



**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 monthly meeting for the month of March 2022 on progresses made by the States on preparation of Asset Accounts on Mineral and Non-Renewable Energy Resources***

**Background:** As per the action plans envisaged in the Concept Paper on Natural Resource Accounting in India released in July 2020, GASAB Secretariat has brought out a book containing the templates of Asset Accounts on Mineral and Non-Renewable Energy Resources in the States. The book containing the templates were circulated to the State Governments and the State Accountants General Offices in October 2021. The first short term action plan is to prepare the first draft of Asset Accounts in the States for the year 2020-21 by March 2022.

Additionally, draft guidelines/ Standard Operating Procedures (SoPs) on data collection methodologies from the district units from April 2022 was prepared and circulated to the State Accountants General Offices for discussion with the State Governments and implementation from April 2022. After detailed deliberation and consultation with the States and the members of the Consultative Committee, the final Guidelines/SoPs have been issued to the States for implementation.

Consequent upon the national declaration at CoP 26 at Glasgow, the Asset Accounts had been modified/updated to include tentative tables (as tables 6 and 7 of the Asset Accounts) for capturing data on carbon emissions (State wise emissions and per capita emissions in States)/carbon sequestration/sinks and progress in renewable energy resources in the States. A reliable and credible system to capture the information at the State level regularly on these items would immensely help the GoI in consolidating the information and monitor/manage the targets over the years more effectively and meet the international commitments.

To ensure that the State reports capture and present the information uniformly, a structure of report has been prepared by the GASAB Secretariat and circulated on 12 April 2022 to the State Accountants General Offices with the request for views/comments/suggestions, if any. Based on the comments received, the structure of report would be finalised and issued by the end of April 2022 based on which the State Report on NRA would be prepared.

In order to handhold the States in this ambitious exercise besides resolving issues and challenges and addressing the constraints being faced while preparing the first draft of the Asset Accounts, GASAB headquarters has planned monthly meetings at the end of each month from October 2021 through March 2022 or preparation of Asset Accounts in all targeted States, whichever is earlier. The meetings for the months October 2021 to February 2022 were held between 27 – 29 October 2021, 30 November – 2 December 2021, 4 January 2022, 31 January and 1 February 2022 and 2 and 3 March 2022 respectively. This is the sixth meeting for the month ending March 2022.

**Date and time : (Sixth meeting) :** 12 and 13 April 2022 (10.30 AM to 1.30 PM)

**Participating State:** All 28 States and 2 UTs with Legislature.

**Mode:** Virtually through MS Teams arranged by RTI, Prayagraj.

**Chair:** Addl Deputy CAG, GASAB (ADAI, GASAB).

**Proceedings:** At the outset, ADAI GASAB conveyed thanks to the States in which the first draft of the Asset Accounts have been completed while requesting the States in which the Accounts are partially prepared to go full steam to ensure that the works are completed within the targeted timeline. The Officer expressed deep gratitude to the State Governments and the Departments of Mines, Finance etc for their unhindered cooperation and support without which completion of the targeted first draft of the Asset Accounts would not have been possible. The value additions done at the stage of validation of data by the State Government departments as well as the Audit Offices was also acknowledged. The fact that the State Audit Office in Madhya Pradesh has deputed teams and covered all 52 districts for validating the data, almost *cent per cent* data verified in Goa and that States like Andhra Pradesh, Gujarat (fossil-fuel), Jammu & Kashmir, Maharashtra, Sikkim (major minerals), Rajasthan, Tripura, have completed the work with necessary validations and efforts put by Uttar Pradesh to compile the Asset Accounts despite being such a large State was highly appreciated by ADAI, GASAB. Regarding Delhi, the Officer called for more indepth study of the actual position on the ground to ensure that the capital did not miss out being featured in the larger mineral map of the country. It was also mentioned that the State of Delhi would need to prepare the carbon emission data. Sr. AO, GASAB informed that the table duly filled in has been received from the State AG Office.

