

Legal Reform Matrix

English translation, 4 October 2026. Years attached to Nepali Acts, Rules and Bylaws are in Bikram Sambat (BS); other years are AD.

Business Environment Reform

A. Immediate Priorities (within 2026)

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Responsible Agency
1	Not applicable (policy decision)	Nepal's sovereign credit rating	Sovereign credit rating of BB-obtained	Supports external borrowing and bond issuance under the Public Debt Management Act, 2079	Gives investors a transparent basis and confidence for assessing risk	Ministry of Finance, Nepal Rastra Bank
2	Asset (Money) Laundering Prevention Act, 2064	Weak enforcement	Proper Enforcement	Simultaneous impact on the sectoral Acts	To avoid FATF grey listing and prevent disruption to international payments and investment	Federal Parliament, Office of the President, Ministry of Finance, Ministry of Law, Justice and Parliamentary Affairs
3	Electricity Act, 2049 (new Electricity Bill)	Limited private sector participation in transmission, distribution and cross-border power trade	Pass the new Electricity Act to increase competition and give producers flexibility in selling power. Until the Act is in place, open transmission to private participation through Tariff-Based Competitive Bidding and third-party Open Access	Nepal Electricity Authority Act, 2041; Electricity Regulatory Commission Act, 2074; PPPI Act, 2075	To accelerate the energy transition, power trade and private investment	Ministry of Energy, Water Resources and Irrigation; Electricity Regulatory Commission; Federal Parliament
4	Nepal Rastra Bank Act, 2058	Weaknesses in the central bank's governance and autonomy	Pass amendments that strengthen governance and autonomy	Bank and Financial Institutions Act, 2073; Foreign Exchange (Regulation) Act, 2019	To strengthen the credibility of monetary policy and financial regulation	Ministry of Finance, Nepal Rastra Bank, Federal Parliament
5	Public-Private Partnership and Investment Act, 2075 (staffing)	Investment Board Office staffed only from the civil service	Allow the Board to recruit its own staff competitively from outside the civil service. Direct the Public Service Commission to build investment facilitation expertise within the civil service	Civil Service Act, 2049; Public Service Commission Act, 2066	Investment facilitation requires specialist human resources	Investment Board; Ministry of Federal Affairs and General Administration; Public Service Commission
6	Public-Private Partnership and Investment Act, 2075 (investment approval)	Investments above 200 MW and NPR 6 billion go to the Investment Board; smaller ones go to the Department of Industry	Integrate and simplify the foreign investment approval process	Foreign Investment and Technology Transfer Act, 2075; Industrial Enterprises Act, 2076	Investors need clarity and support throughout the process	Investment Board; Ministry of Industry, Commerce and Supplies; Department of Industry
7	Public-Private Partnership and Investment Act, 2075 (fiscal commitments)	No clear institutional framework for managing PPP fiscal commitments and contingent liabilities (FCCL)	Establish a clear framework and process for assessing, approving and managing FCCL	Financial Procedures and Fiscal Accountability Act, 2076; Public Debt Management Act, 2079	To control fiscal risks arising from PPPs	Ministry of Finance, Investment Board

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Responsible Agency
8	Tax laws, Revenue Leakage (Investigation and Control) Act, 2052 and laws relating to the Supreme Court	Tax disputes are taken through the Department of Revenue Investigation as criminal cases	Allow tax disputes to be resolved through arbitration	Arbitration Act, 2055	Criminalising tax disputes creates fear among investors	Ministry of Finance, Ministry of Law, Department of Revenue Investigation
9	Income Tax Act, 2058 (Section 57)	Tax liability falls on the company (entity) when its ownership changes beyond a set threshold	Collect tax from the selling owner at the time of the sale of the company	Can be amended through the Finance Bill	To align with international practice	Ministry of Finance, Inland Revenue Department
10	Income Tax Act, 2058 and Industrial Enterprises Act, 2076	Retrospective taxation applies. The Industrial Enterprises Act allows CSR spending to be deducted, but tax law does not	Remove retrospective taxation, create clear law for foreign investors and reconcile conflicting tax provisions	Finance Act (annual budget)	Investment will not come without tax certainty	Ministry of Finance, Ministry of Industry, Inland Revenue Department
11	Income Tax Act, 2058 (Double Taxation Avoidance Agreements) and Bilateral Investment Treaties	Agreements exist with only a limited number of countries	Advance DTAA and BITs with priority countries	Treaty Act, 2047	Certainty on foreign investors' tax burden and investment protection	Ministry of Finance, Ministry of Foreign Affairs
12	Provisions on Issuing Bonds in Local Currency, 2070	International financial institutions such as ADB and IFC cannot issue offshore local currency bonds	Allow such institutions to issue offshore local currency bonds	Foreign Exchange (Regulation) Act, 2019; Foreign Investment and Foreign Loan Management Bylaw, 2080	To bring investment into the country while reducing currency risk	Ministry of Finance, Nepal Rastra Bank

