**Gorkhapatra Corporation Act, 2019 (1963)**

**Date of authentication and publication in Nepal Gazette**

2019.12.30 (2 April 1963)

**Amendments**

1. *Gorkhapatra* Corporation (First Amendment) Act, 2028 (1972)  
   Date of authentication: 2028.12.20 (2 April 1972)

2. Communication Related Some Nepal Acts Amendment Act, 2029 (1972)  
   Date of authentication: 2029.6.5 (21 Sept. 1972)

3. Judicial Administration Reform (Fourth Amendment) Act, 2043 (1986)  
   Date of authentication: 2043.7.24 (10 Nov. 1986)

4. *Gorkhapatra* Corporation (Second Amendment) Act, 2045(1988)  
   Date of authentication: 2045.7.10 (26 Oct. 1988)

   Date of authentication: 2047.7.14 (31 Oct, 1990)

   Date of authentication: 2055.3.10 (24 June 1998)

   Date of authentication: 2057.10.18 (31 Jan. 2001)

   Date of authentication: 2066.10.7 (21 Jan. 2010)

Act number 64 of the year 2019 (1963)

¹ This Act came into force on 15 Jestha 2065.
² Deleted by Republic Strengthening and Some Nepal Laws Amendment Act, 2066.
An Act made to establish and provide for the Gorkhapatra Corporation

Preamble: Whereas, it is expedient to form and provide for the Gorkhapatra Daily as a corporation in order to elevate the standard of its publication and make more timely and popular and effective by taking out the operation and publication of the Gorkhapatra Daily from the control of the Government of Nepal any by forging the involvement of the general people therein to the extent possible, for the convenience and economic interest of the people of Nepal;

Now, therefore, be it enacted by His Majesty King Mahendra Bir Bikram Shah Dev has in accordance with Article 93 of the Constitution of Nepal.

Chapter-1

Preliminary

1. Short title, extension and commencement: (1) This Act may be called as the "Gorkhapatra Corporation Act, 2019 (1963)."

   (2) This Act shall extend throughout 3 Nepal.

   (3) This Section of this Act shall come into force immediately, and the Other Section shall come into force on such date as may be appointed by the Government of Nepal, by publishing a Notification in the Nepal Gazette.4

2. Definitions: Unless the subject or the context otherwise requires, in this Act:

   (a) "Corporation" means the Gorkhapatra Corporation established under this Act.

   (b) “Board” means the board of directors of the Corporation.

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3 Deleted by Republic Strengthening and Some Nepal Laws Amendment Act, 2066.

4 Appointed as to commence on 2020.3.25. (Nepal Gazette 2020.3.25.)
(c) "General Manager" means the then general manager of the Corporation, and this term also includes a person acting for him or her.

(d) "Shareholder" means a shareholder who subscribes a share duly allotted pursuant to this Act.

(e) "Prescribed" or "as prescribed" means prescribed or as prescribed in the Rules or Bye-laws framed under this Act.

Chapter-2

Establishment, capital and provision

3. Establishment of the Corporation: (1) There shall be established a Corporation by the name of the "Gorkhapatra Corporation".

(2) The Corporation shall be an autonomous body corporate with perpetual succession. This Corporation shall have a separate seal of its own for all of its activities. It may, subject to this Act and the prevailing Nepal laws, acquire, use, sell and transmit any movable and immovable property. It may sue by its name and be also sued by the same name.

(3) The head office of the Corporation shall be situated in Kathmandu, and it shall be lawful for the Corporation to appoint agents, news reporters or sales centers within ……

5 Nepal or in foreign countries.


(2) The Government of Nepal shall subscribe at lest Fifty One percent shares of the Corporation, and out of the total capital, a maximum of Twenty Five percent shares shall be sold to the employees of the Corporation (Board), as prescribed. The remaining shares shall be sold to

5 Deleted by Republic Strengthening and Some Nepal Laws Amendment Act, 2066.
6 Amended by the First Amendment.
7 Amended by the Communication Related Some Nepal Acts Amendment Act, 2055.
the general people. Any employee shall not sell the shares subscribed by him or her while he or she serves for the Corporation.

(3) Each share shall be indivisible.

(4) Restriction may generally be made on the sale of shares in excess of the prescribed percentage\(^8\) to any person or company except any employee of the Corporation.

