



नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था
The Institute of Chartered Accountants of Nepal
(Established under The Nepal Chartered Accountants Act - 1997)
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ICAN E-News

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New President and Vice President of the Institute

CA. Madan Krishna Sharma and CA. Yuddha Raj Oli have been elected respectively as the President and the Vice President of 3rd Term of 8th Council of the Institute of Chartered Accountants of Nepal.

Oath Taking Ceremony of the newly elected President and the Vice President was organized in ICAN building, ICAN Marg, Satdobato, Lalitpur on 16 July, 2020. The program started with welcome remarks of then the Immediate Past President (Now Past President) CA. Jagannath Upadhyay (Niraula).

Oath of the President was administered by the Hon'ble Auditor General of Nepal Mr. Tanka Mani Sharma Dangal. Similarly, the newly elected President, CA. Madan Krishna Sharma, administered oath of the Vice President CA. Yuddha Raj Oli.

Addressing the ceremony, Guest of Honor, the Hon'ble Auditor General congratulated the Institute for having experienced person in the profession as a President and extended his best wishes for successful tenure of the newly elected President and the Vice President. He also stressed on need of the Institute to strengthen regulatory function and thanked the members of the Institute for their contribution in audit of public sector.

Chief Guest of the Oath Taking Ceremony the Hon'ble Finance Minister and the Minister of Communication and Information Technology Dr. Yuba Raj Khatiwada also addressed the ceremony virtually. Addressing the ceremony, he suggested the Institute to contribute on economic growth by strengthening its regulatory function and through coordination with other regulators and Government agencies.

The outgoing President, CA. Krishna Prasad Acharya during his speech highlighted the major achievements of the Institute in the fiscal year 2076/77, majority of which were related to institutional reform done during that period. He also highlighted on areas where Institute has improved services for students and members and the initiatives for regulating the profession in more efficient fashion. He thanked all the Past Presidents, Council Members, Ministry of Finance, Office of Auditor General, Other Line Ministries, Regulating Organizations and staff

member of the Institute for extending all corner support during his tenure to achieve the objectives of the Institute.

The Newly elected President, CA. Madan Krishna Sharma, during his acceptance speech, thanked all Past Presidents, Council Members and Other Stakeholders for their valuable contribution in bringing Institute at this prestigious level. He also assured that during his presidency the Institute would introduce some new initiatives for overall betterment of the profession and will assume existing responsibilities.

The Executive Director, CA. Sanjay Kumar Sinha presented token of love to the outgoing President, CA. Krishna Prasad Acharya for his valuable contribution to the Institute.

The Newly elected Vice President, CA. Yuddha Raj Oli concluded the program with his closing remarks.

Best Presented Annual Report Award 2019

Coinciding with the Oath Taking Ceremony, National Best Presented Annual Report (BPA) Award- 2019 was also organized in virtual presence of the Hon'ble Finance Minister and the Minister of Communication and Information Technology Dr. Yuba Raj Khatriwada and the Hon'ble Auditor General Tanka Mani Sharma Dangal.

The basic objective of the Best Presented Annual Report Award is to promote better presentation of financial and other pertinent information and disclosures in the Annual Report of the reporting entities. BPA Award, 2019 was held under five different categories. Winners of BPA Award 2019 will also be nominated for South Asian Federation of Accountants (SAFA) level Best Presented Annual Report Award Competition.

Following institutions were declared winners of BPA Award 2019:

Standard Chartered Bank Nepal Limited – Winner of Banking Sector (Private and Public Sector)
Muktinath Bikas Bank Limited – Winner of Financial Sector (Including Development Bank and Finance Companies)

Chilime Hydropower Company Limited – Winner of General Sector – Manufacturing

Bottlers Nepal Limited - Runner Up of General Sector - Manufacturing

Nepal Clearing House Limited – Winner of General Sector - Others

Karja Suchana Kendra Limited – Runner Up of General Sector - Others

The winners of BPA Award 2019 were provided with medals and certificates by the Hon'ble Auditor General Tanka Mani Sharma Dangal.

