

PKF TRU Newsletter — June 2022

PKF Nepal Updates

New staff welcomed to PKF Nepal

PKF Nepal welcomes Sunil Timalisina, Anashrit Sapkota, Anjan Bandhu Poudel, Ujjal Gurung, and Indira Thapa Magar to the PKF family.

Staff leaving PKF Nepal

PKF Nepal extends farewell to PKF family members viz. Binod Rai and Kabita Rai who have decided to move on for career enhancement with other entities. PKF Nepal expresses gratitude for their valuable contribution to the firm.

Birthdays

PKF Nepal extends birthday wishes to



PKF family members viz. Kapil Pathak, Alin Karki, Anita Chaulagain, Shubham Thapa,

Smarika Gharti, Presha Bhandari, Ashish Bhatta and Aakriti Shrestha whose birthdays were in May.

Condolences

PKF Nepal was taken aback by the untimely demise of Senior Partner Tirth Raj Upadhyay on 13 May 2022. We extend our deepest sympathies and condolences to his family. We pledge to give continuity to his legacy and follow his guidance.

PKF Nepal also extends heartfelt condolences to the family of staff Santosh Kandel on the demise of his sister Sabita Kandel.

Updates

Budget 2079/80

On Sunday, 29 May 2022 (15 Jestha 2079), Honorable Finance Minister, Mr Janardhan Sharma (Prabhakar) presented the full budget of Rs 1,793.83 billion for the fiscal year 2079-80 (2022-23).

For budget [click here](#).

For TRU budget highlights [click here](#).

Notices issued by Nepal Rastra Bank

Amendment in Unified Directive, 2078

Directive 2/078 clause 38: While providing a loan for the purchase of land for the production of fruits and herbs or for processing fruits and herbs produced entirely in Nepal, Bank and Financial Institutions shall add a maximum

premium of **2 percent** on the base rate For notice [click here](#).

Amendment in the directive issued on integrated payment system

NRB, through its notice dated 30 May 2022 (16 Jestha 2079) has added the following points to the directive issued on the integrated payment system:

Addition of the following sub-points to point 1:

(8) Risk categorization on the basis of prevalent laws and regulations must be done and necessary procedures implemented on transactions to be carried out and business relationships to be established without the presence of customers affiliated with the organization.

(9) Every organization shall analyze risk related to AML/ CFT and update its policies and procedures as per the risk assessment report.

(10) While preparing policies and procedures as per the directive, separate provisions for control of financing terrorist activities and manufacturing and distribution of arms and ammunition shall be included. Working methodology for timely supervision of financing to such activities as required by the AML Prevention Act, 2064 shall also be prepared.

Addition of the following sub-points to point 2:

(6) Every organization shall identify and assess the organizational risk related to AML/ CFT and submit a report of the same to the payment system division and financial information unit **within 3 months** of the end of each fiscal year. While making the risk assessment, evaluation of risk shall be done on the level of customer, product, geographic location and delivery channel.

The risk identified shall be categorized into high, medium and low risk.

(7) The programs to be implemented for anti-money laundering and combating the financing of terrorism shall be included in the annual budget and action plan of the organization.

(8) Procedures for following up on high-risk customers shall be implemented by the organizations. Based on risk, the facility should be applied such that the above procedure is automatic.

(9) Facility for close monitoring of transactions when payment instruments issued within Nepal are used outside Nepal shall be enacted.

(10) In relation to reports to be submitted to the division, the Board of Directors shall conduct necessary reviews every quarter and give appropriate decisions.

(11) Code of conduct for the organization's board of directors, chief executive officer and other employees should be designed and implemented.

For notice [click here](#).

Notices issued by IRD

Notice on e-TDS

For the fiscal year 2078/79, the facility had been introduced where Annexure 10 of the withholders is auto filled. IRD vide its notice dated 20 May 2022 (6 Jestha 2079) has reminded the withholders to compulsorily file e-TDS return as non-filing would lead to the amount not being reflected in the return of the withholders restricting the withholders from taking the claim.

For notice [click here](#).

Notice on e-billing

IRD, vide its notice dated 3 June 2022 (20 Jestha 2079) has instructed the following taxpayers to compulsorily raise invoices through e-billing or computer billing applicable from **17 July 2022 (1 Shrawan 2079)**:

- Such entities transacting in any goods or services that have had a turnover of Rs 100 million or more either as per VAT or Income tax in the FY 2077/78 or 2078/79.

However, the notice will not be applicable to those entities that do not issue invoices to their customers like banks and financial institutions.

- Cinema halls including those situated outside Kathmandu valley.

The list of e-billing software listed in the Department as well as the procedure for issuing e-bill can be accessed through IRD's website.

For notice [click here](#).

Notices issued by SSF

Claim of allowance through online system

SSF, through its notice dated 20 May 2022 (6 Jestha 2079), has announced that all claims for maternity and maternity care leave and sick leave allowances shall compulsorily be made through online system. For processing the claim, the concerned person shall enter into the **Contributor Portal** of the **"Sosys Online"** section of SSF's official website.

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Guidelines for making the claim can be accessed through **Contributor Portal Manual** in the **Manual** section in “**Sosys Online**”.

For notice [click here](#).

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