(5) The liability of shareholders of the Corporation shall be limited.

5. **Disqualification for shareholder:** Any person, other than a citizen of Nepal or a company or cooperative body registered under the Nepal laws shall not be entitled to subscribe shares of, or be a shareholder of the Corporation.

6. **Power to receive grant and borrow loan:** The Corporation may borrow cash or in-kind or accept a grant as required to increase its working capital, in accordance with a resolution adopted by the general meeting, after the provision of the general meeting has been made, and failing the provision of the general meeting, by obtaining approval of the Government of Nepal, until the provision of the general meeting is made.

Provided that, the Corporation shall not borrow a loan or accept a grant from any foreign agency without obtaining approval of the Government of Nepal.

7. **Management:** The Board shall look after, direct and manage all the functions and affairs of the Corporation, except as otherwise mentioned in this Act or the Rules, Bye-laws framed under this Act.

Provided that, the Board may so delegate such duties and powers, out of the duties and powers set forth in this Act or the Rule or Bye-laws framed under this Act as it deems necessary and appropriate to the general

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\(^8\) Amended by Communication Related Some Nepal Acts Amendment Act, 2029.
manager or a sub-committee consisting of one or more directors or other officers of the Corporation as to be performed and carried out by them.

8.9 **Formation of the Board and tenure of directors:** (1) The Board of Directors (hereinafter referred to as "Board") shall consist of Five directors as follows:

(a) The general manager of the Corporation,

(b) One person elected by the general meeting from amongst the non-governmental shareholders,

(c) One person nominated by the Government of Nepal in respect of the governmental shares,

(d) One person nominated by the Government of Nepal from amongst the persons who are renowned in the field of journalism, publication or literature, and

(e) One person elected from the shareholder employees of the Corporation.

(2) Pending the provision of election by the general meeting or that of election by the shareholder employees under Clause (e) of Sub-section (1), the Government of Nepal shall also nominate the directors required to be elected by the shareholders.

(3) The Government of Nepal shall designate the chairperson of the Board and the general manager of the Corporation shall preside over the Board until the chairperson is designated.

(3a) The tenure of the directors elected or nominated under Clauses (b), (c), (d) and (e) shall be Four years, and upon the expiration of their tenure, they may be re-elected or re-nominated.

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9 Amended by First Amendment.
10 Amended by Communication Related Some Nepal Acts Amendment Act, 2029.
11 Inserted by Second Amendment.
(4) Notwithstanding anything contained in Sub-section (3a), the Government of Nepal may nominate any other person in the place of a director nominated under Clauses (c) and (d) of Sub-section (1) prior to the completion of the tenure of such a director.

(5) Upon assumption of office after being elected by the general meeting or employees of the Corporation, the directors nominated by the Government of Nepal shall ipso facto relive of office in relation to them.

(6) .........................

9. Disqualification for director: Any of the following persons shall not be eligible to be a director or hold the office of director:

(a) Who is of unsound mind or is insane;
(b) Who is convicted by a court of a criminal offense involving moral turpitude, and sentenced to imprisonment for a term exceeding Six months and a period of Five years has not lapsed from the date of the service of such a sentence of imprisonment;
(c) Who has become insolvent; or
(d) Who has any kind of personal interest in any contract with or transaction of the Corporation.

10. Circumstance where director may be removed: (1) The nominated director may be removed by the Government of Nepal and the elected director may be removed by a majority of the shareholders present at the general meeting, in the following circumstance:

(a) If he or she suffers any disqualification set forth in Section 9,
(b) If he or she absents from the meeting of the Board for more than Three consecutive meetings, without permission of the Board and the reason for such absence is not reasonable in the

12 Amended by Second Amendment.
13 Amended by Communication Related Some Nepal Acts Amendment Act, 2029.
14 Deleted by Second Amendment.
15 Amended by First Amendment.
opinion of the Government of Nepal, in the case of the nominated director, and of the general meeting in the case of the elected director, or

(c) If he or she is proved to have partnership in any contract entered into with the Corporation in violation of Section 16.

11. **Resignation of directors and fulfillment of vacancy:** (1) Any nominated director may resign from office by giving a notice in writing to the Government of Nepal and any elected director may do so by giving such a notice to the Board. Upon acceptance of resignation, he or she shall be deemed to have abandoned the office.

