

## PKF Nepal Updates

### New staff welcomed to PKF Nepal

We are excited to welcome Sunita Khadka, Jiya Shilpakar and Shakti Yadav to the PKF Nepal team.

### Staff leaving PKF Nepal

PKF Nepal bids farewell to team members: Ankit Shahi, Bikash Kumar Yadav, Aakriti Pokharel and Bibek Adhikari 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: Vivek Prasai, Rajan Lopchan, Ajeet Kumar Pandey, Bibek Adhikari, Dipak Kumar Das, Tina Khadka, Sarbesh Ghimire, Bipen GC, Shubham Bastola, Radhasi Pandey, Sudip Ale Magar and Ashutosh Gelal, whose birthdays fell in June.



*Celebration of birthdays at PKF Premises*

## Updates

### Notices issued by MoF

#### Bill for Authorization of Federal Expenditure FY 2082/83

The Ministry of Finance (MoF) has introduced a bill in the Federal Parliament to authorize expenditure from the Federal Consolidated Fund for the fiscal year 2082/83.

The bill seeks to allocate necessary funds for the effective delivery of public services and execution of government functions. It provides the legal framework for public expenditure and appropriations, ensuring accountability and transparency. Introduced as a finance-related bill, it aligns with constitutional provisions governing the use of state resources.

For bill, [click here](#).

### Notices issued by NRB

#### Amendment to FXMD Regulations, 2078

Nepal Rastra Bank (NRB) has issued a notice regarding the fourth amendment to the Foreign Investment and Foreign Loan Management Regulations, 2078. This amendment has been made in accordance with Section 12 of the Foreign Exchange (Regulation) Act, 2019 and Section 63 of the Nepal Rastra Bank Act, 2058.

For regulations, [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 8(5):** Loans up to NPR 2 crore disbursed in designated sectors (agriculture, energy, and micro, cottage, small, and medium enterprises) that have faced difficulties due to unforeseen circumstances may be restructured or rescheduled once, based on the borrower's request. This must be supported by an analysis of the business plan and cash flow, with at least 10% of the interest due recovered.

The restructuring/rescheduling must be completed by the end of Ashwin 2082 (mid-October 2025), and the loan should be classified at least in the same category as it was on Poush-end 2081 (mid-January 2025). Any loan loss provision made before the restructuring or rescheduling cannot be written back.

For Circular, [click here](#).

### Notice issued by ICAN

#### Amendments in Guidelines on Marketing Professional Services 2023

The Institute of Chartered Accountants of Nepal (ICAN) had earlier issued the *Guidelines on Marketing Professional Services 2023* to assist its members in complying with the Code of Ethics. To enhance clarity on certain provisions and ensure the guidelines remain relevant, the 350<sup>th</sup> Council meeting held on 30.2.2082 approved amendments to the guidelines.

The revised version has now been issued and shall come into effect from the date of issuance i.e. 10.3.2082.

For notice, [click here](#).

For guidelines, [click here](#).

#### Amendments in Code of Ethics for Professional Accountants 2023

The Handbook of the Code of Ethics for Professional Accountants 2023 includes different provisions for Public Interest Entities (PIEs) and other entities, with the glossary defining PIE.

To support effective implementation of the Code in the Nepali context, the 350<sup>th</sup> meeting of ICAN held on 30.2.2082 has issued the following definition of a Public Interest Entity, effective from the date of issuance.

Aspect	Previous Provision	Revised Provision
<b>Definition Basis</b>	Listed entity	Publicly listed entity
	Defined by law/regulation as PIE	Banks, financial institutions, and saving & credit cooperatives with deposits > NPR 20 crore
	Audit requires independence as for listed entities	Insurance companies
		Pension, provident, social security funds, and collective investment schemes
		Public sector enterprises with significant public accountability
		Securities-related agencies
<b>Scope Clarification</b>	Focus on audit independence requirements	Other entities defined as PIEs by law
		Broader context reflecting Nepal's regulatory and economic environment

For notice, [click here](#).

## Revision of Fees for Members and Students

As per the decision made in the 351st Council Meeting held on 15.3.2082, the Institute has revised various fees related to its members and students in accordance with Schedule 4 of the Nepal Chartered Accountants Regulations, 2061. These revised fees will come into effect from 1.4.2082.

For notice, [click here](#).