B. Medium-Term Priorities (before LDC graduation)

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Responsible Agency
13	Foreign Investment and Technology Transfer Act, 2075	Entry, operation and exit procedures for foreign investment are cumbersome, the negative list is long and investment structure options are limited	Simplify entry, establishment, operation and exit; shorten the negative list; open up new investment instruments and structures	PPPI Act, 2075; Industrial Enterprises Act, 2076; Foreign Exchange Act	To attract foreign investment	Ministry of Industry, Department of Industry, Investment Board
14	Bank and Financial Institutions Act, 2073	Nepal Rastra Bank's regulatory capacity to identify and control related party lending (RPL) is weak	Pass the proposed amendment quickly to strengthen RPL identification and control	Nepal Rastra Bank Act, 2058; Companies Act, 2063	To reduce credit and operational risk, misstatement in financial statements and fraud	Ministry of Finance, Nepal Rastra Bank, Federal Parliament
15	Cooperatives Act, 2074	Monitoring and supervision of savings and credit cooperatives is weak	Strengthen monitoring and supervision	Bank and Financial Institutions Act, 2073; Provincial Cooperatives Acts	To stop the cooperative crisis from spreading across the whole financial system	Ministry of Land Management, Cooperatives and Poverty Alleviation; Provincial Governments

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Responsible Agency
16	Securities Act, 2063	Operational independence and governance of the Securities Board do not meet international standards	Strengthen the independence and governance of the Securities Board	Laws on institutional investors, including the Employees Provident Fund Act, 2019	To build investor confidence and increase institutional investment	Ministry of Finance, Securities Board
17	Secured Transactions Act, 2063	Banks rely heavily on land and buildings as collateral	Encourage lending against movable assets and strengthen creditor rights	National Civil Code, 2074; Bank and Financial Institutions Act	To improve access to credit for micro, small and medium enterprises (MSMEs)	Ministry of Finance, Nepal Rastra Bank, Secured Transactions Registrar
18	National Civil Code, 2074 (Section 451)	Foreign lenders need prior Cabinet approval to create a security interest over immovable property	Make registration of the security documents with the relevant authority sufficient	Lands Act, 2021; Land Revenue Act, 2034	Uncertain and lengthy approvals delay financial close, raise costs and push back project commercial operation dates	Ministry of Law, Ministry of Finance, Ministry of Land Management
19	Credit Information Act (new)	No adequate legal framework for data security, accuracy, consumer protection, privacy and independent regulation of the Credit Information Bureau	Pass a separate Act for the credit information system	Individual Privacy Act, 2075; Nepal Rastra Bank Act	Lower-cost access to credit and reputation-based collateral for MSMEs and women borrowers	Ministry of Finance, Nepal Rastra Bank, Federal Parliament
20	Arbitration Act, 2055	Fear of arbitration under Nepali law discourages foreign investors	Introduce law accepting the ICC Expedited Procedure (can be included in the budget bill itself)	Foreign Investment and Technology Transfer Act, 2075; PPPI Act	Companies need a predictable arbitration method	Ministry of Law, Ministry of Finance

