

# **National Tea and Coffee Development Board Act, 2049 (1993)**

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## **An Act Made to Provide for the Establishment and Management of National Tea and Coffee Development Board**

**Preamble:** Whereas, it is expedient to make provisions on the establishment and operation of the National Tea and Coffee Development Board in order to bring about harmony in the farming and processing of tea and coffee, produce tea and coffee of high quality by using the modern technology, and to develop the tea and coffee industry in the country in a planned manner by making a concrete policy for the market management and export and import;

Now, therefore, be it enacted by Parliament in the Twenty-second year of the reign of His Majesty King Birendra Bir Bikram Shah Dev.

1. **Short title and commencement:** (1) This Act may be called as the "National Tea and Coffee Development Board Act, 2049 (1993)".

(2) This Act shall come into force immediately.

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

- (a) "Board" means the National Tea and Coffee Development Board established under Section 3.
- (b) "Committee" means the executive committee formed pursuant to Section 8.
- (c) "Chairperson" means the Chairperson of the committee.
- (d) "Member" means the member of the committee and this term includes the chairperson, vice-chairperson and member secretary of the committee.
- (e) "Executive director" means the Executive Director appointed or designated pursuant to Section 14.
- (f) "Processing" means an activity to process the green leaves of tea and grains of coffee by using any mechanical process.
- (g) "Producer" means an entrepreneur producing tea and coffee.
- (h) "Prescribed" or "as prescribed" means prescribed or as prescribed in the bye-law framed under this Act.

3. **Establishment of Board:** A National Tea and Coffee Development Board is, hereby, established in order to make the tea and coffee industry carried on in the government and private sectors much stronger in a well-planned and effective manner by formulating plans on the development of the tea and coffee industry at the national level.

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

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

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

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

5. **Office of Board:** (1) The head office of the Board shall be situated in the Kathmandu Valley.

(2) The Board may, as per necessity, open branch offices within Nepal.

6. **Objectives of Board:** The objectives of the Board shall be as follows:

- (a) To formulate and implement, or cause to be formulated, policies on the production, processing, market management, export and import for the development of the tea and coffee industry,
- (b) To find out measures for the resolution of problems coming across in the field of development of tea and coffee farming and industry.
- (c) To make, or cause to be made, provisions for the supply of the materials required for the tea and coffee farming and processing for the development of the tea and coffee industry.
- (d) To establish a training and research center for the development of the tea and coffee industry and provide modern technological knowledge, training and technical assistance to the persons and institutions involved in the tea and coffee industry.
- (e) To do such studies as may be necessary for the development of the tea and coffee industry,
- (f) To make coordination with the organizations engaged in the field of tea and coffee industry,
- (g) To support the tea and coffee industry.

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

- (a) To formulate such policies as may be required for the expansion and development of the tea and coffee farming and the establishment, improvement, promotion and protection of the tea and coffee industry in Nepal, and implement, or cause to be implemented, such policies,
- (b) To prepare such technological and financial bases as may be required for development and expansion of the tea and coffee farming and implement, or cause to be implemented, the same accordingly,
- (c) To give advice to Government of Nepal on the price of tea and coffee,
- (d) To arrange, or cause to be arranged, for the supply of such loans, seeds, plants, chemical fertilizers, pesticides, equipment, fuels, technical service, among others, as may be required for the farmers who do the tea and coffee farming in a small scale,
- (e) To obtain from Government of Nepal such governmental barren lands as are fit for tea and coffee farming and do tea and coffee farming in such lands or lease or hire out in installments such lands for the tea and coffee farming,
- (f) In order to develop the tea and coffee market, to do market survey from time to time and ascertain the grade and type, as well, of the tea and coffee which the customers like, and set, or cause to be set, the standards of tea and coffee,
- (g) To give information to the exporters about the demand of tea and coffee at the international market,

- (h) To do, or cause to be done, such study works as may be necessary for the development and expansion of the tea and coffee industry in the Nepal,
- (i) To establish, or cause to be established, a training and research center for providing the persons and organizations engaged in the tea and coffee industry with technical knowledge, training and technical assistance,
- (j) To make necessary provisions for getting the persons involved in the tea and coffee industry to pursue necessary training, seminar and higher education abroad for the development of skills of such persons,
- (k) To coordinate, or cause to be coordinated, the efforts made in the government and private sectors for the development of the tea and coffee industry,
- (l) To do, or cause to be done, such acts as may be required to enhance understanding between the management and workers related with the tea and coffee industry,
- (m) To maintain an inventory of the registration of tea and coffee industries,
- (n) To do, or cause to be done, such acts as may be required to improve the management of tea and coffee industries,
- (o) With the approval of Government of Nepal, to charge service cess on tea and coffee,
- (p) To carry out, or caused to be carried, other necessary functions related with the development of tea and coffee industry.