   (2) If the office of a director falls vacant because of his or her death, resignation or any other reason, the vacancy shall be fulfilled by another nomination or election, as the case may be, and such a director shall hold the office only for the remainder of the term of the predecessor.

   (3) Any acts of the Board already done shall not be invalid by the reason only that any irregularity was made in the formation of the Board or that the office of any director fell vacant.

12. **Remuneration of directors:** The remuneration of the directors shall be as prescribed.

13. **Meetings of the Board:** (1) The meeting of the Board shall be held at such place and time as specified by the Board, and the rules of procedures of the Board shall be as prescribed. Meetings of the Board shall be presided over by the chairperson or by a director selected by the directors from amongst themselves, in the absence of the chairperson.

   (2) If more than Fifty percent of the then directors of the Board are present in a meeting of the Board, the quorum of the Board shall be deemed to have been constituted, and if the meeting is not attended by the quorum, the meeting shall be adjourned.
(3) The decision of a majority of the directors who attend and vote at the meeting of the Board shall be binding. The director presiding over the meeting shall not generally be entitled to vote, but may exercise the casting vote in the event of a tie.

14. **Appointment of general manager, advisers and employees**: (1) The Government of Nepal may appoint one general manager and such other advisers as may be required, and the Corporation may appoint other employees, for the operation of the affairs of the Corporation. Their terms and conditions of service, tenure and remuneration shall be as prescribed.

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(2) Appointment and terms and conditions of service of employees may be so made that the employees of the Corporation has to subscribe the shares of the Corporation mandatorily from such figure of remuneration as drawn each month as prescribed.

Provided that, no share shall be sold to the employees who have been appointed on the temporary basis and on the contract service.

15. **Director not to take part in meeting**: The general manager or employee who is a director pursuant to Section 8 shall not be allowed to take part, in the capacity of the director, in a meeting of the Corporation held to take action against the general manager or that employee.

16. **Restriction on director and general manager of the Corporation**: The director or [general manager](#) of the Corporation shall not be a partner in any contract with the Corporation.

Provided that, immediately when each director or the general manager knows that he or she has directly or indirectly any concern in any contract made by or proposed to be made by the Corporation or any

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16 Amended by First Amendment.
17 Proviso deleted by Communication Related Some Nepal Acts Amendment Act, 2047.
18 Amended by Second Amendment.
19 Amended by Communication Related Some Nepal Acts Amendment Act, 2057.
contract made by or proposed to be made by any subsidiary body of the Corporation and submitted to the Corporation for its consideration, such a director or general manager shall disclose the matter to the meeting of the Board as soon as possible. The matter so disclosed shall be recorded in the minutes, and the concerned director shall not take part in any deliberations or decisions made by the Board in relation to that contract.

Chapter-3

Functions and duties of the Corporation

17. **Functions and duties of the Corporation:** (1) It shall be the duty of the Corporation to provide information about native and foreign news and other useful matters to the general people …………… in a simple, easily accessible and affordable manner, through publication and distribution of newspapers and magazines containing healthy, responsible and entertaining materials from the standpoints of national viewpoint and coverage………..

(2) Without prejudice to the generality of the powers and duties under Sub-section (1), the Corporation may perform the following functions or exercise the following powers:

(a) To carry out all acts including the printing, publication, distribution and operation of the *Gorkhapatra* Daily,

(b) To improve the standards of various editions and publications of the *Gorkhapatra* Daily and the Rising Nepal, and widely cover native and foreign news to the extent possible,

20 Amended by the First Amendment.
21 Deleted by Republic Strengthening and Some Nepal Laws Amendment Act, 2066.
22 Deleted by Communication Related Some Nepal Acts Amendment Act, 2047.
(c) To make such publications of such kinds as are attractive, interest, culture identifying and entertaining and may keep on developing the feeling of nationality and democratic spirit,

(d) ......................

