

Development Board Act, 2013 (1956)

Date of Authentication
2013.4.4 (19 July 1956)

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2013.8.4(19 Nov. 1956)

<u>Amendments:</u>	<u>Date of Authentication</u>	<u>Date of Publication</u>
1. Development Board (First Amendment) Act, 2013 (1956)	2013.9.5 (19 December 1956)	2013.9.17 (31 December 1956)
2. Development Board (Second Amendment) Act, 2014 (1958)	2014.11.2 (13 February 1958)	2014.11.9 (20 February 1958)
3. Development Board (Third Amendment) Act, 2018 (1961)	2018.4.5 (20 July 1961)	2018.4.5 (20 July 1961)
4. Some Nepal Acts (Amendment and Re-arrangement) Act, 2020 (1964)	2020.11.16 (18 February 1964)	2020.11.16 (18 February 1964)
5. Judicial Administration Reform Act, 2031 (1974)	2031.4.18 (2 August 1974)	2031.4.18 (2 August 1974)
6. Administration of Justice Act, 2048 (1991)	2048.2.16 (29 May 1991)	2048.2.16 (29 May 1991)

Act Number 3 of the Year 2013 (1956)

Whereas, it is expedient to make proper provisions for the expeditious and smooth execution of development plans and development acts;

Now, therefore, be it enacted by His Majesty the King on the advice of the Council of Ministers.

- Short Title and Commencement:** (1) This Act may be called "Development Board Act, 2013 (1956)."
(2) This Act shall come into force immediately all over the Nepal.
- Definitions:** Unless the subject or the context otherwise requires, in this Act,-
 - "Board" means a board formed under Section 3.
 - "Foreign Agency" includes any foreign country, international or foreign organization.
 - "Notified Order" means an order published in the Nepal Gazette.
- Powers of Government of Nepal To Form Board:** (1) Government of Nepal may, if it so think appropriate or necessary, form a Board by a Notified Order in order to execute any development plan or development work as mentioned in that Order.

(2) The functions and duties of the Board shall be specified by each Notified Order referred to in Sub-section (1); and other matters pertaining thereto may also be provided for.

(3) The Board shall consist of such persons as may be appointed by Government of Nepal, and ⁺the Board shall be cited by the name specified in the order forming it.

4. **Boards To Be Body Corporate:** Each Board formed under Section 3 shall be a body corporate with perpetual succession; and there shall be a separate seal for all the activities entrusted to the Board. The Board shall, like an individual, be entitled to transact and hold movable and immovable property. The Board may, like an individual, sue and be also sued.

5. **Fund of the Board:** (1) The fund of the board formed pursuant to Section 3 shall comprise of the following funds:

- (a) Moneys given by Government of Nepal or any other non-governmental person, and
- (b) Funds given by a Foreign Agency through Government of Nepal.

(2) The moneys and funds of the Board shall be utilized to execute the activities specified in the Order issued to form the Board.

●(3) The Board shall act in accordance with the programmes and *modus operandi* specified in the Rules framed by the Board itself.

Provided that, in cases where it is so mentioned in the Order issued to form the Board under Section 3, the Rules framed by the Board shall require approval of Government of Nepal.

(4) [×]

⁺ Inserted by First Amendment.

● Amended by Second Amendment

[×] Repealed by Some Nepal Law (Amendment and Rearrangement) Act, 2020,

6. **Employees of the Board:** (1) The Board may, as per necessity, appoint employees to smoothly carry out its activities.

Provided that, no person shall be appointed by any other mode except in accordance with the principles and modes approved [■]by the Public Service Commission.

(2) It shall be legal for the Board to accept services of permanent employees of Government of Nepal or any other Foreign Agency, for some time; and while carrying out the functions of the Board, such employees shall be under the administrative control of the Board.

Provided that, the existing conditions of their service shall not be affected from such deputation.

7. **Powers of Government of Nepal To Issue Orders and Rules:** Government of Nepal may, from time, to time issue Rules or orders in respect of the activities of the Board; and it shall be the duty of the Board to carry out such Rules and orders.

8. **Dissolution of the Board:** (1) If Government of Nepal thinks that Government of Nepal may itself execute any development plan or development work to be executed by the Board in a smoother manner or that activities thereof have already been completed, Government of Nepal may, by a Notified Order, dissolve the Board.

(2) Where the Board is so dissolved: -

- (a) All of the rights, assets and loans of the board shall devolve on Government of Nepal.
- (b) All contracts made with the Board shall be deemed to have been made with Government of Nepal.
- (c) *-----

■ Amended by Some Nepal Acts (Amendment and Rearrangement) Act, 2020

* Repealed by Third Amendment.

9. Settlement of Disputes by Arbitration: (1) In cases where any agreement made with the Board contains a provision that any dispute arising in connection with the agreement and with any matter relating to its implementation has to be referred to arbitration for its settlement, the arbitrator appointed in accordance with the agreement shall settle the dispute; and no court shall have powers to try and settle such a dispute.

(2) The arbitrator shall have powers to procure and examine witness and evidence, summon witnesses and order submission of documents in respect of the dispute referred to him/her under Sub-section (1) for decision.

(3) The arbitral award shall be final and binding upon both the parties.

Provided that, upon a petition by the aggrieved party, the [?]Court of Appeal may cancel the award in the following circumstances: -

- (a) If it clearly appears that the arbitrator has indulged in a bad conduct in making the award or made a wrong award showing a specific ulterior motive or been subjective, or
- (b) If the award is directly contrary to law.

(4) In cases where such an award is cancelled by the [?]Court of Appeal, the dispute shall be referred to another arbitrator appointed by the ^{**}Chief Judge of that Court for settlement.

(5) The Bailiff (*Tahashil*) or the office functioning as the Baliff specified by Government of Nepal shall implement the arbitral award as prescribed.

(6) Government of Nepal may frame Rules in order to carry out the objectives of this Section.

[¶] Inserted by Second Amendment and previous Section 9 has been renumbered as Section 10.

[?] Amended by Administration of Justice Act, 2048 (1991).

^{**} Amended by Judicial Administration Reforms Act, 2031 (1974).

- *10. **Laws Not To Be Applied**: It is clarified, for removal of doubt, that the *Muluki Sawal* or Chapters on Settlement of Contracts or Document Scrutiny or Ledger Recipient of the General Code (*Muluki Ain*) shall not be applicable in respect of the activities of the Board.

NEPAL LAW COMMISSION

* By Second Amendment previous Section 9 has been renumbered as Section 10.