C. Further Reforms under Ease of Doing Business

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Responsible Agency
21	Insolvency Act, 2063	No integrated, modern insolvency regime for consumers, MSMEs and corporates	New integrated insolvency law covering restructuring and effective liquidation	Companies Act, 2063; Bank and Financial Institutions Act	Timely resolution of financially distressed businesses	Ministry of Law, Ministry of Industry
22	National Civil Procedure Code, 2074	Commercial cases are resolved slowly and interim order procedures are ineffective	Provide for interim orders in commercial cases and fast-track resolution of small claims	Administration of Justice Act, 2073	Faster enforcement of contracts	Ministry of Law, Supreme Court
23	Arbitration Act, 2055 and Mediation Act, 2068	Out-of-court dispute resolution tools are weak	Review and strengthen commercial mediation and arbitration	National Civil Procedure Code, 2074	To reduce the burden on courts and settle disputes faster	Ministry of Law
24	Companies Act, 2063	Memorandum and Articles of Association are not standardised, professionals are required to certify registration documents, and services are centralised	Standardise the Memorandum and Articles, enable online registration, reduce the need for professional certification and extend Registrar services to the provinces	Electronic Transactions Act, 2063	To make company registration simpler and faster	Ministry of Industry, Office of the Company Registrar

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Responsible Agency
25	Nepal Trade Integration Strategy (NTIS) 2023 (policy)	No implementation plan has been prepared	Prepare an implementation plan covering the investment climate, grievance handling at the Department of Industry, trademark registration and digitisation of FDI documents	Patent, Design and Trademark Act, 2022; Copyright Act, 2059	To put the strategy into practice	Ministry of Industry, Department of Industry

D. Rules and Policy Framework (Immediate Priority)

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Responsible Agency
26	National Investment Policy (new)	No integrated investment policy	Formulate a policy with a time-bound roadmap and implementation mechanism for policy, legal and institutional reform	FITTA, PPPI Act, Industrial Enterprises Act	Create quality jobs by increasing domestic and foreign investment	Ministry of Finance, Ministry of Industry, Investment Board, National Planning Commission
27	Foreign Investment and Foreign Loan Management Bylaw, 2080	Some flexibility given in setting the period of fixed interest rates	Allow interest rate and tenor to be set through negotiation between lender and borrower	Foreign Exchange (Regulation) Act, 2019	To attract long-term investors (for example, green bonds)	Nepal Rastra Bank
28	Directives of Nepal Rastra Bank and the Securities Board	Unclear whether foreign investors can buy local currency bonds	Issue clear directives	Securities Act, 2063; Foreign Exchange Act	Expand FDI by bringing DFI investment into the local bond market	Nepal Rastra Bank, Securities Board
29	Nepal Rastra Bank regulatory provisions	No provision for mezzanine financing or convertible debentures	Introduce these instruments	Companies Act, 2063; Securities Act	Makes it easier for companies to raise private investment	Nepal Rastra Bank
30	Income Tax Act, 2058 (Section 88(1) and proviso 9)	15% withholding tax on interest and fee payments. 10% on interest paid to foreign BFIs (including DFIs). Multilateral institutions and bilateral DFIs are treated differently	Apply the same withholding tax treatment to bilateral DFIs as to multilateral institutions	Finance Act (annual)	To remove unequal treatment between institutions with the same purpose	Inland Revenue Department, Revenue Advisory Committee, Ministry of Finance
31	Nepal Rastra Bank licensing policy and directives	Unclear whether foreign BFIs may make a partial exit, whether a minimum 20% ownership must be maintained, and what the lock-in period is	Set clear provisions on partial exit, minimum ownership and lock-in period	Bank and Financial Institutions Act, 2073; FITTA	Investors need certainty on exit	Nepal Rastra Bank
32	Provincial Investment Climate Reform Action Plan (policy)	No integrated reform plan at the provincial level	Prepare action plans based on the World Bank's PICA covering infrastructure, construction permits, land administration, business registration, e-payments and public-private dialogue	Provincial industry and investment Acts	To attract investment to the provinces in line with the federal system	Provincial Governments, Ministry of Industry

