



**Office of the Comptroller and Auditor General of India,
10, Bahadur Shah Zafar Marg, New Delhi – 110-124
Government Accounting Standards Advisory Board**



Subject: Introductory meeting on pilot project on mapping the supply and use of resources 6 April 2023.

The importance of mapping the supply and use of resources as a comprehensive methodology to establish one to one mapping of resources extracted and those used/consumed/sold/exported have been amply discussed in the Guidelines and SOPs as well as the Compendium of Asset Accounts in States released in June 2022 and October 2022 respectively. Both the documents recommended implementation of the system of mapping the extractions with their uses/consumption/export etc to curb leakage/wastage of mineral resources resulting in loss to State exchequer besides other irreversible ecological degradation. A graded action plan had been suggested to initiate the implementation and gradually roll out across the States and resource bases.

In order to commence the implementation, GASAB has initiated limited case studies on pilot basis in two States of Himachal Pradesh and Meghalaya. GASAB has prepared guidelines for the States which have been circulated in advance for better understanding of the work envisaged and expectations. An introductory meeting was organized virtually on 6 April 2023 at 11 AM to discuss the matter at length with both, Audit and A&E Offices, in these two States. Officers from GASAB in headquarters and heads of departments of Offices in Himachal Pradesh and Meghalaya along with Officers/Officials working on NRA attended the meeting.

In his inaugural address, the ADAI GASAB underpinned the importance of mapping the supply and usage of resources and stressed upon developing a robust ecosystem for comprehensive mapping of resource extractions vis-à-vis their usage. He mentioned that though the Government of India had amended the provisions of Mineral Conservation Development Rules in 2011 providing for a detailed roadmap through amendment of Rule 45, yet the same is yet to be implemented in the States, in letter and spirit. In view of this, the Guidelines/SOPs and the Compendium had provided the way forward in implementing the novel idea of supply and use mapping, he stated.

After the inaugural address, a presentation was made by GASAB on the subject, *inter-alia*, presenting the outline of the pilot studies which aims at picking up select sample resources in States and carry out detailed studies for development of case studies which would aid in impressing upon the Government of India and the States to ensure implementation of the supply and usage of resources as provided in Rule 45 of MCDR (as amended in 2011).

This was followed by presentations/discussions by the States which are mentioned below:

- Himachal Pradesh informed the status of Asset Accounts 2021-22.
- Himachal Pradesh also informed that the matter has been communicated to the State Government and a meeting with them is being planned by the end of this month/early next month.
- Himachal Pradesh mentioned about the information required for the study vis-à-vis those available at present and those which would have to be collected from various sources.
- Both States, highlighted the manpower shortage as this was the peak time for Accounts finalisation and certification.

Based on the presentation/discussions, the following were decided:

- *ADAI, GASAB requested both the States to commence the work and review it as it progresses.*
- *Meghalaya to initiate process with informing the State Government about the study.*
- *ADAI, GASAB assured the States about headquarters support in communicating with the highest echelons in the State Government, if such need arises.*
- *The study would be expanded to cover some other States. Accordingly, an email has been issued to the States having major industries to come aboard the pilot project.*

The meeting ended with vote of thanks to the Chair.