



THE NATIONAL HIGHWAY AUTHORITY ACT, 1991



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THE NATIONAL HIGHWAY AUTHORITY ACT

*ACT NO. XI of 1991

An Act to establish a National Highway Authority

WHEREAS it is expedient to establish a National Highway Authority for planning, development, operation and maintenance of National Highways and strategic roads and to provide for matters connected therewith or incidental thereto;

It is hereby enacted as follows:—

CHAPTER I

PRELIMINARY

1. Short title, extent and commencement.—(1) This Act may be called the National Highway Authority Act, 1991.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

2. Definitions. In this Act, unless there is anything repugnant in the subject or context,—

(a) “Auditor General” means the Auditor General of Pakistan;

(b) “Authority” means the National Highway Authority established under section 3;

(c) “Board” means the Executive Board of the Authority;

¹[(ca) “CDWP” means the Central Development Working Party;]

(d) “Chairman” means Chairman of the Authority;

(e) “Council” means the National Highway Council;

¹[(ea) “ECNEC” means the Executive Committee of the National Economic Council;]

* This Act shall apply to FATA, vide S.R.O. No. 488 (I)/98, dated 26-5-1998, with certain amendments in sections, 12 and 19. Also applied to N.A., vide S.R.O., 466(I)/2000, dated 5-7-2000.

¹ Ins. by Ord. 31 of 2001, s. 2.

- (f) “Member” means member of the Council or, as the case may be, of the Board;
- ^{*}(g) “National Highway” means a road specified in Part-I of the Schedule and includes a road declared by the Federal Government, by notification in the official Gazette, to be a National Highway;
- (h) “President” means President of the Council;
- (i) “Regulations” means regulations framed under this Act;
- (j) “Right of Way” (ROW) means the land acquired for the purpose of construction of a National Highway or any other road assigned to the Authority;
- (k) “road” means a road including land within the right of way and all works, such as, carriage ways, cartways, footpaths berms, side drains, culverts, bridges, tunnels, fences, posts, sign boards, plantation and lighting arrangements, intersections and medians assigned to the Authority;
- (l) “rules” means rules made under this Act; ¹[and]
- (m) “strategic road” means a road specified in Part-II of the Schedule and includes a road declared by the Federal Government, by notification in the official Gazette, to be a strategic road; ¹[.]

¹[* * * * * * *]

CHAPTER II

ESTABLISHMENT AND MANAGEMENT OF THE AUTHORITY

3. Establishment of National Highway Authority.—(1) As from the commencement of this Act there shall be established for carrying out the purposes of this Act, an Authority to be known as the National Highway Authority.

(2) The Authority shall be a body corporate having perpetual succession and a common seal with power to acquire, hold and dispose of property, and may by its name sue and be sued.

^{*}Declaration of Lahore— Islamabad Motorway (M-2) as a National Highways see S.R.O. 134 (K)/ 98, dated 14-5-98.

¹Added, Subs and Omitted by Ord. 31 of 2001, s. 2.

(3) The Headquarters of the Authority shall be at Islamabad.

4. Purpose and functions of Authority. The purpose and functions of the Authority shall be to plan, promote, organise and implement programmes for construction, development operation, repairs and maintenance of National Highways and strategic roads specially entrusted to it by the Federal Government, or by a Provincial Government or other authority concerned.

5. National Highway Council.—¹[(1) There shall be established a National Highway Council consisting of—

- (a) the Minister for Communications and Railways, Government of Pakistan
.....*President*
- (b) the Secretary, Finance Division, Government of Pakistan *Member*
- (c) the Secretary, Communications Division, Government of Pakistan..... *Member*
- (d) a professional in the field of Highway Construction and Management (nominated by the President)*Member*
- (e) a professional in the field of Finance and Accounts (nominated by the President)
..... *Member*
- (f) the Chairman, NHA, who shall also act as Secretary of the Council
.....*Member.]*

(2) The meetings of the Council shall be called by the Secretary of the Council, at least once a year, ¹[or at any] such date and at such time as may be specified by the President.

(3) The Minister for Communications may, on the recommendation of the Board, accord anticipatory approval to any matter which falls within the jurisdiction of the Council.

6. Powers and functions of the Council.—(1) The functions of the Council shall be—

¹Subs. by Ord. 31 of 2001, ss. 3-4.

- (a) to approve five year plans and perspective plans, prepared by the Board, in consultation with the Planning and Development Division, for the construction, development, repair and maintenance of National Highways and strategic roads specially entrusted to the Authority by the Federal Government or by a Provincial Government or other authority concerned;
- (b) to lay down the national policies and guidelines to be followed by the Authority in the performance of its functions;
- (c) ¹[to review and re-appraise projects;]
- (d) to approve the annual budget of the Authority.

