



**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 on Natural Resource Accounting – implementation of Asset Accounts on Mineral & Energy Resources in States for the NRA Cell constituted by GASAB

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 also been vetted by the Consultative Committee on NRA Cell set up by GASAB consisting of important stakeholders, State’s representatives 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 developments with the eminent members of the Consultative Committee before finalisation of the templates of Asset Accounts for rolling out to the States for implementation, a virtual meeting with the members was planned.

Date and time : 20 September 2021 at 11 AM.

Participants : Ms Parveen Mehta, Deputy CAG & Chairperson, GASAB chaired the meeting. Shri Mukul Sanwal, IAS (Retd) eminent environmentalist was present. A list of other dignitaries in the Ministries of Government of India, State Governments and Accountants General Offices of NRA Cell besides Officers of GASAB is enclosed at Annexure – A.

Mode: Virtually through MS Teams

Proceedings : At the outset, Additional Deputy CAG, GASAB, welcomed Shri Mukul Sanwal and all dignitaries and eminent members of NRA Cell involved in this prestigious endeavour of GASAB on implementation of NRA across the country. 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 System of Economic Environmental Accounting – Central Framework

(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 Addl Dy CAG set the tone of the meeting as a platform for conveying to the members of NRA Cell regarding the status of implementation of action plans as on date and way forward as part of GASAB's zeal to implement NRA across the country.

To take the meeting further, he requested the Deputy CAG (Government Accounts) & Chairperson, GASAB (hereinafter referred as CP, GASAB) to kindly inaugurate the meeting and provide the key-note address.

In her keynote address, CP GASAB, while conveying sincere gratitude to the luminaries of the Cell especially Shri Mukul Sanwal for sparing time for attending the meeting, highlighted the crucial role played by the natural resources in economic development of a country and their inbuilt value of inter-generational equity and sustenance. Important milestones on natural resource accounting and economic environmental accounting like the UN conference on Human Environment in 1970, the Brundtland Commission, the Earth Summit at Rio de Janeiro in 1992, international standards for the compilation of national accounts in 1993 revised in 2009, deep inter-linkages of economic environmental accounting with the SDGs, the SEEA – CF in 2012 – which is the latest internationally accepted and adopted framework for resource accounting were touched upon.

CP, GASAB informed the august house about the progresses made towards implementing NRA in India by the concerned stakeholders and ministries and stated that despite best efforts, a system of collation of a periodic database in the shape of an Asset Accounts on available natural resources linked with the inter-related factors like revenues and costs involved in exploitation of such resources, their sustainability for the future generations – which is the first stage of implementation of NRA as suggested by the SEEA - CF, was still to be achieved.

In the above backdrop, CP GASAB 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 especially mineral and energy resources to commence with from the States. The CP GASAB also mentioned that this meeting was planned as a platform for conveying the works done, successes in pilot studies, way forward and the templates of Asset Accounts on Mineral & Energy Resources being readied for implementation in the States and to seek the insights of the members before finalisation of the templates.

CP, GASAB requested the members to continue to attach due priority to this project of national importance and keep up the wholehearted support which is imperative for its successful implementation.

After the key-note address, a powerpoint presentation on NRA was made by SAO, 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; draft templates of Asset Accounts on Mineral and Energy Resources and the key takeaways; results of pilot studies on implementation of Asset Accounts on Mineral & Energy Resources and proposed way forward.

Copy of the presentation is enclosed as Annexure – B.

After the presentation, the following were discussed.

Commissioner of Geology and Mining, Gujarat pointed out that the list of minerals may not be pre-fixed and requested for allowing flexibility to the States to select the list of minerals to be included in the Asset Accounts.

While appreciating the input, it was informed that the core framework of Concept Paper has been designed to allow flexibility to the States to modify the formats as per their need subject to overall framework to enable State-wise compilations and also to prioritise the mineral resource to be included therein.

Indian Bureau of Mines highlighted that in many States the minor minerals are auctioned and thereafter the extractions are not monitored properly. Taking instance of some States, the Officer pointed out that information on minor minerals is not forthcoming for decades which is a concern. As regards the administrative departments, it was mentioned that in addition to the Geology and Mining Departments, Environment and Forest Department was also involved in many States in managing mineral resources. Lastly, it was informed that the State of Andhra Pradesh has developed system of collection of data on mineral and energy resources which is found to be effective.

While the technical inputs are accepted gratefully, preparation of Asset Accounts on mineral and energy resources in States, year-wise, has the potential of addressing most of the above concerns.

