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Government Accounting Standards Advisory Board**



Progress made during July 2023 by the States/UTs on preparation of Asset Accounts on Mineral and Energy Resources and other ongoing works

Background: The Government Accounting Standards Advisory Board (GASAB) has brought out a Compendium of Asset Accounts on Mineral & Energy Resources for the year 2020-21 in October 2022. The Compendium consists compilation of 107 minerals in 28 States and UT of J&K besides findings of the study and suggested way forward. Preparation of Asset Accounts for the year 2021-22 and handholding the State Government Departments for building the edifice for continuous data generation for preparation of the Asset Accounts for subsequent years are underway in the States/UT of J&K and Ladakh. In addition, efforts are also being made to assist the States/UTs to further improve the control and monitoring on mining activities for better management of resources and optimization of revenues for the States exchequer.

In order to handhold the States in this nationally important project, GASAB headquarters has been holding monthly meetings with all 28 States and 2 UTs, Delhi and J&K at the end of each month from October 2021 onwards till September 2022 when preparation of Asset Accounts for the year 2020-21 was completed. Meanwhile, GASAB has commenced the work on accounting of Water Resources and some additional case studies on mapping the supply and use of resources, mapping of grade-wise productions and royalty payable vis-à-vis the royalty actually paid/realized in States/UTs on which information are being gathered from the States/UTs.

As per the reporting mechanism introduced by GASAB, the 28 States and three UTs of Delhi, J&K and Ladakh (wherein the NRA is presently being implemented) report the progresses under six major heads of works, namely preparation of Asset Accounts on Mineral & Energy Resources for 2021-22, implementation of quarterly reporting framework on Mineral & Energy Resources from 2022 onwards, status of information/data on accounting of Water Resources, mine-wise production and revenues of major minerals for three year period ending March 2022, status of implementation of Rule 45 of Mineral Conservation Development Rules (MCDR) mandating submission of monthly reports to State Governments along with the IBM, and status of expanding the MCDR for control and monitoring of minor minerals exercising powers conferred under Section 15 of the Mines and Minerals (Development and Regulation) Act, 1957. The progresses reported by the States/UTs are mentioned below.

Status of Asset Accounts 2021-22:

States/UTs in which information on all six tables have been received	16 States and two UTs Andhra Pradesh, Arunachal Pradesh, Assam, Chhattisgarh, Goa, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Karnataka, Kerala, Ladakh, Maharashtra, Mizoram, Rajasthan, TN, Tripura and Uttarakhand.
States/UTs in which information on tables received partially	11 States Bihar, Jharkhand, Madhya Pradesh, Meghalaya, Nagaland, Odisha, Punjab, Sikkim, Telangana, Uttar Pradesh and West Bengal
States/UTs in which information/tables are yet to be received	Nil
Status of Manipur not received due to law and order problem.	
No of States which reported increase in mineral coverage during 2021-22 vis-à-vis 2020-21	10 States Andhra Pradesh (one), Assam (two), Goa (one), Gujarat (eight), Haryana (four), Himachal Pradesh (five), Meghalaya (one), Nagaland (one), Rajasthan (one), and Tamil Nadu (seven).
States/UTs in which first draft of Asset Accounts for 2021-22 completed	13 States/UTs completed and eight States partially completed Arunachal Pradesh, Bihar (partially), Chhattisgarh (partially), Goa, Gujarat, Haryana, Himachal Pradesh (partially), J&K, Karnataka, Kerala, Ladakh, Maharashtra, Meghalaya (partially), Nagaland (partially), Odisha (partially), Punjab (partially), Rajasthan, Tamil Nadu, Tripura, Uttarakhand, West Bengal (partially).
States/UTs which have communicated the compiled Asset Accounts to the State Governments for validation	11 States/UTs completed and seven States partially completed Arunachal Pradesh, Bihar (partially), Goa, Gujarat, Himachal Pradesh (partially), J&K, Karnataka, Kerala, Ladakh, Maharashtra, Meghalaya (partially), Odisha (partially), Punjab (partially), Rajasthan, Tamil Nadu (partially), Tripura, Uttarakhand, West Bengal (partially).
States/UTs in which State Government validation of Asset Accounts completed	11 States/UTs completed and five States partially completed Arunachal Pradesh, Goa, Gujarat, Himachal Pradesh (partially), J&K, Karnataka, Kerala, Ladakh, Maharashtra, Meghalaya (partially), Punjab (partially), Rajasthan, Tamil Nadu (partially), Tripura, Uttarakhand and West Bengal (partially).
States/UTs in which Asset Accounts sent to Audit Office for limited verification	13 States/UT sent and four State sent partially Andhra Pradesh, Arunachal Pradesh, Bihar, Goa, Gujarat, Himachal Pradesh (partially), J&K, Karnataka, Ladakh, Maharashtra, Nagaland (partially), Punjab

	(partially), Rajasthan, Tamil Nadu, Tripura, Uttarakhand and West Bengal (partially).
States/UTs in which limited verification completed and Asset Accounts finalised	Nine States completed and three States partially completed. Arunachal Pradesh, Bihar, Goa, Gujarat, J&K, Karnataka, Maharashtra, Punjab (partially), Rajasthan, Tamil Nadu (partially), Tripura and West Bengal (partially).
No of States/UTs for which Asset Accounts have been received in Hq	Arunachal Pradesh, Goa, Jammu & Kashmir, Karnataka and Tripura.

