

COVID 19 updates in Nepal

Starting from 14 Ashoj, 2078 District Administration Office Kathmandu has requested operation of hotels, restaurants and cinema halls following necessary safety protocols and for Banks and Financial Institutions to provide services through remote platforms as far as applicable in attempt of controlling the spread of COVID-19.



The number of people tested positive for corona virus has reached 798,004 where 96.52% cases are already recovered. Nepal has witnessed 11,174 deaths till 4 October 2021.

PKF Nepal Updates

Dashain Festival

Dashain, the most widely celebrated festival of Hindu community in Nepal is just around the corner. It is believed that the festival marks conquest of good over evil. This 15 day long festival commences from 7th of October this year and for celebrating the same, PKF Nepal shall remain closed from 12th October to 18th October. Despite significant decrease in cases, as a measure of prevention against surge of COVID-19 infections, the Government of Nepal has requested to celebrate the festival following proper safety measures and avoiding large gatherings.

New staff welcomed to PKF Nepal

PKF Nepal welcomes Shreejana Ghimire and Tina Mahat to the PKF family.

Staff leaving PKF Nepal

PKF Nepal extends farewell to PKF family members viz. Sushil Aryal, Barsha Khanal and Bibek Bikram Silwal who

have decided to move on for career enhancement with other entities. PKF Nepal expresses its gratitude for their valuable contribution to the firm.

Birthdays

PKF Nepal extends birthday wishes to PKF family members viz. Sangita Nepal, Anu Ghimire, Tirth Raj Aryal, Bipin Shrestha, Kamal Panthi, Sanjog Dulal, Rojina Gautam, Lalita Rijal, Bishesh Baidwar, Aparajita Bhattarai and Sushmita Khadgi whose birthdays were in the month of September.



Updates

Notices issued by Nepal Rastra Bank

Amendments in point 20 and 41(4) of the Unified Circulars 02/ 077

Point 20: Tenure for trust receipt loan (TR Loan), bills discounting or any other similar loan disbursed on import shall be of maximum **90** days.

Point 41 (4): Considering the impact of COVID-19 on hotel, travel, trekking, airline service and other businesses dependent on external tourists, separate computation of the principal and interest to be paid by such businesses will be done and facility of repaying the same in at least 4 installments within 2 years shall be made.

Such interest cannot be capitalized and no additional interest or penalty shall be charged on such amount.

For notice [click here](#)

Addition and amendment in FXM unified circulars 2076

Point 1.1.7 (᳚): Banks are prohibited from discounting L/C Documents.

Point 1.1.7 (᳚): Banks can disburse loan for up to 90 days for payment of sight L/C in convertible foreign currency to industries importing raw materials, plant or other equipment for self-use. The rate applicable on such loan

shall be decided by the Banks itself.

Point 1.6 Schedule 1.18: Point 1.6 of unified circulars 2076 contains a list of items on export of which exchange facility can be provided in convertible foreign currency. It is applicable to such exports that are made from India through letter of credit.

NRB has added a list of items to the schedule. For the list of items [click here](#).

Point 7: When making payment by projects of national pride and national priority projects specified by “राष्ट्रिय प्रथामिकताप्रप्ता आयोजनानिर्धारण गर्नेमापदण्ड, २०७५” to foreign organizations (including payment in India in Indian currency) list of documents to be submitted to the commercial banks for directly availing exchange facility have been listed out.

Some of the documents include:

- Project registration certificate and tax registration certificate,
- Latest audit report,
- Document certifying completion of project, if any,
- Recommendation from concerned authority of Nepal government,
- Details of such exchange facility shall be submitted to the bank 7 days within the end of every quarter in format prescribed in annexure 12.1.

For notice [click here](#).

Notice regarding cryptocurrency

NRB vide its notice dated 9 September 2021 has reminded that transaction/ use/ mining of cryptocurrency is illegal in Nepal. NRB warns the public that indulging in the same is punishable by law hence impeding involvement in persuasion to carry out such activity. For notice [click here](#).

Change in name of department

As per notice dated 27 September 2021, NRB has announced change in name of “National Loan Management Department” to “Monetary Management Department” For notice [click here](#).

IRD's notice

Replacement Bill

On Friday, 10 September 2021 Honorable Finance Minister, Mr Janardan Sharma presented a replacement bill in the House of Representatives to amend the annual budget plan FY 2021-22 that former Finance Minister Mr Bishnu Paudel had presented in an ordinance.

Some of the amendments brought by the replacement bill are as noted below:

- Total budget has been revised from Rs 1,647 billion to Rs 1,632 billion.
- Additional social security allowances have been announced including Rs 10,000 grant to each of 500,000 poor families whose breadwinners had lost livelihood opportunities due to the Covid-19 pandemic.
- Private firms and companies that are registered under Private Firm Registration Act, 2014 and Companies Act, 2063 and have not submitted its annual returns up to FY 2075-76 (FY 2018-19) and failing to renew its business can submit such returns and deposit 5% of applicable fees and penalties by 14 January 2022 to be eligible for waiver of the remaining fees and penalty.

For replacement bill [click here](#).

For PKF highlight on replacement bill [click here](#).

Disclaimer

This publication has been compiled and distributed exclusively for the information of clients and staff of PKF T R Upadhy & Co. with an understanding that the firm is not responsible for the results of any actions which are undertaken on the basis of the information which is contained within this publication, nor for any error in, or omission from, this publication. The firm expressly disclaim all and any liability and responsibility to any person, entity or corporation who acts or fails to act as a consequence of any reliance upon the whole or any part of the contents of this publication.

PKF T R Upadhy & Co. is a member firm of the PKF International Limited family of legally independent firms and does not accept any responsibility or liability for the actions or in actions of any individual member or correspondent firm or firms.

PKF T R Upadhy & Co.

124 Lal Colony Marg,

Lal Durbar, Kathmandu, (Near Jai Nepal Hall), Nepal.

+977 1 4410927 | 4420026

www.pkf.trunco.com.np
