

## **Associations Registration Act, 2034 (1977)**

### Date of Authentication

2034-5-27 (Sept. 12, 1977)

### Amendments

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| 1. Judicial Administration Reform<br>(Fourth Amendment) Act, 2043 (1986) | 2043-7-24 (Nov. 10, 1986) |
| 2. Administration of Justice Act, 2048 (1991)                            | 2048-2-16 (May 30, 1991)  |
| 3. Some Nepal Acts Amendment Act, 2048 (1991)                            | 2049-1-8 (April 20, 1992) |

Act Number 10 of the year 2034 (1977)

### **An Act made to make provisions on establishment and registration of associations**

**Preamble:** Whereas, it is expedient to make provisions on establishment and registration of social, religious, literary, cultural, scientific, educational, intellectual, physical, economical, vocational and philanthropic associations;

Now, therefore, be it enacted by His Majesty the King Birendra Bir Bikram Shah Dev with the advice and consent of the *Rastriya Panchayat*.

- Short Title, Extension and Commencement:** (1) This Act may be called the "Associations Registration Act, 2034" (1977).
  - (2) This Act shall extend all over the Nepal.
  - (3) This Act shall come into force immediately.
- Definitions:** Unless the subject or the context otherwise requires, in this Act,-
  - (a) "Association" means an association, institution, club, circle, council, study centre etc. established for the purpose of developing and extending social, religious, literary, cultural, scientific, educational, intellectual,

philosophical, physical, economical, vocational and philanthropic activities, and also includes the friendship association.

- (b) "Local Authority" means the authority specified by Government of Nepal by a Notification published in the Nepal Gazette, and if the authority has not been so specified, it means the Chief District Officer.
- (c) "Management Committee" means the management committee constituted pursuant to the statute of the Association.
- (d) "Prescribed" or "as prescribed" means prescribed or as prescribed in the Rules framed under this Act.

3. **Prohibition on Establishment of Association Without Registration:** No person shall establish or cause to be established any Association without having it registered pursuant to this Act.

4. **Registration of Association:** (1) Any seven or more than seven persons willing to establish an Association shall have to submit to the Local Authority an application setting out the following details on the Association, accompanied by one copy of the Statute of the Association, and with the prescribed fee:-

- (a) Name of the Association,
- (b) Objectives,
- (c) Name, address and occupation of the members of the Management Committee,
- (d) Financial sources,
- (e) Address of the office.

(2) Upon receipt of the application referred to in Sub-section (1), the Local Authority shall make necessary inquiry, and register the Association, if he/she deems it appropriate to register the Association, and shall issue the certificate of registration.

(3) If the Local Authority makes a decision not to register the Association, a notice of such decision shall have to be given to the applicant; and the applicant may make a complaint to the Authority specified by Government of Nepal against such decision within thirty five days of receipt of such a notice.

(4) Upon receipt of a complaint pursuant to Sub-section (3), the authority specified by Government of Nepal may, if he/she deems reasonable to register such Association upon making necessary inquiry, give an order to the Local Authority to register the Association; and upon receipt of such an order, the Local Authority shall have to register the Association.

(5) The format of the certificate, validity period, renewal and renewal fee to be paid pursuant to this Section shall be as prescribed.

**5. To Be a Corporate Body:** (1) Each Association registered pursuant to this Act shall be an autonomous body corporate with perpetual succession. The Association shall have a separate seal of its own for all activities of the Association.

(2) The Association may, like an individual, obtain, use and dispose of movable and immovable property.

(3) The Association may sue by its own name and may be sued by the same name as an individual.

**6. Property of the Association:** (1) If any person including the member or employee of an Association misuses, possess or holds up any property of the Association contrary to the statute of the Association, the Local Authority may obtain such property from such person who has misused, possessed or held up it, and return it to the Association.

(2) A person who is not satisfied with the action taken by the Local Authority to return the property of the Association pursuant to Sub-section (1) may appeal to the <sup>?</sup>Court of Appeal.

(3) If any person including the member or employee of the Association commits any crime or wrong against the property or document or reputation of the Association, the Association, any member of the Association or the Local Authority may institute a case pursuant to the prevailing laws.

**7. Registration of Associations Established Previously Without Registration:**

Even the Associations established previously without registration pursuant to the then prevailing laws prior to the commencement of this Act shall also be required to be registered pursuant to this Act within three months of the commencement of this Act.

