



Office of the Comptroller and Auditor General of India,
10 Bahadur Shah Zafar Marg, New Delhi - 110 - 124.

(Government Accounting Standards Advisory Board)

**Minutes of meeting on virtual presentation Natural Resource Accounting for the State
Government of Tamil Nadu**

Background: As part of the implementation process envisaged in the Concept Paper on NRA released by the GASAB Secretariat in July 2020, GASAB Section has developed tentative templates for the Asset Accounts on Minerals and Energy Resources for implementation in the States. The templates, besides being successfully piloted in three States (Goa, Meghalaya and Rajasthan) have been vetted by a Consultative Committee set up by GASAB consisting of important stakeholders and eminent environmentalists. The templates are in final stage and are planned to be rolled out in the States by September 2021 after necessary approvals for **preparation of Asset Accounts for the year 2020-21, targeted to be completed by March 2022.**

In order to discuss the matter with the highest echelons in the State Government to ensure smooth co-ordination between GASAB headquarters, the field Offices of the CAG and the State Governments in steering the implementation process, virtual presentation on NRA was planned for the Chief Secretaries and other State Government Officers besides the Accountants General in the States. Six meetings have been held between 31 August and 20 September 2021 in which 28 States have participated.

Date and time : (7th meeting) - 28 September 2021 at 3 PM.

Participating State: Tamil Nadu

Mode: Virtually through MS Teams

Officers attending the meeting: A list of Officers attending the meeting is at Annexure A.

At the outset, Additional Deputy CAG, GASAB, welcomed the Additional Chief Secretary, Finance and Principal Secretaries of Energy and Industries Department of Government of Tamil Nadu and also the Accountant General of the State besides other Officers involved in this prestigious endeavour of GASAB on implementing NRA in Tamil Nadu. The contribution of accounting of natural resources towards long term economic performances and India's obligations on implementing resource accounting as part of the sustainable development goals were highlighted. He brought out the action plans envisaged in the Concept paper which, inter-alia, envisaged short, medium and long term goals starting

from 2020 and converging with the target date of SDGs, i.e. 2030 in consonance with the four stage implementation strategy suggested by the SEEA – CF; of which, the first such goal is preparation of Asset Accounts on Mineral & Energy Resources, more importantly the non-renewable resources because of its finiteness in nature, to commence from the States and gradually moving towards the national level. The crucial role played by the natural resources in economic development of a country and their inbuilt value of inter-generational equity and sustenance was also highlighted.

The Addl Dy CAG also underscored GASAB's initiatives in hand holding the country and the States to implement NRA across the country through the release of the Concept Paper on NRA, drawing up of tentative templates for capturing data related to selected natural resources, testing the templates in the States on pilot basis, getting them vetted by the Consultative Committee from important stakeholders and readying the templates for implementation, to commence from the States.

After the opening address, a power-point presentation on NRA was made by Sr Admin Officer, GASAB highlighting the concept and importance of NRA; international developments vis-à-vis those in India, implementation strategy suggested by SEEA framework and those adopted/works done by GASAB and successes thereagainst; key takeaways on implementation of Asset Accounts on Mineral & Energy Resources in the States; way forward and expectation from the States.

Copy of the presentation is enclosed as Annexure – B.

After the presentation, the following were discussed:

The Director of Geology & Mining informed that the State Government is actively working on preparing the Asset Account on Mineral & Energy Resources and the first such account will be ready by the end of the year.

The Addl Chief Secretary, Finance assured that the framework for preparation of Asset Accounts would be followed effectively in the State of Tamil Nadu. The Officer added that such a framework will be immensely helpful for the State not only for monitoring the extractions but also to ascertain whether adequate revenues are being accrued to the State exchequer from mining activities being carried out. He lauded the cross-verification mechanism which is embedded into the system. The Department of Finance, he added, would co-ordinate to identify other Departments involved in the process.

As regards the timelines and milestones, the Addl Dy CAG informed that the first targeted Asset Accounts for the year 2020-21 was being planned to be completed by March 2022. On this, the ACS, Finance assured that the State Government would co-ordinate with the

Accountants General Offices and commence the work. He requested the Geology and Mining Department to start the work immediately to ensure that the Accounts are compiled within the targeted timeframe.

Regarding the mineral resources to be covered, it was informed that the State would have the liberty to prioritise the resources to be taken up at the beginning which can be expanded in years to come.

On the assurance of Addl Dy CAG to assist the State with State-specific workshops, the ACS, Finance agreed that such workshops would be extremely helpful.

The Accountant General (A&E) informed that some minerals are under the administration of the Public Works Department which needs to be covered as well.

The ACS, Finance appreciated the session as very useful and that the State Government was thankful to GASAB for holding it.

Before concluding, the Addl Dy CAG once again thanked the dignitaries from the State Government for their enthusiasm and attending the meeting to make it a success and expressed confidence that the State would continue to support GASAB in implementing NRA. He also assured the State Government that GASAB would be more than happy to assist in training and capacity building of the State towards implementing NRA.

At last, it was informed that successful implementation of Asset Accounts on Mineral & Energy Resources in the States would mean that India not only meets the first of the four-stage implementation strategy prescribed by the SEEA - CF but will also get into the elite list of countries where Asset Accounts on natural resources (importantly non-renewable resources) are being generated.

The meeting ended with vote of thanks to the Chair.

Annexure – A

Officers attending the Virtual Presentation on NRA – Tamil Nadu (Date 28.9.2021)

| Orgn/Stater | Chief Secretary/ Representative | A&E/Audit Offices |
|-------------------------------|--|--|
| GASAB/CAG of India | 1. Shri Ram Mohan Johri, Addl Deputy CAG, GASAB 2. Shri Sudipta N Biswas, Sr. Admin Officer, GASAB/NRA | |
| Tamil Nadu | 1. Shri S Krishnan, Additional Chief Secretary, Finance 2. Shri Dharmendra Pratap Yadav, Principal Secretary, Energy 3. Shri Muruga Nandam, Principal Secretary, Industries | A&E 1. Shri D Jaisankar, AG 2. Ms Nithya Radhakrishnan, DAG and team Audit 1. Shri J S Mohammad Ashraf, DAG and team |