

# Road Board Act, 2058 (2002)

Date of Authentication and Publication

2059.3.4 (18 June 2002)

## Amendment

Republic Strengthening and Some Nepal 2066.10.7  
Laws Amendment Act, 2066 (2010)<sup>1</sup> (21 Jan. 2010)

Act Number 2A. of the Year 2058 (2002)

## An Act Made to provide for the Road Board

**Preamble:** Whereas, it is expedient to make necessary provisions on having the roads repaired and maintained, making cost effective the expenditures to be incurred in repairing and maintaining the roads and making transparent and effective the repairing and maintenance works of the roads.

Now, therefore, be it enacted by Parliament in the First year of the reign of His Majesty the King Gyanendra Bir Bikram Shah Dev.

## Chapter -1

### Preliminary

- Short title and Commencement:** (1) This Act may be called as the "Road Board Act, 2058 (2002).  
(2) This Act shall commence on such date as may be appointed by Government of Nepal by a Notification in the Nepal Gazette.<sup>2</sup>
- Definitions:** Unless the subject or the context otherwise requires, in this Act,-
  - 'Road' means the public road as referred to in the Public Roads Act, 2031 (1974).

<sup>1</sup> This Act came into force on 15 *Jestha* 2065, "*Prasasti*" and the word "Kingdom" has been deleted.

<sup>2</sup> This Act came into force from 15 *Pausa* 2059 (Notification in Nepal Gazette 2059.9.15)

- (b) 'Board' means the Road Board established pursuant to Section 3.
- (c) 'Toll' means the toll to be charged pursuant to Section 6.
- (d) 'Motor vehicle' means any motor vehicle to be propelled on the road with mechanical power.
- (e) 'Repair and maintenance' means the repair and maintenance of the roads in conformity with the standards specified by the Road Board.
- (f) 'Road-related body' means the body carrying out the repair and maintenance of the road and this term also includes the local body.
- (g) 'Fuel' means the petrol and diesel to be used in the motor vehicle and this term also includes gas or other fuel.
- (h) 'Committee' means the Executive Committee constituted pursuant to Section 8.
- (i) 'Executive Director' means the Executive Director of the Board as appointed pursuant to Section 21.
- (j) 'Ministry' means the Ministry of Physical Planning and Works of Government of Nepal.
- (k) 'Fund' means the fund of the Board referred to in Section 24.
- (l) 'Prescribed' or 'as prescribed' means the matters prescribed or as prescribed in the Rules or Bye-laws framed hereunder.

## **Chapter - 2**

### **Establishment and Functions, Duties and Powers of the Board**

3. **Establishment of the Board:** (1) The Road Board has been established to carry out regular, occasional, periodic and casual repair

and maintenance works of roads and levy tolls on, and collect tolls from, motor vehicles plying on the road.

(2) The central office of the Board shall be situated in *Kathmandu* Valley; and the Board may operate its branch offices or contact offices inside Nepal, as per necessity.

4. **Board to be Autonomous Body**: (1) The Board shall be an autonomous body corporate with perpetual succession.

(2) The Board shall have a seal of its own for its activities.

(3) The Board may, like an individual, acquire, use, dispose of, or otherwise deal with, movable and immovable property.

(4) The Board may, like an individual, sue and be also sued by its own name.

5. **Functions, Duties and Power of the Board**: The functions, duties and powers of the Board shall be as follows:

(a) To repair and maintain the roads,

(b) To collect the tolls leviable for the use of roads or other additional tolls and recover penalties under this Act,

(c) To submit recommendation to Government of Nepal on fixing the road or fuel toll to be collected pursuant to this Act, additional tolls and fines to be collected for plying the motor vehicle contrary to the specified standards,

(d) To provide suggestion to Government of Nepal on fixation of tolls,

(e) To formulate the integrated annual programmes on the road repair and maintenance,

- (f) To make available funds to the road-related bodies to repair and maintain roads,
- (g) To spend the prescribed amount of money to repair and maintain the roads from which the toll pursuant to this is collected,
- (h) To rebuilt, rehabilitate and upgrade the roads as prescribed,
- (i) To make action plans to make cost effective the expenditures to be incurred in the repair and maintenance of roads,
- (j) To select the roads on the specified grounds and cause them safeguarded,
- (k) In cases where an agreement is concluded between Government of Nepal and any body or organisation that such body or organisation would bear the expenses required for the repair and maintenance of roads, the Board shall bear the expenses to be incurred on behalf of Government of Nepal,
- (l) To make effective the repair and maintenance of roads,
- (m) To approve annual budget and annual programme of the Board,
- (l) To perform other functions as prescribed.

6. **Toll to be Levied:** (1) Government of Nepal may, by a Notification published in the Nepal Gazette, levy such toll as may be prescribed in the Notification on the motor vehicle plying the road specified in the Notification.