(e) To fix size and form of, and fix and collect price and other fees, of the *Gorkhapatrai Daily* and the *Rising Nepal* and various edition of other publications of the Corporation,

(f) To print the matters offered by the people general for publication by collecting the required fees, in addition to the functions required to be performed by it,

(g) To provide for education and training on matters of the Corporation for the persons within or outside the Corporation,

(h) To obtain, use and transmit any movable, immovable property in order to perform such functions as the Corporation is entitled to perform,

(i) To give and take and implement all kinds of contracts that may contribute to the exercise and performance of its powers and duties,

(j) To borrow money from others against the security of any property of the Corporation,

(k) To rent, sell or otherwise deal with any property of the Corporation,

(l) To pay interests on deposits/security and distribute share dividends of the Corporation,

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23 Amended by Communication Related Some Nepal Acts Amendment Act, 2047.
(m) To make necessary publicity in order to enhance the trust of people with its publication,

(n) To open sales centres or give agency in various places within Nepal and abroad for the collection and sale and distribution of its publications,

(o) To provide for pension or gratuity to its officers or other employees and open saving accounts,

(p) To invest its money in such securities as specified by the Government of Nepal,

(f) To perform all such other functions as may be necessary to perform and exercise its duties and powers under this Act and to implement the objectives of this Act and may be required in that course.

18. To obtain prior approval of the Government of Nepal: The Corporation shall not do the following act without obtaining prior approval of the Government of Nepal:

(a) To expend capital to purchase or obtain any immovable property or any other goods valued at more than Ten Million Rupees, or

(b) To take or furnish security of any immovable property for a term more than Ten years, or

(c) To sell or transmit any property or right or facility valued at more than Five Hundred Thousand Rupees.

19. To submit programmes: (1) The Board shall, at least Three months in advance of the commencement of the financial year of the Corporation, submit proposed cost estimate along with the programmes on operations to

25 Amended by Republic Strengthening and Some Nepal Laws Amendment Act, 2066.
26 Amended by Second Amendment.
27 Amended by Communication Related Some Nepal Acts Amendment Act, 2055.
28 Amended by Second Amendment.
29 Amended by Second Amendment.
be carried out by the Corporation and its subsidiary organs in the coming financial year, development works, capital investment and details of additional employees, if so required, to the general meeting for approval.

(2) If the Board desires to do any other special business, in addition to the programmes already submitted pursuant to Sub-section (1), in any financial year, and it may make a substantial change in the proposed cost, the Board shall submit such supplementary programmes and the costs to be borne when remaining amounts to be received in the said financial year to the general meeting for approval.

(3) Until the provision of the general meeting is made, the Board shall submit the statements as referred to in Sub-sections (1) and (2) to the Government of Nepal.

**Chapter-4**

**General meeting**

20. **General Meeting:** (1) A general meeting (hereinafter referred to as the annual general meeting) shall be held at the head office of the Corporation in each year within Two months after the date of closure of annual accounts of the Corporation, following the sale of shares of at least Five percent value of the share capital issued by the Corporation for sale to the general people. If at least Fifty shareholders make an application in writing or the Board considers necessary so to do, the extra-ordinary general meeting of the Corporation shall be held at any other time.

(2) If at least 100 (One Hundred) shareholders does not attend a general meeting convened for the first time, the quorum for the general meeting shall not be deemed to have been constituted. A general meeting called for the second time upon not being attended by the quorum may be deemed to be attended by the quorum if it is attended by 50 (Fifty) shareholders. Provided that if the general meeting called for the second
time is not even attended by a quorum as mentioned, a submission containing that matter shall be made to the Government of Nepal, and it shall be done as sanctioned.

(3) The shareholders present at the annual general meeting shall discuss the annual accounts, profit and loss account, matters contained in the auditor's report in relation thereto and the Board's report on the affairs of the Corporation carried out throughout the year. These matters shall be submitted to the Government of Nepal until the provision of the annual general meeting is made.

(4) A shareholder may cast vote at the rate of one vote for every one percent share of the total capital of the Corporation subscribed by the shareholder.

Provided that:

(a) No shareholder who has subscribed shares less than One percent of the total capital of the Corporation shall be entitled to caste vote.

(b) If the share percentage is more than One unit, the shareholder shall be entitled to cast vote only equal to the lower unit until the higher unit is achieved.

(4a) No shareholder may exercise vote without being present at a annual general meeting in person or by proxy.

(5) Any decision at the general meeting shall be made by a simple majority of the shareholders and proxies attending and voting thereat.