8. **Formation of executive committee:** (1) There shall be one executive committee as follows for the operation of business of the Board:

- (a) Honorable Minister or Minister of State  
for Agriculture -Chairperson
- (b) A person nominated by Government of Nepal -Vice-chairperson
- (c) One representative each from the private  
tea and coffee producers -Member
- (d) One representative each from small tea  
and coffee farmers -Member
- (e) One representative from the Nepal Tea  
Producers' Association -Member
- (f) Joint Secretary, Ministry of Agriculture -Member
- (g) Joint Secretary, Ministry of Finance -Member
- (h) Joint Secretary, Ministry of Industries -Member
- (i) Executive Director, National Agricultural  
research Council -Member
- (j) General Manager, Agricultural  
Development Bank -Member
- (k) General Manager, National Tea  
Development Corporation Limited -Member
- (l) General Manager, Trade Promotion -Member

Center

- (m) Executive director, National Tea and  
Coffee Development Board -Member secretary

(2) After the formation of the committee as referred to in Sub-section (1), the committee shall nominate one person each from the workers engaged in the tea and coffee industries as a member of the committee for Two years.

(3) The term of office of the nominated members of the committee as referred to in Sub-section (1) shall be Two years and they may be re-nominated or re-elected.

**9. Meeting of committee:** (1) The committee shall hold its meeting at least Twice a year at such place, time and date as may be specified by the chairperson.

(2) The presence of Fifty percent members of the total number of members of the committee shall be deemed to constitute a quorum for a meeting of the committee.

(3) The meeting of the committee shall be presided over by the chairperson and by the vice-chairperson in the absence of the chairperson. The meeting shall be presided over by the person selected by the members from amongst themselves in the absence of both the chairperson and the vice-chairperson.

(4) The decisions of the committee shall be authenticated by the member secretary.

(5) Other matters related with the meeting of the committee shall be as determined by the committee itself.

**10. Functions, duties and powers of committee:** (1) It shall be duty of the committee to perform all such functions, exercise all such powers and perform all such duties as required to be performed and exercised by the Board, subject to this Act and the bye-law framed under this Act.

(2) The committee may, as per necessity, delegate any or all of the powers conferred to it under this Act to any member or sub-committee as referred to in Section 11 or any officer employee of the Board.

**11. Powers to form sub-committees:** (1) The committee may form sub-committees, as required, for the operation of its business.

(2) The functions, duties, powers, working scope and procedures of the sub-committees shall be as specified by the committee.

**12. Fund of Board:** (1) The Board shall have a separate fund of its own.

(2) The fund of the Board shall consist of the following amounts:

- (a) Amounts received from Government of Nepal,
- (b) Amounts received from any foreign governments or international organizations,
- (c) Amounts received for having provided consultancy service on tea and coffee farming and processing,
- (d) Amounts received from service charged on tea and coffee,
- (e) Amounts received from other sources.

(3) Prior approval of Government of Nepal shall be obtained in obtaining grants from any foreign government or international organization.

(4) All amounts to be received by the Board shall be credited to the account to be opened with any bank within Nepal.



(5) All expenditures to be incurred by the Board shall be chargeable on the fund as referred to in Sub-section (1).

**13. Accounts and audit:** (1) The accounts of the incomes and expenditures of the Board shall be maintained in accordance with the method followed by Government of Nepal.

(2) The audit of the Board shall be performed by the Auditor General.

**14. Executive director:** (1) There shall be one executive director as the administrative chief of the Board.

(2) Government of Nepal may appoint or designate any appropriate person as the executive director.

(3) The term of office of the executive director shall be Four years and he/she may be re-appointed or re-designated for a maximum period of Four years.

(4) The provisions pertaining to the functions, duties, powers and remuneration and terms and conditions of service and facilities of the executive director shall be as prescribed.

**15. Employees of Board:** (1) The Board shall, as per the Rules, appoint employees required for the operation of its business.

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

**16. Submission of report to Government of Nepal:** The Board shall submit an annual report of the activities carried out by it to Government of Nepal within Six months after the expiration of every fiscal year.

17. **Liaison with Government of Nepal:** The Board shall liaise with Government of Nepal through the Ministry of Agriculture.
18. **Dissolution of Board:** (1) If Government of Nepal decides to dissolve the Board for any reasonable ground, the Board shall be dissolved.
- (2) If the Board is dissolved pursuant to Sub-section (1), the powers and obligations of the Board shall devolve on Government of Nepal.
19. **Powers to frame Bye-law:** The Board may, with the approval of Government of Nepal, frame necessary Bye-laws so as to carry out the objectives of this Act.