(2) The Board shall collect or cause to be collected the following tolls prescribed by His Majesty's Government by a Notification published in the Nepal Gazette,-

- (a) Toll for using the road,
- (b) Toll levied on the fuel used in the motor vehicle,

- (c) Amount to be levied in the registration of motor vehicle,
  - (d) Amount paid by a motor vehicle registered in a foreign country while entering into Nepal.
7. **Collection of Toll:** (1) The Board shall collect the toll levied pursuant to Section 6.

(2) The procedures relating to the collection of toll levied pursuant to Sub-section (1) shall be as prescribed.

(3) Notwithstanding anything contained in Sub-section (1), the Board may, if it deems appropriate, collect the tolls referred to in Sub-section (1) and Clauses (b) and (d) of Sub-section (2) of Section 6 through any person or organisation by following prescribed process.

### **Chapter -3**

#### **Constitution and Meetings of Executive Committee**

8. **Constitution of Executive Committee:** (1) There shall be an Executive Committee to smoothly and properly carry out the functions to be carried out by the Board pursuant to this Act.

(2) The Committee shall comprise of the following members:

- (a) Secretary, Ministry of Physical Planning and Works - Chairperson
- (b) Representative, (Gazetted First Class) Ministry of Finance - Member
- (c) Representative, (Gazetted First Class) Ministry of Local Development - Member
- (d) Representative, (Gazetted First Class) Ministry of Industries, Commerce and Supplies - Member

- |     |  |        |
|-----|--|--------|
| (e) | Director General, Department of Roads  | Member |
| (f) | Representative, Federation of Village<br>Development Committee -   | Member |
| (g) | Representative, Federation of<br>Municipality -  | Member |
| (h) | Representative, Federation of Nepal<br>Chamber of Commerce and Industries -  | Member |
| (i) | Representative, Nepal Engineers<br>Association -   | Member |
| (j) | One person nominated by the Ministry in<br>a manner to represent the organisations<br>related with the transport enterprises - | Member |
| (k) | One person nominated by the Ministry in<br>a manner to represent the organisations<br>related with the consumers -             | Member |
| (l) | One person nominated by the Ministry<br>from amongst the persons having<br>experience in the field of road transport -         | Member |
| (m) | One person nominated by the Board from<br>amongst professional framer -  | Member |

(3) The tenure of the nominated members of the Committee shall be Three years.

(4) The Committee may invite any expert in the field of road and transport and any official or employee of the road-related body to take part as an observer at its meeting.

(5) The Executive Director shall act as the Secretary of the Committee.

(6) The Chairperson and member of the Committee shall receive meeting allowances as prescribed for participating in the meeting of the Committee.

9. **Circumstances Where the Post of Member Falls Vacant:** The post of a nominated member of the Committee shall be deemed to be vacant in any of the following circumstances:-

- (a) If he/she tenders resignation from his/her post to the body having nominated him/her,
- (b) If his/her tenure expires,
- (c) If he/she becomes insolvent,
- (d) If he/she is convicted by a court in any criminal offence,
- (e) If he/she remains absent in Three consecutive meetings of the committee without any appropriate notice and without for adequate reasons,
- (f) If he/she dies.

10. **Filling Vacancy:** If the post of a nominated member of the Committee falls vacant for any reason, the vacancy shall be filled by making a nomination in the same manner as he/she was previously nominated, for the remaining term.

11. **Meetings and Decision of Committee:** (1) The Committee shall meet on such date and in such place and time as prescribed by the Chairperson.

(2) The Committee shall meet at least Once in Three months.

(3) Notwithstanding anything contained in Sub-section (2), if at least One-third members of the Committee make a written submission for convening the meeting of the Committee, the Chairperson of the Committee shall convene the meeting within Fifteen days.

(4) The Secretary of the Committee shall provide agenda of the meeting to the members in advance of at least Three days of the meeting.

(5) The presence of more than Fifty per cent of the total number of members of the Committee shall be deemed to constitute a quorum for the meeting of the Committee.

(6) The Chairperson of the Committee shall preside over the meeting of the Committee; and in the absence of the Chairperson, the member selected by the members of the Committee from amongst themselves shall preside over the meeting.

(7) The majority opinion shall prevail at the meeting of the Committee, in a case of a tie the person presiding over the meeting shall exercise the casting vote.

(8) The Secretary of the Committee shall authenticate the decision of the Committee.

(9) Other procedures on the meeting of the Committee shall be as determined by the Committee itself.

12. **Restriction on Taking Part at the Meeting of the Committee:** If a member of the Committee is directly or indirectly involved in any matter to be discussed at the meeting of the Committee, such a member shall not be allowed to participate at the meeting of the Committee discussing that matter.

13. **Power to Form Sub-Committee:** (1) The Committee may, as per necessity, form sub-committees to carry out its functions pursuant to this Act.

