

Newsletter – March 2021

PKF updates in Nepal

PKF Nepal welcomes newly joined staff

PKF Nepal extends its warm welcome to newly joined staffs Dev Raj Pant, Shushmita Neupane, Khyam Raj Adhikari, Kapil Shrestha & new batch of Article Trainees viz: Ria Sharma, Smarika Gharti, Abhishek Kumar Karn, Sujan Khadka, Pradeep Chapagain & Rajesh Kumar Adhikari for joining the firm in February 2021.

Staff leaving PKF Nepal

PKF Nepal extends its gratitude to Bibek Poudel, Anjila Shrestha, Anurag Sharma, Rupa Lamichhane, Nishma Ghimire, Anu Shrestha & Paranjaya Nepal for their valuable contribution during their employment in the firm and wishes them success in future endeavors.

Recent Updates

Notices issued by IRD

Mid-term performance review of Inland Revenue Department

IRD reported total revenue collection of Rs 224.01 billion during the fiscal 2077/78 of which collections from Income tax, VAT and Excise Duty were Rs 112.43 billion (50%), Rs 65.12 billion (29%), Rs 43.58 billion (19%), respectively. The revenue collections were below the targeted revenue and also lower than collections of previous fiscal year due to impact of Covid-19 on economic transactions as reported in its mid-term performance review. For full notice [click here](#)

Notice avail amnesty provisions

IRD published a reminder to taxpayers on 15 February 2021 to avail various amnesties announced in the Finance Act 2077 within the stipulated time. IRD had issued similar notices earlier on various dates to remind the taxpayers to avail these facilities. For notice [click here](#)

Notice issued by Department of Industry

Working procedure on permission, registration & regulation of sand processing industry

Department of Industry has published “Working procedure on permission, registration & regulation of Sand Processing Industry”. Working procedures have clarified approval granting procedures, distance criteria and other necessary conditions to be followed by sand industry. For detail procedure, [click here](#)

Notices issued by Social Security Fund

2nd amendment on Social Security Scheme Operation Procedures

The 2nd amendment in Social Security Scheme Operation Procedures has been notified on 14 February 2021. Through this amendment, SSF has made efforts to make the fund more contributor friendly according to which, contributors registering with SSF within Ashad 31, 2078 (15 July 2021) shall be entitled to withdraw their 20% contribution deposited as retirement contribution at the time of retirement. For details [click here](#)



Notices issued by Nepal Rastra Bank

Half yearly review of Monetary Policy

NRB, in its half yearly review of the Monetary Policy for FY 2077/78 has reported that:

- hotels, restaurant and educational institutions remained most affected due to COVID-19.
- the average annual consumer inflation rate was 3.72%, exports increased by 6.1% while imports decreased by 4.8%.
- the current foreign exchange reserves can sustain import of goods and services for 12.6 months compared to targeted 7 months. For full report [click here](#)

Nepal QR Standardization Framework and Guidelines

NRB has issued Nepal QR Standardization Framework and Guidelines on 1 March 2021 to address the standard procedures for digital payments. This framework provisions for three major payment principles - Interoperability, Scalability and Security. Further, guidelines provides details provision relating to eligibility of license acquirer, fees and charge, settlement mechanism etc. For full guidelines [click here](#)

NRB increases limit of electronic transaction

NRB, through its notice dated 23 February 2021 has increased the threshold of electronic transactions from Rs 1 lakh to Rs 2 lakhs for mobile banking and from Rs 10 lakhs to Rs 20 lakhs for merchant payment and account transfer. However, this limit shall not be applicable if money is transferred from another account of same person, while making payment of taxes, revenues, fine, telecommunication services, insurance premium etc. For notice [click here](#)

Amendment in NRB Directives

Using power conferred by the section 79 of Nepal Rastra Bank Act 2058, NRB has amended & added various provisions in Unified Directives 2077. NRB has made amendment in provision relating to restructuring and rescheduling of loan, CSR expenses and deposit related provision. For details [click here](#)

Right people
Right size
Right solutions

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