
India-Bhutan Relations

Diplomatic relations between India and Bhutan were established in 1968. The basic framework of India-Bhutan relations has been the Treaty of Friendship and Cooperation signed in 1949 between the two countries, which was revised in February 2007. The special ties of friendship, unique bilateral relations and close bonds between the people of the two countries have steadily grown and strengthened with time.

2. The special relationship has been nurtured by regular high level visits between the two countries.

3. At the invitation of His Majesty the King of Bhutan, Hon'ble Prime Minister of India, Shri Narendra Modi, undertook a State Visit to Bhutan from 11-12 November 2025. During the visit, PM Modi joined the people of Bhutan in marking the 70th Birth Anniversary of His Majesty the Fourth King of Bhutan and took part in the Global Peace Prayer Festival. His Majesty the King and PM Modi jointly inaugurated the 1020 MW Punatsangchuu-II Hydroelectric Project. Agreements in the fields of energy and health were concluded during the visit.

4. His Majesty the King of Bhutan (HM K5) visited India twice in 2025: in February 2025, to attend the Maha Kumbh Mela at Prayagraj; and in April 2025, to Assam when he visited the facilities at the Inland Waterways Terminal (IWT) and the Multi Modal Logistics Park (MMLP) at Jogighopa. In December 2024, His Majesty made an official visit to India, and met Prime Minister (PM) and External Affairs Minister (EAM) of India. Earlier, in April 2023, HM K5 visited Delhi and met the President of India, PM and EAM. HM K5 visited India again in November 2023. During this visit, His Majesty made his first official visit to the state of Assam and to Maharashtra. The Joint Statements issued during these visits stepped up India-Bhutan ties in various areas of cooperation.

5. PM Modi paid a State Visit to Bhutan in March 2024 when he received the Order of the Druk Gyalpo, the first foreign national to be given this prestigious award by Bhutan in recognition of PM's outstanding contribution to strengthening the India-Bhutan friendship. PM Modi had visited Bhutan on his first overseas visit after assuming charge in 2014, and Bhutan was among his first visits following the 2019 General Elections in India.

6. His Holiness the Je Khenpo, the Chief Abbot of Bhutan, visited India in September 2025 to preside over the consecration ceremony of the Royal Bhutan Temple at Rajgir, Bihar, where he was accompanied by the Prime Minister of Bhutan, Dasho Tshering Tobgay.

7. PM of Bhutan Dasho Tshering Tobgay visited New Delhi for the AI Impact Summit in February 2026, where he held a bilateral meeting with PM Modi. PM Tobgay paid an official visit to India in March 2024, his first overseas visit after assuming office in January 2024. PM Tobgay called on the President of India Smt. Droupadi Murmu and held discussions with PM Modi. PM Tobgay visited New Delhi in June 2024, for the swearing-in ceremony of PM Modi and his Council of Ministers. In February 2025, PM Tobgay visited New Delhi as Guest of Honour and the keynote speaker at the SOUL Leadership Conclave. In September 2025, PM Tobgay visited Rajgir, Ayodhya and New Delhi.

8. EAM Dr S. Jaishankar visited Bhutan in June 2019, his first overseas visit after assuming office. EAM also visited Bhutan in April 2022. There have been regular meetings of bilateral mechanisms covering diverse areas of cooperation. Foreign Secretary of India Shri Vikram Misri visited Bhutan in October 2025 for bilateral talks and had earlier undertaken his first overseas visit after assuming responsibility as Foreign Secretary, where he co-chaired the India-Bhutan Development Cooperation Talks ("Plan Talks") in July 2024.

9. Regular Ministerial meetings enable further strengthening of bilateral cooperation. Minister of Power and Housing & Urban Affairs Shri Manohar Lal visited Bhutan from 9-12 April 2026. During the visit, the two Ministers discussed bilateral cooperation in the field of energy, dam concreting works of Punatsangchhu-I Hydroelectric Project was recommenced and Tariff Protocol Punatsangchhu-II Hydroelectric Project too was signed.

