

PKF Nepal Updates

New staff welcomed to PKF Nepal

We are excited to welcome Ajeet Kumar Pandey to the PKF Nepal team.

Staff leaving PKF Nepal

PKF Nepal bids farewell to team members: Alisha Agrawal, Yamu Neupane and Ashish Bhatta 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 team members: Ashmita Bhattarai, Aashish Thakuri, Sushant Shah, Samiksha Paudel, Diwash Pokharel, Samrat Pathak, Ankit Shahi, and Sudip Adhikari, whose birthdays fell in March.



Celebration of birthdays at PKF Premises

Holi Celebrations at PKF Nepal

PKF Nepal celebrated the vibrant and joyous festival of Holi, also known as the Festival of Colors, with great enthusiasm and togetherness. The celebration was marked by a spirited gathering of team members, fostering a sense of unity and collaboration beyond the workplace.



Holi celebrations at PKF Nepal

Updates

Notices issued by NRB

Amendments to Payment System Unified Directives, 2080

The Nepal Rastra Bank (NRB) has issued the Unified Directives, 2081 to licensed institutions, incorporating all amendments, revisions, and updates made up to 12 March 2024, as per the authority granted by Section 45 of the Nepal Rastra Bank Act, 2058.

For directives, [click here](#).

Amendments in Unified Directives, 2081 for "A," "B," and "C" class BFIs

NRB has added/amended the following provisions to the Unified Directives, 2081:

Directive no. 2/081 Section 17: BFIs are required to allocate at least 1% of their annual profit to establish a Corporate Social Responsibility (CSR) Fund.

From now on, BFIs must follow the "Guidelines for Corporate Social Responsibility of Banks and Financial Institutions, 2081" issued by NRB for CSR related activities.

Note: The provisions under this guideline will apply to CSR programs approved after the issuance date of this guideline.

For guidelines, [click here](#).

For TRU highlights, [click here](#).

FIU – Nepal Annual Report 2023/24

NRB's Financial Intelligence Unit (FIU) has published its Annual Report 2023/24, providing a comprehensive overview of Nepal's AML/CFT regime, including international and domestic frameworks, key agencies, reporting entities, and regulatory bodies. It outlines FIU-Nepal's core functions, organizational structure, goAML software system, and its challenges.

S.N.	Institutions	Vulnerability	Quality of AML/CFT control
1.	Banking	Medium high	Medium
2.	Co-operatives	Medium high	Medium low
3.	Securities	Medium	Medium
4.	Insurance	Medium	Medium low
5.	Other Financial Institutions	<ul style="list-style-type: none"> Money Changer - Low Remittance Company - Medium high Foreign Exchange Bureau - Medium high Hundi - High 	NA
6.	DNFBPs	<ul style="list-style-type: none"> Casino - Medium high Precious Stones - Medium high Real Estate - High Accountants - Medium 	NA
7.	NPOs	Medium	NA

Table: Sector-wise vulnerabilities as per NRA, 2020

The report also covers data receipt, analysis, and dissemination of TTRs, STRs, and SARs via the goAML system, highlighting operational and strategic analysis. Domestic and international cooperation mechanisms, including MoUs with various agencies, are discussed, along with capacity-building initiatives.

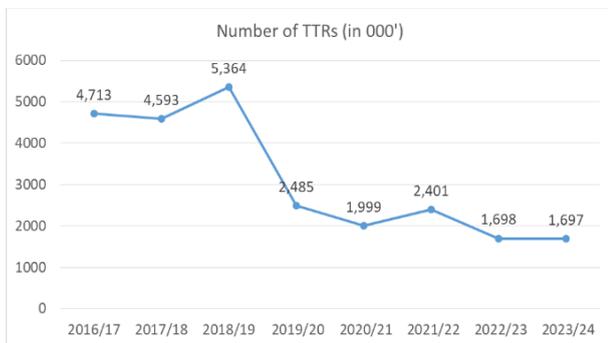


Table: Yearly receipt of TTRs

Additionally, the report also addresses Nepal's third Mutual Evaluation, its key activities, timelines, challenges, and the implications of low compliance.

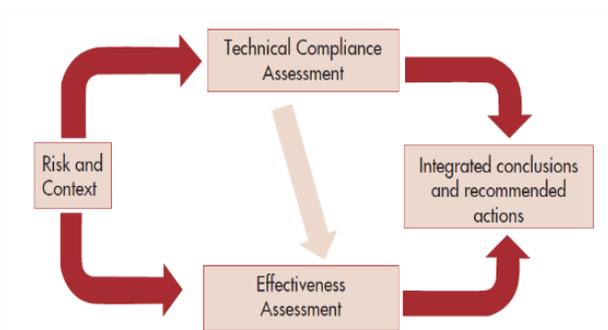


Figure: Mutual Evaluation Process

For the full report, [click here](#).

Notice issued by SEBON

Instructions for Investment Companies on Listing with SEBON

The Government of Nepal, under Section 7(2) of the Assets (Money Laundering) Prevention Act, 2064, has designated the Securities Board of Nepal (SEBON) as the regulatory body for investment companies with paid-up capital of NPR 50 million or more or annual transactions of NPR 100 million or more.

In this context, SEBON has issued a notice to all investment companies to get listed with the Board by submitting the following details and documents:

- Application letter requesting listing with the Board
- Details of the Board of Directors, including full name, address, contact number, and shareholder records,
- Updated Memorandum and Articles of Association,
- Updated Company Registration Certificate,
- Permanent Account Number (PAN) Registration Certificate,
- Details of the Chief Executive Officer, including full name, address, and contact number,
- Copy of the decision made by the company's Board of Directors to proceed with listing at the

Board,

- Authorization granted by the company's Board of Directors to initiate listing with the Board,
- Audited financial statements and audit report, showing the company's annual transactions,
- Documents and details disclosing the company's paid-up capital

For notice, [click here](#).

Directives for the Merger and Acquisition of Securities Businesspersons

SEBON has issued the "Directives Related to Merger or Acquisition of Securities Businesspersons, 2081" to regulate the merger or acquisition processes involving licensed securities brokers or dealers, which will come into effect upon approval by the board.

The directive has been formulated under the authority granted by Section 118 of the Securities Act, 2063.

For directives, [click here](#).

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

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PKF T R Upadhy & Co.

124 Lal Colony Marg,
Lal Durbar, Kathmandu, Nepal.
+977 1 4510927 | 4520026

www.pkf.trunco.com.np