(2) The Council shall have power to control, direct and regulate the affairs of the Authority.

7. Management.—(1) The general direction and administration of the Authority and its affairs shall vest in the Executive Board which may exercise all powers, perform all functions and do all acts and things which may be exercised, performed or done by the Authority.

¹[(2) The Board shall consist of—

(1) The Chairman, NHA *Chairman*

(2) Inspector General National Highways & Pakistan Motorway Police or his nominee..... *Member*

(3) Additional Secretary, Finance Division *Member*

(4) Member or Additional Secretary, Planning and Development Division ... *Member*

(5) Joint Secretary (II), Communications Division *Member*

(6) Senior Chief, NTRC *Member*

(7) Vice-President, NESPAK *Member*

Subs. by Ord. 31 of 2001, ss.3-4.

(8) Member (Finance), NHA *Member*

(9) Member (Planning), NHA *Member.*

(3) The meetings of the Board shall be held at least once in three months”]

(4) The Chairman or, in his absence, a Member authorised by him in this behalf, and three Members shall constitute a quorum for a meeting of the Board.

8. Functions of Board. Functions of Board shall be—

¹[(a) to consider and approve proposals, schemes and projects exceeding fifty million rupees but not exceeding one hundred million rupees and to consider and recommend, through the Ministry, to CDWP or ECNEC proposals, schemes and projects exceeding one hundred million rupees”.]

(b) to consider progress reports of the Authority; ¹[* * *]

(c) to perform such other functions as may be delegated to it by the Council ¹[;]

¹[(d) to recommend for approval the annual budget of the Authority; and

(e) to approve projects to be funded through toll and other receipts from operation of highway.]

9. Chairman, his duties, functions and powers.—(1) The Council shall appoint the Chairman who shall be the Chief Executive of the Authority and shall exercise such powers and perform such functions as may be specified by the Council.

(2) The Chairman shall receive such salary and allowances and be subject to such conditions of service as may be determined by the Council.

¹[(3) the Chairman shall have the power to approve projects of emergent nature, maintenance, rehabilitation and construction affecting traffic movement and safety of structures up to fifty million rupees and to recommend for approval proposals, schemes and projects exceeding fifty million rupees to the Executive Board.

¹Subs, omitted and added by Ord. 31 of 2001, ss. 5&7.

(4) The Chairman, on the recommendations of the Executive Board, shall have the power to divert funds from one approved project to another only within a financial year's allocation.]

CHAPTER III

POWERS AND DUTIES OF THE AUTHORITY

10. The power of the Authority.—(1) The Authority may take such measures and exercise such powers as it considers necessary or expedient for carrying out the purposes of this Act.

(2) Without prejudice to the generality of the powers conferred by sub-section (1), the Authority may for the purpose of carrying out the purposes of this Act—

- (i) advice the Federal Government on matters relating to National Highways and strategic roads;
- (ii) acquire any land in accordance with legal procedure and obtain and dispose of movable and immovable property or interests therein;
- (iii) undertake any work specified in sub-sections (1) and (2) of section 11;
- (iv) incur expenditure on works specified in clause (iii);
- (v) procure plant, machinery, instruments and materials required for its use;
- (vi) enter into and perform all such contracts as it may consider necessary;
- (vii) levy, collect or cause to be collected tolls on National Highways strategic roads and such other roads as may be entrusted to it and bridges thereon;
- (viii) licence facilities on roads under its control on such terms as it deems fit;
- (ix) determine a building line between which and the ROW it shall not be lawful without the consent of the Authority to construct or maintain any structure or make any excavation;
- (x) cause studies, surveys, experiments and technical researches to be made or contribute towards the cost of any such studies, surveys, experiments or technical researches made by any other agency;

- (xi) exercise power to award negotiated contracts for projects to be undertaken through Private Sector Financing programme;
- (xii) seek and obtain advice and assistance for the preparation and execution of any plan, programme or project;
- (xiii) raise funds (local and foreign) through borrowing, floating of bonds, sharing or leasing of assets or any other means, from time to time;

Provided that a foreign loans shall be negotiated in consultation with the relevant Ministry of the Government of Pakistan;

- (xiv) perform any other function supplemental, incidental or consequential to the purposes and functions aforesaid. ¹[; and]

¹[(xv) takeover ROW of the roads declared as National Highway with the consent of provinces and approval of the Federal Cabinet and Provinces shall simultaneously effect the mutation free of cost and without any liability or condition.”]