ADAI, GASAB re-iterated that the project, a nationally important one, is obligatory as India is a signatory to the SDGs. Importance of comprehensiveness, robustness and correctness of data along with the availability of documentation to support the data was repeatedly emphasized by the Chair. Besides, the **importance of having geo-tagged mineral map in the States was stressed upon as a requirement** and urged all States to ensure that the State-wise reports contain the geo-tagged mineral maps of the States. In case the same was not available, at least the GPS co-ordinates of the mine areas was requested to be mapped and included in the State map. It was also informed that the States may compile the reports in the structure circulated by GASAB by mid May 2022 and based on the State reports, a national compilation on NRA is being targeted to be prepared and released by the end of June/mid July 2022.

This was followed by a presentation by Sr. AO, GASAB detailing, *inter-alia*, the stages and associated targets of work, status of work at the end of February 2022 and decisions taken, progresses on Guidelines/SoPs, structure of report and updation of the formats (having 7 tables), news about NRA, i.e. CAG highlighting the work to the visiting delegates of Maldives, inclusion of a write up on NRA in the ASOSAI's journal, proposed MoU with NRSC for technical assistance in geo-spatial data collection, broad findings in the States so far, targets and timelines for the project. Copy of presentation is enclosed.

The Sr. AO also informed the house that the final version of the Guidelines/SoPs have been circulated to the State Governments demi-officially by ADAI, GASAB and that the State Accountants General Offices may kindly coordinate with the State Governments for their effective and timely implementation. It was also mentioned that to ensure uniformity in the format of the reports of the States on Asset Accounts on Mineral & Energy Resources, a structure of report has been issued to the States on 12 April 2022 while requesting the States for providing inputs for further fine-tuning the document for finalisation targeted by the end of April 2022.

Thereafter, the works done by the States during the month and till the end of March 2022 and targets set for completion of the remaining work were presented by each of the 30 States/UT which were discussed in threadbare detail. A number of State Governments were also present and actively participated in the deliberations.

Based on the presentations and inputs received during the meeting, the status of work in the States is divided into three distinct categories as shown in the following table:

Asset Accounts prepared and are under verification/validation	Asset Accounts partially prepared – remaining works underway	Still in initial stages
<b>26 States/1 UT</b>	<b>2 States</b>	<b>1 UT</b>
<i>Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu &amp; Kashmir, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Punjab, Rajasthan, Sikkim, Tamil Nadu, Telengana, Tripura, Uttar Pradesh, West Bengal</i>	<i>Jharkhand and Uttarakhand</i>	<i>Delhi</i>

**Based on the presentations and discussions during the meeting, the following action plans were decided:**

- Shortlisting of resources for the first Asset Accounts may be done after due consultation and prioritization of the concerned State Governments. Resources against which all required data is received/obtained may only be included in the first draft to make them complete while other remaining resources including those with partial information may be targeted to be brought into the Accounts in subsequent years, in phased manner.
- Geo-tagged mineral map of the States shall be priority and incorporated in the Report. For this, information may be collected and collated, if not already done, to prepare the mineral map.
- Major thrust should be on the comprehensiveness, correctness of data captured in the Accounts and robustness of the data capturing methodology so as to build a solid edifice for continuous data extraction, collection and collation in the future years.

