

India-Bhutan Relations - Strengthening Timeless Ties

November 12, 2025 • vajiramandravi.com



Indian-Bhutan Relations Latest News

- The Prime Minister of India's **two-day state visit to Bhutan** marks a momentous occasion — the 70th birthday celebrations of the Fourth King, Jigme Singye Wangchuck (K4), father of the current monarch King Jigme Khesar Namgyel Wangchuck.
- The **visit reaffirms the India-Bhutan special partnership**, rooted in mutual trust, shared spiritual heritage, and developmental cooperation under **India's Neighbourhood First Policy**.

India-Bhutan Relations - Historical Depth and Enduring Friendship

- **Early foundations:**
 - The Fourth King, Jigme Singye Wangchuck, ascended the throne in 1972 at age 16, continuing his father's policy of **close ties with India**.
 - Appointed Chairman of Bhutan's Planning Commission (1971), he **coordinated the first Five-Year Plans** modeled on India's planning framework with Indian support since 1961.

- Pegged Bhutan's currency (Ngultrum) to the Indian Rupee at a 1:1 rate (1974), ensuring **stable bilateral trade and financial integration**.
- **Diplomatic and global outreach:**
 - Expanded Bhutan's diplomatic footprint while keeping India informed — joining the **UN (1971)** and **SAARC (1985)** as a founding member.
 - Initiated border talks with **China (1984)** in consultation with Indian leadership, reflecting **strategic transparency and coordination**.
- **Hydropower cooperation - The economic backbone:**
 - Laid the foundation for Bhutan's hydropower partnership with India — the **Chukha** (336 MW), **Kurichhu** (60 MW), and **Tala** (1,020 MW) projects.
 - These projects, built on a **grant-loan model** (60:40), became the bedrock of **Bhutan's export revenue** and **India's clean energy import**.
- **Security cooperation:**
 - Spearheaded **Operation All Clear (2003)** with Indian support to eliminate insurgent camps of ULFA, NDFB, and KLO from Bhutanese soil.
 - Strengthened **defence and border cooperation**, marking a milestone in regional security synergy.
- **Democratic transition and treaty modernisation:**
 - Abdicated the throne in 2006, paving the way for Bhutan's **democratic transformation (2008)**.
 - Oversaw the **India-Bhutan Friendship Treaty (2007)**, replacing the **1949** provision that Bhutan would be "guided by India" with mutual cooperation and sovereign equality.

Indian PM's Visit - Renewing Partnership and Vision

- **Key events and significance:**
 - He attended the 70th birthday celebrations of K4, recognising his **pivotal role in shaping India-Bhutan ties**.
 - Inaugurated the 1,020-MW **Punatsangchhu-II** Hydroelectric Project, a symbol of long-standing energy partnership.
 - Announced a ₹4,000 crore **concessional credit line** for new energy projects.
 - Reaffirmed India's ₹10,000 crore assistance under **Bhutan's 12th Five-Year Plan** for development across infrastructure, agriculture, finance, and healthcare.
- **New frontiers of cooperation:**
 - Expansion of collaboration in **fin-tech, innovation, entrepreneurship, and space technology**.
 - **Boosting rail connectivity** — linking Gelephu and Samtse with India's railway network to enhance trade access.
 - Strengthening **border infrastructure and inland waterways** for regional integration.
 - Finalisation of three MoUs in **renewable energy, healthcare, and mental health services**.
- **Cultural and spiritual ties:**
 - Indian PM offered prayers at the **Tashichhodzong Monastery** to the sacred Piprahwa relics of Lord Buddha, underscoring shared **Buddhist heritage**.
 - Participation in the Global Peace Prayer Festival symbolised **India-Bhutan's shared commitment to peace and harmony**.

Bhutan's Visionary Leadership - The Fourth King's Legacy

- **Gross National Happiness (GNH):**
 - Conceptualised the globally recognised philosophy of GNH, **redefining development** as human well-being beyond GDP.
 - **Advocated balance** between economic growth, cultural preservation, environmental sustainability, and good governance.
- **Guiding hand in modern Bhutan:**
 - Even post-abdication, K4 continues to be a **strategic advisor** for both the Bhutanese monarchy and government.
 - His leadership legacy forms the **bedrock of India-Bhutan bilateral relations**, with continued engagement by both nations' policymakers.

Way Forward to Further Strengthen India-Bhutan Relations

- **Deepening connectivity:** Fast-track the Gelephu-Samtse rail links and border infrastructure to enhance trade and mobility.
- **Energy diversification:** Expand cooperation in solar, hydro, and green hydrogen under the **India-Bhutan Energy Compact**.
- **Digital integration:** Implement **UPI** integration and promote **digital public infrastructure** in Bhutan.
- **Regional stability:** Maintain **coordinated security frameworks** against trans-border threats.
- **Cultural diplomacy:** Use shared Buddhist heritage to promote **people-to-people connect** and **regional soft power**.

Conclusion

- The Indian PM's **visit** to Bhutan not only commemorates the visionary leadership of K4 but also **rejuvenates the multidimensional India-Bhutan partnership**.
- From hydropower and connectivity to innovation and spiritual bonds, the relationship **epitomises India's Neighbourhood First and Act East policies**.
- As both nations embrace new technological and developmental frontiers, their enduring friendship continues to stand as a **model of mutual trust, respect, and shared prosperity in South Asia**.

Source: **ET** | **IE** | **IE**

Source: <https://vajiramandravi.com/current-affairs/india-bhutan-relations-strengthening-timeless-ties/>

© Vajiram & Ravi. For personal use only.