11. Plans and schemes.—(1) The Authority shall prepare a master plan for the development, construction, operation and maintenance of National Highways and roads in Pakistan for the approval of the Council.

(2) The Authority may frame a scheme or schemes for all or any of the following matters, namely:—

- (i) construction, expansion, operation and development of National Highways and strategic roads;
- (ii) research and development in the field of Highways;
- (iii) training of the Authority’s employees;
- (iv) welfare of the Authority’s employees; and
- (v) any other matter pertaining to the purposes and functions of the Authority or incidental thereto.

¹Subs and added by Ord. 31 of 01, s. 8.

12. Powers to eject un-authorized occupants. Subject to rules, the Authority shall have power to summarily eject any unauthorized occupant of National Highway or strategic road or proposed site thereof and demolish and remove any structure thereon, and to use such force, including police force, as may be necessary for the purposes and to recover the cost thereof from the person responsible for such occupation or obstruction.

CHAPTER IV

ESTABLISHMENT

13. Appointment of officers, servants etc.—(1) The Authority may from time to time employ such officers and servants, or appoint such experts or consultants, as it may consider necessary for the performance of its functions, on such terms and conditions as it may deem fit.

(2) Notwithstanding anything contained in sub-section (1), any rules made or orders or instructions issued, by the Authority, or in the terms and conditions of service of any person employed by or serving under the Authority, the Authority may at any time terminate the services of any person, after giving him not less than sixty days notice or pay for the period by which such notice falls short of sixty days.

(3) service under the Authority is hereby declared to be service of Pakistan and every person holding a post under the Authority, not being a person who is on deputation to the Authority from any province, shall be deemed to be a civil servant for the purposes of the Service Tribunals Act, 1973.

14. Recruitment and condition of service. The Authority shall, with the approval of the Council, prescribe the procedure for appointment and terms and conditions of service of its officers and servants.

15. Chairman, etc. to be deemed to be public servants. The Chairman, Members, officers and servants of the Authority shall, when acting or purporting to act in pursuance of any of the provisions of this Act, be deemed to be public servants within the meaning of section 21 of the Pakistan Penal Code ([XLV of 1860](#)).

16. Delegation of powers to Chairman, etc. The Authority may by general or special order delegate to the Chairman, a Member or officer of the Authority any of its powers, duties or functions under this Act, subject to such conditions as it may think fit to impose.

17. Industrial Relations Ordinance, 1969 (XXIII of 1969), not to apply. Nothing contained in the Industrial Relations Ordinance, 1969 (XXIII of 1969), shall apply to, or in relation to, the Authority.

18. Persons serving National Highways Board.—(1) Any person on deputation to the National Highways Board immediately before the constitution of the Authority shall, on the constitution of the Authority, be deemed to be on deputation to the Authority on the same terms and conditions of service to which he was entitled in the National Highways Board.

(2) Employees of the National Highways Board immediately before the constitution of the Authority, including a person on deputation to any other organization in Pakistan or abroad, may, on the constitution of the Authority, opt to become an employee of the Authority.

(3) An employee exercising an option under sub-section (2) shall become an employee of the Authority on such terms and conditions as may be prescribed by rules or regulations.

(4) The Federal Government shall contribute to the pension, gratuity and final payment of provident fund of a person absorbed in the Authority under sub-section (3) in accordance with the rules of the Federal Government in force at the time of such absorption.

19. Authority to be local authority. The Authority shall be deemed to be a local authority for the purpose of borrowing money under the Local Authorities Loans Act 1914 (IX of 1914).

CHAPTER V

REPORTS AND STATEMENTS

20. Submission of yearly reports and returns, etc.—(1) The Authority shall submit to the Federal Government, as soon as possible after the end of every financial year but before the last day of September next following, a report on the conduct of its affairs for that year.

(2) A copy of the report mentioned in sub-section (1), together with a copy of the audit report, shall be placed by the Federal Government before the National Assembly and the National Assembly shall refer the same to its Committee on Public Accounts for scrutiny and examination.

(3) The Committee on Public Accounts shall scrutinize and examine the reports referred to it under sub-section (2) in the same manner as, and shall in respect thereof, perform the same functions and exercise the same powers as are required by it to be performed and exercised in respect of appropriation accounts of the Federal Government and the report of the Auditor General thereon.

(4) The Federal Government may require the Authority to furnish it with—

- (i) any return, statement, estimate, statistics or other information regarding any matter under the control of the Authority; or
- (ii) a report on any such matter; or
- (iii) a copy of any document in the charge of the Authority;

and the Authority shall comply with every such requisition.

