



नेपाल चार्टर्ड एकाउन्टेन्ट्स संस्था

The Institute of Chartered Accountants of Nepal

(Established under The Nepal Chartered Accountants Act - 1997)

ICAN Marga, Satdobato Lalitpur / Post Box Number : 5289,

Phone : 5530832, 5530730, Website: <http://www.ican.org.np>, Email: ican@ntc.net.np

ICAN E-News

1st May, 2020

(Baisakh 19, 2077)

Year -3 , Volume-5

National Webinar on “Alleviating the Distress of COVID – 19: Role of Financial Sector “

The Institute of Chartered Accountants of Nepal (ICAN) hosted a National Webinar on the topic “*Alleviating the Distress of COVID – 19: Role of Financial Sector*” on 1st May, 2020. This webinar was organized to give an insight on the role of financial sector to overcome post pandemic financial crisis in the nation.

The webinar started with welcome remarks by the President CA. Krishna Prasad Acharya followed by his presentation on “*Role of Accounting Profession in Revival Process of Economy*”.

The Chief Guest of the program was Hon’ble Finance Minister and Minister of Communication and Information Technology Dr Yuba Raj Khatiwada. Addressing the webinar, he appreciated the efforts of the Institute for organizing a webinar on a contemporary topic. He also highlighted some initiatives of the Government in preventing COVID – 19 from further spread and urged all regulators to play their part to revive the economy.

Following his address, a panel discussion consisting of representatives from different regulators and associations to discuss on initiatives of their respective organizations and their role to revive economy post COVID – 19 pandemic was organized. The panel discussion was chaired by the Finance Secretary, Mr. Sishir Kumar Dhungana. Mr. Buvan Kumar Dahal, Chairman, Nepal Bankers Association presented a paper on “*Role of Financial Sector in Minimizing Economic Impact of COVID- 19 and Boosting the Economic Growth*” in the panel discussion session. In his presentation, he mentioned the efforts made by the Bankers Association to fight with COVID-19 pandemic during this lock down period.

Similarly, Governor of Nepal Rastra Bank, CA. Maha Prasad Adhikari, as a member of panel discussion, highlighted the efforts being undertaken by Nepal Rastra Bank for fighting against the COVID-19. He mentioned that Nepal Rastra Bank has already directed the banks and financial institutions to provide some concessions on interest rate and to extend deadline for payment of installments. Other panel members were Chairman of Securities Board of Nepal (SEBON) Mr. Bhisma Raj Dhungana, Chairman of Insurance Board of Nepal Mr. Chiranjibi Chapagain and Vice President of Federation of Nepal Chamber of Commerce and Industries (FNCCI) Mr. Chandra Prasad Dhakal. They briefly mentioned role of their respective

organizations on reducing the impact of COVID – 19, initiative to protect the interest of stakeholders and future road map after lifting of lockdown.

CA. Madan Krishna Sharma, Vice- President of the Institute thanked all for their valuable participation in webinar during his vote of thanks. This webinar was participated by more than 1150 individuals.

Webinar on “Impact of COVID -19 on Accounting Profession”

The Institute hosted a webinar on the topic ***“Impact of COVID -19 on Accounting Profession”*** on 24 April, 2020. This webinar is the first ever online webinar hosted by the Institute.

The Webinar started with welcome remarks by the Executive Director CA. Sanjay Kumar Sinha. Addressing the webinar as the moderator, ICAN President CA. Krishna Prasad Acharya, briefly outlined the objective of the webinar being brain storming on impact of COVID-19 on overall businesses and the subsequent effect on accounting profession. He also highlighted the initiatives of the Institute to support it’s members and forming of technical committee to study effect of COVID -19 on the overall profession and to formulate the strategy of the Institute post the pandemic. He also stressed that the coordination among the stakeholders is even more important for transparent financial reporting amid the effects of the coronavirus pandemic.

Vice President (Also the Coordinator of the Technical Committee to study impact of COVID – 19) of the Institute CA. Madan Krishna Sharma as speaker presented on the global and national impact of COVID - 19 in businesses, accounting profession and other sectors. He stressed that there will be higher risk of fraud during this pandemic and increased professional skepticism is required.

Chairman of Accounting Standards Board CA. Mahesh Khanal presented briefly on the effect of COVID-19 on implementation of various Nepal Financial Reporting Standards (NFRSs). He also shed light on actions of International Standard Setters.

Similarly, Chairman of Auditing Standards Board CA. Anup Kumar Shrestha presented on the effect of COVID-19 on various Nepal Standards on Auditing (NSAs). He also stressed that audit quality should not be compromised whatever be the circumstances.

CA. Shashi Satyal, practitioner presented on various aspects of audit processes and challenges that practitioners might face post pandemic. CA. Anand Sharma Wagle, President of Association of Chartered Accountants of Nepal (ACAN) and RA. Mohan Raj Regmi, President of Auditors Association of Nepal (AuDAN) presented on the effect of COVID- 19 on the profession.

The webinar was participated by more than 700 participants.