Notice Regarding Submission of Online Examination Form

The Institute has published a notice regarding submission of online examination form for postponed June 2020 examination. Students can submit examination form online and also make online payment of applicable fees. As per the notice of the Institute, online examination forms of Chartered Accountancy Professional – I (CAP – I), Chartered Accountancy Professional – II (CAP – II) and Chartered Accountancy Professional – III (CAP – III) levels are accepted with payment of normal fees until 19 August, 2020 and with payment of late fees until 23 August, 2020.

The Institute has also provided an option of “Opt Out” to the students if, for any reason, after submitting their examination form they cannot appear in the examination. In this case, paid examination fees will be transferred for December 2020 examination provided students choose to sit in December 2020 examination 21 days before the date of postponed June 2020 examination.

The Institute is committed to conduct examination at earliest possible applying the safety measures and maintaining social distancing measures as suggested by the Government of Nepal.

Vacancy in ICAN

The Institute has invited application for the positions of Director, Joint Director, Deputy Directors and Assistant Directors for placement in the new positions created by the revised organogram of the Institute. For more details, [please click here](#).

Online Sessions on "International Financial Reporting Standards (IFRS)"

The Institute, continuing with the objective to enhance professional capacity of its members, organized eleven-days online training sessions on International Financial Reporting Standards (IFRS) in technical support of the Institute of Chartered Accountants of Sri Lanka (ICASL) from 7 - 24 July 2020.

These online sessions was facilitated by experts representing from KPMG, Deloitte, Ernest & Young and Senior Professionals of CA Sri Lanka. The training was designed to provide in-depth knowledge of International Financial Reporting Standards (IFRS) and was focused on imparting understanding of conceptual framework, technical issues related to various IFRS standards.

The training started with the opening remarks of then the ICAN President (Now the Immediate Past President) CA. Krishna Prasad Acharya and concluded with vote of thanks of the ICAN President, CA. Madan Krishna Sharma.

Members participating in these online session were allowed to accumulate up to 30 Continuing Professional Education (CPE) Credit Hours.

Procedure Regarding Answer Sheet

The Institute has introduced a Procedure allowing students to view their answer papers and obtain photocopy of their answer papers by making an application in this regard as per the process outlined in the procedure. For more details, please [click here](#).

Applicable Date of NFRS for SMEs, NAS for NPOs and MEs

The Institute has prescribed new date of applicability of Nepal Financial Reporting Standards for Small and Medium Sized Entities (NFRS for SMEs), Nepal Accounting Standards for Not for Profit Organizations (NAS for NPOs) and Nepal Accounting Standards for Micro Entities (NAS for MEs). As per the notice, these standards can be voluntarily applied up to Ashad 31, 2078 and should compulsorily be applied from Shrawan 01, 2078. Relaxation in terms of compulsory application date is provided to small and medium sized entities, micro entities and not for profit organizations considering the higher impact of COVID – 19 to these entities. For more details, [please click here](#).

Notice to Students

The Institute has published a notice regarding various relaxations provided to students considering the impact of COVID – 19. Among them is registration deadline, article ship deed submission deadline and second installment or any due payment deadline extended till 15 August, 2020. Other relaxation includes non-cancellation of registration validity affected due to lockdown imposed by the Government of Nepal. For more details, [please click here](#).

Examination Result Published

The Institute has published result of Chartered Accountant Membership Examination, Accounting Technician Examination held in March, 2020.

As per the press release of the Institute, 45 examinees have qualified for Chartered Accountant Membership. The Institute has also published notices inviting application for retotaling from examinees dissatisfied from their result. For more details please visit notice section of ICAN website.

Notice Regarding Upgrading

The Institute has published result of RA Members upgrading evaluated on the basis of their qualification and experience in response to application invited by the Institute in this regard on 2076/01/03. For more details, [please click here](#).

NFRS, 2018 Pronounced

The Institute has pronounced Nepal Financial Reporting Standards (NFRS), 2018 with different dates of applicability for each NFRS standards, IFRICs and SICs. For more details, [please click here](#).

Notice of Renewal

The Institute of Chartered Accountants of Nepal started renewal of Membership, Certificate of Practice (COP) and Firm for the fiscal year 2077/78. For hassle free services to its members, Institute receives application and payment through online mechanism. For more details, [please click here](#). For guidance to make online payment, [please click here](#).

