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THE INSTITUTE OF CHARTERED ACCOUNTANTS OF NEPAL
(Established under The Nepal Chartered Accountants Act, 1997)



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E-News

INSTITUTIONAL ACTIVITIES

Workshop on “Dimension of Public Financial Management (PFM) at Province and Local Level”

The Institute organized one-day workshop on Dimension of Public Financial Management (PFM) at Province and Local Level on 25th March, 2022 at Biratnagar, Nepal. The program was Chaired by ICAN President, CA. Yuddha Raj Oli where, Hon’ble Chief Minister of Province 1, Mr. Rajendra Kumar Rai was the Chief Guest of the program. Joint Secretary, Ministry of Finance (MoF) and Council Member, Mr. Baburam Subedi, Chief District Officer (CDO), Morang, Mr. Kashi Raj Dahal, and Chief Executive Officer (CEO), Biratnagar Metropolitan City, Mr. Umesh Basnet were the Special Guests in the program. Vice President CA. Bhaskar Singh Lala, President of Auditor’s Association of Nepal (AuDAN), Mr. Mohan Raj Regmi, Executive Director CA. Sanjay Kumar Sinha and Coordinator of Biratnagar Branch Coordination Committee (BCC) CA. Aswini Bansal were also present in the program.



A Glimpse of Workshop on Dimension of Public Financial Management at Province and Local Level

The program was inaugurated by the Chief Guest of the program, Hon’ble Chief Minister of Province 1, Mr. Rajendra Kumar Rai. The program was organized in two sessions. In the opening session, Coordinator Biratnagar BCC CA. Aswini Bansal welcomed the Chief Guest, Special Guest, Vice-President, Council Members, Executive Director, Director, Staffs of Biratnagar Branch, Members of Biratnagar BCC, general Members and all invited participants in the program. ICAN President, CA. Yuddha Raj Oli emphasized about the objective of the program and highlighted the major activities accomplished and ongoing in the Institute during the current fiscal year Likewise, Joint Secretary, MoF and Council Member Mr. Baburam

Subedi, and Chief District Officer, Morang Mr. Kashi Raj Dahal and President, AuDAN RA. Mohan Raj Regmi, gave congratulatory remarks during the program. Vice President, CA. Bhaskar Singh Lala concluded the opening session with closing remarks and vote of thanks.

The second session of the program was related with paper presentation on Public Financial Management. Altogether three papers were presented during the session. Joint Secretary, MoF and Council Member Mr. Baburam Subedi, presented a paper on “Mobilization of Local Level Revenue: Opportunities and Challenges.” Likewise, CA. Nanda Kishor Sharma and CEO, Biratnagar Metropolitan City, Mr. Umesh Basnet, presented paper on “Status of Internal Control System and its Relevance in Development” and “Ongoing Functions at Province and Local Level, Good Practices and Challenges and its Remedial Measures” respectively. Member, Biratnagar BCC, RA. Bijay Hari Sharma, concluded the program with closing remarks and vote of thanks to all the participants.

Interaction Program on Roles and Activities of the Institute of Chartered Accountants of Nepal

The Institute organized an Interaction Program with Stakeholders on the topic “Roles and Activities of the Institute of Chartered Accountants of Nepal” on 24th March, 2022 at Biratnagar. In the program Executive Director, CA. Sanjay Kumar Sinha explained about the roles and objective of the Institute and highlighted the major Institutional activities related to Members and Member’s Supervision and Regulation and Disciplinary Proceedings of the Institute. Likewise, the queries and concerns of the participants were addressed by the President CA. Yuddha Raj Oli.



[A glimpse of Interaction Program on Role and Activities of the ICAN at Biratnagar](#)

The participants of Interaction Program comprise of representatives of Province Chief Office, Federation of Journalist, Ministry of Agriculture, Biratnagar Metropolitan, Chief District Office, Revenue Investigation Office, Merchant Association, District Administrative Office and other general stakeholders at Morang. Likewise, Vice-President CA. Bhaskar Singh Lala, Council Member, Mr. Posh Raj Nepal, Past Council Member, Mr. Mohan Kumar Subedi and President AuDAN, Mr. Mohan Raj Regmi also attended the program.