Note: Delhi reported 'nil' mineral repository.

Status of Quarterly Reporting Framework

States/UTs in which the State Governments agreed to the Quarterly Reporting Framework on information/data to be generated at the district level from QE June 2022 onwards	24 States/UT agreed and three States partially agreed Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Goa, Gujarat, Himachal Pradesh, J&K, Jharkhand, Karnataka, Kerala, Ladakh, Madhya Pradesh, Maharashtra, Mizoram (partially), Nagaland (partially), Odisha, Punjab, Rajasthan, Sikkim, Tamil Nadu, Telangana, Tripura (partially), Uttarakhand, Uttar Pradesh and West Bengal.
States/UTs in which Quarterly Reporting system commenced and received	11 States/UTs provided QRs and 10 States partially provided. Six States yet to commence sending QRs though agreed in principle Arunachal Pradesh, Assam, Bihar, Goa, Gujarat (partially), J&K, Jharkhand (partially), Karnataka, Kerala, Ladakh, Madhya Pradesh (partially), Meghalaya (partially), Mizoram (partially), Nagaland (partially), Punjab, Rajasthan, Sikkim (partially), Tamil Nadu, Telangana (partially), Tripura (partially), and West Bengal (partially).

Information/data on accounting of Water Resources (email of GASAB dated 28 March 2023)

For preparing the Concept Note and tentative templates of Water Accounts, information/inputs/data on management of water resources in the States/UTs, availability and usage of water resources have been called for from the States/UTs

Data/information called for	All States and UTs of Delhi, J&K and Ladakh
Data/information received (target date 31 July 2023) in the State AsG Offices/Hq	26 States and UTs Andhra Pradesh (partially), Arunachal Pradesh, Bihar (partially), Chhattisgarh (partially), Delhi (partially), Goa (partially), Gujarat (partially), Haryana (partially), Himachal Pradesh (partially), J&K, Jharkhand, Karnataka (partially), Kerala, Madhya Pradesh (partially), Maharashtra (partial), Meghalaya (partially), Nagaland (partially) Odisha, Punjab (partially),

	Rajasthan (partially), Sikkim (partially), Tamil Nadu (partially), Telangana (partially), Tripura, Uttar Pradesh (partially) and West Bengal (partially). (Partially denotes information received from either of surface water or ground water)
Follow up done by States/UTs	Target date 31 July 2023. States/UTs have commenced following up with the authorities through letters, NRA Cell meetings and Official visits.

Mine-wise production and revenues of major minerals for three years ending March 2022 (email of GASAB dated 25 March 2023)

Data/information called for	All States and UT of J&K
Data/information received (target date 31 July 2023)	16 States/UTs Andhra Pradesh (under verification), Arunachal Pradesh (Nil), Assam (partially), Chhattisgarh (mine-wise revenues awaited), Goa, Gujarat, Haryana (nil), Jammu and Kashmir, Karnataka, Kerala, Madhya Pradesh (partially), Maharashtra, Rajasthan (partially), Uttarakhand, Uttar Pradesh and West Bengal. (Data received in hq had been analysed with the IBM data are being referred back to State Audit Offices for detailed examination. For other States, the IBM data is being transmitted to them for verification and further examination)
Follow up done by States/UTs	Target date 31 July 2023

Status of implementation of Mineral Conservation Development Rules mandating submission of Monthly reports in forms F1 to F8 and annual reports in H1 to H8 by the lessees of major mineral (ADAI, GASAB's DO letter dated 25 May 2023, minutes of regional seminar and monthly meetings circulated vide email dated 24 and 31 May 2023)

Conveyed to the State Government	By all States (except Odisha). Odisha reported that the lessees are submitting same forms to the State Government along with the IBM. This is a good practice.
No of States/UTs in which meetings were convened, details thereof	Andhra Pradesh, Chhattisgarh, Goa, J&K, Karnataka, Maharashtra, Madhya Pradesh, Rajasthan, West Bengal
State Government/UT authority of which response received	Bihar, Chhattisgarh, Gujarat, Maharashtra, Madhya Pradesh, West Bengal
State Government/UT authorities agreed	Chhattisgarh, Madhya Pradesh, Maharashtra, West Bengal.

