

## **POLICY UPDATE**

By: Research Department [ICMAP]

### ***SECP Clarification on Fair Value of Listed Securities (IAS 39)***

The Securities and Exchange Commission of Pakistan (SECP) vide its circular # Enf/D-III/Misc/I/2008 dated January 29, 2009 has clarified that the companies, for the purposes of preparing the financial statements for the period ending December 31, 2008, may use market price, as quoted on the Stock Exchange on December 31, 2008 as the Fair Value of Listed securities. The resultant revaluation surplus / deficit will be treated in accordance with International Accounting Standard (IAS) – 39.

According to notification, a number of companies had approached the SECP in connection with determination of fair value of securities listed on stock exchanges.

For more details, please visit the SECP 's website: [www.secp.gov.pk](http://www.secp.gov.pk)