

PKF Nepal Updates

New staff welcomed to PKF Nepal

We are excited to welcome Ushant Tasiju, Smriti KC, Prabeen Paudel, Dewamsh Basyal and Ayushma Pandey to the PKF Nepal team.

Staff leaving PKF Nepal

PKF Nepal bids farewell to team members: Kumar Sharma, Mahesh Kafle, Abhishek Kumar Karn and Sujan Khadka as they embark on new career opportunities. PKF Nepal extends heartfelt appreciation for their invaluable contributions to the firm and wishes them continued success in their future endeavors.

Birthdays

PKF Nepal extends warm birthday wishes to its managing partner: Shashi Satyal and director Anjan Shah, along with the team members: Amrit Shahi, Subash Bhatta, Anugya Tamang, Poshan Bhandari, Yugesh Shrestha, Swastika Khatri, Sabin Dhakal, Priyanka Pradhan, Aasha Simkhada, Anusha Khanal, Rishav Subedi, Dinesh Bohara and Bipin Aryal whose birthdays fell in December.



Celebration of birthdays at PKF Premises

PKF Nepal's Festive Celebration: Christmas

Christmas is a time of joy, love, and togetherness, celebrated globally in various ways marking the birth of Jesus Christ. PKF Nepal celebrated it by exchanging gifts, adding fun and excitement to the office enforcing bonds among colleagues spreading a festive cheer.



Celebration of Christmas at PKF Nepal

Updates

Notices issued by NRB

Amendments to Payment System Unified Directives, 2080

NRB has amended/ added/ revised the following provisions to Unified Directive No. 5/080 and Directive No. 8/080 of the Payment System Unified Directives, 2080:

Directive No. 5/080 Section 4 and 5: NRB has amended the limits and regulations for transactions via authorized representatives:

- Cash Deposit Limits:** Customers can deposit a maximum of NPR 25,000 per day and up to NPR 100,000 per month into wallets operated by payment service providers through their appointed authorized representatives.
- Cash Withdrawal Limits:** Upon customer request, a maximum of NPR 5,000 per day and up to NPR 25,000 per month can be withdrawn via authorized representatives. Such transactions can also be performed using ATMs of banks and financial institutions.
- Setting Transaction Limits:** Payment service providers can set transaction limits as per the maximum limits specified in points (1) and (2).
- Daily Transaction Limits:** Payment service providers may determine the total daily transaction limit for authorized representatives.
- Record-Keeping of Transactions:** Payment service providers must electronically collect and maintain records of all transactions conducted by authorized representatives.
- Monitoring and Reporting of Transactions:** Payment service providers must analyze transaction numbers, amounts, locations, patterns, and growth to prepare a quarterly report for submission to the board of directors of the company.

Additionally, a semi-annual report on such transactions must be submitted to NRB.

Directive No. 8/080 Section (Kha): Regulations for authorized representatives of payment service providers other than banks and financial institutions holding licenses from the NRB:

Appointment of Authorized Representatives: Payment service providers, with approval from their board of directors, can appoint authorized representatives to offer payment services. These representatives must be appointed by licensed payment service providers, as per the Central Bank's regulations. The term "authorized representative" also includes agents defined in the Payment and Settlement Regulations.

When appointing an authorized representative, the payment service provider must collect the following documents and details as part of the agreement:

- Personal and Business Information: Name, address, nature of business, geographical area of operations, and other relevant details.
- Company registration/Business registration certificate (updated).

- Proof of Permanent Account Number (PAN).
- Certified copy of citizenship or national identity card of the Founder/Director.
- Contact Information (Including Mobile Number and Email Address).
- Proof of No Blacklisting in Banking or Financial Institution transactions, or if Blacklisted, a declaration that it has been cleared for at least 3 years.
- Criminal Record Report from police indicating No Criminal Background, or if criminal background exists, Proof of Serving Sentence for at least 5 years.
- Self-declaration of Not Being Involved in Money Laundering or Financing of Terrorism Activities.

Directive no. 5/080 Section 7(6): Maximum fees chargeable by the authorized representatives from customers for services related to transactions conducted through digital wallets per transaction are as follows:

S.N	Nature of Transaction	Amount Range (NPR)	Fee (NPR)
1	Load or Withdrawal through an authorized representative.	Upto 5000	5
		5001 to 15000	15
		15001 to 25000	25
2	Transferring wallet balance to a bank account		10

The term "authorized representative" has been introduced to replace "agent" in the updated provision.

For notice, [click here](#).

Notice issued by ICAN

Sample Financial Statements for NFRS for SMEs, NAS for MEs, and NAS for NPOs

The Institute of Chartered Accountants of Nepal (ICAN) has been implementing the Nepal Accounting Standards (NAS), including the Nepal Financial Reporting Standards (NFRS, NFRS for SMEs, NAS for MEs, NAS for NPOs), as recommended by the Accounting Standards Board, Nepal under Section 11 (d) of the Nepal Chartered Accountants Act 2053.

To assist in the successful implementation of these standards, ICAN has prepared model financial statements for NFRS for SMEs, NAS for MEs, and NAS for NPOs to facilitate the preparation of financial statements for its members, and users. These model financial statements are available on ICAN's website.

For notice, [click here](#).

Notice issued by IRD

Extension for Submission of Income Tax Return

As per the Income Tax Act, 2058, taxpayers must submit their income details within three months of the fiscal year's end. IRD allows extension of up to three months for valid reasons, which can now be requested automatically

through the Integrated Tax System. Previously, the submission deadline was extended up to mid-December (Mangsir end) for taxpayers with annual transactions up to NPR 250 million and to early January (Poush 20) for those exceeding NPR 250 million pursuant to decision dated 2081.06.04.

Following requests from various organizations and taxpayers IRD has decided to automatically extend the deadline to 13 January (Poush end, 2081) for taxpayers with annual transactions exceeding NPR 10 million.

For notice, [click here](#).

Notice issued by NIA

Insurance Claim Processing and Payment related directives

In relation to the decision dated 2081.9.4, all licensed insurers are required to follow the instructions issued by the Nepal Insurance Authority. The instructions are as follows:

- Upon receiving an insurance claim application, the insurer must register the claim and immediately notify the insured via SMS.
- When appointing a surveyor for loss assessment in case of non-life insurance, the insurer must inform the insured through SMS. Additionally, once the survey report is received, the insurer must notify the insured via SMS.
- Once the liability for the claim is confirmed according to the insurance policy, the full amount must be paid digitally, directly into the beneficiary's bank account, as per legal requirements.
- In the case of life insurance claims, insurers are prohibited from issuing any other insurance policy to adjust the amount unless the claim amount is deposited into the insured's or the beneficiary's bank account, as required by the legislation.

For notice, [click here](#).

Notice issued by SSF

Expansion of Health Benefits

The Social Security Fund (SSF) has expanded health treatment benefits for contributors who contribute to the Fund through informal, self-employment, and foreign employment channels, including their spouses and children up to 18 years of age.

Similarly, the same benefit is being extended to the spouses and children up to 18 years of age of contributors from the formal sector and is in the process of being implemented. To claim this benefit, updating KYC (Know Your Customer) and personal details is mandatory.

For notice, [click here](#).

Compiled and contributed by Bipin Aryal. Bipin is an Audit Executive in the firm.

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