Non-Resident Nepali Investment

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Action Required
1	Not provided in the Act (NRB directive)	Opening, operating and repatriating Non-Resident Nepali (NRN) foreign currency accounts is governed only by NRB directives, not by the Act.	Provide in the Act itself that NRN foreign currency accounts, fixed deposits and their interest are fully convertible and repatriable without prior approval.	NRB Foreign Exchange Directive	To remove the uncertainty caused by changing directives and attract long-term savings.	Amendment to the Act required.
2	No current provision	Funds received through licensed remittance companies and payment service providers (digital wallets) are not recognised as a legitimate source of foreign investment.	Recognise funds received through licensed remittance companies and payment service providers (digital wallets) as a legitimate source for foreign investment purposes.	Foreign Investment and Foreign Loan Management Bylaw; payment-related directives	To encourage formal channels and discourage hundi.	Write to NRB.
3	NRB approval provisions	Nepal Rastra Bank approval is required to take a foreign loan.	Allow companies with NRN investment to take shareholder loans from the same NRN shareholder through the automatic route, up to a set limit and interest rate.	Foreign Investment and Foreign Loan Management Bylaw	To give flexibility in project capital structure. To reduce approval time.	Write to NRB.
4	Section 5	Foreign banks or financial institutions need NRB approval to set up a subsidiary through joint investment or to acquire shares. No separate, clear provision on NRNs becoming promoters or shareholders.	Clearly allow NRNs to take promoter shares in banks and financial institutions in convertible foreign currency and to repatriate dividends and sale proceeds. Grant repatriation approval together with approval for the sale of NRN promoter shares, in a single step.	NRB licensing and foreign exchange directives	To bring diaspora capital and international experience into the financial sector.	Write to NRB.
5	Section 9	At least 30% of issued capital is reserved for the general public; no separate quota for NRNs (a quota exists in the securities guidelines only for Nepalis in foreign employment).	Reserve a fixed percentage of the promoters share allocation for NRNs, in foreign currency.	Securities Issuance and Allotment Guidelines	To extend the facility given to Nepalis in foreign employment to NRN ID card holders.	Write to the Securities Board of Nepal.
6	Not provided in the Act (NRB directive)	No provision in the Act for long-term foreign currency deposits or bonds for NRNs; opening an account requires physical presence or certified documents.	Allow banks and financial institutions to issue diaspora bonds and long-term deposits in foreign currency for NRNs, with principal and interest repaid in convertible currency. Allow accounts to be opened from abroad through diplomatic missions or video KYC.	NRB KYC directive; anti-money laundering provisions	To raise low-cost, long-term foreign capital for infrastructure and productive sectors. To remove the need for people abroad to travel to Nepal.	Amendment to the Act required. No amendment needed for accepting deposits, as the provision already exists. Write to NRB and the Securities Board of Nepal for amendments to directives.

Nepal Green Finance Taxonomy

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Responsible Agency
1	Nepal Rastra Bank Act, 2058	Under Section 79, Nepal Rastra Bank has the power to issue directives to licensed banks and financial institutions. There is no clear directive making classification and reporting under the Green Finance Taxonomy mandatory, or recognising taxonomy-aligned loans and bonds under Directed Sector Lending (DSL).	No amendment to the Act needed. Under Section 79, issue a separate binding consolidated directive or amend existing directives to: (a) make classification and reporting under the green taxonomy mandatory; (b) recognise taxonomy-aligned bonds and loans under DSL; (c) provide other regulatory incentives for BFIs investing in green assets. Issue a circular for further study on the design and size of incentives.	No direct impact on other laws, since the Act is not amended. Changes only at the directive level.	The existing power to issue directives is sufficient. This directly addresses problems such as the NEA energy bonds mentioned in Section 2 and increases banking sector participation in green investment.	Nepal Rastra Bank
2	Environment Protection Act, 2076 and Environment Protection Rules, 2077	Under Section 3 of the Act, proponents must carry out an IEE/EIA. Schedule 1 of the Rules lists projects requiring an IEE and Schedule 2 lists those requiring an EIA. These are not linked to the sectoral thresholds of the green taxonomy.	Amend Section 3 and Schedules 1 and 2 to reference the sectoral thresholds in Schedule 2 of the green taxonomy. Introduce fee reductions or fast-track review for taxonomy-aligned projects.	Amending Section 3 requires a parliamentary process; the Government of Nepal can amend the Schedules. Coordination needed with forest land use approvals under the Forest Act.	To align environmental assessment with the green taxonomy, reduce duplicate assessments, and cut the cost and time of green projects.	Ministry of Forests and Environment (Federal Parliament for amendment of the Act)
3	Forest Act, 2076 and Forest Rules, 2079	Provisions exist on fees and compensation for approval to use forest land for national priority or infrastructure projects. No separate concessions for projects that qualify under the green taxonomy.	Introduce fee waivers, a reduced approval fee schedule, or compensation credit incentives for transmission and infrastructure projects that qualify under the green taxonomy.	Alignment needed with the Environment Protection Act and Rules.	To reduce the cost of transmission and infrastructure projects and attract investment by linking the green taxonomy to practical benefits.	Ministry of Forests and Environment
4	Securities Act, 2063	Under Section 115, the Securities Board has the power to issue directives to issuers and market intermediaries. Taxonomy-aligned disclosure is not mandatory for green bonds and green-labelled instruments, and certification authority is unclear.	No amendment to the Act needed. Issue a binding directive or circular making taxonomy-aligned disclosure mandatory for green bonds and green-labelled instruments. Offer reduced listing or registration fees for taxonomy-aligned issuances, and give the Board clear certification authority in the same circular.	No direct impact on other laws, since the Act is not amended.	To prevent greenwashing, build investor confidence and support the development of a green capital market.	Securities Board of Nepal