## Issuance of UDIN Regulations, 2082

With the objective of enhancing public trust in the accounting profession and discouraging unauthorized or inappropriate certification of financial information, UDIN (Unique Document Identification Number) system had been introduced.

In continuation of this, and to eliminate ambiguities and make its implementation more effective, ICAN has issued the UDIN Regulations, 2082, as per the decision of the 351st Council Meeting held on 15.3.2082.

These regulations will come into effect from 1.4.2082.

For notice, [click here](#).

For regulations, [click here](#).

## Notices issued by Department of Customs

### Removal of Bank Guarantee Requirement

The Department of Customs has removed the provision requiring a bank guarantee of NPR 300,000 for obtaining an Export-Import (EXIM) Code. This change follows the 16th amendment to the Customs Regulations, 2064—specifically Rule 66G(2)(b) and Rule 66(3).

As per the decision dated 19.3.2082, “A” Class commercial banks and their branches shall now release the bank guarantees held under this provision for various importers/exporters who had deposited the amount for EXIM Code issuance.

For notice, [click here](#).

## Global Highlights

### Politics and Diplomacy

- The escalation of the Israel–Iran conflict in mid-June, involving Israeli strikes on Iranian nuclear facilities and retaliatory missile attacks, reignited geopolitical tensions across the Middle East and triggered global supply chain disruptions and oil price volatility; this development fuels inflationary risks and destabilizes energy markets worldwide, while for Nepal, it directly increases fuel import costs and heightens the need for strategic diplomatic neutrality in an increasingly polarized global landscape.
- NATO held its summit in The Hague on June 24–25, where member nations agreed to raise defense spending targets to 5% of GDP and reaffirmed collective security commitments; this move reshapes global funding priorities toward militarization, potentially reducing the availability of foreign aid and development financing, while for Nepal, it may lead to decreased donor attention and increased competition for international development resources.

### Economy and Energy

- Saudi Arabia increased crude oil exports by 450,000 barrels per day in June to 6.33 million bpd, in a bid to stabilize markets amid the Middle East conflict; this step temporarily eased global supply concerns but failed to lower prices significantly, while for Nepal, persistent high oil prices continued to inflate import costs, pressure domestic inflation, and strain fiscal and trade balances.
- Global financial markets faced heightened volatility throughout June, as fears of a eurozone recession, rising U.S. interest rates, and Middle Eastern conflict spooked investors and disrupted commodity pricing; this amplified economic uncertainty and risk aversion worldwide, while for Nepal, it could lead to reduced foreign investment, and unstable remittance flows.

### Foreign Aid and Trade Relations

- The international community diverted significant development financing toward emergency relief in the Middle East in response to the Israel–Iran conflict, with multilateral agencies prioritizing humanitarian aid and infrastructure rebuilding; this reallocation reflects shifting geopolitical focus in development cooperation, while for Nepal, it raises concerns over potential delays/ reductions in concessional funding for ongoing national projects.
- India's engagement with the Quad and regional blocs promotes trade diversification and resilient supply chains in sectors like renewables, pharmaceuticals, and digital tech. For Nepal, this offers market access opportunities via India but also heightens competition in key exports like generic medicines and agriculture.

## Environment and Climate Updates

- The UN raised alarms over the environmental fallout from the Israel–Iran conflict, including the potential for radiation leaks and long-term ecological damage; this highlights global vulnerabilities to conflict-related environmental crises, while for Nepal, it underscores the need to prioritize ecological resilience and regional cooperation on disaster response and climate adaptation in fragile Himalayan ecosystems.
- Climate diplomacy slowed in June as global attention shifted to conflicts/ security issues, delaying progress on green financing and climate commitments; for Nepal, this may hinder timely access to international climate funds despite its high climate risk.

## Health and Safety

- In June 2025, the WHO issued an urgent alert over a deadly cholera outbreak in Sudan, which claimed over 1,850 lives across 13 states raising fears of cross-border transmission prompting emergency vaccination plans and global humanitarian mobilization. This became one of the deadliest health crises of the year, straining international aid systems and underscoring the severe public health risks.
- A World Bank report reveals air pollution is cutting Nepalis' life expectancy by 3 years and 4 months, with 26,000 deaths annually—surpassing malnutrition and smoking. Kathmandu and the Terai are most affected, with PM2.5 levels far above WHO limits. Pollution costs Nepal 6% of its GDP. Key sources include indoor firewood use, vehicle emissions, and industrial pollution.

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

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