Report of the
Comptroller and Auditor General of India
on
State Finances

for the year ended 31 March 2011

(Report No. 1)

GOVERNMENT OF SIKKIM

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PREFACE

1. This Report has been prepared for submission to the Governor under Article 151 of the Constitution.

2. Chapters I and II of this report contain audit findings on matters arising from examination of Finance Accounts and Appropriation Accounts respectively of the State Government for the year ended 31 March 2011.

3. Chapter III on 'Financial Reporting' provides an overview and status of the State Government's compliance with various financial rules, procedures and directives issued during the current year.

4. Audit observations on matters arising from performance reviews and audit of transactions in various departments including the Public Works and Irrigation Departments, audit of stores and stock, audit of autonomous bodies, audit of revenue receipts and departmentally run commercial undertakings for the year ended 31 March 2011 are included in a separate Report.

5. The Audit has been conducted in conformity with the Auditing Standards issued by the Comptroller and Auditor General of India.

EXECUTIVE SUMMARY

Background

This Report on the Finances of the Government of Sikkim is being presented to the State Legislature, along with the Finance and Appropriation Accounts, with a view to assess objectively the financial performance of the State during the year 2010-11. The aim of this Report is to provide the State Government with timely inputs based on actual data so that there is a better insight into both well performing as well as ill performing schemes/programmes of the Government. In order to give a perspective to the analysis, an effort has been made to compare the normative assessment made by the Finance Commission (XIII FC). A comparison has been made to see whether the State has given adequate fiscal priority to the developmental, social sector and capital expenditure and whether the expenditure has been effectively absorbed by the intended beneficiaries.

The Report

Based on the audited accounts of the Government of Sikkim for the year ended March 2011, this Report provides an analytical review of the Annual Accounts of the State Government. The Report is structured in three Chapters.

***Chapter I** is based on the audit of Finance Accounts and makes an assessment of the Government of Sikkim's fiscal position as on 31 March 2011. It provides an insight into trends in committed expenditure, borrowing pattern and a brief account of Central funds transferred directly to the State implementing agencies through off-budget route.*

***Chapter II** is based on audit of Appropriation Accounts and gives the grant-by-grant description of appropriations and the manner in which the allocated resources were managed by the service delivery departments.*

***Chapter III** is an inventory of Sikkim Government's compliance with various reporting requirements and financial rules. The report also has an appendage of additional data collated from several sources in support of the findings*

Audit findings and recommendations

The fiscal position of the State viewed in terms of key fiscal parameters – revenue surplus, fiscal deficit, primary deficit, etc. indicated that the State had maintained revenue surplus during the last five year period. However, while the State continued with fiscal deficit in all the five years with fluctuating trend, the primary deficit also continued to prevail. During the current year, the revenue surplus decreased whereas the fiscal and primary deficits increased as compared to the previous year.

Revenue Receipts

The revenue receipts had shown a progressive increase upto the period 2009-10. However during 2010-11, the revenue receipts decreased by 8.26 per cent over the previous year. While 24.25 per cent of the revenue receipts during 2010-11 had come from the State's own resources comprising

tax and non-tax, the share of Central transfers comprising State's share in Central taxes and duties increased by ₹ 150.31 crore whereas grants-in-aid from GOI had declined by ₹ 194.60 crore during 2010-11. The tax revenue exceeded the projection of TFC whereas non-tax revenue receipts was less by ₹ 66.58 crore (21.57 per cent) in comparison to TFC projections.

Revenue and Capital expenditure

The overall revenue expenditure of the State increased by 10 per cent from ₹ 1,829.02 crore in 2009-10 to ₹ 2,011.92 crore in 2010-11. While revenue expenditure constituting 81.50 per cent of the total expenditure grew by ₹ 182.90 crore over the previous year, the expenditure incurred under capital head which constituted 18.27 per cent of the total expenditure decreased by ₹ 197.46 crore over the previous year.

Out of the total capital expenditure of ₹ 451.07 crore, there were 138 incomplete projects as on 31 March 2011 in which ₹ 294.16 crore were blocked, out of which 58 incomplete works (₹ 270.89 crore) were due to be completed by 31 March 2011.

Developmental expenditure of ₹ 944.80 crore in 2006-07 increased to ₹ 1,708.44 crore in 2010-11. However, its share in aggregate expenditure decreased from 72.62 per cent to 69.20 per cent during the period. The ratio of development expenditure as a proportion to aggregate expenditure had also come down by 3.45 per cent in 2010-11 as compared to the year 2007-08 which indicates that the State had given lower priority to this category of expenditure during the year 2010-11 as compared to 2007-08.