ICAN Members Access to ICAI Digital Learning Hub

For the capacity enhancement of it's members, the Institute has arranged for access to Digital Learning Hub of the Institute of Chartered Accountants of India (ICAI) for ICAN members. The members of the Institute are allowed to access materials on Information System Audit, Early Signals of Fraud in Banking Sector, Block-Chain Technology and Accountancy and Embracing Robotic Process Automation in the initial stage. Members will be awarded Continuing Professional Education (CPE) Credit hours after successful study of above topics. For registration to the online learning portal of ICAI, members should go through member's login in ICAN's website. For more details, [please click here](#).

ICAN Started Online Revision Classes

The Institute, with a objective to facilitate it's students to prepare for their forthcoming examination has started online revision classes. Such classes are available from 27 April, 2020 for all levels of Chartered Accountancy Courses. For more details, [please click here](#).

ICAN President CA. Krishna Prasad Acharya inaugurated the Online Learning Classes on 27 April, 2020 with virtual presence of the Council Members, Members of Board of Studies, Executive Director and Students of the Institute.

June 2020 CA Exam Postponed

The Institute has postponed examinations scheduled in June 2020 until further notice in this regard considering the lockdown imposed by the Government to fight against corona virus. For more details, [please refer the notice issued by the Institute](#).

National News

NRB Directs BFIs to Reduce Interest on Loan

Nepal Rastra Bank, Central Bank of Nepal, has issued a directive to Banks and Financial Institutions (BFIs) to reduce interest rates by interest 2 % on the prevailing rates of Chaitra end 2076 for the fourth quarter of fiscal year 2076/77. As per the notice published by the Central Bank, this move is in response of effect on borrowers due to COVID -19. The Central Bank has also directed D class microfinance institutions to reduce interest rates respectively by 3 % and 2 % on retail and wholesale loans. This facility is not applicable for some businesses such as food processers and distributors, gas producers and distributors, internet service providers, telecommunication businesses, tobacco and alcohol industries, hydropower projects in operation etc.

Similarly, the Central Bank has allowed banks and financial institutions to disburse additional working capital loan upto 10 % of approved limit based on requirement and financial condition of borrowers. For more details, [please click here](#).

Insurance Board asks Insurers to Issue COVID – 19 Policy

Insurance Board, regulator of Insurance Business in Nepal has directed non-life insurers to issue COVID –19 (Corona Virus) insurance policy either with insured amount of NPR.1 lakh per person or NPR. 50 thousand per person. [For more details, please click here](#).

International News

Building a Coherent, Global Approach to Corporate Reporting

Investors, stakeholders, and society at large need to understand the value of companies beyond what they can glean from conventional financial reports – and this need is even more pressing during uncertain times such as the present.

IFAC published its response to Accountancy Europe’s consultation, Interconnected Standard Setting for Corporate Reporting, which addresses the evolution of standard setting to enhance corporate reporting at the global level.

The current corporate reporting system needs to evolve quickly to deal with the challenge posed by a myriad of different jurisdictional requirements and an absence of widely agreed standards in various areas beyond financial reporting. The result is variable quality and lack of comparability, leading to greater cost and inefficient capital allocation for both companies and investors.

Exposure Draft and comment letters: Covid-19-Related Rent Concessions

The International Accounting Standards Board (Board) has proposed an amendment to IFRS 16 to provide lessees with practical relief during the covid-19 pandemic while enabling them to continue providing useful information about their leases to users of financial statements.

The comment letter period is open until 8 May 2020.

[Login/register to submit a comment letter](#)

Exposure Draft and comment letters: Interest Rate Benchmark Reform— Phase 2: Proposed amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The International Accounting Standards Board (Board) has proposed amendments to IFRS Standards to assist companies in providing useful information to investors about the effects of interest rate benchmark reform on financial statements.

The consultation document proposes amendments to the following Standards:

IFRS 9 Financial Instruments;
IAS 39 Financial Instruments: Recognition and Measurement;
IFRS 7 Financial Instruments: Disclosures;
IFRS 4 Insurance Contracts; and
IFRS 16 Leases.

The comment letter period is open until 25 May 2020.

[Login/register to submit a comment letter](#)

Disclaimer

The Institute of Chartered Accountants of Nepal (ICAN) has created and maintains this publication as a service to its members, students and the community. This publication is intended to provide general information and is not intended to provide or substitute legal or professional advice. This publication is current as at the date of writing. You should be aware that such information can rapidly become out of date. You should not act or refrain from acting, or rely on any statement, view or opinion expressed in this publication. You should make and rely on your own inquiries in making any decisions or giving any advice.

No warranty is given as to the correctness of the information contained in this publication, or of its suitability for use by you. ICAN is not liable for any direct, indirect, special or consequential losses or damages of any kind, or loss of profit, loss or corruption of data, business interruption or indirect costs, arising out of or in connection with the use of this publication or the information contained in it, whether such loss or damage arises in contract, negligence, tort, under statute, or otherwise.

This publication provides link to other internet sites and does not necessarily endorse these sites. We may take information from available websites, directories, indices and references consisting of content that has been identified, compiled by humans and we have no control over removal and/or modification of information, in any kind, by the owner. If request from the owner is received to remove and/or modify links and/or information, such requests will be addressed individually.