Training on “Mitigation of Gaps Identified in NFRS Implementation Status in State Owned Enterprises (SOE)”

The Institute organized five days Training on “Mitigation of Gaps Identified in NFRS Implementation Status in State Owned Enterprises (SOE)” for staffs of SOEs from 20th to 24th March, 2022 in Kathmandu. The program started with the welcome remarks of ICAN President, CA. Yuddha Raj Oli. During his welcome remarks, the President CA. Yuddha Raj Oli also emphasized on Status of NFRS implementation in SOEs and ways for mitigation of gaps in implementation of NFRS at SOEs. Similarly, speaking on the program, under Secretary, Public Debt Management Office (PDMO), Mr. Dinesh Regmi emphasized on implementation of NFRS in Public Sector and SOEs. In the first session of the first day program, President CA. Yuddha Raj Oli presented Token of Love to the Guests in the program and, the first session was concluded with the closing remarks and vote of thanks of Executive Director, CA. Sanjay Kumar Sinha.



Participants of Training with ICAN President and other Officials in the Program

The first day of the training was organized in two sessions where, CA. Prabin Raj Kafle presented on “*Mapping NFRS Implementation Status in SOE*”. And, three sessions were organized during remaining training days.

On the second day of training, CA. Nirjal Shrestha presented on “*Going in Depth for Mitigation Gaps in Area of Inventories, Going in Depth for Mitigating Gaps in area of Property, Plant and Equipment and Intangible Assets*”. Also, CA. Nagendra Shah shared his experience in implementing NFRS in Nepal Oil Corporation. Likewise, on the third and fourth day respectively, CA. Prabin Baral gave presentation on “*Going in Depth for Mitigating Gaps in Area of Employee Benefit*”, “*Going in Depth for Mitigating Gaps in Area of Financial Assets and Liabilities and Borrowing Cost*” respectively where, CA. Prabin Raj Kafle gave presentation on “*Going in Depth for Mitigating Gaps in Area of Government Grant*” and “*Going in Depth for Mitigating Gaps in Area of Deferred Taxes*” respectively. And, on the fourth day of training

Assistant Auditor General of the Office of the Auditor General (OAG) and Council Member, Mr. Baikunta Bahadur Adhikari shared his experience related to financial reporting in SOEs.

On the last day of the training, CA. Prabin Raj Kafle and CA. Prabin Baral took a session on “Going in Depth for Mitigating Gaps in Areas of Deferred Taxes” and “*Going in Depth for Mitigating Gaps in Area of Statement of Financial Position, Statement of Profit or Loss, Statement of Other Comprehensive Income, Statement of Cash Flows and Disclosures*” respectively.

Under Secretary, PDMO, Mr. Hira Neupane gave his concluding remarks in the program where, Council Member and Chairman of Standards Implementation Review Committee CA. Surendra Shrestha gave his vote of thanks and concluded the program. Altogether, the training was attended by 49 participants.

RA Members Capacity Development Program

The Institute organized a full day RA Member Capacity Development Program for Registered Auditor on 19th March, 2022 in ICAN Premises located at ICAN Marg, Satdobato, Lalitpur. The program started with the welcome remarks of Chairman of RA Member Capacity Development Committee, RA. Posh Raj Nepal, where, ICAN President CA. Yuddha Raj Oli highlighted on the requirement for enhancement of members capacity for overall development of accounting profession. Similarly, Auditor’s Association of Nepal (AuDAN) President RA. Mohan Raj Regmi emphasize on the importance of such program and urged for more programs on RA Capacity Development in days to come.



A Glimpse of RA Member Capacity Development Program

The program was conducted in four different sessions. The first two sessions were on “Biological Assets: Accounting for Agriculture Sector as per NAS 41- Agriculture,” facilitated by CA. Viman Karkee where, the last two sessions were on “Construction Contract: General Concept on IFRIC 12- Service Concession Agreements and Taxation Impact” facilitated by CA. Arun Raut. Altogether 72 Registered Auditor Members participated in this program.