- Departmental figures on balances, extractions/productions/dispatch – generated from the source units (districts) will be the basis of compilation and to be **cross linked** with the figures of Indian Bureau of Mines (IBM) figures and variations pointed out **wherever the variations are substantial**.
- Verification and validation of the draft Asset Accounts may be invariably conducted in view of the checklists, certifications and corroborated with supporting documents.
- Information on carbon emission and generation of renewable energy in the States from various sources may be included in the tables 6 and 7. Wherever the information is not available, the same may be pointed out in the findings and suitably recommended to the State Government for instituting a system for regular capture of reliable and credible data along highlighting its importance for monitoring the progresses made towards an international commitment.
- Most of the States reported to have conducted/continue to conduct workshops/trainings for the State Government Departments on the Guidelines/SoPs.
- Standard gradation of minerals may be incorporated in the Asset Accounts for better disclosure of availability of exact grades of minerals in different parts of the country.
- As Delhi has only remained in the category of initial stage, renewed efforts and vigorous pursuance was required to ensure that the information on mineral repository in the State along with revenues accrued to the State exchequer/those illegally mined, if any, are examined and discussed at the highest level to obtain the data for compilation of the tables.
- ADAI, GASAB urged the Accountants General of Uttarakhand to put in more efforts for pulling up the arrears of work to ensure completion of the process and finalisation of report by the targeted timeline.
- As the **State of Bihar and Jammu & Kashmir** reported to have **collected the information on carbon emissions** from the State Pollution Control Board, it was decided that the Accountants General Offices in Bihar would **collect the methodology of data capture and consolidation from the SPCB, Bihar/J&K and share with all other States** with copy to GASAB headquarters.
- **Tamil Nadu State Accountant General reported to have received information on stock of minerals from DGHC**. It was decided that the **copy of the letter shall be shared with all Accountants General Offices** for culling out information on stock of minerals after necessary examinations and verifications.
- Regarding the **data-flow targeted to be captured from April 2022 at the district level** and reported to the directorates en-route to Accountants General Offices, it was decided that wherever electronic e-permit management systems were existing, this may be made part of it. Otherwise, manual reporting mechanism may be requested to be instituted which could be gradually upgraded/embedded into the electronic systems.

- Many States disclosed to have received inputs on amounts transferred to the National Mineral Trust along with figures of DMF. These information could be included suitable modifying the table on DMF.
- The **final report** in the structure circulated by GASAB is **targeted by mid-May 2022**.
- Decisions taken and included in the minutes of earlier meetings shall continue to apply *mutatis mutandis* and may be scrupulously followed.

**State-specific comments:**

**Assam:** The department of Environment, Forest and Climate Change may be vigorously pursued for the information on sand, stone, boulders etc for finalizing the Asset Account.

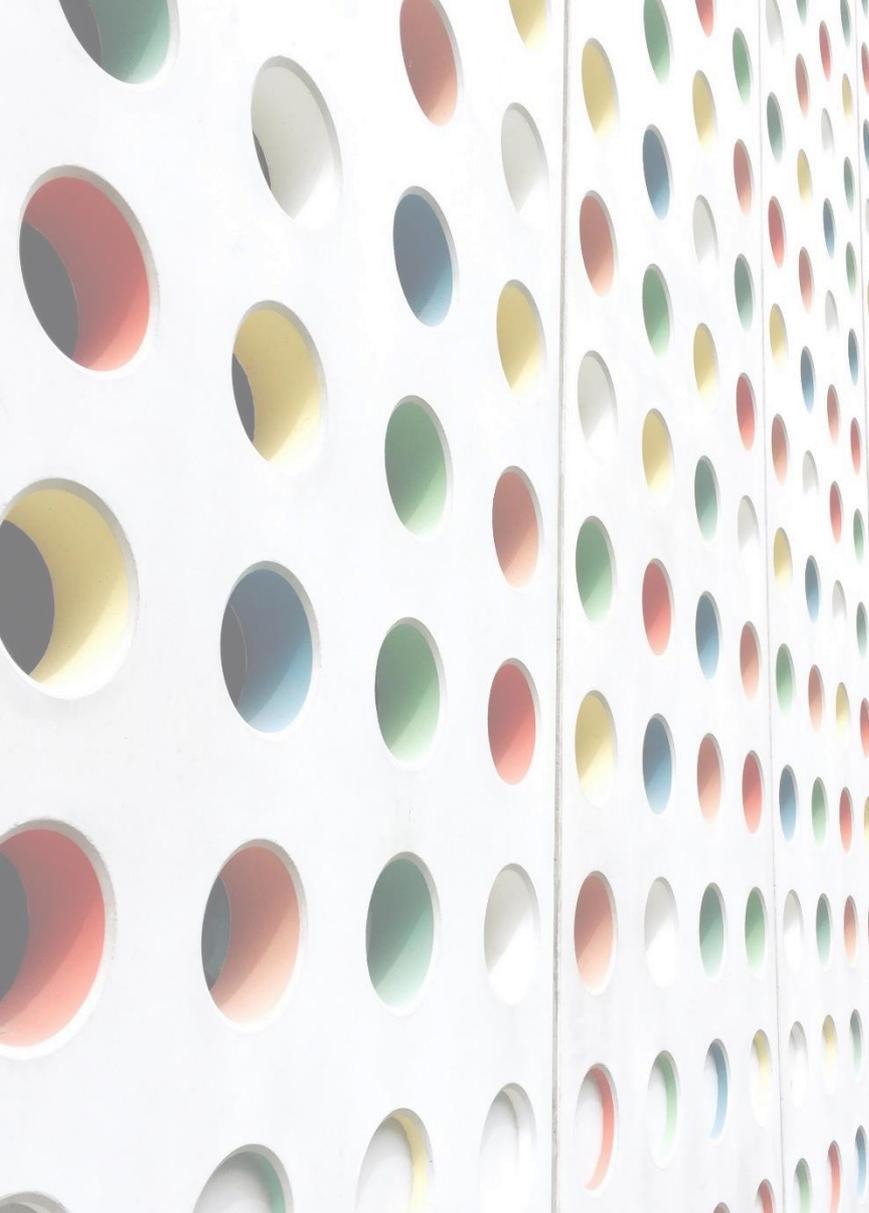
**Haryana:** Only proved resources to be included in the opening balance of Asset Accounts.

