

**CHALLENGES IN ADOPTION OF IFRS 9 – A CASE STUDY OF
PAKISTAN’S CONVENTIONAL BANKING**



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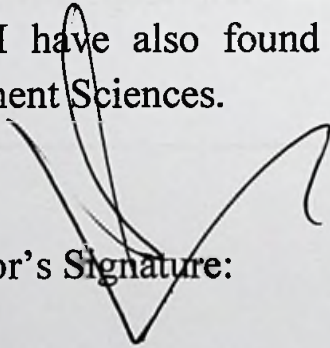
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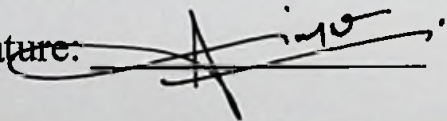


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ABSTRACT

IFRS 9 financial instrument replaces IAS 39 monetary instruments including recognition and dimension. The usual requirements for recognition and valuation involve impairment derecognition and general hedge accounting. The version of IFRS 9 issued in 2014 replaces all preceding versions, and is mandatorily effective for the period beginning on before and after January 1, 2018, with an early admission approved (problem to nearby approval requirements). For a restrained duration, previous versions of IFRS 9 can be adopted in early stages, provided the date of the first version is applicable. In line with the high-level summary produced by Deloitte according with IFRS 9, the main cause of this publication is to offer a high-level indication of the IFRS 9 related necessities, focusing on the regions which is a factor from IAS 39. The subsequent areas are taken into consideration: The type and dimension of monetary property, impairment, classification and measurement of economic liabilities, and hedge accounting. A line with international first-class practices, SBP has issued very last instructions on IFRS 9 for ensuring its even and regular implementation in the banking industry, which includes banks, DFIs, MFBs, with revised implementation timelines. The SBP has now decided to increase the implementation date of IFRS 9 from January 1, 2022 to January 1, 2024.

KEYWORDS: International Accounting Standards, International Financial Reporting Standards, Conventional banking, International Accounting Standard Bureau, Financial instruments, Excess Credit Loss, Internal Rating Based