10. Lyonpo D.N. Dhungyel, Minister for Foreign Affairs and External Trade of Bhutan visited New Delhi in March 2026 and March 2025 for the Raisina Dialogue, and Mumbai for the World Audio Visual & Entertainment Summit in May 2025. Lyonpo Gem Tshering, Minister of Energy and Natural Resources visited New Delhi in February 2026 for Punatsangchhu-I & II Hydroelectric Project Authority meetings and in March 2026 for Bharat Electricity Summit. In February 2025, Lyonpo Younten Phuntsho, Minister of Agriculture and Livestock, represented Royal Government of Bhutan at the Bengal Global Business Forum in Kolkata and at Advantage Assam 2.0 in Guwahati. Lyonpo Namgyal Dorji, Minister of Industry, Employment and Commerce, visited New Delhi for

the Bhutan Investment Roadshow in January 2025, and for the inauguration at Jogigopha Multi-Modal Logistics Park in Assam in February 2025.

11. At the invitation of the Royal Government of Bhutan, Chief Minister of Assam, Dr Himanta Biswa Sarma visited Bhutan from 16-19 December 2024 and held a business event. Hon'ble Chief Minister had an audience with Their Majesties, and met the Prime Minister of Bhutan. PM Tobgay held a meeting with Governor of Assam Shri Lakshman Prasad Acharya and the Chief Minister of Assam, Dr. Himanta Biswa Sarma in Guwahati in May 2026.

12. Other prominent visits to Bhutan from India in recent times include: visit of an Indian Parliamentary Delegation led by Hon'ble Deputy Chairman, Rajya Sabha, Shri Harivansh Narayan in May 2026; visit of Chief Justice of India Shri Surya Kant in February 2026 and then Chief Justice of India Shri B.R. Gavai in October 2025; visits of Union Minister of Social Justice and Empowerment, Dr Virendra Kumar and Union Minister of Parliamentary Affairs and Minority Affairs Shri Kiren Rijiju for the exposition of Holy Piprahwa Relics of Lord Buddha in Bhutan in November 2025; Union Minister Commerce & Industry Shri Piyush Goyal for the first India-Bhutan Startup Summit in February 2020; and Chief of Army Staff General Upendra Dwivedi in June 2025.

13. Key sectoral visits from India to Bhutan in recent times include: Secretary, Ministry of Power, Shri Pankaj Agarwal in June 2026; Secretary, Department of Posts, Ms Vandita Kaul in March 2026; Secretary, Department of Water Resources, River Development and Ganga Rejuvenation, Shri V.L. Kantha Rao in February 2026; Secretary, Department of Border Management, Ministry of Home Affairs, Dr Rajendra Kumar for the 14th Secretary Level Meeting on Border Management and Security Issues in October 2025; and Secretary, Ministry of Agriculture and Farmers' Welfare, Shri Devesh Chaturvedi in August 2025.

14. Important visits from Bhutan to India in the recent past include the visit of Lt Gen Batoo Tshering, Chief Operations Officer of the Royal Bhutan Army, to India in February 2025, his participation in International Fleet Review in Vishakhapatnam in February 2026 and in the United Nations Troop Contributing Countries Chiefs Conclave in New Delhi in October 2025. The Chief Justice of Bhutan Lyonpo Norbu Tshering visited New Delhi from 23-27 November 2025, when he attended the swearing-in ceremony of Chief Justice of India and Constitution Day programme. A delegation of higher judiciary members, including judges of the Supreme Court of Bhutan and the Chief Justice of High Court of Bhutan, were on a study visit to the Supreme Court of India and the Delhi High Court in May 2026.

Developmental Partnership

15. Since Bhutan's first Five Year Plan in 1961, India has closely partnered with Bhutan in its socio-economic development in line with the priorities of the people and the Royal Government of Bhutan. India's development assistance to Bhutan is coordinated under the overarching mechanism of Bilateral Development Cooperation Talks (Plan Talks) chaired by the two Foreign Secretaries.