Notice Regarding UDIN

The Institute has published a notice regarding use of Unique Document Identification Number (UDIN) while issuing audit reports and certificates for more clarity in this regard. For more details, [please click here](#).

Notice Regarding CPE

The Institute, in its pursuit to provide hassle free services to members, has allowed members to accumulate Continuing Professional Education (CPE) credit hours by watching educational video materials by logging into ICAN website. For more details, please [click here](#).

Online Revision Classes of Corporate and Other Laws

The Institute has published notice regarding online revision classes of Corporate and Other Laws of Chartered Accountancy Professional – II (CAP – II) level. These classes have been scheduled from 28th July, 2020. For more details, [please click here](#).

National News

Central Bank has Unveiled Monetary Policy

Nepal Rastra Bank, Central Bank of Nepal, has unveiled Monetary Policy, 2077/78 on Shrawan 02, 2077. This monetary policy is focused towards maintaining overall economic stability and supporting objective of economic growth set by the Government of Nepal. This policy has set the objective of maintaining inflation rate below 7 %. For more details, [please click here](#).

Amendment in Unified Directives, 2076

Nepal Rastra Bank, Central Bank of Nepal has made certain amendments in Unified Directives, 2076 issued to D class microfinance institutions and Unified Directives, 2076 issued to banks or financial institutions of Class A, B and C.

After these amendments, D class microfinance institutions involved in retail loan transactions and collecting deposit from general public should prepare financial statements based on NFRS (Refer changes in 4.1 (ga) of the directive) in addition to Central Bank prescribed format. These amendments have also provided some relaxations in loan loss provision and other areas of compliance.

For more details, please click here:

- a. [Amendment in Unified Directives, 2076 issued to D class microfinance institutions;](#)
- b. [Amendment in Unified Directives, 2076 issued to A, B and C class bank or financial institutions](#)

Refinance Procedure, 2077 Issued

Nepal Rastra Bank, Central Bank of Nepal has issued Refinance Procedure, 2077 to facilitate economic recovery of industry, profession and businesses by addressing impact of COVID – 19. This Procedure also aims to make existing refinance facility more regularized and effective.

This Procedure has made provisions regarding source of refinance, classification of refinance facility, tenure of refinance facility, process of disbursing loan under refinance scheme, eligibility of licensed institutions to apply for refinance facility etc. It has prescribed maximum 3 % interest rate on refinance facility to be levied by Nepal Rastra Bank from licensed institutions and 5 % by licensed institutions from customers. Please [click here](#) to view the procedure.

Amendment to Specialized Investment Fund Regulation, 2075

Specialized Investment Fund Regulation, 2075 has been amended and Specialized Investment Fund (Amendment) Regulation, 2077 has been issued to this effect. As per the press release issued by Securities Exchange Board of Nepal (SEBON), amendments facilitate the fund or fund manager established outside Nepal to establish or manage fund in Nepal, enhance the scope of private equity fund and venture capital fund. For more details, [please click here](#).

International News

IFAC Releases Latest Installment of Exploring the IESBA Code

The International Federation of Accountants (IFAC) released the latest in its *Exploring the IESBA Code* educational series: **Installment 8: Responding to Non-compliance with Laws and Regulations (NOCLAR) [for PAIBs]**.

The publication is part of a 12-month short series to help promote awareness of the provisions in the *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the Code).

Comment on Exposure Drafts

IFRS foundation has published various exposure drafts for comment. Please click on below links to comment on following exposure drafts:

[Proposed IFRS Taxonomy Update and comment letters—Amendments to IFRS 17, IFRS 4 and IAS 16](#) – Comments due by 14 September, 2020

[Tentative Agenda Decision and comment letters: Supply Chain Financing Arrangements—Reverse Factoring](#) – Comments deadline 30 September, 2020

[Exposure Draft and comment letters: General Presentation and Disclosures \(Primary Financial Statements\)](#) – Comment Deadline 30 September, 2020

[Request for Information: Comprehensive Review of the IFRS for SMEs Standard](#) – Comment deadline 27 October, 2020

[Discussion Paper and comment letters: Business Combinations—Disclosures, Goodwill and Impairment](#) – Comments deadline 31st December, 2020

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