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10, Bahadur Shah Zafar Marg, New Delhi – 110-124
Government Accounting Standards Advisory Board**



Progress made during June 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 States/UTs 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 years 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	13 States and two UT Andhra Pradesh, Arunachal Pradesh, Assam, Goa, Gujarat, Himachal Pradesh, Jammu & Kashmir,
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	Karnataka, Kerala, Ladakh, Maharashtra, Rajasthan, TN, Tripura and Uttarakhand.
States/UTs in which information on tables received partially	11 States Bihar, Chhattisgarh, Jharkhand, Meghalaya, Nagaland, Odisha, Punjab, Sikkim, Telangana, Uttar Pradesh and West Bengal
States/UTs in which information/tables are yet to be received	Two States Madhya Pradesh and Mizoram,
Status of Haryana and Manipur not included.	
No of States which reported increase in mineral coverage during 2021-22 vis-à-vis 2020-21	Nine States Andhra Pradesh, Assam, Goa, Gujarat, Himachal Pradesh, Meghalaya, Nagaland, Rajasthan, and Tamil Nadu.
States/UTs in which first draft of Asset Accounts for 2021-22 completed	12 States/UTs completed and five States partially completed Arunachal Pradesh, Bihar, Goa, Gujarat, Himachal Pradesh (partially), J&K, Karnataka, Kerala, Ladakh, Maharashtra, Meghalaya (partially), Odisha (partially), Punjab (partially), Rajasthan, Tamil Nadu, Tripura, West Bengal (partially).
States/UTs which have communicated the compiled Asset Accounts to the State Governments for validation	Eight States/UTs completed and six States partially completed Arunachal Pradesh, Bihar (partially), Gujarat, Himachal Pradesh (partially), J&K, Karnataka, Kerala, Maharashtra, Meghalaya (partially), Punjab (partially), Rajasthan, Tamil Nadu (partially), Tripura, West Bengal (partially).
States/UTs in which State Government validation of Asset Accounts completed	Nine States/UTs completed and two States partially completed Arunachal Pradesh, Gujarat, J&K, Karnataka, Kerala, Maharashtra, Ladakh, Punjab (partially), Rajasthan, Tamil Nadu (partially), Tripura.
States/UTs in which Asset Accounts sent to Audit Office for limited verification	10 States/UT sent and one State sent partially Andhra Pradesh, Arunachal Pradesh, Bihar, Gujarat, J&K, Karnataka, Maharashtra, Punjab (partially), Rajasthan, Tamil Nadu, Tripura,
States/UTs in which limited verification completed and Asset Accounts finalised	Five States completed and two States partially completed. Arunachal Pradesh, Bihar, Karnataka, Maharashtra, Punjab (partially), Tamil Nadu (partially), 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	23 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
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	Pradesh, Maharashtra, Mizoram (partially), Nagaland (partially), Odisha, Punjab, Rajasthan, Sikkim, Tamil Nadu, Telangana, Tripura (partially), Uttarakhand and Uttar Pradesh.
States/UTs in which Quarterly Reporting system commenced and received	Nine States/UTs provided QRs and eight States partially provided. Nine States yet to commence sending QRs though agreed in principle Arunachal Pradesh, Assam, Bihar, Goa, Gujarat (partially), J&K, Jharkhand (partially), Karnataka, Kerala, Ladakh, Mizoram (partially), Nagaland (partially), Punjab (partially), Rajasthan, Sikkim (partially), Telangana (partially), Tripura (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	10 States Arunachal Pradesh, Chhattisgarh, Himachal Pradesh, Kerala, Maharashtra, Meghalaya (partially), Nagaland (partially) Odisha, Tripura and West Bengal
Follow up done by States/UTs	Target date 31 July 2023

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)	Arunachal Pradesh (Nil), Haryana (nil), Karnataka, Kerala and Gujarat Data also received in WB which is under limited verification.
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.
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No of States/UTs in which meetings were convened, details thereof	States reported to have issued reminders.
State Government/UT authority of which response received	
State Government/UT authorities agreed	
Details of follow up	

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	States reported to have issued reminders.
State Government/UT authority of which response received	
State Government/UT authorities agreed	
Details of follow up	

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

Asset Accounts 2021-22

- The AsG Offices in States wherein partial/no 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 by the due date of July 2023.
- **Special reference is made regarding States of Madhya Pradesh and Mizoram where no progress was reported.**
- 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.
- 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 from mid-August 2023.

Quarterly Reporting Framework

- States which are yet to come on board for quarterly reporting mechanism (four States namely Haryana, Manipur, Meghalaya and West Bengal) 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.

Accounting of Water Resources

- As regards the information/data on Water Resources targeted to be received in hq by the end of July 2023, the AsG Offices in the States/three UTs may coordinate with the concerned departments to ensure that the inputs are received by the due date.

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

- The efforts of AsG, Karnataka, Kerala and Gujarat in getting the information from the State Government on production of major minerals for the three years ended 31 March 2022 is highly appreciated.
- The AsG Offices in remaining States/UTs may kindly coordinate with the State Governments/UT authorities for expediting the data 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

- As per the actionable point of last month, 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 in compliance to the provisions of the MCDR as confirmed by the IBM and may be highlighted by all State AsG to their State Governments and UT authorities for immediately implementing the system of getting the monthly reports as submitted to the IBM in the State Government for better monitoring of mineral production and assessment of revenues. Other guidelines issued from time to time regarding imposition of penal measures for non-submission of returns, updating the audit manuals of mining departments would be followed up as per the directions.
- 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. Copy is enclosed for ready reference. However, confidentiality of the content may kindly be ensured. This good practice followed in Odisha also needs to be highlighted to the State Governments and UT authorities and followed up through interactions and PAs as per the extant directions.

- Confirmation of communication of the above two items to the State Governments and UT authorities may kindly be included in the monthly report for July to be provided by 20 August 2023.