The share of committed expenditure in the Non-Plan Revenue Expenditure was 92.56 per cent leaving meagre funds for developmental purposes.

The State needs to accord higher priority to its developmental expenditure considering the reduction in this category of expenditure during the year 2010-11 as compared to 2007-08 and reduce its committed expenditure in the overall non-plan revenue expenditure. The State also needs to ensure timely and effective implementation of incomplete projects to avoid time and cost overrun.

Funds transferred directly from the Government of India to the State implementing agencies

There is no single agency monitoring its use and there is no readily available data on how much is actually spent in any particular year on major flagship schemes and other important schemes which are being implemented by State implementing agencies but are funded directly by the GOI.

A system has to be put in place to ensure proper accounting of these funds and the updated information should be validated by the State Government as well as the Accountant General (Accounts & Entitlement).

Government investment

Investment of the Government money in Government Companies and Statutory Corporations was increasing year after year. However, while the return on the investment was 2.62 per cent, the Government paid an average interest rate of 9.00 per cent on its borrowings during the year.

The Government should ensure better value for money in investment by identifying the Companies/Corporation which are endowed with low financial but high socio-economic returns and justify if high cost borrowings are worth being channelised there. Initiatives may be taken to revive or close down or sell out the huge loss making Corporations/Companies.

Financial management and budgetary control

There was an overall savings of ₹ 859.66 crore and excess expenditure of ₹ 1.59 crore against 46 Grants/Appropriations during 2010-11. This excess expenditure of 2010-11 compounded with an excess expenditure of ₹ 7.46 crore pertaining to 2007-10 requires regularisation by the Legislature under Article 205 of the Constitution of India. Out of a provision of ₹ 809.60 crore in 115 sub-heads, ₹ 654.84 crore (81 per cent) constituting 15 per cent of the total budget provision of the State were surrendered, which included cent per cent surrender in 62 sub-heads. A rush of expenditure was observed towards the end of the year. In respect of 16 Major Heads under 11 Grants and 28 major heads under 18 grants, more than 50 per cent of the total expenditure was incurred in the last month and last quarter of the year 2010-11 respectively, despite clear directions to the contrary. The Abstract Contingent Bills had not been adjusted for long periods of time. Failure to adjust these bills is fraught with the risk of misappropriation and therefore needs to be monitored closely.

Budgetary controls should be strengthened in all the Government departments, particularly in the departments where savings/ excess persisted for last five years. Issuance of re-appropriation/ surrender orders at the end of the year should be avoided. A close and rigorous monitoring mechanism should be put in place by the DDOs to adjust the Abstract Contingent Bills within sixty days from the date the amounts are drawn.

Financial Reporting

There were deficiencies in furnishing utilisation certificates in time against grants/loans received, non-furnishing of detailed information about financial assistance received by various Institutions and non-submission of accounts in time. There was delay in placement of Separate Audit Reports to Legislature and arrears in finalisation of accounts by the Autonomous Bodies/Authorities. Besides, cases of misappropriation and losses indicated inadequacy of controls in the departments. An effective mechanism needs to be put in place to ensure timely placement of reports, finalisation of accounts and speedy settlement of cases relating to misappropriation and losses.

CHAPTER – I

FINANCES OF THE STATE GOVERNMENT

Profile of Sikkim

Sikkim is a small sparsely populated State situated in the Eastern Himalayas. It became a part of the Indian Union on 26 April 1975. It has a total area of 7,096 Sq Km which constitutes 0.22 per cent of the total geographical area of India. Sikkim being landlocked, National Highway 31 A is the only lifeline which connects the State with the rest of the country. Sikkim, categorised as a special category State[1], has four districts and nine sub-divisions and has also been included in the North Eastern Council since December 2002.

According to the Census of India 2011, the population of Sikkim stood at 6.07 lakh and the percentage of rural population of the State (75 per cent) was more than the All India rural population (72 per cent). The literacy rate of Sikkim was 82.20 per cent as against the All India Literacy rate of 74.04 per cent. Similarly, the infant mortality rate at 33 per 1,000 live births was better than the All India Average of 53 per 1,000 births as per the Sample Registration system of the Registrar General and Census Commissioner of India in 2008 (Appendix-1.1-Part D).