16. For Bhutan's 13th Five Year Plan period (July 2024-June 2029), Government of India has committed INR 10,000 crores. Under this, 71 Project Tied Assistance projects amounting to approx. INR 6,650 crores and 571 High-Impact Community Development Projects (HICDP) projects amounting to approx. INR 846 crores are under implementation. Further, INR 1250 crores out of a commitment of INR 1500 crores, and INR 200 crores out of a commitment of INR 500 crores, has been disbursed to the Royal Government of Bhutan towards its Economic Stimulus Programme (ESP) and as direct budgetary support (programme grant) respectively.

17. The scope of the development cooperation projects span across sectors such as infrastructure development, roads, digital connectivity, energy, agriculture, livestock, ICT, health, education, human resource development and urban development. The High-Impact Community Development Projects are implemented at the level of communities with a short gestation period, and cover areas like drinking water supply networks, irrigation canals, farm roads, basic health units and other rural infrastructure.

Commerce, Trade and Investment

18. India's exports to Bhutan increased in 2025 by 9% to Nu. 110.15 billion from Nu. 101.30 billion in 2024, comprised primarily of electricity, petroleum fuel, food, wood charcoal, coke and semi-coke, ferrous products, soybean oil, automobiles, and smartphones. Bhutan's exports to India, increased in 2025 by about 18% to Nu 59.53 billion from Nu 50.43 billion in 2024, mainly comprised of electricity, ferro-silicon, wood products, agricultural produce, dolomite, gypsum, etc. The 2016 India-Bhutan Agreement on Trade, Commerce and Transit, establishes a free trade regime between the two countries and provides Bhutan duty free transit of goods to/from third countries. Ten (10) entry/exit points, i.e. Land Customs Stations (LCS), on the India-Bhutan border have been notified for trade between the two countries. Out of these, LCS Jaigaon-Phuentsholing accounts for almost 70% of Bhutan's total trade.

19. India has consistently been Bhutan's top trading partner (both as an import source and as an export destination). India's trade with Bhutan has nearly quadrupled from USD 484 million in 2014-15 to USD 1744.44 million in 2024-25, accounting for about two thirds of Bhutan's foreign trade.

20. Commerce Secretary (CS) Shri Sunil Barthwal co-chaired with Dasho Tashi Wangmo, Secretary, Ministry of Industry, Commerce and Employment the India-Bhutan Commerce Secretary Level Meeting (CSLM) in Thimphu on 27-28 September 2024. Key decisions taken during the CSLM includes notification of LCS Hatisar and LCS Darranga as additional routes for import of areca nut in India from Bhutan; notification of LCS Darranga as additional Point of Entry for import of food items in India from Bhutan; establishment of border haats along India-Bhutan border; inclusion of three additional species of timber for import from Bhutan to India; and deployment of Phyto Quarantine Inspection Services (PQIS) at LCS Darranga. Seventh meeting of the Joint Group on Customs was held in India in April 2026 for streamlining of customs matters between the two sides following which Samrang has been notified as a LCS between the two countries.

21. India remains the leading source of investments in Bhutan, accounting for over 55% of the country's total Foreign Direct Investment (FDI). Currently, there are about 30 Indian FDI companies in Bhutan in various sectors - banking, manufacturing, electricity generation, agri/food processing, ITES, pharmaceuticals, hospitality, and education. The Druk PNB Bank in Bhutan has 51% shareholding from Punjab National Bank, India and the Bank of Bhutan has 20% equity participation from the State Bank of India.

