

## Nepal Agency Act 2014

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| 1. Nepal Agency (First Amendment) Act 2017             | 2018.1.14  | -2018.1.16   |
| 2. Some Nepal Acts (Amendment Rearrangement) Act, 2020 | 2020.11.16 | - 2020.11.16 |

### **An Act Provided for control of Agency Related Activities**

**[Preamble]:\*** Whereas, it is expedient to maintain the facilities and economic interest of the general public upon controlling and arranging the activities of the Agents, Distributor, Stockiest, Nominee, representatives regarding the undue benefits in the course of sales of goods and commodities.

Now, therefore, be it enacted and promulgated by His Majesty the King.

- Short Title, Extent and Commencement:** (1) This Act may be called as "Nepal Agency Act, 2014  
(2) This Act shall come into force all over Nepal immediately.
- Definitions:** In this Act unless the subject or context otherwise requires,-:
  - "Agent" means a person holding Agency of a local or foreign firm for the whole or any part of Nepal and this expression also includes a person who works as a distributor, stockiest, nominee or representative.
  - "Registered Agent" means a person registered as an agent pursuant to Section 4 of this Act.
  - "Prescribed" or "as prescribed" means prescribed or as prescribed in the Rules framed or orders issued under this Act.

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\* The word 'Preamble' does appear in this Act.

3. **Prohibition to work without Registration under this Act:** After the commencement of this Act, one shall work without registering as an agent pursuant to this Act.
4. **Registering Name as an agent:** (1) A person interested to work as an agent shall apply with all prescribed details before the prescribed officer to register his/her name after the commencement of this Act.  

(2) Upon receiving application pursuant to Sub-section (1), the prescribed officer may register his/her name as an agent after collecting fees and deposit as well as entering him/her into an agreement (promise) as prescribed.

(3) A citizen of Nepal shall be given priority to register his/her name as an agent pursuant to this Section.
5. **Details to be submitted:** Every registered Agent shall submit the details of the goods and commodities received, sold, stored and rates thereof to the prescribed officer in a prescribed format and within the prescribed time.
- ⊕6. **Agents Approved before the commencement of this Act:** All the approvals made by the Government of Nepal to work as an Agent before the commencement of this Act shall be renewed before the date as appointed by the Government of Nepal in Nepal Gazette. Approvals not renewed in such date shall not continue to be valid.
7. **Penalties for Violation of Agreement:** In case, an Agent violates the Agreement (promise) entered into pursuant to Sub-section (2) of Section 4, Government of Nepal may restrict him/her for upto a period of five years as an Agent or fine Five Hundred Rupees.
8. **Penalties for Violation of Section 3:** In case, a person violates Section 3, Government of Nepal may fine such person upto One Thousand Rupees.

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⊕ Amended by some Nepal Acts (Amendment and Rearrangement) Act, 2020 (.....)

9. **Other Penalties:** Without causing any adverse affects in the penalties mentioned in different Sections here above, Government of Nepal may restrict any provision of this Act, Rules framed or orders issued pursuant to this Act to work as an Agent for a period upto Two Years or fine upto Two Hundred Rupees.

10. **Power to frame Rules or issue Orders:** (1) Government of Nepal may frame Rules and issue orders from time to time for the implementation of the objectives of this Act.

(2) Without causing any adverse effects in the generality of powers conferred pursuant to Sub-section (1), Rules may be framed or orders may be issued, specifically , on the following matters:

- (a) To designate officer to act pursuant to this Act,
- (b) Particulars to be detailed out in the application to be submitted for the registration of Name as an Agent.
- (c) Format of agreement (promise)
- (d) Fees to be paid for the registration of Name to work as an Agent.
- (e) Period to work as an Agent, provision for renewal and fees to be paid for renewal.
- (f) Time frame and format of the detail out to be submitted by the registered Agent before the designated officer regarding the goods and commodities, received, sold or stored and rate thereof.
- (g) Procedures regarding for making changes or amendments in the particulars submitted pursuant to Sub-section (1) of Section 4 and making changes in the agreement (promise) pursuant to Sub-section (2) of Section 4, and

- (h) Procedures in making alterations in the rates mentioned in the details submitted by the registered Agent pursuant to Section 5.

**11. Repeal :** The *Istihar* of 10<sup>th</sup> Shrawan, 1992 B.S. is, hereby, repealed.