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Responsible Agency
5	Insurance Act, 2079	Under Section 94, the Nepal Insurance Authority has the power to issue directives to insurers. Classification and reporting of green insurance products is not mandatory.	No amendment to the Act needed. Issue a binding directive or circular making classification and reporting of green insurance products mandatory, and give capital or reporting incentives to insurers covering green taxonomy risks.	No direct impact on other laws, since the Act is not amended.	To connect the insurance sector to the green finance system and help reduce risk in green projects.	Nepal Insurance Authority
6	Nepal Green Finance Taxonomy, NRB	The NRB Governor's foreword to the taxonomy mentions an "implementation committee", but its mandate, structure and authority are unclear. Two years after publication, the committee's mandate has still not been set. The working-level coordination committee has no power to compel other ministries to make decisions.	Form a ministerial-level steering committee approved by the Cabinet. The committee to be chaired at the Ministry of Finance level. The Ministry of Forests and Environment; Ministry of Energy, Water Resources and Irrigation; Nepal Rastra Bank; Securities Board of Nepal; and Nepal Insurance Authority to be permanent members.	Forest Rules: resolving provisions that conflict with the taxonomy needs a decision by the Minister of Forests and Environment or higher. Finance Bill: including fiscal incentives needs sponsorship by the Finance Minister. Environment Protection Rules: aligning EIA/IEE thresholds needs the Ministry's own rule-making power, not the Department's.	A ministerial-level committee is the only structure that can resolve conflicting provisions rather than just record them. To give development partners a lasting institutional counterpart beyond any one Governor's term or a single ministry's priorities. As LDC graduation approaches, sustained and credible implementation is an economic necessity, not an administrative convenience.	Write to the Ministry of Finance to submit a proposal to the Cabinet.

Venture Debt and Structured Debt

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Responsible Agency
1	Specialized Investment Fund Rules, 2075 (Chapter 4, definition of fund)	Although the Rules mention "debentures or loans", there is no separate sub-category, so a pure debt fund cannot be registered.	The Securities Board to issue guidelines recognising a "Venture Debt Fund" as a separate category of licensed Specialized Investment Fund, and set standards for disclosure, valuation and concentration limits of the loan portfolio.	Falls within the Board's power to issue guidelines under the Securities Act, 2063, so no amendment to the Act is required. This definition forms the basis for reforms at S.N. 4, 5, 7 and 9.	Without a clear legal category, fund managers cannot register, which limits startups' and SMEs' access to non-equity capital.	Securities Board of Nepal
2	Foreign Investment and Technology Transfer Act, 2075 (Chapter 3, Sections 15–20); Foreign Investment and Technology Transfer Rules, 2077	Separate approvals from the Department of Industry and NRB are required for each investor's drawdown and distribution, which disrupts the investment schedule of a pooled fund.	Grant a single foreign investment approval at fund level at the time of fund registration, and simplify drawdowns through a one-window system.	Matching amendments needed to the Foreign Investment and Technology Transfer Rules, 2077 and NRB's Foreign Exchange Management Directive.	When procedures do not fit the fund structure, time and costs rise and foreign investors are discouraged.	Department of Industry / Ministry of Industry, Commerce and Supplies / Nepal Rastra Bank

