

PKF Nepal Updates

Monthly Breakfast meeting

The partners, directors, managers and senior audit team members of PKF TR Upadhy & Co. met for its monthly breakfast meeting on 7 November 2019. Meeting was chaired by Shashi Satyal, Partner of TRU. Discussion made on the key points of new directive issued by OCR on money laundering prevention, CCH software implementation, PKF reviewer observations and future action to be taken, audit planning, staff and trainee training etc. Major discussions in the meeting were as follows:

- Discussion on PKF Reviewer comments and planned action in future was made by Gaurav Pahari. Future action plans to be implemented in respective assignment were discussed and instructed by Shashi.
- Discussion on major highlights of new directive issued by OCR on Money Laundering prevention was facilitated by Sujan Babu Tiwari. Major provisions were discussed and its implication to clients in different sectors was analyzed by the team.
- Respective department heads updated assignments details that are planned in upcoming Kartik – Mangsir phase to Shashi. The current issues and future probabilities were discussed for some of the important clients.
- During the discussion implementation of CCH software was considered to be implemented with utmost priority with the coordination of IT team member.
- Further, discussions were made on other matters such as difficulties/ issues on ongoing assignment, staff planning and allocation to upcoming clients, need for staff hiring, and ongoing training to staff and trainees of TRU for sustainable growth as a professional etc.

Recent Updates

Extension of deadline for registration in SSF

Social Security Fund has extended the deadline for registration in SSF by issuing a notice on October 31, 2019 urging all Employers and Employees to get registered pertaining to the provision of compulsory registration of Section 3(2) of Social Security Act, 2075. The deadline for the same has been extended up to 1 month from the date of the notice i.e. November 30, 2019. [To view notice click here.](#)

Money Laundering Prevention Directive 2076 to Company and Trust Service Providers

The Office of Company Registrar, GON issued directives for money laundering prevention for Companies and Trust Service Providers which shall be effective from 1 Mangsir 2076. Directive has been issued to provide further guidance to implement Money Laundering Prevention Act and Rules that have been enacted in the past. Money Laundering Prevention directive has made provision of penalty up to 1 crore and even closure of business for noncompliance of various provisions set forth in Act and Regulation. [To view details click here](#)

DTAA between Nepal and People's Republic of Bangladesh

An agreement on the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to tax on income has been duly signed by both the countries. The agreement aims to eliminate double taxation, promotion of bilateral trade and providing settlement between the tax claims of the Government of Nepal and the Government of the People's Republic of Bangladesh. To view the Press Release for the [Please Click Here](#)

Amendment in the Directive issued to the Infrastructure and Development Bank

NRB has issued amended Directive applicable to Infrastructure Development Bank. Provisions related to term loan and overdraft loan has been changed in new directive. Similarly, provision related to deposit and credit sale, purchase and takeover has been added. [To view link click here.](#)

Nepal Trade Information Portal

GON has started a portal namely "Nepal Trade Information Portal" with an objective to facilitate export promotion provide information regarding all imports and exports. The portal includes information on rules and regulations related to import and export for a given commodity, guidance and procedures to secure the required license or permits in a hassle-free manner and other information related to Import and Export. To visit the portal [Please Click Here](#)

Ban on North Korea's Business and Investments

Following a recent resolution passed by the United Nations, Government of Nepal has been directed to shut down all North Korean Businesses and impose a ban on North Korean Investments. According to DOI there are currently nine North Korean Businesses in operation in Nepal among which two are software companies, one is a hospital and others are restaurants. The business were to be closed down by October 31, 2019 and in respective of the same the government had extended work visas for the Korean nationals up to October 31, 2019.