

## Flash Alert

22 March 2024



### Cross Border Transactions through Quick Response Codes

The Nepal Rastra Bank has amended the Unified Circular 2080 by adding the following clauses to allow cross-border transactions through the Quick Response Codes.

This amendment allows Indian citizens residing in Nepal now to have the opportunity to link their accounts with Nepali banks to electronic services, facilitating seamless transfers to Indian banks. This service allows for daily transfers of up to INR 15,000 and monthly transfers of up to INR 100,000.

Similarly, Nepali citizens maintaining accounts with Indian banks can now avail themselves of electronic banking services, including interbank payments and mobile banking. They can transfer funds to their Nepali bank accounts utilizing Quick Response Codes through the National Payment Switch. Additionally, Nepali merchants can receive international payments through Quick Response Codes via the National Payment Switch, with the funds deposited into their accounts at local commercial and development banks.

It is incumbent upon banks to effectively manage and mitigate the associated risks of these transactions.

#### **PKF Comment**

The aforementioned developments contribute to the modernization and efficiency of financial services in Nepal, benefiting both individuals and businesses by enhancing accessibility, convenience, and security in cross-border transactions.