Energy cooperation

22. The two countries enjoy long-standing and mutually-beneficial cooperation in the hydropower sector. Government of India and Royal Government of Bhutan have jointly constructed five major hydroelectric projects (HEP) in Bhutan totaling 3156 MW (about 90% of Bhutan's installed electricity generation capacity) viz. 336 MW Chukha HEP (1988), 60 MW Kurichhu HEP (2001), 1020 MW Tala HEP (2007-08), 720 MW Mangdechhu HEP (2019) and 1020 MW Punatsangchhu-II HEP (2025). Mangdechhu HEP was awarded the prestigious Brunel Medal for Excellence in Engineering by the Institute of Civil Engineers, London in 2020. 1200 MW Punatsangchhu-I HEP is currently under construction under an inter-governmental framework.

23. In 2024, a Joint Vision Statement on India-Bhutan Energy Cooperation was signed and in November 2025, an MoU on renewable energy cooperation was signed. The cooperation envisages development of new energy projects, trade in electricity, cooperation in the fields of solar and green hydrogen. Several Indian energy entities have engaged with Bhutan for power generation, financing of energy projects and power trade, including the 600 MW Khorlochhu HEP, 570 MW Wangchu HEP and 1125 MW Dorjilung HEP which are under construction. International Solar Alliance is cooperating with Bhutan under its country partnership strategy framework.

24. Electricity trading is a growing field between the two countries where Bhutan exports power to India during its surplus season and imports power from India during lean period every year. In the year 2025, electricity export by Bhutan to India realized at INR 2471 Crore. India has subsequently facilitated the access of Basochhu, Nikachhu and Suchhu HEPs for trading on Day Ahead and Real Time Markets in the Indian power exchanges.

Economic and Technological Cooperation

25. Fin-tech is a developing domain of collaboration between India and Bhutan. The RuPay Card was launched in Bhutan in two phases - Phase I was launched in 2019, to enable acceptance of payments in Bhutan using RuPay cards issued by Indian banks. Phase-II was launched in 2020, to enable acceptance of payments in India using RuPay cards issued by Bhutanese banks, thereby enabling the full inter-operability of the flagship project. In 2021, India's Bharat Interface for Money (BHIM) application was launched in Bhutan with the objective of promoting cashless payments between the two nations. Payments from Indian visitors through major UPI apps - BHIM, PhonePe, Paytm, and Google Pay – are accepted in Bhutan using the existing National QR system. Work is ongoing to enable Bhutanese visitors to India to make payments using local mobile applications by scanning QR codes.

26. Space cooperation is an emerging area of bilateral cooperation. A Ground Earth Station of the South Asia Satellite in Thimphu was inaugurated in August 2019, which enables broadcasting of television by Bhutan's Broadcasting Service across Bhutan. First jointly developed India-Bhutan satellite was launched on 26 November 2022 from Sriharikota, India. Chairman, Indian Space Research Organisation (ISRO). Shri S. Somanath inaugurated the ground earth station for the India-Bhutan Satellite in March 2023 in Bhutan. Several capacity building initiatives and training programs for Bhutan's government officials, engineers and students have been organised at ISRO facilities in India as well as at College of Science and Technology, Phuentsholing. A high-level delegation from ISRO and the Indian Institute of Space Science and Technology, led by

Scientific Secretary, ISRO, Mr Ganesh Pillai visited Bhutan in February 2026 for the Bhutan Space Week.

27. India and Bhutan signed a Joint Plan of Action on Space Cooperation (JPoA) in March 2024. Under the JPoA, India has allocated additional 16 MHz on the second transponder of the South Asia Satellite for use by Bhutan. The first meeting of the Joint Working Group under the Action Plan took place in Thimphu in September 2024 and the second meeting was held in Bengaluru in April 2026.

28. The first India-Bhutan JWG on Environment was held in Thimphu in October 2024, followed by the second JWG meeting in April 2026, during which both sides held discussions on expanding bilateral cooperation in the environment and climate change, trading of carbon credits, creating institutional linkages, and covering areas like biodiversity, waste management and training of human resources.

29. The integration of Bhutan's DrukRen with India's National Knowledge Network supports e-learning cooperation between the two countries. This integration creates an information highway between the universities, research institutions, libraries, health-care and agricultural institutions of the two nations. The network provides 5 GBPS bandwidth to 28 active DrukREN members including top universities, colleges and hospital in Bhutan and benefits more than 10,000 users.