The annual accounts of the State Government consist of Finance Accounts and Appropriation Accounts. The new format of Finance Accounts introduced from the year 2009-10, has been divided into two Volumes- Volume I and II. Volume I represents the financial statements of the Government in a summarised form while Volume II represents detailed financial statements, the structure and layout of which are depicted in Appendix-1.1-Part B.

This chapter provides a broad perspective of the finances of the Government of Sikkim during the current year and analyses critical changes in the major fiscal aggregates relative to the previous year keeping in view the overall trends during the last five years. **Appendix-1.1-Part C** of the chapter briefly outlines the methodology adopted for the assessment of the fiscal position of the State and **Appendix-1.2** presents the time series data on key fiscal variables/parameters and fiscal ratios relating to the State Government finances for the period 2006 -11.

1.1 Summary of Current Year's Fiscal Transactions

Table 1.1 presents the summary of the State Government's fiscal transactions during the current year (2010-11) vis-a-vis the previous year while **Appendix-1.3** provides details of receipts and disbursements as well as overall fiscal position during the year.

[1] *Special privileges given to Sikkim includes financial assistance from Government of India in the ratio of 90 per cent grant and 10 per cent loan unlike non-special category States which get Central Assistance in the ratio of 70 per cent grant and 30 per cent loan.*

Table - 1.1: Summary of Current Year's Fiscal Operations

(₹ in crore)

Receipts			Disbursements				
2009-10		**2010-11**	**2009-10**		**2010-11**		
Section-A : Revenue					**Non-Plan**	**Plan**	**Total**
3,254.39	Revenue Receipts[2]	3,047.31	2,738.04	Revenue Expenditure[3]			2,907.53
223.65	Tax Revenue	279.54	1,566.63	General Services	1,559.97	20.58	1,580.55
1,356.44	Non-tax Revenue	1,137.76	691.28	Social Services	449.99	366.44	816.43
374.68	Share of Union Taxes/Duties	524.99	480.13	Economic Sservices	209.36	288.25	497.61
1,299.62	Grants from Govt. Of India	1,105.02		Grants-in aid and contribution	12.94	-	12.94
Section-B : Capital							
-	Misc. Capital Receipts	-	648.53	Capital Outlay	-	451.07	451.07
0.30	Recoveries of Loan	0.79	36.98	Loans & Advances disbursed			5.75
392.11	Public Debt receipts	95.03	86.29	Repayment of Public Debt			73.23
	Contingency Fund	-		Contingency Fund			0.10
2,967.71	Public Account receipts	2,915.63	2,784.90	Public Account disbursements			2,902.28
708.24	Opening Balance	1,028.01	1,028.01	Closing Cash Balance			746.81
7,322.75	**Total**	**7,086.77**	**7,322.75**	**Total**			**7,086.77**

Following are the significant changes during 2010-11 over the previous year:

- Revenue receipts decreased by ₹ 207.08 crore (6.36 *per cent)* over the previous year due to decrease in non-tax revenue (₹ 218.68 crore), grants from Government of India (₹ 194.60 crore). However there was an increase in tax revenue (₹ 55.89 crore) and State's share in Central taxes and duties (₹ 150.31 crore).
- Revenue expenditure increased by ₹ 169.49 crore (6.19 *per cent)* over the previous year due to increase in General services (₹ 13.92 crore), Social Services (₹ 125.15 crore), Economic Services (₹ 17.48 crore) and grants-in-aid by (₹ 12.94 crore*)*.
- Capital expenditure decreased by ₹ 197.46 crore (30.45 *per cent)* over the previous year.
- Public debt receipts and its repayments decreased by ₹ 297.08 crore *(*75.76 *per cent)* and ₹ 13.06 crore (15.14 *per cent)* respectively over the previous year.
- Public Account receipts and disbursements decreased by ₹ 52.08 crore (1.75 *per cent)* and increased by ₹ 117.38 crore (4.21 *per cent)* respectively over the previous year.
- The total outflow of the Government (₹ 6,339.96 crore) was less than the total inflow

[2] *Revenue receipts and Non-tax revenue are inclusive of gross receipt (₹ 938.15) from State Lotteries.*
[3] *Revenue expenditure and General Services (Non-Plan) are inclusive of expenditure (₹ 895.61 crore) on State Lotteries.*

(₹ 6,058.76 crore) resulting in decrease of ₹ 281.20 crore in the cash balance of the State at the end of the year 2010-11.