**Himachal Pradesh:** Tables may be prepared for the year 2020-21 only. Tables on 2015-16 to 2019-20 may be retained as back-up information for working out the opening balance of 2020-21.

**Jharkhand:** As this is the first such exercise across the country, it is evident that all required information may not be readily available with the State. The data made available by the State Government departments may be suitably fed into the tables while the departments may be recommended to institute systems for capturing remaining data to ensure that the same are provided in the future. For the DMF table, information on DMF receivable and received may only be included in the table provided and at the moment expenditure from DMF is not being targeted.

Before concluding, the ADAI GASAB reiterated his appreciation to the States for having achieved a breakthrough of preparing the Asset Accounts on Mineral and Energy Resources of the States in just six months' time with the collaboration of the State Governments despite diverse challenges especially this being first such exercise in the country. The need and advantages of the monthly meetings commenced since month ending 31 October 2021 to continuously discuss and share the progresses in the States was also highlighted. Importance of continuing the concerted efforts in completing the Asset Accounts and its related verification/validations during the last leg of the project for timely transmission to headquarters was stressed upon. Lastly, the ADAI, GASAB highlighted the importance of all States, especially the teams working on the project, to remain logged on during the entire period of the meetings to gain from the discussions and decisions on works done and issues faced by each of the States.

Meeting ended with vote of thanks to the Chair.



