

# Newsletter - May 2021

## COVID-19 update in Nepal

The 2<sup>nd</sup> wave of Corona virus is spreading in Nepal at an alarming rate. The Government of Nepal has imposed lockdown in 60 of the 76 districts. The three cities in Kathmandu valley, Bhaktapur, Kathmandu and Lalitpur are locked down till 12 May 2021 to control the current situation. All domestic and international flights and public and private transport other than for emergency use have been suspended till 14 May 2021. Groceries stores are permitted to open during 7 AM to 9 AM only.

The number of people testing positive for Corona virus has reached 368,580 where 72,561 cases are active and 292,490 have recovered. Nepal has witnessed 3,529 deaths till 6 May 2021.

## PKF updates in Nepal

### Work from home

PKF Nepal team is continuing to provide its services remotely due to declaration of lockdown by the GoN. PKF Nepal is constantly communicating with clients for the support they require. Team communication is ongoing on a regular basis where staff check-in through online platforms and collaborate with each other.

### PKF Nepal Welcome newly joined staff

PKF Nepal welcomes newly joined staff Alin Karki and Sarthak Khatiwada to the PKF family.

### Staff leaving PKF Nepal

PKF Nepal extends farewell to PKF family members viz. Gyaljen Sherpa, Nishan Bhatta, Prathisha Aryal, Rajya Maharjan and Namuna Joshi 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 association with the firm.

## Recent Updates

### *Increment in minimum wages*

Exercising power under section 106(3) of Labour Act, 2017 (2074) Government of Nepal, Ministry of Labor, Employment and Social Security has increased minimum remuneration/wage of the worker/employees other than tea state from Rs 13,450 to Rs 15,000 i.e., an increment of 11%. The notice was published in Nepal Gazette on 20 Baisakh 2078 (3 May 2021). The increment shall be effective from the 1 Shrawan 2078 (16 July 2021). For notice [click here](#)



## Exemption on Custom duty, Excise duty & VAT on import of COVID-19 related items

Meeting of Council of Ministers held on 13/01/2078 has decided to provide exemption on applicable Customs duty, Excise duty and Value Added Tax levied on import of oxygen, ventilator, ICU beds and other goods related to the treatment of Covid-19 mentioned in the notice.

## Notices issued by Nepal Rastra Bank

### Implementation of NFRS for 'D' class licensed institutions

NRB through its notice dated 20/01/2078 has instructed all 'D' class licensed institutions to prepare their financial statements as per Nepal Financial Reporting Standards (NFRS) for the fiscal year 2077/78. A standard format for preparation of NFRS based financial statements applicable to "D" class licensed institutions has been made available. For notice [click here](#)

### Notice related to payment system

NRB has issued notice on 2077/12/02 to all concerned Payment System Operators (PSO) and Payment Service Provider (PSP) to take necessary precaution to prevent spreading of the Corona virus. NRB has further instructed to provide related service remotely wherever possible and to make arrangements of operating office with less than 20 percent employees. For notice [click here](#)

### NRB notice regarding import of gold

Through amendment in Unified Circular 2076, NRB has allowed to import up to 20 kg of gold daily to commercial banks. Working procedure related to gold import and sales has been amended accordingly. For notice [click here](#)

### Amendment in unified Circulars 01/2076

NRB through its notice dated 2077/12/12 has removed quantitative restrictions on imports of certain items i.e.; betel nuts, unprocessed peeper, dates etc. Similarly restriction of import of vehicles worth than USD 50,000 has been lifted. For notice [click here](#)

## Notice issued by Office of Company Registrar

Office of Company Registrar (OCR) vide its notice dated 15/01/2078 has informed that all facilities provided by the Office shall be suspended until further notice. However, companies will still be able to submit returns online and internal administration shall remain open. For notice [click here](#)

## Notice issued by Insurance Board

### Directive on "Trading of promoter shares 2077"

Insurance Board of Nepal (IBN) through its notice dated 2077/12/12 has issued directive on "Trading of Promoter Share 2077". Directive has provided detailed provisions related to transfer and sell of promoter shares, right shares, pledging of shares and locking period of promoter shares etc. of insurance company. For notice [click here](#)

Right People

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+977 4410927

trunco@ntc.net.np

www.pkf.trunco.com.np