1.2 Fiscal Responsibility and Budget Management Act and Thirteenth Finance Commission Recommendations

With the enactment of a Fiscal Responsibility and Budget Management Act (FRBM Act) in 2003 at the Centre, the Twelfth Finance Commission (TFC) recommended that each State must enact a fiscal responsibility legislation prescribing specific annual targets with a view to eliminate the revenue deficit by 2009-10 and reducing fiscal deficit based on a path for reduction of borrowings and guarantees. Enacting the fiscal responsibility legislation was a necessary pre-condition for availing of debt relief but the State Government had not enacted the legislation till March 2010. Hence, Sikkim had not been given any benefit of debt waiver under Debt Consolidation and Relief Facility (DCRF) for the period 2006-10. The Government of Sikkim enacted the FRBM Act only in September 2010 but the Rules under the Act had been notified only in March 2011. Hence, they were not eligible for any debt waiver relief for the year 2010-11.

1.2.1 The Finance Commission recommendation

The Thirteenth Finance Commission had recommended growth of Tax and Non-Tax Revenue during 2010-11. The targets fixed by the XIII FC vis-a-vis the actuals are given below:

Table - 1.2: XIII FC recommendations vis-a-vis the actuals

(₹ in crore)

Year	TFC Recommendations			Actuals		
	Tax	Non-Tax	Total	Tax	Non-Tax	Total
2010-11	205.16	308.73	513.89	279.54	242.15	521.69

Source : XIII Finance Commission Report and Finance Accounts

The State exceeded the targets fixed by the XIII FC in collection of revenue from own sources under Tax Revenue. However, the Non-Tax Revenue was less than the projection of XIII FC by ₹ 66.58 (21.57 *per cent*).

The Thirteenth Finance Commissions had also fixed the sector-wise target for non-plan revenue expenditure for the period 2010-11. The targets fixed by XIII FC vis-a-vis the actuals are given below:

Table - 1.3: XIII FC recommendation vis-a-vis the actuals of Non-Plan Revenue Expenditure during 2010-11

(₹ in crore)

Sectors	XIII FC	Actuals
Salary	566.28	629.63
Interest Payments	141.80	186.77
Pension	78.15	160.14
Other General Services	64.20	97.83
Social Services	53.27	206.64
Economic Services	32.54	55.64
Total	936.24	1,336.65

**Grants-in-Aid have been included in Other General Services.*
Source : XII Finance Commission Report and Finance Accounts.

The table indicates that the State failed to contain its non-plan revenue expenditure to the level recommended by the XIII FC. During 2010-11 Non- plan revenue expenditure was 42.77 *per cent* (₹ 400.41 crore) more than the XIII FC recommendation.

1.2.2 Budget Analysis

The budget papers presented by the State Government provide descriptions of projections or estimations of revenue and expenditure for a particular fiscal year. The importance of accuracy in the estimation of revenue and expenditure is widely accepted in the context of effective implementation of fiscal policies for overall economic management. Several reasons may account for deviations from budget estimates. It may be because of unanticipated and unforeseen events or under or over estimation of expenditure or revenue at the budget stage, etc. Actual realisation of revenue and its disbursement however, depends on a variety of factors, some internal and others external. **Table 1.4** presents the consolidated picture of State Finances during 2009-10 (Actuals), 2010-11-budget estimates (BE), 2010-11 revised estimates (RE) and 2010-11 (Actuals).

Table - 1.4: Variation in Major items – 2010-11 (Actuals) over 2010-11 (Budget Estimates & Revised Estimates) and 2009-10 (Actuals)

(₹ in crore)

Parameters	2009-10	2010-11		
	Actual	Budget Estimates	Revised Estimates	Actuals
Tax Revenue	223.65	211.26	233.29	279.54
Non-Tax Revenue	447.42	362.31	251.52	242.15
Revenue Receipts	2,345.37	2,671.30	2,666.14	2,151.70
Non-debt Capital Receipts	0.30	0.83	0.80	0.79
Revenue Expenditure	1,829.02	2,139.22	2,205.09	2,011.92
Interest Payments	154.43	195.50	195.50	186.77
Capital Expenditure	648.53	889.38	958.39	451.07
Disbursement of Loans & Advances	36.98	4.05	6.05	5.75
Revenue Deficit/Surplus	516.35	532.09	461.05	139.78
Fiscal Deficit/Surplus	(-)168.86	(-)360.51	(-)502.59	(-)316.25
Primary Deficit/Surplus	(-)14.43	(-)165.02	307.09	(-)129.48

The Tax Revenue exceeded the budget provision by 32.32 *per cent*. However, Non-tax Revenue was less than the budget provisions by 33.16 *per cent*. Revenue receipts was lower

than the budget provision by 19.45 *per cent* and Revenue expenditure was also lower than the budget provision by 5.95 per cent. As a result, Revenue Surplus was 73.73 *per cent* lower than the projection in the budget estimate. Capital Expenditure was also less than the budget estimate and revised estimate by 49.28 *per cent* and 52.93 *per cent* respectively.