Workshop on Practical Issues of Taxation, Value Added Tax (VAT) and Liquidity Scenario

Dhangadi Branch Office of the Institute in coordination with the Dhangadi Branch Coordination Committee (BCC) organized a full day workshop on “Practical Issues of Taxation, Value Added Tax (VAT) and Liquidity Scenario” on 21st March, 2022 at Dhangadi.

The program was Chaired by the Coordinator of Dhangadi BCC, CA. Umesh Raj Pandey where Chief Tax Officer of Inland Revenue Office (IRO), Dhangadi Mr. Gauri Shankar Upadhaya was the Chief Guest of the Program. Likewise, Members of Dhangadi BCC, CA. Chiranjeevi Pathak, CA. Tek Raj Paneru and CA. Janma Raj Timilsina respectively addressed about Unique Document Identification Number (UDIN), Provision of Code of Ethics and Disciplinary Procedures of the Institute.



[A Glimpse of Workshop on Practical Issues of Taxation, Value Added Tax and Liquidity Scenario](#)

The program started with the welcome remarks of Member of BCC, RA. Amber Raj Joshi. The program was organized in two sessions. In the first session Deputy Director of Nepal Rastra Bank presented on “Existing Economic and Financial Status of the Country and the Policy of Nepal Rastra Bank” and the second session was presented by Tax Officer of IRO Dhangadi, Mr. Binod Chudal on “E_TDS, Mismatch Report, Payment and Receipt Tracking, and Full-Audit”. The program was attended by Members of BCC, general members, staffs of bank and financial institutions, business persons and staffs of Dhangadi Branch Office of the Institute. Altogether, there were 116 participants in the workshop. The program was concluded with vote of thanks by the Chairman of the Program, CA. Umesh Raj Pandey.

International Exposure Visit to the Institute of Chartered Accountants of Bangladesh (ICAB)

The delegates from ICAN comprising of Council Member and Assistant Auditor General of the Office of Auditor General (OAG) Mr. Baikuntha Bahadur Adhikari and Deputy Director, CA. Himal Dahal visited the Institute of Chartered Accountants of Bangladesh (ICA Bangladesh) from 01st to 04th March, 2022. The objective of the visit was to understand the syllabus implementation process adopted by CA Bangladesh including the major challenges faced by CA Bangladesh during implementation of new syllabus and methodologies applied to overcome the challenges.



From left: Deputy Director, ICAB Md. Nasrat Hasan, ICAB President Md. Shahadat Hossain FCA, Assistant Auditor General of the OAG and Council Member Mr. Baikuntha Bahadur Adhikari, Deputy Director CA. Himal Dahal and Chief Operation Officer (COO) ICAB, Mahub Ahmed Siddique FCA (right) during Exposure Visit to CA Bangladesh at Dhaka, Bangladesh

Participation in Interaction Program on Anti-Money Laundering and Combating the Financing of Terrorism

The delegation of the Institute comprising of the President CA. Yuddha Raj Oli and Joint Director CA. Kiran Kumar Khatri participated in the Interaction Program between supervisory and regulatory bodies on topic “Anti-Money Laundering and Combating the Financing of Terrorism” organized by the Nepal Rastra Bank (NRB) on 28th March, 2022 at Kathmandu. President CA. Yuddha Raj Oli addressed the program delivering a welcome remark as a Special Guest in the program Chaired by Governor of NRB.



President CA. Yuddha Raj Oli addressing at the Interaction Program

Continuing Professional Education (CPE Training)

The Institute of Chartered Accountants of Nepal organized 3 days CPE Training from 11th to 13th March, 2022 at its Head Office, located at ICAN Marg, Satdobato, Lalitpur. The training was expected to enhance the members comprehensive knowledge on application of NFRS in Hydro Power Companies, application of NAS in Not for Profit Organizations (NPOs), application of NSAs in audit of Small and Medium Sized Entities (SMEs). Likewise, the training also has session on Nepal Standard on Quality Control (NSQC-1), Code of Ethics and legal session on Companies and Social Welfare Act, Rules and Directives. The resource persons of the program were CA. Arun Raut, CA. Shankar Thapa, CA. Kamal Silwal, CA. Kiran Kumar Khatri, CA. Pramod Lingden, CA. Bikesh Madhikarmi and CA. Bishesh Bibu Acharya. Altogether, 93 members participate in the CPE training.