21. **Power of Government of Nepal to make decisions and give directions:** (1) If there is divergence of opinion between the general meeting and the Board on the operation of the Corporation, a submission

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30 Amended by Communication Related Some Nepal Acts Amendment Act, 2029.
31 Inserted by Communication Related Some Nepal Acts Amendment Act, 2029.
shall be made to the Government of Nepal for its decision, and the decision made thereon by the Government of Nepal shall be final.

(2) If the Government of Nepal considers appropriate so to do for national interest, it may give direction as follows to the Corporation, and it shall be duty of the Corporation to abide such a direction:

(a) To operate any specific service or carry out any other act in any specific area, or
(b) To refrain from doing any act being done by the Corporation in any specific area, or to alter such an act or close the same totally, or
(c) Not to do any act about to be done by the Corporation.

22. **Power of Government of Nepal to make inquiries into activities of Corporation:** (1) The Government of Nepal may, by publishing a Notification in the Nepal Gazette, appoint one inspector to inquire into the affairs of the Corporation.

Provided that, the Corporation shall not be bound to bear the expenses incurred in such inspection.

(2) The inspector appointed under Sub-section (1) shall be entitled to examine all accounts and books of accounts and documents of the Corporation.

(3) The inspector appointed under this Section shall submit its report to the Government of Nepal.

**Chapter-5**

**Fund, accounts and audit**

23. **Fund of the Corporation:** (1) The Corporation shall have a separate fund of its own, and all amounts received by the Corporation including loans and grants shall be credited to the fund, and the expenses to be made on behalf of the Corporation shall also be chargeable on that fund.
(2) All amounts of the fund shall be deposited in the Nepal Rastra Bank or any other bank as permitted by the Government of Nepal.

(3) The Board shall have powers to make such expenses as considered appropriate for the activities authorized pursuant to this Act and the Rules, Bye-laws framed under this Act.

24. **To bear liabilities:** Any liabilities devolved on by the Government of Nepal or assumed by the Government of Nepal and contracts in relation to the matters set forth in this Act, prior to the commencement of this Act, shall be deemed to have been undertaken, assumed or entered into with or by or on behalf of the Corporation to the extent that as set aside by the Government of Nepal for the Corporation.

25. **Mode of maintaining accounts:** Accounts of incomes and expenses of the Corporation shall be maintained in such form and manner as may be approved by the Government of Nepal.

26. **Distribution of profits:** The distribution and use of profits made by the Corporation shall be as prescribed.

27. **Audit:** (1) The accounts of the Corporation shall be audited by a total of Two auditors, consisting of One auditor designated by the Government of Nepal and the other selected by the shareholders. The auditor to be selected by the shareholders shall be selected at the annual general meeting, and the remuneration of the auditor shall also be specified by that meeting.

   Provided that, one auditor designated by the Government of Nepal shall perform the audit until the provision of the general meeting is made.

   (2) If the office of the auditor selected by the general meeting falls vacant for any reason, the Government of Nepal may fill the vacancy until another general meeting is held.

   (3) It shall be the duty of the auditors to audit the annual accounts and profit and loss account and related receipts of the Corporation. All
records of accounts and books of the Corporation shall be made available to the auditors. They may, at any reasonable time, inspect and examine any accounts and documents of the Corporation or held by any of its office-bearer or employee in any place.

(4) The auditors shall submit one copy of the audit report made by them to the Government of Nepal and the other copy to the annual general meeting of the Corporation, after the provision of the general meeting is made. The report shall clearly state the following matters:

(a) Whether annual accounts and profit and loss account have been so properly and duly maintained, clearly indicating all required matters as to reflect the actual financial condition of the Corporation or not;

(b) Whether the Corporation has provided any such explanation or information as sought by the auditors or not, and if so provided, whether such explanation or information is satisfactory or not;

(c) Whether the annual accounts and profit and loss accounts submitted are in order or not.

(5) The auditors may submit such proposals at they consider appropriate for the proper arrangement of the Corporation. The Board shall include the proposals so submitted in the agenda of the general meeting.

(6) The Government of Nepal may, at any time, give direction to the auditors to submit to it a report indicating whether the steps being taken by the Corporation are sufficient or not for the proper protection of the shareholders and creditors and whether the manner of maintaining accounts of the Corporation is proper or not.