30. India has supported health infrastructure building in Bhutan, including the eminent Jigme Dorji Wangchuck National Referral Hospital in Thimphu. An MoU between the two Health Ministries for guiding cooperation in the sector was signed in November 2025. An MoU between the PEMA Secretariat and India's leading institute NIMHANS, Bengaluru facilitates long-term capacity building collaboration for enhancement of mental health services. Indian nurses support healthcare facilities in Bhutan and hundreds of Bhutanese travel to India for healthcare and specialized treatment annually in India.

Financial Collaboration

31. **Currency Swap Facility:** Under the SAARC currency swap arrangement, Reserve Bank of India (RBI) signed USD 200 million INR equivalent arrangement with Bhutan's Royal Monetary Authority (RMA) in November 2022. RBI has started a new Framework on Currency Swap Arrangement (FCSA) 2024-27 for SAARC countries and under the new framework, Bhutan has availed INR 1500 crores (15 Billion) under the INR window for a period of 6 months.

32. **Standby Credit Facility:** On the request of Bhutan, GoI has agreed to reduce the rate of interest on two Standby Credit Facilities of INR 300 crores (3 Billion) and 400 crores (4 Billion) from 5% to 2.5% w.e.f 01 July 2022. GOI has recently extended an additional Standby Credit Facility of INR 300 crores (3 Billion) to Bhutan, which has been availed by Bhutan since 29 November 2023.

Cross Border infrastructure and connectivity

33. Enhancing cross-border connectivity and infrastructure is a subject of regular discussions and efforts between the Government of India and the Royal Government of Bhutan. Last round of Secretary-level discussions on border management was held in Thimphu on 16-17 October 2025, where further efforts on improving border facilities, security and related issues were discussed.

34. An Inter-Governmental MoU for the Establishment of Railway Links between India and Bhutan was signed on 29 September 2025. The MoU envisages establishment of cross-border rail links, connecting Kokrajhar-Gelephu (Bhutan-Assam Border) and Banarhat-Samste (Bhutan-West Bengal Border), totalling 89 km at an estimated cost of INR 4,033 Crore. The two sides are engaged on the implementation of the rail links. The first meeting of the bilateral Project Steering Committee under the MoU took place in November 2025 in New Delhi.

35. To facilitate movement of people, an Immigration Check Post was inaugurated at Darranga, Assam on 07 November 2024. In November 2025, PM Modi announced the decision to open Immigration Check Post at Hatisar (Gelephu). For modernizing trade infrastructure and facilities, discussions are under way to construct Integrated Check Post between the two countries. Upgradation of existing Land Customs Station at Dadgiri (Assam) to Integrated Check Post along with development of facilities on the Bhutanese side at Gelephu (Bhutan) are also under discussion.

Education and Capacity Building

36. Education is a strong pillar of cooperation between India and Bhutan through scholarships, support to educational facilities, training opportunities and other institutional engagements. The Scholarship Schemes include the ICCR Scholarship, Ambassador's Scholarship, Nehru Wangchuck Scholarship, project assistance based Undergraduate Scholarship, Nalanda University Scholarship, India-Bhutan Friendship Scholarship at IIT Kanpur, among others. In 2025-26, around 1900 Bhutanese students studying in Indian colleges and institutes received Indian scholarships. In addition, many Bhutanese youth also enroll as self-financed students in Indian universities. In recent years, over 50 teachers from India in the disciplines of Science, Technology,

Engineering and Mathematics have been recruited by Bhutan in for teaching at schools in Bhutan.

37. Under the Indian Technical and Economic Cooperation program, about 325 seats are offered annually to Bhutan for training at world class training institutions in India covering various fields. In the last decade, more than 3,000 Bhutanese nationals have availed of various ITEC training programs in India. About 20 Bhutanese Civil Service personnel participate annually in the Foundation Course at the leading academy of LBSNAA, Mussoorie, Foreign Service Academy SSIFS, Delhi, and at service-specific training at India's top Government Academies.