(2) The functions, duties, powers and procedures of the sub-committees formed pursuant to Sub-section (1) shall be as prescribed by the Committee.



## Chapter -4

### **Repair and Maintenance of Roads**

14. **Submission of Annual Program on Repair and Maintenance of Roads:** The road-related body has to submit to the Board an annual programme regarding repair and maintenance of the roads each year within the prescribed time-limit, setting out the roads which it intends to repair and maintain, the funds required therefor, and such other details as prescribed.
15. **Formulation of Integrated Annual Programme:** The Board shall, as per necessity, review the annual programmes received pursuant to Section 14 and formulate an integrated annual programme on the repair and maintenance of roads, and has to give information of such a programme to the Ministry.
16. **Provision of Funds for Repair and Maintenance of Roads:** The Board shall provide funds to the road-related body to repair and maintain the road included in the integrated annual programme referred to in Section 15.
17. **Specification of Standards on Repair and Maintenance of Roads:** The Board shall categorise the roads on the prescribed grounds and specify the standards to be maintained in repairing and maintaining the roads.
18. **Power to Supervise:** (1) The Board shall supervise as to whether the road-related body has repaired and maintained the roads in conformity with the standards specified in Section 17.

(2) If, in making supervision pursuant to Sub-section (1), it appears that the road-related body has not repaired and maintained the roads in conformity with the standards prescribed pursuant to Section 17, the Board has to write to such a body to get the roads repaired and

maintained corresponding to the standards; and the road-related body has to repair and maintain the roads as required by the Board.

(3) If the road-related body fails to repair and maintain the roads pursuant to Sub-section (2), the Board may freeze (*Rokka*) the funds remaining to be released to such a body.

19. **Requisition of Details:** The Board may, at any time, require the road-related body to furnish details and statements of the activities carried out in respect of the repair and maintenance of roads and of the expenditures incurred in such repair and maintenance, and it shall be the duty of the concerned road-related body to furnish such details and statements.

20. **To Submit Work Completion Details:** After repairing and maintaining the roads, the road-related body has to prepare all the details thereon in the prescribed format and submit such details to the Board.

## Chapter - 5

### **Provisions on Executive Director and Employees**

21. **Executive Director:** (1) The Committee shall, through open competition, appoint a person who, obtained Master's Degree in Highway Engineering or Management, has gained at least Ten years of experience in the concerned field, to the post of the Executive Director to carry out day-to-day functions as the administrative chief of the Board.

(2) The tenure of the Executive Director shall be Four years and he/she may be eligible to be reappointed as the Executive Director for the next One term.

(3) Notwithstanding anything contained in Sub-section (2), if the Executive Director carries out any function against the interest of the

Board or fails to function in consonance with the policy and direction of the Committee, the Committee may, at any time, remove him/her from the post of Executive Director by following the prescribed procedures.

Provided that, an opportunity to defend himself/herself shall not be deprived before removing from the office.

(4) The remuneration, facilities and other conditions of service of the Executive Director shall be as prescribed.

22. **Functions, Duties and Powers of Executive Director:** The functions, duties and powers of the Executive Director shall be as follows:-

- (a) To implement or cause to implement the decisions and directions of the Committee,
- (b) To prepare or cause to prepare short-term and long-term plans, annual programmes and budget of the Board,
- (c) To implement or cause to implement the plans and programmes approved by the Committee,
- (d) To appoint the employees required for the Board,
- (e) To submit the proposals (matters) to be approved by the Committee in the Board,
- (f) To perform other functions as prescribed.

23. **Provisions relating to Employees:** (1) The Board shall have employees in the required number.

(2) The appointment, remuneration, facilities and conditions of service of the employees appointed pursuant to Sub-section (1) shall be as prescribed.

## Chapter - 6

### **Fund and Audit**

24. **Fund**: (1) The Board shall have a fund of its own.
- (2) The fund referred to in Sub-section (1) shall consist of the following amounts:-
- (a) Amounts obtained as grants from Government of Nepal,
  - (b) Amounts obtained pursuant to Section 6,
  - (c) Grants or loans obtained from foreign governments or international organisations,
  - (d) Amounts obtained from other sources.
- (3) The Board has to obtain prior approval of Government of Nepal before obtaining the amounts referred to in Clause (c) of Sub-section (2).
- (4) All expenditures of the Board shall be borne from the amount deposited in the fund.
- (5) The amounts in the fund shall be deposited in the account opened in any commercial bank as prescribed by the Committee.
- (6) The account of the fund shall be operated as prescribed.
25. **Limit of Administrative Expenditure**: No expenditure in excess of four per cent of the amounts obtained under Section 6 shall be made as administrative expenditure of the Board in each fiscal year.
26. **Power to Invest in Debentures or Securities**: If the amounts in balance in the fund are not to be expended in the Board's functions for the time being, the Board may, with the prior approval of Government of Nepal, invest such amounts in the debentures or securities issued by Government of Nepal or *Nepal Rastra Bank* (Central Bank).

