



**The Institute  
of Chartered Accountants  
of India**

**MICPA**  
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## **Mutual Recognition Agreement (MRA)**

**Between**

**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**

**ICAI Bhawan, Indraprastha Marg, Post Box No. 7100**

**New Delhi, India ("ICAI")**

**and**

**THE MALAYSIAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS**

**Of No. 15, Jalan Medan Tuanku, 50300 Kuala Lumpur**

**Malaysia ("MICPA")**



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1. **Introduction**
  - 1.1. **The Parties**
    - 1.1.1. ICAI and MICPA (“the Parties”) share common and strong interest in the advancement of the profession of accountancy, especially in relation to the maintenance and strengthening of professional and educational standards.
    - 1.1.2. MICPA, The Malaysian Institute of Certified Public Accountants, (Company No. 3246-U) (hereinafter referred to as “MICPA”), is a company incorporated in Malaysia under the Companies Act 1965, whose address is at No. 15 Jalan Medan Tuanku, 50300 Kuala Lumpur and shall include its lawful representatives and permitted assigns.
    - 1.1.3. ICAI is a statutory body established by an Act of Parliament, viz. The Chartered Accountants Act, 1949 (Act No. XXXVIII of 1949) for regulating the profession of Chartered Accountancy in India. The Institute, functions under the administrative control of the Ministry of Corporate Affairs, Government of India. It is one of the largest professional bodies of Chartered Accountants in the world, with strong tradition of service to the Indian economy in public interest.
    - 1.1.4. The parties agree that this Agreement in its entirety will apply to any successor parties formed or created.
2. **Objectives of Mutual Recognition Agreement**
  - 2.1. The parties recognize the value of opening up global opportunities for their respective members. The purpose of this MRA is to set out the terms and to determine the basis upon which recognition for membership of appropriately qualified members of each party may occur.
3. **Provisions of the Agreement**
  - 3.1. **Condition**
    - 3.1.1. Subject to the provision of clauses 3.1.1.3 below, members of MICPA who have achieved membership via the MICPA Qualification route and not through any



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alternative direct membership route, shall be considered to have met the education, ethics, examination and experience requirements for admission into membership of ICAI. Such MICPA members may be admitted as ICAI member on;

- 3.1.1.1 Passing the ICAI examination consisting of two papers namely Corporate & Allied Laws and Taxation and
- 3.1.1.2 Obtaining not less than three years' relevant accounting experience.
- 3.1.1.3 MICPA members applying for admission of ICAI under this agreement shall be required to meet additional admission requirements, including but not limited to, evidence of good character and payment of fees, as imposed by ICAI on applications for membership or under law.
- 3.1.2 Subject to the provision of clauses 3.1.2.3 below, members of ICAI who have achieved membership via the ICAI Qualification route and not through any alternative direct membership route, shall be considered to have met the education, ethics, examination and experience requirements for admission into membership of MICPA. Such ICAI members may be admitted as a MICPA member on;
  - 3.1.2.1 Passing the MICPA examination consisting of two papers namely Business & Company Law and Taxation; and
  - 3.1.2.2 Obtaining not less than three years' relevant accounting experience.
  - 3.1.2.3 ICAI members applying for admission to MICPA as a MICPA member under this agreement will be required to meet additional admission requirements, including but not limited to, evidence of good character and payment of fees, as imposed by MICPA on applications for MICPA membership or under law.
- 3.1.3 Either party may consider providing access to membership to the members of other professional bodies who do not meet these criteria, but those arrangements fall outside the scope of this MRA.
- 3.1.4 It is envisaged that the parties will be in regular contact with each other at the appropriate levels to deliberate and resolve any issue that may arise during the term of this MRA.



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- 3.1.5 Any person who has been admitted to membership of either party by virtue of being a member of another accountancy organization (other than MICPA or ICAI) shall not be eligible for admission to the other Party under the terms of this MRA.
- 3.1.6 The MRA does not cover the rights to conduct public accounting services; sign audited financial statements; or act as a tax agent in India, Malaysia and any part of the World.
- 3.1.7 The parties agree that the provisions of this MRA shall only apply to members who are not at the time of their application subject to any disciplinary sanctions and who have not been subject to any disciplinary sanctions within the five years prior to applying for membership under the MRA. Acceptance into membership by either party may be denied if the applying member is the subject of an outstanding disciplinary investigation.
- 3.1.8 The parties agree that every member who applies for membership of a party under this MRA shall be required to maintain his or her originating membership. If, for any reason, any such member ceases to hold his originating designation, the member concerned shall automatically cease to be eligible for membership of the other party also, temporary suspension of membership notwithstanding.
- 3.1.9 Subject to compliance with the Data Protection Laws outlined in clauses 12.3 -12. 5 below, each party shall, for the purpose stated in clause 3.1.8 above, retain a list of those members of the other party that apply for membership under this MRA, and the party shall exchange this information on a regular basis to ensure compliance with clause 3.1.8. The parties further agree that they shall ensure that their respective members are made aware of this condition at all times during the term of this MRA.
- 4. Joint Initiatives and Co-operations**
- ICAI and MICPA agree that, apart from the reciprocal arrangements for membership, there is great value in the opportunity to work more collaboratively, in areas of professional interest, viz:
- a) Develop educational programmes relating to accountancy;



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- b) Jointly organise symposia, conferences, short courses and meetings on accountancy, for both ICAI and MICPA members where members will be offered members' rates by respective Parties;
- c) Exchange information pertaining to developments in technical, teaching, training and student development;
- d) ICAI's e-learning platform to be accessible to MICPA members; and
- e) Conduct any other areas of co-operation as agreed to by the Parties from time to time.