Cooperation on Gyalsung - National Service Program

38. Gyalsung, Bhutan's National Service Programme, is an initiative of His Majesty the King of Bhutan to train the youth to contribute to nation-building efforts. Under India-Bhutan MoU signed in January 2024, India provided concessionary financing assistance of INR 1500 Crore to the Gyalsung Infrastructure Project. Earlier, in February 2023, an initial grant assistance of INR 200 Crore was provided for the Desuung for Gyalsung programme. Master trainers for the Gyalsung project have undergone Training of Trainers courses at Indian institutions. India has also supported training for Desuung (volunteers for peace) programme of Bhutan.

Culture and People-Level ties

39. The Nehru Wangchuck Cultural Centre under the Embassy in Bhutan established in the year 2010, promotes understanding and learning of Yoga, Indian classical music and other cultural activities between the two countries. The Indian Council of Cultural Relations' troupes of artists perform in Bhutan from time to time. Last performance was organized at several locations in Thimphu and in Phuentsholing in January 2026 coinciding with the Republic Day celebrations. A Traditional Music Group from Bhutan visited India for the BIMSTEC Traditional Music Festival held in New Delhi in July-August 2025.

40. India and Bhutan share close spiritual and cultural heritage of Buddhism. Bhutanese pilgrims travel to Bodh Gaya, Rajgir, Nalanda, Sikkim, Udayagiri, Sarnath and other Buddhist sites in India. The construction of the Royal Bhutan Temple in Rajgir was completed in 2025, which adds to the Royal Bhutanese monastery in Bodhgaya. In November 2025, Government of India announced a decision to grant land to Bhutan for building a Buddhist temple at Varanasi, and in June 2026 lease agreement for the land was signed between the two sides.

41. An exposition of Holy Piprahwa Relics of Lord Buddha from India was organised in Thimphu from 08-25 November 2025, coinciding with Bhutan's Global Peace Prayer Festival. Alongside the exposition, the International Buddhist Confederation and the Ministry of Culture, GoI, organised three exhibitions: on Guru Padmasambhava; on the excavation and significance of Buddha Relics; and on Lord Buddha's path to enlightenment.

42. The Zhabdrung Statue, currently on display at the Simtokha Dzong near Thimphu has been loaned by the Asiatic Society, Kolkata to the Royal Government of Bhutan. [Zhabdrung is the title of Ngawang Namgyal, a 16th century Buddhist revered figure in Bhutan, regarded as the founder of the modern nation state of Bhutan]. On 19 June 2021, a subtle smiling 3.3 feet high bronze cast statue of Lord Buddha in a lotus pose, commissioned by ICCR and weighing approximately 200 kgs., was handed over to Bhutan, which was consecrated and enshrined at the grand *Kuenrey* (sanctum sanctorum) of the Tashichodzong on 20 June 2021, coinciding with the birth anniversary of *Guru Padmasambhava*.

43. India-Bhutan Foundation: The India-Bhutan Foundation (IBF) was established pursuant to an Memorandum of Understanding between India and Bhutan in New Delhi on 29 August 2003. The Foundation supports exchanges amongst the people of India and Bhutan through activities in educational, cultural, scientific and technical fields. The management and affairs of the IBF are vested in a Board of Directors comprising ten members in total, which is co-chaired by the Ambassador of India to Bhutan and the Ambassador of Bhutan to India. The 24th meeting of the Board of Directors of the IBF was held in Leh, Ladakh, in May 2026, which approved scores of activities for people-level exchanges in 2026-27.

Indian Diaspora

44. About 50,000 Indians including short-term workers are presently working in Bhutan in sectors such as infrastructure development, hydropower, education, trade and commerce, teaching, hospitality, Project DANTAK (under Border Road Organization), etc.

June 2026