

NCHL - CONNECT

# QUARTERLY NEWSLETTER



## Executive Message

The past quarter's data tells a clear story that the digital payments in Nepal are steadily gaining momentum. A key milestone this quarter was commercial roll-out of the NPS-NCS & NEPALPAY Card, a domestic card scheme designed specifically for Nepal's needs, with a focus on data localization for domestic transactions and support innovation in digital ecosystem.

We are also seeing strong growth across segments. Cross-border transactions and QR payments have increased massively. These trends reflect a growing confidence among both merchants and consumers in adopting digital payment solutions.

This progress is made possible by the continued trust and collaboration of our stakeholders. Their support motivates us to keep improving and delivering meaningful impact, year after year.

**-Neelesh Man Singh Pradhan  
CEO, NCHL**

## A Card Built for Nepal

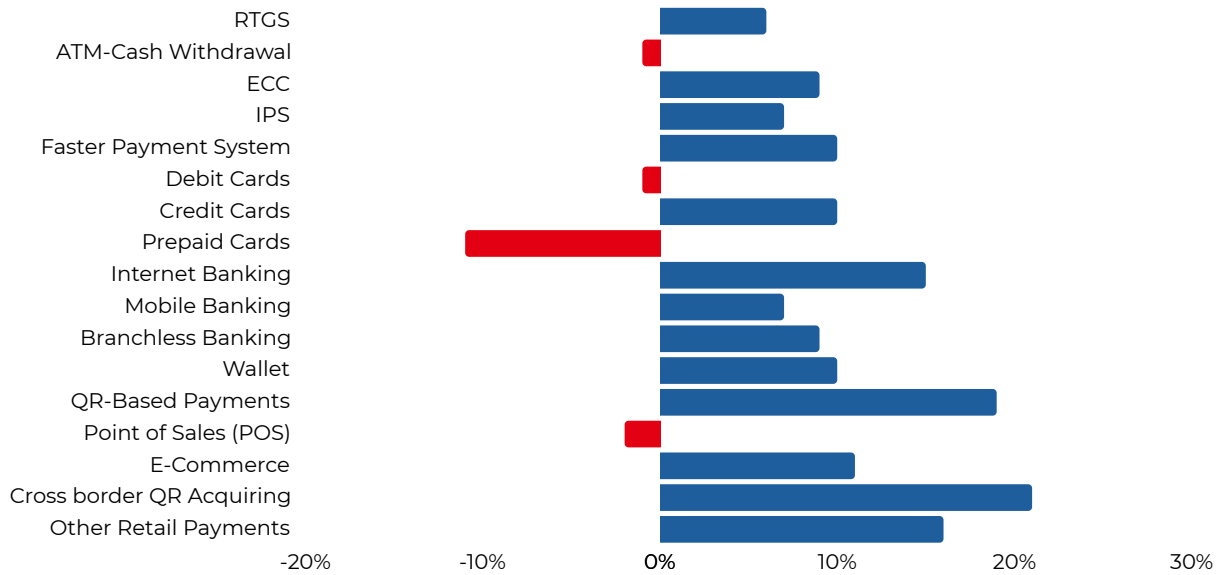
Nepal Clearing House Limited (NCHL) has reached a major milestone with the commercial roll-out of the NPS-NCS and NEPALPAY Card, Nepal's domestic card scheme with global acceptance in collaboration with international Discover® Network. This marks a significant step toward financial self-reliance, reducing dependence on international card schemes and support innovation in digital ecosystem.

The NEPALPAY Card operates entirely within Nepal's national payment infrastructure, with all transactions processed, routed and settled domestically through the National Payment Switch. This enables faster processing, data localization, and full regulatory oversight. BFIs benefit from reduced foreign exchange costs, while merchants might face lower MDR charges, and consumers gain access to a reliable, affordable payment option.