Status of expanding the above Rules for minor minerals exercising powers under Section 15 (1A) (m&o) of the Mines and Minerals (Development and Regulation) Act in the States – atleast for the specified minor minerals (ADAI, GASAB’s DO letter dated 25 May 2023, minutes of regional seminar and monthly meetings circulated vide email dated 24 and 31 May 2023)

Conveyed to the State Government	By all States (except Odisha).
No of States/UTs in which meetings were convened, details thereof	Andhra Pradesh, Bihar, Chhattisgarh, Goa, J&K, Karnataka, Maharashtra, Madhya Pradesh, Rajasthan,
State Government/UT authority of which response received	Andhra Pradesh, Bihar, Gujarat, Maharashtra, Madhya Pradesh,
State Government/UT authorities agreed	Madhya Pradesh, West Bengal.

Pilot study on Supply and Use of resources (a limited study of extraction/production of limestone and their usage in cement industries had been planned in selective States)

Requirement of data conveyed to the State Government	Gujarat, Himachal Pradesh, Meghalaya and Rajasthan
No of States/UTs in which meetings were convened, details thereof	All four States
State Government/UT authority of which response received	Rajasthan (partially)
Details of follow up	Through letters, meetings and official visits.

Based on the reported status, the following would be the action plans:

Asset Accounts 2021-22

- The AsG Offices in States wherein partial data have been received to make concerted efforts to impress upon the State Governments to provide the data so as to complete the Asset Accounts, its validations and limited verifications as early as possible.
- The tables once completed in all respects, duly validated by the State Government and verified (in a limited manner) by the Audit Offices may be transmitted to GASAB immediately.
- The AsG in States and UTs which have progressed well, obtained all data from the States/UT authorities and proceeded for validations and limited verifications are appreciated. Finalisation of Asset Accounts of Ladakh by the Office of the AsG, J&K is highly appreciated.

Quarterly Reporting Framework

- States which are yet to come on board for quarterly reporting mechanism (three States namely Haryana, Manipur and Meghalaya) may co-ordinate closely with the State Government departments for impressing upon them the need for the reporting framework to bring them on the same page as like other States/UTs. The ease of monitoring and annual compilations to be

accrued through the implementation of the quarterly reporting mechanism may also be impressed upon.

- States which agreed to the framework may be impressed upon to ensure generation of quarterly reports from the district levels by the due dates and their compilations at the Directorates. Also, generation of quarterly data from all departments/entities involved may also be impressed upon.

Accounting of Water Resources

- As accounting of Water Resources involve multiple stakeholder departments, concerted efforts need to be made to bring all the entities onboard for obtaining the required data/information. Efforts may kindly be made to collect all the remaining information/data from the State Government departments and the same may be transmitted at an early date.

Inputs on production of major minerals for the three years ended 31 March 2022

- The efforts of AsG in collecting the information and sending across to GASAB hq is appreciated. Analysis of these vis-à-vis the data obtained from Indian Bureau of Mines is underway and further action will be taken as per the due process.
- The AsG Offices in remaining States/UTs may kindly coordinate with the State Governments/UT authorities for expediting the datasets and their transmission to the GASAB headquarters at the earliest.

Implementation of provisions of Mineral Conservation Development Rules, 1988 (as amended from time to time) in States and Expansion of MCDR for management of minor minerals

- Odisha had provided samples of monthly reports in Form F1 and annual report in H1 submitted by the lessee to the State Government in addition to those submitted to the IBM authorities. This is a statutory requirement and required for assessing the royalty payable by the lease holders. During the current monthly report, some States like Chhattisgarh, Madhya Pradesh, Maharashtra and West Bengal had been reported to have agreed to the idea and assured of taking this forward. States like Bihar reported to have been implementing it. This needs to be followed up vigorously with the States/UTs in their revenue interests.
- Similarly, in case of minor minerals, Odisha had sent a copy of the offline return submitted by the lessees. A perusal of the format of return indicated that the return form requires depiction of grade-wise mineral production in addition to other details which are essential for royalty calculations. Copy was forwarded to all States/UTs with the request that the good practice followed in Odisha needs to be highlighted to the State Governments and UT authorities and followed up.

Pilot study on mapping the supply and use of resources

- Despite lapse of five months from the date of initiation, requisite information has not been reported to have been received in any States (Gujarat, Himachal Pradesh and Meghalaya) other than Rajasthan which too reported to have received partial information.
- Though the State of West Bengal opted for the study, information/inputs have not been received from the State Government Department.
- This needs to be vigorously pursued with the participating State Government Departments for providing the information/documents at the earliest for further analysis as per the guidelines issued from GASAB.
