



Indian Banks' Association

No.C&I/ICAI/2011-12/

October 20, 2011

The Chairman

International Accounting Standards Board (IASB)

30 Cannon Street, London

EC4M 6XH , UK

Dear Sir,

Comment letter on Exposure Draft ED/2011/3 Mandatory Effective date of IFRS 9

We refer to the Exposure Draft released by you in August 2011 relating to Mandatory Effective date of IFRS 9.

We are grateful for the opportunity to respond to the ED issued by the IASB. We have consulted within the members of the Indian Banks' Association (IBA) Working Group on IFRS Transition with respect to this ED. The comments below represent the views of our members.

- **Question 1**

The Board proposes to amend IFRS 9 (2009) and IFRS 9 (2010) so that entities would be required to apply them for annual periods beginning on or after 1 January 2015. Do you agree? Why or why not? If not, what alternative do you propose?

We agree to the proposed requirement. We are of the view that there should be a two year time period between the issuance of IFRS 9 and the date on which it is made mandatory. This is required so as to give the user entity adequate time to make the necessary changes in the financial reporting and information technology systems and processes. The effective date of 1 January 2015 is appropriate presuming that the final version of IFRS 9 is issued by 1 January 2013. We agree with the provision that early application must continue to be permitted.

- **Question 2**

The Board proposes not to change the requirement in IFRS 9 for comparatives to be presented for entities that initially apply IFRS 9 for reporting periods beginning on or after 1 January 2012. Do you agree? Why or why not? If not, what alternative do you propose?

We agree with the proposals.

If you have any questions relating to our comments, please contact us on +91 22 22174023 or email at mishra@iba.org.in.

With kind regards,

Yours faithfully,

(K. Unnikrishnan)
Dy. Chief Executive