**8. Alterations in Objectives of Association:** (1) If it deems necessary to alter the objectives of the Association or deems it appropriate to amalgamate the Association with any other Association, the Management Committee of the Association shall prepare a proposal therefor and shall have to call an extraordinary general meeting pursuant to the statute of the Association to discuss the proposal.

(2) If more than two-thirds members out of the total number of members present at the extraordinary general meeting support the proposal, the proposal shall be deemed to have been adopted by the extra-ordinary general meeting.

Provided that, in order to implement the said proposal, prior approval of the Local Authority shall have to be taken.

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<sup>?</sup> Amended by the Administration of Justice Act, 2048 ( 1991)

9. **Submission of Statements of Accounts:** The Management Committee shall have to submit each year the statements of accounts of its Association to the Local Authority, along with the report of the auditor.
10. **Examination of Accounts:** (1) The Local Authority may, if it deems necessary, cause the accounts of the Association to be examined by an officer appointed by him/her.
- (2) For the examination of the accounts pursuant to Sub-section (1), the Local Authority may collect the fee in such a sum as may be determined by him/her not exceeding three per cent of the balance of the Association as shown upon the examination.
- (3) It shall be the duty of the official, member and employee of the Association to submit the statement and documents or to answer the questions asked by the officer examining the accounts.
- (4) The officer examining the accounts shall have to submit the report of the examination to the Local Authority within the period as prescribed by the Local Authority; and on the basis of such report, if the Local Authority deems that any property of the Association is embezzled, destroyed or misused by any office-bearer, member or employee of the Association, he/she may take action pursuant to the prevailing laws to recover such loss or damage from such office-bearer, member or employee.
- Provided that, if a crime punishable under the prevailing laws is also committed, he/she shall cause a case to be instituted in accordance with the prevailing law.
11. **Direction To Be Given:** Government of Nepal may give necessary directions to the Association, and it shall be the duty of the Association to follow such directions.

12. **Punishment**: If an Association is established without having it registered pursuant to Section 3 or if an Association is operated without having it registered pursuant to Section 7, the Local Authority may impose a fine of up to Two Thousand Rupees on each member of the Management Committee of such an Association.

(2) If the statement of accounts is not submitted pursuant to Section 9, the Local Authority may impose a fine of up to Five Hundred Rupees on each member of the Management Committee.

Provided that, if a member produces a satisfactory evidence that he/she had tried his/her best not to violate Section 9, such a member shall not be liable to punishment.

(3) The Local Authority may impose a fine of up to Five Hundred Rupees on the concerned office-bearer, member or employee of the Association who does not submit such statement and documents or answer such questions as may be required or asked by the concerned officer examining accounts pursuant to Sub-section (3) of Section 10.

(4) If changes are made in the objectives of the Association or the Association is amalgamated with another Association without obtaining approval of the Local Authority pursuant to Section 8, or if the Association performs any acts contrary to the objectives of the Association or fails to follow the directions given by Government of Nepal, the Local Authority may suspend or terminate the registration of such an Association.

(5) \* .....

13. **Appeal**: An appeal may be made in the <sup>o</sup>Court of Appeal within 35 days against the final decision made by the Local Authority under Section 12.

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\* Deleted by Some Nepal Acts Amendment Act, 2048 (1991).

<sup>o</sup> Amended by the Administration of Justice Act, 2048 (1991).

**14. Dissolution of Association and Consequences Thereof:** If an Association is dissolved due to its failure to carry out the functions pursuant to its Statute or for any other reasons whatsoever, all the assets of such Association shall devolve on Government of Nepal.

(2) In the case of the liabilities of the Association dissolved pursuant to Sub-section (1), Government of Nepal shall bear such liability to the extent that the assets of the Association cover.

**15. Powers to Frame Rules:** Government of Nepal may, in order to carry out the objectives of this Act, frame the Rules.

**16. Requirement of Registration or Establishment Pursuant to Other Nepal Law:** If any other Nepal Act contains separate provisions on registration and establishment of any Association, notwithstanding anything contained in this Act, such an Association shall have to be registered or established in accordance with such Act.

**17. Repeal and Saving:** (1) The Association Registration Act, 2016 (1959) is, hereby, repealed.

(2) The Association registered under the Association Registration Act, 2016 (1959) shall be deemed to have been registered under this Act.