(7) The Government of Nepal may, based on the report received pursuant to Sub-section (4) or (6), give direction to the Corporation for necessary reform or provision.
Chapter-6

Miscellaneous

28. **To take oath to maintain secrecy and not to commit a breach of trust:** Prior assumption of their office, each director, general manager, auditor, officer and other employee of the Corporation shall take an oath as set forth in the Schedule that they shall not disclose the matters associated with their office to any person other than the authorized person and shall not commit a breach of trust in the affairs of the Corporation.

29. ........................

30. **Penalties:** (1) If a person who has the duty to maintain, prepare or submit any statements, accounts report or other document pursuant to this Act or the Rules framed under this Act, knowingly or with ulterior motive, conceals the truth and state a false matter in such accounts or report or other documents or alters the contents or attempts to do such an act, that person shall be liable to the punishment of imprisonment for a term not exceeding Three years or a fine of up to Three Thousand Rupees or with both punishments.

(2) If any director or employee of the Corporation causes any loss or damage to the Corporation by doing any act knowingly or recklessly or with ulterior motive, other that that set forth in sub-section (1), such a director or employee shall be liable to the punishment of imprisonment for a term not exceeding One year or a fine of up to One Thousand Rupees.

(3) If any director or employee of the Corporation obstructs the inspector appointed under Section 22 to make inquiry with his or her business or does not provide, except for any reasonable reason, such document or information to such a person as demanded by him or her in

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32 Repealed by First Amendment.
33 Amended by First Amendment.
accordance with law, or commits recklessness in the provision of such
document or information, such a person shall be liable to the punishment of
a fine of up to One Thousand Rupees.

(4) If any person uses the name of the Corporation in any prospectus
or advertisement without obtaining written permission of the Corporation,
the person shall be liable to the punishment of imprisonment for a term not
exceeding Six months or a fine of up to One Thousand Rupees or with both
punishments.

(5) If any person who was the then director or general manager of
the Corporation becomes a partner in a written contract made with the
Corporation in violation of Section 16 and without making disclosure as
required under that Section and makes or attempts to make any undue
benefit in that capacity, that person shall be liable to the punishment of
imprisonment for a term not exceeding Two years or a fine of up to Five
Thousand Rupees or with both punishments.

(6) If the Corporation has suffered any loss or damage from any
offence punishable under this Section, the amount of such loss or damage
shall also be recovered from the person who has committed that offence.

30A. **Liaison with the Government of Nepal:** In making contact by the
Corporation with the Government of Nepal in the course of performing its
activities or in giving direction by the Government of Nepal to the
Corporation pursuant to Section 21, such contact or direction shall be made
or given through the Ministry of Information and Communication.

30B. **Local taxes not to be levied:** No local tax of any type shall be levied on
the transaction of the Corporation

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34 Inserted by First Amendment.
35 Amended by Communication Related Some Nepal Acts Amendment Act, 2057.
36 Inserted by Second Amendment.
31A. **Saving of officers against loss or damage:** The directors or employees of the Corporation shall not be held individually liable for any loss or damage caused or to be caused from any act done or purported to be done by them in good faith in the course of performing their duties in accordance with this Act and the Rules framed hereunder.

32. **Power of the Government of Nepal to frame Rules:** The Government of Nepal may frame Rules in order to accomplish the objectives of this Act, and these Rules shall come into force after their publication in the Nepal Gazette.

33. **Power of the Corporation to frame Bye-laws:** The Corporation may frame Bye-laws, without being prejudicial to this Act or the Rules framed under this Act, for the proper accomplishment of the activities of the Corporation, and such Bye-laws shall come into force upon being approved by the Government of Nepal.

34. **This Act to prevail:** Notwithstanding anything contained in the prevailing Nepal laws, the matters set forth in this Act or the Rules framed under this Act shall be governed by the same.

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37 Repealed by Judicial Administration Reform (Fourth Amendment) Act, 2043.
38 Inserted by First Amendment.
Schedule  
(Relating to Section 28)  

**Oath of honesty and secrecy**

I…………………... swear that I shall honestly and with truth and faith perform my duties in the capacity of the director, general manager, employee or auditor of the Corporation or in relation to the affairs entrusted to my office in the Corporation, to the best of my knowledge and capacity.

I again swear that I shall not disclose or cause to be disclosed any information relating to the Corporation to any unauthorized person or allow any book or document relating to the Corporation and in custody of the Corporation for inspection or receipt by any person.