Similarly, the Institute also organized 3 days CPE Training from 25th – 27th March, 2022 at Butwal, Rupendehi. The training was designed to enhance theoretical and practical knowledge of members about the application of NFRS for SMEs, NAS for Micro Entities (MEs) and NAS for NPOs. Moreover, the training also covered sessions on School Audit, Cooperative Audit, and specific provision of Income Tax Act. The resource persons of the training were CA. Chhabi Pokharel, CA. Prabin Raj Kafle, CA. Prabin Raj Baral, CA. Sheo Hari Sharma, and CA. Achyut Pandey. Altogether, 116 members participated in this CPE training program. In both the programs, the participating members were provided with 10 CPE credit hours for each day.

Students Participation in 36th International CA Student's Conference, 2022 at Sri Lanka

Two students of CAP-III level comprising Mr. Ashirwad Gautam and Ms. Seema Khadka were nominated by the Institute for participating in the 36th International CA Student Conference organized by the Chartered Accountants Student's Society (CASS) of CA Sri Lanka. The nominated students attended the conference held at Colombo, Sri Lanka from 28th February to 02nd March, 2022. The nominated students presented on "EMBRACE THE TRANSFORMATION - Catch the Wave" at the conference.



[Group photo of participants and officials at 36th International CA Student Conference, 2022](#)

Chartered Accountancy Examination Result Published

The Institute has published the result of Chartered Accountancy Examination (CAP II and CAP III level) conducted in December, 2021. The result was published on 07th March, 2022. The students can view their result and marksheet by login to the Students Login Section of ICAN website at <https://en.ican.org.np/en/>. Details of students applied, appeared, passed in CAP-II and CAP-III level of CA Examination is presented below:

	CAP II			CAP III		
	Group I	Group II	Both	Group I	Group II	Both
Applicants	782	530	1,485	429	489	279
Appeared	630	439	1,279	362	412	256
Passed	113	153	76	18	106	7
Qualified	185			25		

General Management and Communication Skills (GMCS) Training

The Institute organized 20th batch General Management and Communication Skills (GMCS) training for the students who have passed or appeared both group of CAP III level examination. The purpose of this training was to impart knowledge among participants to make them capable of translating challenges into rewarding opportunities by applying emotional intelligence and soft skills in the working atmosphere and to enhance the communication and interpersonal skills and to provide understanding of contemporary business environment and opportunities.



Group Photograph of Participants with ICAN Officials at GMCS Training Program

Participation in this training is a prerequisite for obtaining membership of the Institute. Students, who passed out CAP III level, appeared both group of CAP III level or passed AT Examinations, were eligible for this training. Altogether, 25 students participated in the training.

New CA Member Welcome Program

The Institute organized a welcome program for New CA Members on 10th March 2022 at ICAN Premises, Satdobato, Lalitpur. The CA Members welcome program started with the welcome remarks by Executive Director CA. Sanjay Kumar Sinha where he highlighted the objective of the program to orient the new members about various aspects related to their personal and professional growth. Similarly, President, CA. Yuddha Raj Oli, emphasized on importance of “Branding of Accounting Profession”. In the program Mr. Roopesh Shrestha, soft skills trainer presented and gave deliberation on Professional Aptitude for Chartered Accountants. Altogether, 37 new CA members participated in the program. Program was concluded with vote of thanks and closing remarks of Vice-President CA. Bhaskar Singh Lala.

Chartered Accountancy Membership Examination, March 2022

The Institute has conducted Chartered Accountancy Membership Examination on 15th and 16th March 2022. The membership examination was conducted at six different examination centers in Nepal at Kathmandu, Chitwan, Pokhara, Birgunj, Biratnagar and Butwal. Altogether 392 applicants appeared in the examination out of 452 applicants.