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Responsible Agency
3	Foreign Investment and Technology Transfer Act, 2075 (Section 13); Gazette Notice (28 Kartik 2079)	The minimum foreign investment threshold of NPR 20 million per investment prevents funds from making small, diversified loans.	Issue a Gazette notice exempting Board-licensed venture debt funds from the per-investment minimum, as was done for the IT sector.	No amendment to the Act needed; possible through a notice under Section 13. The Department of Industry's approval procedure must be updated.	Typical venture debt ticket sizes are below the minimum threshold. Since large foreign capital has already come in at fund level, a per-investment threshold is double control.	Ministry of Industry, Commerce and Supplies / Department of Industry
4	Nepal Rastra Bank Act, 2058 (Section 88); Credit Information Bylaw, 2059	Non-bank funds cannot query or report to the Credit Information Bureau, so objective credit checks and blacklist reporting are not possible.	Give venture debt funds query and reporting access to the Credit Information Bureau through an NRB directive or an MoU between the Board and NRB.	Credit Information Bureau membership rules must be amended. Data protection must be aligned with the Individual Privacy Act, 2075.	Creates an objective basis for credit risk assessment and controls double borrowing and wilful default.	Nepal Rastra Bank / Securities Board of Nepal
5	Recovery of Debts of Banks and Financial Institutions Act, 2058; Bank and Financial Institutions Act, 2073 (Chapter 6, Section 43)	The Debt Recovery Tribunal's fast-track process is limited to NRB-licensed banks and financial institutions, so venture funds get stuck in civil cases lasting years.	Amend the Debt Recovery Act, 2058 to extend the Tribunal's jurisdiction to Board-licensed venture debt funds.	The Act's definition of "bank or financial institution" must be amended. Jurisdiction must be separated from the general process under the National Civil Procedure Code, 2074, and the Tribunal's workload will increase.	Uncertainty in recovery raises the risk premium and interest rates. Similar lending transactions should have the same legal remedies.	Ministry of Finance / Nepal Rastra Bank / Debt Recovery Tribunal
6	Foreign Investment and Technology Transfer Act, 2075 (Schedule, Section 3)	The sectoral prohibited list is applied to the fund itself rather than to the investee company.	The Board and the Department of Industry to issue a joint clarification treating the fund as a domestic entity and applying the prohibited list check only at the investee company level.	No amendment to the Act needed. The fund's compliance responsibility must be clarified in the Specialized Investment Fund Rules.	The fund itself does not engage in any production or service business. The purpose of the prohibited list is to control where investment ends up, not the vehicle it passes through.	Securities Board of Nepal / Department of Industry
7	Income Tax Act, 2058 (Section 88 and Schedule 1)	Without a clear pass-through tax regime for debt funds, interest and warrant gains at fund level risk double taxation.	Amend Section 88 through the Finance Act to give Board-licensed debt funds a clear pass-through tax regime.	Withholding tax provisions in the Income Tax Rules, 2059 and the Inland Revenue Department's guidelines must be aligned. Consistency with collective investment schemes must be maintained.	Taxing only at investor level keeps tax neutrality and is in line with international practice.	Ministry of Finance / Inland Revenue Department

S.N.	Relevant Act	Current Provision	Provision to Be Adopted	Impact on Other Laws	Justification for Amendment	Responsible Agency
8	Companies Act, 2063 (Section 176); Office of the Company Registrar Directive, 2015 (Section 90)	Although Section 176 removed the investment limit, Section 90 of the Directive still refers to the old 90% paid-up capital limit.	The Office of the Company Registrar to amend the Directive to make clear that the investment limit does not apply to Specialized Investment Funds.	No amendment to the Act needed. Company registration and renewal procedures must be updated.	The inconsistency between the Act and the Directive creates administrative barriers. A subordinate directive cannot be stricter than the Act.	Office of the Company Registrar
9	Industrial Enterprises Act, 2076 (Schedule 8, Notice No. 65)	Schedule 8 limits investment companies to equity investment only and prohibits them from providing loans, debentures or credit facilities.	The Ministry of Industry, Commerce and Supplies to issue a notice exempting Board-licensed venture debt funds from this prohibition.	Must be clarified so it does not conflict with the ban on unauthorised financial transactions under the Bank and Financial Institutions Act, 2073 (no deposit collection). Based on the definition at S.N. 1.	Licensing a fund but then blocking it from lending defeats the purpose of the licence. The fund is already regulated by the Securities Board.	Ministry of Industry, Commerce and Supplies / Department of Industry