

India-Bhutan Relations [Latest Updates]

India Bhutan Relations is traditionally close as both countries share a special relationship based on culture and mutual interests. India remains influential over Bhutan's foreign policy, defence and commerce.

In April 2023, India announced several measures to support its neighbour's development plans, during Bhutan King's visit to New Delhi. The visit took place in the background of Bhutan's alluded boundary talks with China.

India-Bhutan relations are important in the international relations segment of the [UPSC Mains Exam](#)

History of India Bhutan Relations

Bhutan for much its history has preserved its sovereignty by being isolated from world events thanks to its mountainous geography. The first bilateral relation it established was in 1910 when it signed a treaty with the [British Empire](#), allowing it to 'guide' its foreign affairs and defence. When India became independent in 1947, Bhutan was one of the first to recognise it. Both the nations fostered close ties from then on.

Bhutan and India signed a Treaty of Friendship on August 8, 1949, calling for the two nations and non-interference in each other's internal affairs. The treaty also established free trade and extradition protocols. The treaty made Bhutan a protected state not a protectorate as it still has the power to conduct its own independent foreign policy.

China's annexation of Tibet brought the nation even closer, as India saw the relation with Nepal and Bhutan as the key to its 'Himalayan Frontier' security policy. In 1958 Prime Minister Jawaharlal Nehru (born on [November 14, 1889](#)) visited Bhutan and reiterated support for Bhutan's independence and later declared that any aggression against Bhutan would be seen as an act of war by India.

The '50s saw a significant increase in India's economic, military and development aid to Bhutan, which started on a programme to modernise its military. In spite of the good relations, India and Bhutan only completed demarcation talks between 1973 and 1984.

Border demarcation talks with India generally resolved disagreements except for several small sectors, including the middle zone between Sarpang and Geylegphug and the eastern frontier with the Indian state of Arunachal Pradesh.

In 2007 India re-negotiated the 1949 Friendship Treaty. The new treaty replaced the provision requiring Bhutan to take India's guidance on foreign policy and not requiring India's permission to obtain arms.

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The present Indian Prime Minister Narendra Modi chose Bhutan as his first foreign destination, placing regional co-operation before global co-operation. He had inaugurated the Supreme Court Complex in Bhutan and also promised help to Bhutan on the IT and digital sectors.

In January 21, 2021 India sent free doses of the Covid-19 vaccine to Bhutan. It also sent a batch to other nations such as Maldives and Bangladesh as a part of its "neighborhood first policy".

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India-Bhutan Commercial and Military Relations

In the 2012-2013 financial year, India's budgetary contribution to Bhutan stood around at INR 30 billion. It steadily rose over the years to reach INR 61.60 billion in 2015-2016 financial year. Making Bhutan the largest beneficiary to India's aid.

India operates 3 hydropower projects, of 1,416 MW in Bhutan and 3 more of 2,129 MW are under construction. The third Prime Minister of Bhutan Lotay Tshering secured an aid package of about \$635 million for the 12th five-year plan in his first overseas visit to India in November 2018.

India allows 16 entry and exit points for Bhutanese trade with other nations except for China and made an agreement with Bhutan to develop and import a minimum of 10,000 megawatts of electricity by 2021.

In military relations, a 2000-strong Indian Military Training Team (IMTRAT) is permanently based in western Bhutan. Other units of the Indian Army also closely cooperate with the Royal Bhutan Army in matters of anti-insurgency and counter-terrorism.

The Royal Bhutanese Army does not have a navy as it is a landlocked country and neither does it have an Air Force. Its air protection is provided by the Eastern Air Command of the Indian Air Force.

Why is the India-Bhutan relationship significant?

- Bhutan shares over a 600 km long border with India. Bhutan is a very important and strategic partner of India as it is a buffer between China and India.
- The interests of Bhutan are linked to the interests of India, and vice versa, by an institutional and economic framework.
- India is Bhutan's biggest development partner, as well as India, is the largest source of imports for Bhutan.

- India is helping Bhutan to harness hydroelectricity and purchasing hydroelectricity as well. Hence, hydroelectricity has become one of the biggest revenue earners of Bhutan, which makes Bhutan the country with the highest per capita income in South Asia today.

Should India be concerned about a possible breakthrough in Bhutan's boundary talks with China?

- Bhutan's boundary with China (to the west) is of exceptional relevance to India because of the presence of a trijunction of the three countries and its closeness to India's chicken neck (Siliguri corridor). Hence, this is not only a bilateral matter between Bhutan and China; India's interests are also involved.
- Bhutan is fully conscious of India's strategic needs under the Treaty of Friendship, 2007 and India and Bhutan consult at a high level to be able to maximize or reinforce their mutual strategic interests.
- India made it clear about Bhutan-China talks that it will not interfere in Bhutan-China negotiations but, when it comes to India's national security, it will not compromise.

What is Bhutan's stance on boundary discussion after the Doklam standoff between India and China in 2017?

- Bhutan decided not to decide on its border with China without taking into account India's interests.
- Bhutan is monitoring Chinese construction in disputed areas and keeping the Indian government informed. Similarly, India is being briefed by Bhutan at every stage about the developments on the border talks with China.

Point of concern for India:

- Much of the negative sentiments, and wrong information about India, are on social media in Bhutan. Bhutanese feel that Indians are using security issues as an excuse to keep Bhutan under India's control.
- China is employing all kinds of tools to attract the Bhutanese e.g. trade, their modern cities, and scholarships.

Way Forward:

- India must pay attention to the mood inside Bhutan, develop more understanding of Bhutanese sentiments, and reach out to young Bhutanese people through educational connections.
- India should not show any insecurity about emerging trends in Bhutan and Bhutan-China relationship but pursue this relationship with trust and complete faith.

FAQ about India - Bhutan relations

Q. What is the basic framework of India - Bhutan bilateral relations?

Treaty of Friendship and Cooperation was signed in 1949 between India and Bangladesh and was revised in February 2007. The Golden Jubilee of the establishment of formal diplomatic relations between India and Bhutan was celebrated in the year 2018.

Q. What is the cultural relations between India and Bhutan?

There are vibrant cultural exchanges between the two countries. A number of Bhutanese pilgrims travel to holy Buddhists sites in India. Reflecting the special nature of the relationship, the two countries share an open border (visa is not required) with regular exchange of travellers in both directions for work, tourism, shopping, medical care etc.,