

Newsletter – September 2020

COVID-19 update in Nepal

Government of Nepal has extended the prohibitory orders in Kathmandu Valley for the third week till 9 September 2020. Some relief has been granted with the opening of retail stores dealing in essential items till 11 am every day. The long-distance public transport continues to be shut down till 16 September 2020. International flights to/from selected destinations have resumed operations from 2 September 2020.

There has been a significant spike in COVID-19 cases in Nepal of late with the infection spreading across the country with 46,236 confirmed cases, 300 deaths and 30,677 recovered as of 7 September 2020.

PKF update in Nepal

Work from home

PKF Nepal team is continuing to provide its services remotely due to extension of the prohibitory orders. PKF Nepal is constantly communicating with the clients for the support they require and to perform necessary engagements. Team communication is ongoing on a regular basis with the online platforms.

PKF Nepal welcomes newly joined staff

PKF Nepal extends a warm welcome to Sima KC, Ankit Neupane & Sujan Shrestha who have recently joined the PKF Nepal Family.

Staff leaving PKF Nepal

PKF Nepal extends farewell to PKF family members namely Bishal Shrestha, Rabina Shrestha, Krishna Adhikari, Keshab Gyawali & Saras Thapa who have decided to move on for their career enhancement with other entities. PKF Nepal expresses its gratitude for their valuable contribution to the firm during their stay period.

Recent Updates

Notices issued by IRD

Deadline for renewal of excise license extended

Considering inconvenience caused by the COVID-19 pandemic, Inland Revenue Department (IRD) has extended the due dates for renewal of license under section 9(5) of Excise Act, 2058 till Ashwin end 2077 (mid-October) from Shrawan end 2077 (mid-August). For notice [click here](#)

Notice for Brand registration

IRD has requested taxpayers to compulsorily register their brand before filing monthly excise returns. IRD has provided facility of registration and verification of brand through its official website <https://ird.gov.np/>. [click here](#) for detailed procedures of brand registration.

Extension of deadline of attestation of sales and purchase register

Considering inconvenience caused by the COVID-19 pandemic, IRD has extended the due dates for attesting the purchase & sales register under section 16(3) of the VAT Act, 2052 till Poush end 2077 (mid-January) for taxpayers filing VAT returns on monthly, bimonthly & quarterly basis. For notice [click here](#)

Upgradation of IRD's website

The IRD has started online electronic services from 2077.05.15 by updating its website with new and updated features like tax calculations, tax clearance certificate, Slider/Carousel, Standard Operating Procedures, IRD Chatbot etc. The website offers relevant information and clarifications through the FAQs and the latest amended laws and regulations including the English version has been uploaded. To visit the IRD website and navigate the features [click here](#)



Notices issued by ICAN

Carve out with alternative treatment provided by ICAN for implementation of NFRS

ICAN through its notice dated 2077.05.03 has provided three carve outs in NFRS with alternative treatment however, entities shall use these carve outs with necessary disclosures.

The carve outs have been provided to facilitate the preparation of first time NFRS based financial statements with ease and practicability. Carve outs provided are related to para 13 and para C1 of NFRS 1 & para 9 of NAS 39. For notice [click here](#)

Online renewal of membership and license

ICAN has started online services for renewal of membership certificate, professional certificate and renewal of audit firms. Renewal of such certificates can be made by visiting official website of ICAN while payment can be made through online payment systems like Connect IPS or E-Sewa. For notice [click here](#)

Notice regarding listing

ICAN has notified its member not to list themselves in any local entities to provide audit services as those seeking such services can obtain the list of the members from ICAN's its official address. It also notifies the members who have listed themselves to delist to avoid disciplinary action. For notice [click here](#)

Clarification regarding implementation of NFRS for SMEs, NAS for NPOs & MEs

ICAN has clarified that the date of implementation of NFRS for SMEs and NAS for NPOs has been extended by one year and would be effective Shrawan 1, 2078. There is no impediment in the voluntary adoption of those standards earlier than the dates notified. For notice [click here](#)

Notices issued by SEBON

Book Building Directive 2077

SEBON has issued Book Building Directive 2077 where companies can issue shares at a price in excess of par value in an IPO. As per the book building method price ranges are collected from institutional shareholders through bid documents and cut off price is determined. On the other hand price for public share holder is determined at 10% discount in the cutoff price. Minimum 50 shares have to be subscribed by the public shareholders under these procedures. For directive [click here](#)

Request to make application to act as institutional investor

SEBON has called applications from qualifying institutions to act as institutional investors under section 25(C) of Securities Registration and Issues Regulations 2073 and section 5 of Book Building Directive 2077. For notice [click here](#)

Notices issued by Insurance Board, Nepal

Notice to Insurance companies

Insurance Board of Nepal instructed all insurance companies to scale down its operations and provide services with only one third of its staff as per the policy of the government. Similarly, it has extended deadline for renewal of insurance policies, collection and payment of premium and claims and renewal of license of surveyor and insurance agents etc. For notice [click here](#)

Notices issued by Department of Customs

Notice on Suspension of services

Due to impact of COVID-19 and ongoing prohibitory orders, Department of Customs has notified of the suspension of its services i.e.; cancellation of Exim code, change and release of bank guarantees, list preparation for purchase of construction and services for FY 2077/78 etc. However, it continues to provide services related to issue of new Exim code and its renewal. For notice [click here](#)

Right people
Right size
Right solutions