27. **Accounts and Audit:** (1) The accounts of the Board shall be maintained in accordance with the prevailing law.

(2) The accounts of the Board shall be audited by the Auditor General.

## Chapter - 7

### **Penalties, Appeal and Other Provisions**

28. **Penalties:** If a person plies a motor vehicle without paying the toll, the Board may impose a fine upto One Thousand Rupees. If such a person again plies the motor vehicle without paying the toll, the Board may impose a fine upto Five Thousand Rupees for each instance.

29. **Power to Forbid the Use of Motor Vehicle:** If a person does not pay the toll to be paid under this Act and the fine as referred to in Section 28 within the prescribed time-limit, the Board may write to the concerned body to prohibit the use of such motor vehicle by such person until the payment of such toll or fine.

30. **Power to Request for withholding or Suspending Registration Certificate, License or Driving License:** If a person fails to pay the fine imposed pursuant to Section 28, the Board may request the concerned body to withhold the registration certificate or license of such motor vehicle or suspend the driving license; and the concerned body shall, upon such request, withhold the registration certificate or license of such motor vehicle or suspend the driving license.

31. **Power to Auction Motor Vehicle:** If a person fails to pay the toll or fine to be paid under this Act within the time-limitation, the Board may auction such person's motor vehicle and recover the toll or fine due and payable by such person in such a manner as may be prescribed.

32. **Appeal**: A person who is not satisfied with the decision of the Board pursuant to Section 28 and 29 may file an appeal to the Ministry within Thirty-Five days of such decision.

## Chapter - 8

### Miscellaneous

33. **To Render Assistance**: The concerned body has to render necessary assistance to the Board if the Board asks for such assistance in the course of its functioning.
34. **Special Power of Board**: The Board may require the road related body whom it has provided the funds for the road repair and maintenance to submit to it necessary details on the expenditure of the funds so provided.
35. **Activities to be Transparent**: (1) The activities and matters relating to the accounts and financial administration of the Board shall be transparent.
- (2) The procurement and sale contract to be carried out by the Board shall be carried out by following open competitive process through tender.
- (3) If a person desires to obtain the statement of income and expenditure, balance sheet and annual report of the Board, such person may obtained duplicate copy thereof by paying the fees as prescribed by the Board.
36. **To obtain Approval**: The Board has to obtain approval of Government of Nepal prior to selling any immovable property belonging to the Board.
37. **Submission of Annual Report**: (1) The Board has to prepare an annual report of the activities carried out by it throughout the year and

submit it to the Ministry within Three months of expiration of fiscal year.

(2) The Board has to publish an annual report prepared pursuant to Sub-section (1) in the national newspaper for information to the general people.

38. **Delegation of Powers:** (1) The Board may, as per necessity, delegate any of the powers conferred to it pursuant to this Act to the Chairperson of the Committee, Executive Director or any officer level employee of the Board.

(2) The Executive Director may, as per necessity, delegate any of the powers conferred to him/her to any sub-ordinate officer level employee.

39. **Power of Government of Nepal to Give Direction:** Government of Nepal may give necessary direction to the Board to make effective the road repair and maintenance works; and it shall be the duty of the Board to carry out such direction.

40. **Liaison with Government of Nepal:** Ministry of Physical Planning and Works shall liaison the Board with the Government of Nepal.

41. **Power to Make Manuals:** Subject to this Act and the Rules and Bye-laws framed hereunder, the Committee may make necessary Manuals in order to regulate and manage the activities of the Board; and it shall be the duty of all the concerned to carry out such Manuals.

42. **Power to Frame Rules:** (1) The Board may frame necessary Rules to carry out the objectives of this Act, and such Rules shall come into force after being approved by Government of Nepal.

(2) Without prejudice to the generality of Sub-section (1), the Board may frame Rules, in particular on the following matters:

- (a) Appointment, remuneration, facilities and conditions of service of the Executive Director and employees of the Board,
  - (b) Use and operation of the Fund,
  - (c) Releasing the amounts for road repair and maintenance works, and financial procedures of the Fund,
  - (d) Modality to be followed in carrying out the Board's activities, accounts and fiscal administration and road repair, maintenance and other works,
  - (e) Other necessary matters,
43. **Power to Frame Bye-laws:** Subject to this Act and Rules framed hereunder, the Board may frame necessary Bye-laws.
44. **Repeal and Saving:** (1) Public Roads Maintenance Tariff Fund Act, 2052 (1996) is, hereby, repealed.
- (2) All functions done pursuant to Public Roads Maintenance Tariff Fund Act, 2052 (1996) shall be deemed to have been carried out pursuant to this Act.