

PKF Nepal Updates

Staff leaving PKF Nepal

PKF Nepal extends farewell to PKF team member Kailash Raj Pandeya who has decided to move on for career enhancement with other entities. PKF Nepal expresses gratitude for his valuable contribution to the firm.

Birthdays



PKF Nepal extends birthday wishes to PKF team members viz. Nikita Agrawal (Partner), Pooja Neupane, Deepak Kumar Luitel, Lalit Oli, Bibek Subedi, Gambhir Bidari, Shekhar Karki, and Anil Khanal

whose birthdays were in November.



Celebration of birthdays at PKF Premises

ICAN Members

PKF Nepal cordially extends felicitation to CA Aarati Paudel and CA Anjan Bandhu Poudel on passing ICAN membership exam and wishes them further success in the future.



CA Aarati Paudel

CA Anjan Bandhu Poudel

Updates

Notices issued by NRB

Amendment to the Unified Directive, 2080, applicable to Infrastructure Development Banks:

Directive 4/080 clause 3(kha) (a2): When accounting for the interest capitalization of loans approved and financially closed after the issuance date of this directive (26 Magh 2079), the entire interest amount accrued during the Moratorium period for Interest Capitalized Term Loans (ICTL) can be deducted from the Interest Capitalized Reserve (ICR). This deducted amount may then be transferred to Retained Earnings if the interest-capitalized project becomes commercially operational.

Directive 12/080 clause 10(3)(d): Individuals, firms, companies, or organizations providing a guarantee for loans/facilities will be blacklisted if the borrower is blacklisted. However, before blacklisting the guarantor, the mortgage held as security by the debtor must be auctioned and the proceeds recovered. If the recovery from such security is insufficient and the bank's loan amount is still outstanding, a 90-day notice period will be given to the guarantor for payment. The guarantor will be blacklisted only if payment is not made within the notice period. If the written notice fails to reach the concerned person's address, publication in a newspaper will serve as valid notice.

Directive 12/080 clause 10(3)(g): JV-affiliated firms or companies will be blacklisted if the JV itself is blacklisted. However, it is not obligatory to blacklist other firms/companies involved in the JV solely because a firm/company within the joint venture is blacklisted.

Directive 12/080 clause 19(2): Providing loans/facilities to blacklisted individuals, firms, companies, or organizations will incur a fine equivalent to the loan facility amount, as per Section 99 (1) of the Nepal Rastra Bank Act, 2058. Operating a deposit account and conducting loan transactions with a non-blacklisted firm/company in a joint venture with a blacklisted entity will not be hindered.

For notice [click here](#).

Amendment to Unified Directive, 2080, applied to Banking and Financial Institutions (BFIs) of "A," "B," and "C" classes:

Directive 4/080 clause 3(kha)(a2): In the accounting treatment of interest capitalization for loans approved and financially closed after the issuance date of this directive (26 Magh 2079), the total interest amount accrued during the Moratorium period for Interest Capitalized Term Loans (ICTL) can be subtracted from the Interest Capitalized Reserve (ICR). This subtracted amount may then be transferred to Retained Earnings, provided that the interest-capitalized project is commercially operational.

Directive 12/080 clause 9(3)(d): Individuals, firms, companies, or organizations providing a guarantee for loans/facilities will be blacklisted if the borrower is blacklisted. However, prior to blacklisting the guarantor, the security held as a mortgage by the debtor must be auctioned and the proceeds recovered. If the recovered amount is insufficient and the outstanding loan remains, a 90-day notice period will be granted to the guarantor for payment. In the event that payment is not made within the stipulated notice period, the guarantor will be blacklisted. If the written notice fails to reach the concerned person, publication in a newspaper will be considered valid notice.

Directive 12/080 clause 9(3)(g): Joint Venture (JV) affiliated firms or companies will be blacklisted if the JV itself is blacklisted. However, it is not obligatory to blacklist other firms/companies involved in the JV solely due to the blacklisting of a specific firm/company within the joint venture.

For notice [click here](#).

Payment System related Unified Directive, 2080 Issued

The Payment System Department of the NRB has consolidated the provisions from the Unified Directive, 2079, along with circulars and notices issued up to 4 Mangsir 2080, and has released the Payment System related Unified Directive, 2080 for licensed organizations. All transactions relating to payment concerning licensed organizations should now refer to this latest Directive.

For notice and the Payment System related Unified Directive, 2080 [click here](#).

Policies and Procedural Provisions for granting approval for Companies providing Hire Purchase Loan, 2070 (Fourth Amendment, 2080) Issued

NRB has issued an amendment of Policies and Procedural Provisions for approving Companies providing Hire Purchase Loan, 2070 (Fourth Amendment, 2080) for the licensed companies operating hire purchase loan transactions.

For notice along with the amended policy [click here](#).

Notices issued by NIA

Issuance of Long Form Audit Report (LFAR) of Insurer, 2080

Nepal Insurance Authority has issued a Long Form Audit Report of Insurer, 2080 as per Section 87(4) of the Insurance Act, 2079 using the power conferred by Section 166 of the Act.

For LFAR of Insurers, 2080 [click here](#).

Insurer's Quarterly Financial Statement related Circular, 2080 Issued

NIA has issued a Circular related to the Quarterly Financial Statement of Insurer applicable from FY 2080/81 using the power conferred by Section 166 of the Insurance Act, 2079.

For Insurer's Quarterly Financial Statement related Circular, 2080 [click here](#).

Notices issued by SEBON

Instruction to CDSC Ltd and Scheme Managers regarding the sale and transfer of securities by Collective Investment Fund

The Regulation Department of SEBON has requested CDS and Clearing Limited and all the scheme managers to comply with the provisions of Section 87 of the Securities Act, 2063 effective from the 21 Kartik 2080 as per the decision of the board.

At least five percent of the securities to be issued to the public by a corporate body must be set aside for the collective investment fund. In accordance with the provisions of the Collective Investment Fund Regulation, 2067, the collective investment fund shall not sell or transfer the securities purchased by it until six months have passed from the date of public issue and allotment to the general public by the corporate body.

However, in the event that the prescribed period of the plan expires or the plan is canceled within six months from the date of allotment of such securities, the sale and transfer of the securities owned by the collective investment fund within that period shall not be hindered.

For notice [click here](#).

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