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To,
The Chairman,
International Accounting Standards Board (IASB),
London, UK

Sir,

Sub: ED/2011/3 – Mandatory Effective Date of IFRS 9

At the outset, I would like to thank IASB for giving an opportunity to comment on the above mentioned exposure draft. Apologies for delay in commenting on this ED.

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?

Response:

I **do not agree** with the Board proposal to amend mandatory effective date to 1 January 2015. Instead, I propose it to be set at 1 January 2014 and urge you to get the IFRS 9 ready by 30 June 2012. To achieve this target date IASB needs to get rid of unwarranted distraction of revising standards just for the sake of revision. I would like to further comment as follows:

a) There is a need for introspection at IASB as to its capability to carry out so many changes simultaneously. It is a case of poor planning and research as to what needs to be changed & when. In some cases, changes were unwarranted at this stage eg. Revenue, Leases, Joint Ventures, Hedge accounting.

b) I urge IASB to completely focus at this stage on impairment aspects of IFRS 9 and conclude the same on war footing basis. I don't know why this aspect is not being resolved satisfactorily even after 2 years of issuing ED and that too after involving subject matter experts ie. formation of credit risk expert panel.

c) IFRS 4 and IFRS 9 timelines should be de-linked and managed separately. Both these are huge topics involving industries who were/are at the epicenter of global financial crisis. So, extra efforts and attention is needed to fix these. Also, it is humanly difficult to manage these humungous tasks at the same time by standard setters as well as the preparers. So, please have separate timeline for IFRS 4.

Unstable platform and constantly moving targets do not augur well for an organization boasting of setting high quality globally acceptable accounting standards. Overall, IASB's reputation & credibility have suffered badly. IFRS framework appears to be fragile & broken.

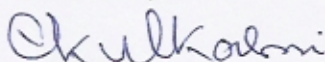
Question 2

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?

Response:

I recommend granting exemption similar to one granted for IAS 39 during 2005 EU IFRS adoption.

Thank you
Yours faithfully,



Vidhyadhar Kulkarni