

WEEKLY GOVERNANCE

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Supreme Court Verdict Halts Chaudhary Group's Bid for Thapathali Land

Photo Source: Unsplash

In a significant legal victory, the Supreme Court of Nepal has halted the Chaudhary Group's longstanding effort to claim ownership of a prime 6 ropani 3 aana property in Thapathali, Kathmandu. The verdict marks the end of a nearly two-decade legal battle over the land between the Chaudhary Group, acting through Himal Hydro and General Construction Limited, and the international non-profit, United Mission to Nepal (UMN).

The dispute dates back to 1986 AD when UMN, unable to legally own land in Nepal as an international NGO, entered into an agreement with Himal Hydro—a company it had established and held a 70% stake in—to purchase the land in question. The deal allowed UMN to fund the purchase and use the property without interference, while Himal Hydro would hold the official title.

However, financial crises during the Khimti Hydropower Project construction led to changes in Himal Hydro's ownership. In 1997, Norwegian company Statkraft refinanced the company in exchange for shares, reducing UMN's holding to 34%. This further dropped when Statkraft's shares were sold to NCC Tunneling and later transitioned through various ownerships to eventually come under the Chaudhary Group via Nepal Hydropower and Development Limited (NJPB).

By 2006, with a 78% stake in Himal Hydro, the Chaudhary Group began pressuring UMN to vacate the Thapathali land. The company attempted to use the land as collateral for bank loans, prompting UMN to resist, citing the 1986 agreement. In response, UMN formed UMN Services Ltd. in 2008 to formally reclaim the land. Himal Hydro, however, refused and proposed nullifying the original contract.

Legal actions initiated by Himal Hydro failed to secure favorable judgments in the district and high courts, eventually reaching the Supreme Court. Throughout the proceedings, the Chaudhary Group appeared to exert considerable pressure, yet found little support from the government.

The recent Supreme Court decision categorically dismissed Himal Hydro's writ, effectively concluding that the land belongs to UMN. With UMN's operations in Nepal now concluded, the ruling paves the way for the property to revert to the Government of Nepal. UMN officials have welcomed the verdict as a major success, underscoring the importance of legal clarity and accountability in contested land ownership involving INGOs and private corporations.

This verdict not only safeguards UMN's legacy but also sets a precedent against corporate overreach in the acquisition of assets linked to international development work.

Read more: Ukaalo

Governance Issues of the Week

- 1. Court orders News Removal on SEBON Chair:** The Kathmandu District Court has issued an interim order directing Nepalkhabar.com and Bizmandu.com to remove articles related to Santosh Narayan Shrestha, Chair of the Securities Board of Nepal, and to halt further reporting on him, citing potential harm to his reputation. Both outlets rejected the order, labeling it vague and unconstitutional, and pledged to challenge it legally. Shrestha has been under public scrutiny following allegations of receiving commissions and executive anomalies.

Read More: Kantipur

- 2. KMC officials charged in corruption case:** The Commission for Investigation of Abuse of Authority (CIAA) has filed a corruption case against former Chief Administrative Officer Pradeep Pariyar and six other officials of the Kathmandu Metropolitan City (KMC). The officials are accused of causing a loss of NPR 43.17 million each by unlawfully disqualifying the lowest bidder for a road construction project along the Basundhara–Mhepi section of the Samakhushi corridor.

Read More: Republica

- 3. Former PM Madhav Kumar Nepal charged in Patanjali Land Scam:** The CIAA has filed corruption charges against former Prime Minister Madhav Kumar Nepal and 92 others in the Patanjali Yogpeeth land scam, seeking NPR 185.5 million in compensation. The case involves misappropriation of land acquired under government ceiling exemptions and later sold illegally. Patanjali had acquired over 41.5 hectares of land across multiple districts. Several former ministers, secretaries, and Patanjali officials are also implicated, with the 2010 Cabinet's decisions cited as key to the financial irregularities and state losses.

Read more: The Kathmandu Post

- 4. SC orders probe into Maoist leader Agni Sapkota:** The Supreme Court's Constitutional Bench has issued a writ of certiorari directing a probe into former House Speaker Agni Sapkota over the 2005 abduction and murder of Arjun Lama from Kavre, who was abducted by then Maoist. Lama's wife had accused Sapkota and ex-minister Suryaman Dong in her police complaint. The case was initially deferred, citing jurisdiction of the Truth and Reconciliation Commission, to which the top court asked the e complaint to be registered and sapkota to be arrested. But the arrest attempt was halted following Sapkota's ministerial appointment.

Read more: Online Khabar

- 5. Concerns Over Budget Favoring Minister's Constituency:** The new budget has allocated NPR 21 crore for seven municipal roads in Minister of Industry, Commerce and Supplies, Damodar Bhandari's home district of Baitadi—nearly half of the total NPR 47 crore budgeted for 16 roads nationwide. Meanwhile, existing Special Economic Zones (SEZs) in Simara and Bhairahwa received only NPR 1.35 million each, sparking concerns of politically motivated development priorities. Notably, road construction falls outside the formal jurisdiction of the Industry Ministry.

Read More: Setopati

- 6. Over 75,000 Indian Nationals travel illegally via Nepal:** A total of 75,876 Indian Nationals, including wanted fugitives, have reportedly travelled out of Nepal without the mandatory No Objection Certificates (NOC). During Rabi Lamichhane's term as Home Minister, 8,279 individuals exited without clearance. The figure was 14,074 under Narayan Kaji Shrestha, and 13,788 under the current Home Minister. The highest number—24,621—was recorded during Bal Krishna Khand's tenure.

Read More: Gorkhapatra

Citizen Perception Survey on Right to Information

Accountability Lab Nepal and National Federation for Right to Information (RTI - Federation) is conducting a nationwide perception survey to explore the use and effectiveness of RTI framework among the public, and assess the responsiveness of public institutions' in providing timely and accurate information. Open to all Nepali citizens, the survey will remain open from 24 May to 15 June 2025.

[Link to the survey>>](#)

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