For the purpose of implementing the co-operation in respect to any areas stated in above paragraph, the Parties shall mutually discuss and agree that where and if necessary, Parties shall enter into a legally binding agreement subject to terms and conditions as mutually agreed upon by the parties including clauses on "confidentiality", "suspension", "protection of intellectual property rights" and "settlement of disputes".

## **5. Continuing Professional Development/Continuing Professional Education**

- 5.1 Each party acknowledges the continuing professional development/continuing professional education offered by the other and notes that they are in accordance with required International Federation of Accountants (IFAC) standards and, therefore, acceptable to the other party.

## **6. Professional Programmer/Qualification**

- 6.1 The parties agree that they will not promote the MRA as an alternative route for students into the other's qualification anywhere in the world. Each party will actively promote the benefits of the MRA to its members only (excluding students), and any messages contained in marketing materials relating to this MRA will be agreed by the parties in advance.

## **7. Variation**

- 7.1 The parties agree that subject to written agreement, this MRA may be varied or amended from time to time as required. Such variation or amendment, where



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appropriate, shall include transitional provision to ensure that the interests of members/registered students of the party enrolled in their respective professional programs/qualification schemes are protected.

## 8. Materiality

- 8.1 Each party acknowledges and agrees to inform and advise the other party in writing, prior to making any material changes to its educational, professional or other standards during the term of the MRA.
- 8.2 In the event the either party changes its education, professional or other standards to the extent that the other party, who was informed of the change pursuant to clause 8.1 above, no longer believes they are substantially equivalent, this shall be regarded as a material breach for the purposes of clause 11.4 (Termination of the MRA).

## 9. Publicity

- 9.3 Each party agrees that it will not make any public comment related to the content of this MRA without prior knowledge and agreement of the other party.

## 10. Funding

- 10.1 Each party agrees that any cost or expense incurred and associated with this MRA will be its individual responsibility.

## 11. Duration, Renewal and Termination of the MRA

- 11.1 The parties agree that their intent is to provide certainty to their respective members and students at all times.
- 11.2 Subject to earlier termination pursuant to clause 11.4 below, this MRA shall have an initial term of 5 (Five) years from the date of signing ("Initial Term"). Thereafter, the parties may renew the term of this agreement for further terms on written mutual agreement.
- 11.3 Either party may withdraw from this /MRA by giving 12 (twelve) months' written notice to the other party. Each party agrees that in the interest of providing certainty



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to their respective members, such notice of withdrawal shall include conditions that would ensure that the interests of members of both parties are protected.

11.4 Notwithstanding clauses 11.2 and 11.3 above, this agreement may be terminated at any time by either party if the other Party has committed a material breach of this agreement and has failed to remedy the breach within 6 (six) months of the commission of the breach to the reasonable satisfaction of the party giving the notice.

## 12. Confidentiality and Data Protection

12.1 The party may exchange information during the term of this MRA which are confidential. Each party recognizes and affirms that any information disclosed by the other party is proprietary information, the release of which could cause economic harm, and agrees to deal with such information in the strictest of confidence and the receiving party shall not release the information or any part of it without the express prior written approval of the other party.

12.2 Nothing in this agreement shall be interpreted such as to prevent compliance by a party with its applicable regulatory and privacy legislation.

12.3 Each party agrees to comply with all applicable data protection and privacy respective legislation of both the countries, while processing member's personal information to meet its obligations under this MRA.

12.4 Pursuant to clause 3.1.8, the parties agree to share and exchange members personal information relating to this MRA on regular basis. Each party shall obtain express or written consent, in accordance with applicable Data Protection Laws from its respective members before disclosing any member's personal information to the other party.

12.5 In the interest of its members, each party undertakes to each other to take appropriate security measures to protect the other party members' personal data and keep it confidential at all times. In the event of a breach of the Data Protection Laws or a security breach incident, the affected party shall report the breach to the other Party immediately and within 24 (twenty four) hours of the affected party being aware of the breach incident.



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**13 Dispute Resolution Mechanism**

13.1 Any difference or dispute between the Parties concerning the interpretation and/or implementation and/or application of any of the provisions of this MRA shall be settled amicably through mutual consultation and/or negotiation between the Parties, without recourse to any third party or court.

**14 Effective Date of MRA**

14.1 This MRA shall come into effect on the date of signing and shall remain in force for a period of five years. The MRA may be extended further by mutual consent of the Parties.

IN WITNESS WHEREOF the Parties hereto have executed this MRA on the day and year first written.

Signed at New Delhi on 4<sup>th</sup> day of December, 2020 in two (2) original in the English language.

Signed for and behalf of:

THE INSTITUTE OF CHARTERED  
ACCOUNTANTS OF INDIA

Name: CA. Atul Kumar Gupta

Designation: President (ICAI)

Date: 4.12.2020

Witnessed by:

Name: CA. Nihar Niranjana Jambusaria

Designation: Vice-President, ICAI

Signed for and behalf of:

THE MALAYSIAN INSTITUTE OF  
CERTIFIED PUBLIC ACCOUNTANTS

Name: Dr. Veerinderjeet Singh

Designation: President (MICPA)

Date:

Witnessed by:

Name: Dato' Gan Ah Tee

Designation: Vice-President, MICPA