# **Natural Resource Accounting**

***Goal 1 Preparation of Asset  
Accounts on Mineral & Non-  
Renewable Resources***

**Sixth meeting -**

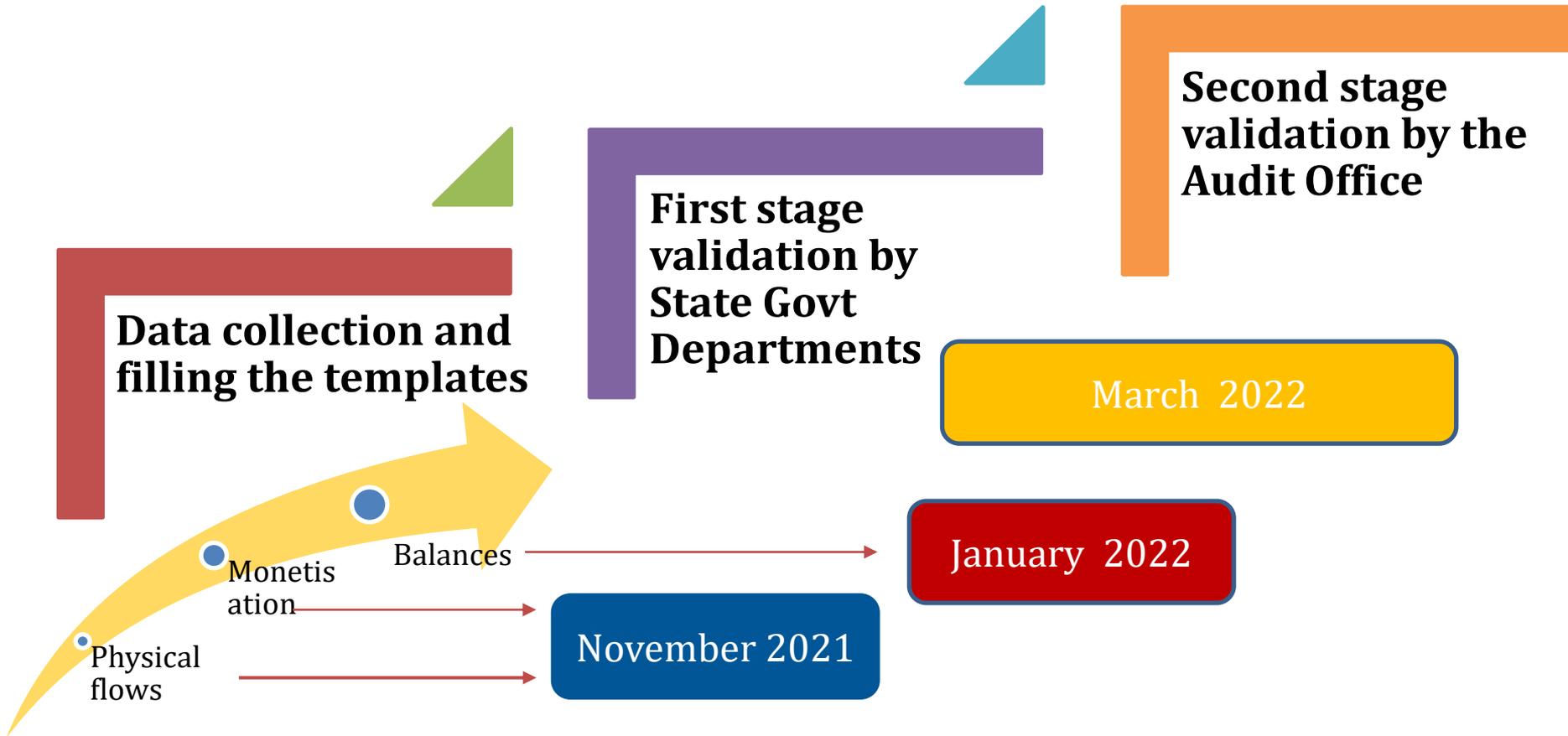
**12 - 13 April 2022**

**Government Accounting Standards Advisory Board,**

**CAG of India**



# The stages and associated targets



# Status – February 2022

Asset Accounts prepared and are under verification/validation	Asset Accounts partially prepared – remaining works underway	Still in initial stages
<b>22 States/1 UT</b>	<b>6 States</b>	<b>1 UT</b>
<i>Andhra Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu &amp; Kashmir, Karnataka, Kerala, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Punjab, Rajasthan, Sikkim, Tamil Nadu, Telengana, Tripura,</i>	<i>Arunachal Pradesh, Jharkhand, Madhya Pradesh, Uttar Pradesh, Uttarakhand and West Bengal</i>	<i>Delhi</i>