CHAPTER VI

FINANCE

21. National Highway Authority Fund.—(1) There shall be formed a non-lapsable fund vesting in the Authority known as the “National Highway Authority Fund”, to be utilized by the Authority to meet charges in connection with its function under this Act including the payment of salaries and other remuneration to the Chairman, Members, officers, servants, experts and consultants of the Authority.

(2) The National Highway Authority Fund shall be kept in scheduled banks and shall be operated according to rules and regulations of the Authority.

(3) The National Highway Authority fund shall ¹[have to its credit] all funds received by the Authority from which the Authority can incur expenditure related to its functions including—

- (i) loans obtained from the Federal Government;
- (ii) other loans obtained by the Authority;
- (iii) grants made by the Federal Government;
- (iv) income from tolls;
- (v) funds provided by the Federal Government;

¹Subs. by Ord. 31 of 2001, s. 9.

(vi) foreign aid, grants and loans negotiated and raised by the Authority;

(vii) all other sums received by the Authority, such as fees, damages costs, refunds, forfeitures, sale proceeds, lease money, rentals and fines;

(viii) income from the Sale of assets, land or vehicles; and

(ix) funds from floating bonds, shares or through any other means.

22. Maintenance of accounts. The Authority shall maintain complete and accurate books of accounts in such forms as may be prescribed by it.

23. Annual statement of accounts. In the month of January each year, the Authority shall submit to the Federal Government for approval a statement of the estimated receipts and expenditure in respect of the next financial year.

24. Audit.—(1) The accounts of the Authority shall be audited every year by the Auditor-General in such manner as may be prescribed by the Federal Government.

(2) Copies of the audit report shall be sent to the Authority and, with the comments of the Authority, to the Federal Government and shall also be available for public inspection.

(3) The Authority shall carry out any directive issued by the Federal Government for rectification of an audit objection.

CHAPTER VII

MISCELLANEOUS

25. Recovery of arrears due as arrears of land revenues. Any sum due to the Authority shall be recoverable as an arrear of land revenue.

26. Land acquisition. The acquisition of any land or any interest in land for the Authority or for any project under this Act shall be deemed to be acquisition for a public purpose within the meaning of the Land Acquisition Act, 1894 ([1 of 1894](#)), and the provisions of the said Act shall apply accordingly.

27. Transfer of rights and liabilities.—(1) As from the commencement of this Act all assets and liabilities and all rights and obligations of the National Highways Board and the Directorate General National Highways shall stand transferred to the Authority.

¹ [N-5	Karachi-Thatta-Hyderabad-Moro-Multan-Sahiwal-Lahore-Jhelum Rawalpindi-Peshawar-Torkham (formerly known as G.T.Road)	1819
N-10	Liari-Gwadar-Gabd	653
N-15	Mansehra-Naran-Jalkhad	175
N-25	Karachi-Bela-Khuzdar-Kalat-Quetta-Chaman	813
N-35	Hassanabdal-Abbottabad-Thakot-Gilgit-Khunjrab	806
N-40	Lakpass-Naukundi-Taftan	610
N-45	Nowshera-Dir-Chitral	309
N-50	Khuchlak-Zhob-D.I. Khan	531
N-55	Kotri-Shikarpur-D.G. Khan-D.I. Khan-Kohat-Peshawar (Indus Highway)	1247
N-65	Sukkur-Sibbi-Saryab	385
N-70	Qilla Saifullah-Loralai-D.G. Khan-Multan	447
N-1	Islamabad-Peshawar Motorway	154
N-2	Lahore-Islamabad Motorway Including 32 Km links and Lahore Bypass	367
M-3	Pindi Bhattian-Faisalabad Motorway	52
M-9	Karachi-Hyderabad Motorway	136''

¹ [Designation of Highway	Route	Approved Length Km.
(1)	(2)	(3)

[1] Subs. and Added by Ord. 31 of 2001, s. 12.

S-1	KKH (Gilgit)-Skardu	167.]
S.No.	Areas	Dates on which Act XXI of 1991 shall come into force
² 1.	The whole of the Province of of Baluchistan except Provincially Administered Tribal Areas (and “B” Areas of Baluchistan).	20 th June, 2001
2.	The whole of the North-West Frontier Province except the provincially Administered Tribal Areas.	20 th June, 2001
3.	The whole of the Province of Punjab.	20 th June, 2001
4.	The whole of the Province of Sindh.	20 th June, 2001
5.	The whole of the Islamabad Capital Territory.	20 th June, 2001
