



Exposure Drafts of Amendments to the Classification and Measurement of Financial Instruments (Ind AS 109 and Ind AS 107) and Annual Improvements to IndAS (2024)

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Date Thu 10-10-2024 11:00

To Comments ASB - ICAI <commentsasb@icai.in>

Cc mgr.cib@iba.org.in <mgr.cib@iba.org.in>; vp.cib@iba.org.in <vp.cib@iba.org.in>; MD Secretariat <mdsectt@psb.co.in>; ED RJ SECRETARIAT <ed.rjsectt@psb.co.in>; HO CMLCELL <cmplcell@psb.co.in>

 1 attachments (311 KB)

Exposure Drafts of Amendments to the Classification and Measurement of Financial Instruments (Ind AS 109 and Ind AS 107) and Annual Improvements to IndAS (2024) for comments.pdf;

महोदय/ महोदया,
Dear Sir/ Madam,

This is with reference to IBA letter dated 03.10.2024 on the captioned subject. The comments/ suggestions / key concerns areas on the same are as under:-

1. The amendment may result in incremental work to review the terms and conditions of electronic payment systems to assess whether the specific criteria for the exception will be met.
2. In some cases, where the bank recognizes or derecognizes the financial instrument at payment initiation date, we may need to change the accounting policy. The bank may require more detailed guidance or clarification.
3. With respect to the applicability of accounting policies choice on a system-by-system basis, it may result in different accounting practices. Further, given the widespread use of different electronic settlement products, the bank may require more detailed guidance or clarification on determining how each exception criteria would be met.
4. Post these amendments, financial reporting process of the bank would get impacted such as bank reconciliations would require our detailed analysis.
5. Whilst providing an exception will be required so as to allow derecognition of a financial liability at a date, earlier than settlement date, there are concerns about the potential operability of the exception, as legal analysis of these criterions appear to be a high hurdle.

धन्यवाद, सादर

भवदीय

वीरिन्द्र कुमार रामटेके

सहायक महाप्रबंधक

मोबाइल नंबर: 8826761970

प्रधान कार्यालय

अनुपालन विभाग

पंजाब एण्ड सिंध बैंक

निवेदन: कागज़ बचाएँ, पेड़ बचाएँ । जब तक आवश्यक न हो, इस दस्तावेज़ का प्रिंट न लें ।

From: Mukti Pansare <mgr.cib@iba.org.in>

Sent: Thursday, October 3, 2024 4:30 PM

To: PSBs <public.memberbanks@iba.org.in>; private.memberbanks@iba.org.in

<private.memberbanks@iba.org.in>; foreign.memberbanks@iba.org.in <foreign.memberbanks@iba.org.in>

Cc: SA-CIB <sa.cib2@iba.org.in>; IBA CIB-2 <dgm.cib@iba.org.in>; Subodh <vp.cib@iba.org.in>

Subject: Exposure Drafts of Amendments to the Classification and Measurement of Financial Instruments (Ind AS 109 and Ind AS 107) and Annual Improvements to IndAS (2024)

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Corporate & International Banking

CIB-II/ICAI-Exposuredrafts/2024-25/1464

October 3, 2024

Member Banks

Dear Sir,

Sub: Exposure Drafts of Amendments to the Classification and Measurement of Financial Instruments (Ind AS 109 and Ind AS 107) and Annual Improvements to IndAS (2024) for comments.

We are in receipt of a letter (September 24, 2024) from the Institute of Chartered Accountants of India (ICAI) informing us that the **IASB (International Accounting Standards Board)** has issued the following **Exposure Drafts of Amendments to Ind AS corresponding to amendments in IFRS Standards for public comments.**

- **Exposure Draft of Amendments to the Classification and Measurement of Financial Instruments:** Amendments to Ind AS 109 and Ind AS 107- The downloadable version is available at <https://www.icai.org/post/ed-amendments-to-indas109-and-indas107>
- **Exposure Draft of Annual Improvements to Ind AS (2024)** – The downloadable version is available at <https://www.icai.org/post/ed-annual-improvements-to-indas-2024>

In this regard, ICAI has requested Member Banks' views and suggestions on the same. We request

you to kindly arrange to advise the concerned department of your bank to submit the comments directly to ICAI at <http://www.icaai.org/comments/asb/> or by email to commentsasb@icaai.in , well within the given timeline. **The copy of the comments may also be forwarded to us at mgr.cib@iba.org.in & , preferably by October 9, 2024**, so as to enable us to consolidate the comments received from member banks, discuss in our internal committee and then for onward submission to ICAI.

Further clarifications on the Exposure Drafts may be sought by e-mail to asb@icaai.in.

Yours faithfully,

(V. Chandrasekar)
Sr. Advisor