# Decisions taken – meeting for Feb'22

- Partially completed States – to complete the remaining works
- States where Asset Accounts completed to proceed to next stage – verification and validation
- Major thrust on comprehensiveness, correctness of data
- Robustness of the data capturing methodology - to enable a solid edifice for continuous data extraction, collection and collation in the future years
- Resources against which **all required data** is received/obtained may **only be included in the first draft** (2020-21)
- Remaining resources to be targeted in future years - gradually
- Departmental figures generated from the source units (districts) will be the basis of compilation
- Figures of IBM may be separately included and variations pointed out
- Verification and validation - in view of the checklists, certifications and corroborated with supporting documents
- Information on carbon emission and sequestration/generation of renewable energy to be captured – system for carbon emission data yet to be streamlined (need to be commented upon in the report and recommended)

# Decisions taken – meeting for Feb'22

- Continuous trainings/workshops for the departmental officers/grass root level members of staff
- Some States have proposed portal for generation of monthly data from the districts/States having electronic mechanisms in place are contemplating bringing onboard the data on usage/transport/export of minerals
  - similar efforts should be encouraged in all States
  - State Governments to be pursued

# Points to ponder

## Guidelines

- Final version issued to State Govts
- Need to pursue and support implementation
- Focus on continued reporting and mapping supply and use – need for implementing strategic, short and long term approaches

## Structure of report

- In final stage
- Being circulated
- To ensure State reports are identical and easy to compile the national accounts
- Sections for intro, GASAB's endeavour, initiatives in the State, mineral profile and shortlisting, Asset Accounts – findings & recommendations, and future continuity plans

## Formats

- Tables modified to make them easy to fill – use for 2020-21
- Carbon emission – necessary comments wherever data not available (MoEFCC working on standardising national indicators)

# *News and progresses*

- CAG highlighted the work on NRA to the visiting delegates from Maldives
- Article on NRA included in the journal of ASOSAI
- NRSC agreed to come onboard – providing technical assistance and capacity building for geo-enabled data extraction for use in preparation of Asset Accounts/Audit
  - MoU under process

## *Some specifics*

- Requirement for providing information on extraction, production and dispatch – our email dated 11 November 2021
- Tables designed and included in the final formats
- Formats for DMF streamlined
- **Geo-tagged mineral map is a priority** - to be included in the report
- If geo-tagging data/info is not available – **GPS coordinates of the mines may be collected** and mineral map of the State worked out and incorporated in the Report
- Delhi to prepare table on carbon emission

# *Broad findings*

- System prevalent – but non-compliances observed
  - Extraction and royalty figures – was to be readily available as per the system in place where the DCBs should capture all data
  - More time consumed in validation of data
  - Variation between Departmental and IBM figures – should have been identified by now and reconciliation process instituted
  - Royalty receivable and royalty actually received not readily available
  - Average market value (required for working out the GSDP) not available in many States
- Quantity of resources mined not captured in offence report – hindering working out the extent of resources mined and volume of damage to the environment besides loss to the exchequer
- Absence of cross verification mechanism – non detection of illegally mined products being transported/exported

# *Broad findings*

- Abysmal gap between the revenues and market value – loss to State exchequer
- Consolidated data not available in the Directorates
- Many States reported manpower crunch – absence of officers and staff in the mines area
- Geo-fencing

# *Targets and timelines*

- **State NRA Reports – in prescribed formats to be completed by the end of April/latest by first week of May 2022**
- Need to consult the final report with State Government – copy of report to be sent simultaneously to State Govt
- Views/comments to be incorporated subsequently at the stage of finalisation
- **National compilation – targeted by 30 June 2022**
- State AsG Offices to work in close coordination with State Governments for **implementation of the Guidelines** and especially **recommendations on statutory, short and long term approaches** for end to end mapping of supply and use of resources
- May need support from States – during compilation

A hand holding a small globe with a solar panel and wind turbines on it, symbolizing sustainable energy. The background is a bright, sunny sky with a large sun and a blue sky with light clouds. The hand is positioned at the bottom, holding the globe. The solar panel is blue and mounted on a black stand. The wind turbines are white and positioned around the globe. The globe is green and brown, representing land and water.

**THANK YOU!**

**@ S N Biswas,  
SAO, GASAB**

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