Ministry of Statistics and Programme Implementation pointed out the requirement of measuring the production loss as in some cases it is more than 70 *per cent*. It was also informed that data under illegal mining can be listed under Private extractions only and not under Government sector.

The input on production loss is gratefully acknowledged, and necessary amends has been carried out in the formats. As regards illegal mining, the table contains only a row on collection of information without classifying them under any specific sector with the idea of only bringing the known information in the main framework to add to the total extractions.

After the discussions, Shri Mukul Sanwal in his expert speech lauded the organisation of CAG of India and GASAB for the endeavour which, he said, will not only help the country in achieving the international obligations but will also add immense value to evidence-based decision-making process being stressed upon by the hon'ble Prime Minister of India. The idea of commencing the implementation process from the States was also appreciated as the key data lies there, he added. The icon cautioned the house that this was an evolving process, and the country will learn as we commence and progress with implementing this highly important project for the country and solutions will continuously emerge as we go on. He added that the formats of Asset Accounts designed by the CAG/GASAB establishment as the first step is extremely well thought of and will add value to good governance by enabling new policy issues, new comparisons to emerge.

CP, GASAB noted the expert views of the iconic dignitary as extremely encouraging, reassuring, and heartening.

Before concluding, CP GASAB once again thanked the dignitaries for their involvement and enthusiasm and attending the meeting to make it a success and expressed confidence that the members of NRA Cell would continue to support GASAB in implementing NRA across the country

At last, CP GASAB affirmed 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 for the members of Consultative Committee of NRA Cell (Date 20.9.2021)

Sl. No.	Name of Office/Organization	Name of Officer
1.	GASAB Secretariat	Ms Parveen Mehta, Deputy CAG & Chairperson, GASAB
		Sh. R M Johri, Addl. Deputy CAG, GASAB
		Sh. S. N. Biswas, Sr. AO, GASAB/NRA
2.	Sh. Mukul Sanwal, IAS (Retd.)- retired bureaucrat and eminent environmentalist	
3.	Ministry of Statistics and Programme Implementation (MoSPI)	Sh. Siljo V K, DDG (SSD)
4.	Ministry of Environment, Forest and Climate Change	Ms Anshu Singh, DDG (Stats)
5.	Ministry of Mines and Indian Bureau of Mines	Sh. Arputhaswamy S, Director, Ministry of Mines
		Dr. A H Ramteke, Joint Director (S), MMS Division, Chief Mineral Economist, India Bureau of Mines
		Sh. D.W. Beck, Supt. Mineral Economists
6.	International Centre for Environment Audit and Sustainable Development (iCED), Jaipur	Sh. Pushkar Kumar, Director, (Training & Research)
7.	Institute of Chartered Accountants of India	CA. (Dr.) Sanjeev Kumar Singhal, FCA, New Delhi
8.	State Government Gujarat	Sh. Roopwant singh, Commissioner Geology & Mines, Industries & Mines Department
		Mr A V Champaneri DD, Statistic
9.	AG (A&E), Gujarat	Sh. Saji Thomas, Sr. DAG
		Ms. Annie Jeejo, Sr.AO
10.	AG (Audit-II), Gujarat	Sh. Aditya Pant, DAG
		Sh. P. B. Chougule, Sr. AO
11.	AG (A&E), Jharkhand	Sh. Bharat Chandra Behera, DAG
		Sh. R. S. Negi, Sr. AO
12.	State Government Karnataka	Shri C V Raman, JD (M&G Dept.) Commerce and Industries

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		Technical Director, Karnataka Power corporation ltd. (KPCL)
		Joint Director SIP, Directorate of Economics and Statistics
13.	AG (A&E), Karnataka	Sh. R Naresh, Pr. AG
		Smt. Yashoda S., Sr. Dy. AG
		Smt. M. Girija Kumari, Sr. AO, TM
14.	Pr. AG (Audit), Karnataka	Ms. Kavita, Sr. AO
15.	AG (Audit), Meghalaya	Shri. Subbaiah, DAG (AMG-II)
		Shri. S. Nangbah, Sr. AO
	State Government, Meghalaya	Sh. B. G. Momin, Research Officer, O/o the Director of Economic & Statistics (Planning)
16.	PAG (Audit), Uttarakhand	Sh. Yogesh Agrawal, DAG (AMG-II)
		Sh. Ravindra Kumar, Sr. Audit Officer (FINAT)
17.	State Government, Uttarakhand	Representatives of State Government