Currently, 35 BFIs have already been enrolled as principal member of NPS-NCS and NEPALPAY card, with 5 BFIs already in live operations and over 2600 NEPALPAY Cards have been issued as of Chaitra 2082. The implementation of NPS-NCS and NEPALPAY is expected to drive Nepal's card ecosystem to the next level

# QUARTERLY PAYMENTS SUMMARY

## QoQ Change in Payment Systems



Digital and interoperable payment channels, particularly Cross-border QR Acquiring and QR-Based Payments, are showing the strongest QoQ growth at around 20%, indicating a rapid shift toward QR-driven and interoperable retail payments while traditional channels such as Prepaid Cards and some card-based instruments continue to decline.

### NCHL QUARTERLY STATISTICS

- NCHL ECC**  
Transaction Volume: 3.67 Million  
Transaction Value: NPR 1.9 Trillion
- NCHL IPS**  
Transaction Volume: 9.91 Million  
Transaction Value: NPR 864 Billion (19% ↑)
- NCHL RPS**  
Transaction Volume: 36.4 Million  
Transaction Value: NPR 2.4 Trillion (20% ↑)
- NCHL EFT**  
Transaction Volume: 10 Million  
Transaction Value: NPR 75.9 Billion
- NPI**  
Transaction Volume: 37 Million (23% ↑)  
Transaction Value: NPR 1.9 Trillion
- CORPORATEPAY**  
Transaction Volume: 2.12 Million  
Transaction Value: NPR 491 Billion (23% ↑)
- NEPALPAY QR**  
Transaction Volume: 8.69 Million  
Transaction Value: NPR 66.79 Billion
- connectRTGS**  
Transaction Volume: 85 Thousand  
Transaction Value: NPR 2.4 Trillion (26% ↑)

## connectIPS Tokenization: Strengthening Digital Payments in Nepal

As digital payments continue to grow in Nepal, ensuring users' financial data safety has become crucial. *connectIPS* addresses this need through tokenization - a secure approach that replaces sensitive bank details with a unique digital token minimizing the risk of exposure. With this, instead of repeatedly entering account information, users link their *connectIPS* once and authorize it through an e-mandate, enabling safer and more convenient transactions.

Introduced under NCHL's Retail Payment Switch (RPS) framework, tokenization supports Request-to-Pay (R2P) use cases, currently enabled for e-mandate-based tokenized payments. This allows users to perform both one-time and recurring transactions without re-entering their financial details.

Tokenization also enables third-party applications, such as payment service providers or retail applications to request account linking services. To ensure integrity, the user's registered email address and mobile number must match across platforms. Operating within Nepal's National Payments Interface (NPI), tokenization ensures that sensitive account data remains protected while transactions are processed securely using tokens.

Currently integrated with over 12 applications across sectors such as mobile top-ups, SIP payments, insurance premium payments, wallet loads, and e-commerce checkouts, more than 38,000 users have already tokenized their *connectIPS* for various types of payments and facilitated over 220,000 transactions-reflecting its growing adoption and trust among users.

## KEY EVENTS

### CEO Honored with Manager of the Year 2025



Mr. Neelesh Man Singh Pradhan, CEO of NCHL, was conferred the prestigious "Manager of the Year 2025" award by the Management Association of Nepal (MAN) at their 45th National Management Convention 2026. The award recognizes his outstanding leadership in building over 10 national-level payment infrastructures and transforming NCHL into the payment backbone of Nepal since 2011. This honor reflects the organization's continued commitment to excellence and innovation in digital payments.

### NCHL Hosts Insurance Sector Stakeholder Event



Nepal Clearing House Limited hosted a dedicated engagement program for stakeholders from Nepal's insurance sector, bringing together representatives from insurance companies, regulators, and industry bodies. The event centered on the National Payments Interface (NPI), its current capabilities, integration roadmap, and execution strategy for the insurance industry. Discussions highlighted how NPI can streamline premium collections and claims disbursements, paving the way for a more efficient and digitally connected insurance ecosystem in Nepal.