



भारतीय सनदी लेखाकार संस्थान  
(संसदीय अधिनियम द्वारा स्थापित)  
**THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA**  
(Set up by an Act of Parliament)

5<sup>th</sup> June 2024

Mr. Ian Carruthers  
Chairman,  
International Public Sector Accounting Standards Board,  
The International Federation of Accountants,  
277 Wellington Street West,  
Toronto, Ontario M5V 3H2 CANADA

Dear Ian Carruthers,

**Sub: Comment on Exposure Draft 86, Proposed International Public Sector Accounting Standard on *Exploration for and Evaluation of Mineral Resources***

We are pleased to provide comments on the Exposure Draft 86, Proposed International Sector Accounting Standard on '*Exploration for and Evaluation of Mineral Resources*' issued by the International Public Sector Accounting Standards Board (IPSASB) of the International Federation of Accountants (IFAC). Our comments on the Exposure Draft 86 are enclosed with this letter.

Please feel free to contact us, in case any further clarification in this regard is required.

Thanking you,

Yours sincerely,

CA. Kemisha Soni  
Chairperson  
Committee on Public and Government Financial Management  
The Institute of Chartered Accountants of India  
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**Encl: as above**



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**Exposure Draft (ED) 86, Proposed International Public Sector Accounting Standard,  
Exploration for and Evaluation of Mineral Resources**

**Specific Matter for Comment 1**

The IPSASB decided to propose an IFRS 6-aligned Standard in ED 86 (see paragraphs BC2-BC7). Do you agree that amendments to IFRS 6, for the public sector, are limited to terminology and other IPSASB-specific formatting and consistency amendments (see paragraph BC8)?

If not, please explain your reasons, stating clearly what further amendments are necessary and why?

**ICAI's views:**

Although we agree with the IPSASB approach to propose an IFRS 6 – aligned Standard in ED 86 but it was observed that following deviations have been made from IFRS 6 whose reasons have not been outlined in Basis for Conclusions that may be incorporated appropriately:

1. BC 1 prescribes that “this draft Standard is based on IFRS 6 published by the IASB on 31st December 2004 including amendments up to March 2018”. However, ED 86 incorporates the latest decision made by IASB, i.e., removed the temporary nature of the exemption from the application of paragraphs 11-12 of IAS 8, ‘Accounting Policies, Changes in Accounting Estimates and Errors’. The updated IFRS 6 is yet to be issued, however, the ED 86 incorporates such latest IASB’s decision that fact may be mentioned in Basis for Conclusions.
2. IFRS 6 prescribes to measure the exploration and evaluation assets after recognition by applying either the cost model or the revaluation model. However, the term “revaluation model” has been replaced in ED 86 as “current value model” in line with IPSAS 45, Property, Plant and Equipment and IPSAS 31, ‘Intangible Assets’. Such terminology change may be specifically mentioned in Basis for Conclusions.