Recruitment of New Staffs

The Institute recruited six staffs in different levels on contractual basis effective from 15th March, 2022 in the position of Joint Director (1), Deputy Director (1), Assistant Director (1), Senior Officer (IT) (1), Officer (1) and Assistant level (1). Similarly, the Institute also recruited fourteen permanent staffs in different levels effective from 30th March, 2022 in the position of Senior Officer (1), Officer (9), Senior Assistant (1) and Assistant (3).

ICAN NOTICE

Press Release

The Institute has issued press release drawing attention of other entities for imposing legal action against the Members in course of audit performed by them. Likewise, the Institute has further clarified the stakeholders that the Institute is the independent and autonomous regulatory body for regulation of Accounting Profession in Nepal. Likewise, the press release also explains about the roles and responsibility of the Institute for supervision, monitoring, regulation and any kind of disciplinary proceedings to be taken against its Members in course of Member’s Conduct found to be not in compliance with the professional, legal and regulatory requirement. For further details, [please click here](#).

Notice Regarding Eligibility for June 2022 Examination

The Institute has issued notice to students regarding eligibility for June 2022 Examination. For further details, [please click here](#).

Online Revision Classes

The Institute has issued notice to students regarding conducting Online Revision Classes for the students going to appear in June 2022 CA Examination. The online revision classes for all CAP I, CAP II and CAP III levels will start from 03rd April, 2022. Students willing to avail online revision classes are required to

register their name in, cCourses Registration, tab available in 'Student Login, portal of ICAN Website. For further details, [please click here](#).

NATIONAL NEWS AND UPDATES

Refinance Guidelines, 2077 (Fourth Amendment)

Nepal Rastra Bank has issued Refinance Guidelines, 2077 (fourth amendment) on 22nd March, 2022. The Guidelines can be viewed from the link below:

<https://www.nrb.org.np/contents/uploads/2022/03/Nepal-Rastra-Bank-Refinance-Procedure-2077-Fourth-Amendment.pdf>

Issuance of Foreign Bank Branch Licensing Policy, 2022

Nepal Rastra Bank has issued Foreign Bank Branch Licensing Policy, 2022 and the Policy Provision for Opening Branch Office by Foreign Bank or Financial Institutions in Nepal, 2010 has been repealed thereof. The Policy can be viewed from the link below:

<https://www.nrb.org.np/contents/uploads/2022/03/Notice-no-14-Foreign-Bank-Branch-Policy-2022-1.pdf>

Income Tax Directives, 2066 (Fourth Amendment, 2078)

Inland Revenue Department has issued Income Tax Directives, 2066 (Fourth Amendment, 2078). The Directives can be viewed from the link below:

<https://ird.gov.np/public/pdf/1114992545.pdf>

INTERNATIONAL NEWS, EVENTS AND UPDATES

IFAC and ICAEW Examine Recent Crime Trends in Latest Installment of Anti-Money Laundering Thought Leadership Series

Together with Institute of Chartered Accountants in England and Wales (ICAEW), The International Federation of Accountants (IFAC) released a new installment in its Anti-Money Laundering: The Basics educational series: [Installment Eight: Crime Trends](#).

The publication is part of a series helping accountants enhance their understanding of how money laundering works, the risks they face, and what they can do to mitigate these risks and make a positive contribution to the public interest. Installment eight looks at recent crime trends like human trafficking and terrorist financing and the role money laundering plays. The detail can be viewed from the link below:

<https://www.ifac.org/news-events/2022-03/ifac-and-icaew-examine-recent-crime-trends-latest-installment-anti-money-laundering-thought>

IFAC Welcomes U.S. SEC's Action to Enhance Climate Disclosures; Continues Support for Global Alignment

The International Federation of Accountants (IFAC) welcomes the [U.S. SEC's proposal on enhanced climate disclosures](#), as we continue our work in support of a global system for delivering consistent, comparable and assurable sustainability information. The SEC's action is one more important demonstration of the need to enhance and evolve corporate reporting.

