commerce and Indo-Nepal trade shows that while Uttarakhand's exports to Nepal in 1881-1882 were 1,01,810 rupees, 98,540 Indians from throughout the country also traveled

to Nepal. Nepal exported rupees. Uttarakhand's exports to Nepal were 21% of total exports. In 1881–82, Uttarakhand exported Rs 1, 13, 985 to Nepal, and India exported Rs 96,298. 23% of Uttarakhand's exports went to Nepal.

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