



THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
(Set up by an Act of Parliament)

Western India Regional Council

WIRC/ICAI/9118 /2022

31st December 2022

CA. Parminder Kaur

The Secretary,
Accounting Standards Board,
The Institute of Chartered Accountants of India,
ICAI Bhawan, Post Box No. 7100,
Indraprastha Marg, New Delhi 110 002

Madam,

Sub.: Comments on Exposure Draft of the third edition of the IFRS for SMEs

Please find attached comments on **Exposure Draft of the third edition of the IFRS for SMEs - Investment Property**, for your doing the needful.

Kindly acknowledge the receipt of the same.

Thanking You,

Yours truly,

CA. Murtuza Kachwala
Chairman - WIRC of ICAI



Suggestions/ comments on exposure draft on IFRS for SMEs for Investment Property

Presently, section 16.10 of investment property requires SMEs to disclose the fair value of investment property based on a valuation by an independent valuer who holds a recognised and relevant professional qualification.

Suggestion:

This disclosure will lead to unnecessary compliance for valuation for SMEs to disclose fair value of investment property measured cost. Further, the cost and benefit of aligning this requirement with IAS 40 will not be in favour of SMEs. Though fair value information is required for user of the Financial Statement, however this will have greater impact only for the companies having big investment in investment properties.

The cost of compliance for SMEs will be much higher.