Sustainability-related disclosure is now a core component of the corporate reporting ecosystem, as reflected in global and jurisdiction-specific initiatives. Climate and other ESG matters are decision critical. Regulatory frameworks must promote rigor, clarity, and consistency of information, both to meet investor demands and those of other stakeholders. The detail can be viewed from the link below:

<https://www.ifac.org/news-events/2022-03/ifac-welcomes-us-sec-s-action-enhance-climate-disclosures-continues-support-global-alignment>

IFAC Releases News Exploring the IESBA Code Installment Focused on Technology

The International Federation of Accountants (IFAC) released a new resource, [Exploring the IESBA Code, A Focus on Technology: Artificial Intelligence](#). This two-page publication highlights the application of [the International Code of Ethics for Professional Accountants \(including International Independence Standards\)](#) (the Code), in particular, the relevance of the Code's fundamental principles and its conceptual framework to addressing ethics issues that might arise when artificial intelligence (AI) is used or implemented by professional accountants. Specifically, the installment sets out an AI scenario to assist accountants in identifying, evaluating and addressing threats to compliance with the Code's fundamental principles. The detail can be viewed from the link below:

<https://www.ifac.org/news-events/2022-03/ifac-releases-new-exploring-iesba-code-installment-focused-technology>

IAASB Digital Technology Market Scan: Artificial Intelligence—A Primer

Welcome to the third Market Scan from the IAASB's Disruptive Technology team. Building on our previous work, which included the [Innovation Report](#) created with [Founders Intelligence](#) and discussed at the January 2021 IAASB Meeting, we issue a Market Scan focusing on topics from the report approximately every two months. Market Scans consist of exciting trends, including new developments, corporate and start-up innovation, noteworthy investments and what it all might mean for the IAASB. The details can be viewed from the link below:

<https://www.iaasb.org/news-events/2022-03/iaasb-digital-technology-market-scan-artificial-intelligence-primer>

IESBA to Hold Global Webinars on the Proposed Revisions to The IESBA Code Relating to the Definition of Engagement Team and Group Audits

The International Ethics Standards Board for Accountants (IESBA) invites stakeholders to join one of two global webinars it will be holding on its recently released Exposure Draft, Proposed Revisions to the Code Relating to the Definition of Engagement Team and Group Audits.

The webinars are scheduled as follows:

April 11, 2022, from 10:00-11:30 am Eastern Time. Click [here](#) to register.

April 19, 2022, from 10:00-11:30 am Greenwich Mean Time. Click [here](#) to register.

The details can be viewed from the link below:

<https://www.ethicsboard.org/news-events/2022-03/iesba-hold-global-webinars-proposed-revisions-iesba-code-relating-definition-engagement-team-and>

IESBA Plans Global Roundtables on Enhancing Ethics Considerations Relating to Tax Planning and Related Services

The International Ethics Standards Board for Accountants (IESBA) will hold a series of three global virtual roundtables to obtain stakeholder feedback on matters it is considering relating to the development of an ethics standard addressing the provision of tax planning and related services by professional accountants in business (PAIBs) and professional accountants in public practice (PAPPs).

In recent years, much public attention has focused on the topic of tax planning and related services, notwithstanding the legality of the tax mitigation schemes, structures or transactions to achieve desired tax outcomes. Questions have been raised regarding the ethical implications for integrity and professional

behavior, among other fundamental ethics principles, when PAIBs are involved in developing or implementing tax strategies that are perceived as “aggressive,” or when PAPPs provide advice to their clients on such strategies. The issue is of such major public interest significance that it has been discussed on the G20 agenda. The details can be viewed from the link below:

<https://www.ethicsboard.org/news-events/2022-03/iesba-plans-global-roundtables-enhancing-ethics-considerations-relating-tax-planning-and-related>

IPSASB Seeks Comments on Retirement Benefit Plans Proposals

The International Public Sector Accounting Standards Board (IPSASB) has released for comment [Exposure Draft \(ED\) 82, Retirement Benefit Plans](#). This ED is intended to increase the transparency and accountability of public sector entities regarding multi-employer retirement benefit obligations. Stakeholder comments on ED 82 are sought by August 1, 2022. The details can be viewed from the link below:

<https://www.ipsasb.org/news-events/2022-04/ipsasb-seeks-comments-retirement-benefit-plans-proposals>

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