

Newsletter - January 2021

PKF updates in Nepal

PKF Nepal Welcome newly joined staffs

PKF Nepal welcomes newly joined staff viz. Rijhu Sharma, Shovana Dahal, Sandesh Shrestha Srijan Bhattarai Binod Parajuli, Sagar Parajuli, Prativa Acharya & Yukta Thapa to the PKF family.

Staff leaving PKF Nepal

PKF Nepal extends farewell to PKF family members viz. Prateek Bhandari, Pragresh Acharya, Deepika Gyawali, Bel Bahadur Bohara, Saurav Karki and Babita Bhatta 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

Notice regarding estimated tax return and payment of first installment tax

Inland Revenue Department (IRD) has published notice to all taxpayers to file estimated tax returns for the FY 2077/78 and make the payment of first installment tax as per the section 94(1) of the Income Tax Act, 2058 within the Poush end (mid-Jan, 2021). Failure on timely submission of installment tax and filing of estimated return attracts interest and penalties as per relevant section of Income Tax Act, 2058. For notice [click here](#)

Notice to get enlisted in Biometric system

IRD has requested to all taxpayers who have been registered as private limited company and have obtained PAN number to contact their respective tax office to register in biometric system along with copy of PAN.

Notice regarding tax amnesty

IRD has published lists of taxpayers who can claim different tax amnesties as announced by the Section 21 of Finance Act 2077/78. Name lists can be obtained by visiting notice section of IRD portal for different amnesties available.

Amendment in Paragraph 5.2.1 of Excise Act 2068

IRD has made amendment regarding flow-meter measuring system for breweries in paragraph 5.2.1 of Excise Act, 2068. As per amendment, breweries shall use flowmeter measuring system and include information such as name of the beer, types, brand, can shape etc. and shall submit return including information of brew house capacity, quantity and capacity of fermentation and bright beer tank and filter machine etc. For detail procedure [click here](#)

Amendment in Income Tax Directives, 2066 (with 3rd amendment, 2077)

IRD has updated the Income Tax Directive, 2066 to rectify the errors therein. Similarly, additional provision of 15% withholding tax to be deducted by BFIs providing foreign currency exchange facility for language test and other standard test of students going abroad and 2.5% TDS on custom point on import of various items has been made. For details [click here](#)



Notices issued by ICAN

Online Certification Course on Forensic Accounting and Fraud Detection

ICAN with its objective to empower members with professional and technical skills has announced online certification course on Forensic Accounting and Fraud Detection in collaboration with ICAI. Participating members can obtain a Forensic Auditor Certificate after the successful completion of the course and also CPE credit hours.

Stock market participants to set aside 1% of profit for CSR

SEBON has issued notice to all stakeholders of the stock market including brokerage companies to spend 1% of their net profit on corporate social responsibility (CSR). As per the directive of the Board, along with brokerage companies, CDS and Clearing and Credit Rating Agencies are also required to spend at least 1% of their profit in CSR [click here](#)

T+2 clearing and settlement system

SEBON through amendment in Securities Clearing and Settlement Regulations, 2069 has approved T+2 settlement with existing provision of T+3 settlement. With the increasing technology and following international practice such system has been implemented by the SEBON.

SEBON ICT Operating Manual, 2020

SEBON has now adopted the new Operating Manual of Information Technology for 2020 to enhance the quality of IT usage and to mitigate the risks associated from increased use. Information Technology Policy 2076 has been developed for secure use of IT in the growth and expansion of the securities market. For detail [click here](#)

Notices issued by Department of Co-operatives

Department of Cooperative through its notice dated 2077/09/22 has instructed Cooperatives having capital more than Rs 100 million to implement goAML system and to report STR/TTR reporting to FIU of NRB through goAML system. For notice [click here](#)

Notices issued by Nepal Rastra Bank

Amendment in unified Circulars 19/2076 point no 9

NRB has issued notice using power under section 12 of Foreign Transaction Act 2019 on 2077/08/26 and has added a provision for installment payment of foreign currency loan in Nepalese currency by converting the same with applicable exchange rate. This relaxation is provided to business affected by the COVID-19 who cannot make repayment of foreign currency loan in foreign currency. For notice [click here](#)

Amendment in provision relating to payment system

NRB through its notice dated 2077/09/23 has changed some provisions relating to payment system. As per amended provisions, no charges shall be levied on the first 2 withdrawals in a month from ATM of other BFIs. Similarly, fees for internet banking, mobile banking, SMS banking and other banking services shall be deducted only after prior information of customer and proper security, system of resetting password and username of Mobile/internet/SMS by the customer shall be implemented. For notice [click here](#)

Request for application for refinancing facility

NRB through its notice dated 2077/09/17 has requested A, B and C BFIs to apply for refinancing facility to be provided to COVID-19 affected businesses. For detail [click here](#)

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+977 4410927

trunco@ntc.net.np

www.pkf.trunco.com.np