Sikkim's own tax revenue increased by 24.99 *per cent from* ₹ 223.65 crore in 2009-10 to ₹ 279.54 crore in 2010-11. The revenue from sales tax not only contributed to the major share of tax revenue (51.06 *per cent),* but also increased by 17.90 *per cent* (₹ 21.67 crore) over the previous year. The increase in sales tax revenue over the previous year was mainly due to increase in Value Added Tax (₹ 22.03 crore) and Central Sales Tax (₹ 0.85 crore) which was offset by decrease in State Sales Tax (₹ 1.21 crore). State Excise duty increased (₹ 13.37 crore) by 23.35 *per cent,* other taxes increased (₹ 10.12 crore) by 36.93 *per cent* and taxes on income other than Corporation tax increased (₹ 2.10 crore) by 73.94 *per cent.*

The **non-tax revenue,** which constituted 11.25 *per cent* of total revenue receipts, has decreased by ₹ 205.27 crore from ₹ 447.42 crore in 2009-10 to ₹ 242.15 crore in 2010-11 recording a decrease rate of 45.88 *per cent* over the previous year. The decrease was mainly resulted from less receipts from power (₹ 197.97 crore), interests receipts (₹ 16.04 crore) and from Police (₹ 4.95 crore).

The **State's share in Union taxes and duties** stood at ₹ 524.99 crore, an increase of ₹ 150.31 crore over the previous year mainly due to increase in the State's share in corporation tax (₹ 50.98 crore); income tax (₹ 22.54 crore); wealth tax (₹ 0.07 crore); service tax (₹ 12.83 crore), Customs (₹ 39.35 crore) and Union Excise Duties (₹ 24.54 crore). With effect from 2007-08, the State was given its share of income tax in pursuance of the amendment to the Income Tax Act, 1961.

Grants-in-aid from Centre to the State, a discretionary component of central transfers, is considered an integral element of the revenue receipts of the State which has an impact on the consolidated revenue deficit of the State. The grants-in-aid decreased by 194.60 crore (14.97 *per cent)* from 1,299.62 crore in 2009-10 to 1,105.02 crore in 2010-11 mainly due to decrease in grants for State plan schemes (₹ 226.30 crore), Centrally Sponsored Schemes (₹ 41.06 crore), Special Plan Schemes (NEC) (₹ 20.43 crore). This was counterbalanced by increase in Non-Plan grants (₹ 92.53 crore) and Central Plan Schemes (₹ 0.67 crore). The Block Grants were reduced in components which include Nutrition Programme for Adolescent Girls (₹ 12.03 crore), Jawaharlal Nehru National Urban Renewal Mission (₹ 23.76 crore), Backward Region Grant Fund (₹ 2.23 crore), National E-Governance (₹ 2.85 crore), Rashtriya Krishi Vikas Yojana,(₹ 8.83 crore), Additional Central Assistance for long term Reconstruction of Assets damaged during 2005-06 (₹ 37.62 crore) and One Time Additional Central Assistance, (₹ 75.65 crore).

Revenue expenditure increased by ₹ 182.90 crore (9.99 *per cent)* over the previous year due to increase in General services (₹ 27.32 crore), Social services (₹ 125.15 crore) and Economic services (₹ 17.48 crore).

Capital expenditure assumes importance as it has a lasting impact on growth as compared to revenue expenditure. If spent efficiently, it also ensures a more productive economy and enhances the government's net worth arising from augmented revenues. During 2010-11 the capital expenditure of the State was ₹ 451.07 crore out of which ₹ 270.89 crore were blocked in 58 incomplete works which were due to be completed by 31 March 2011. The decrease of ₹ 197.46 crore in capital outlay in 2010-11 was due to decrease on General Services (₹ 32.20 crore), major components of which were Public Works and Police Housing, on Social Services (₹ 54.79 crore) which was mainly due to decrease in Water Supply & Sanitation and on Economic Services (₹ 110.47 crore), mainly on account of Power Projects.

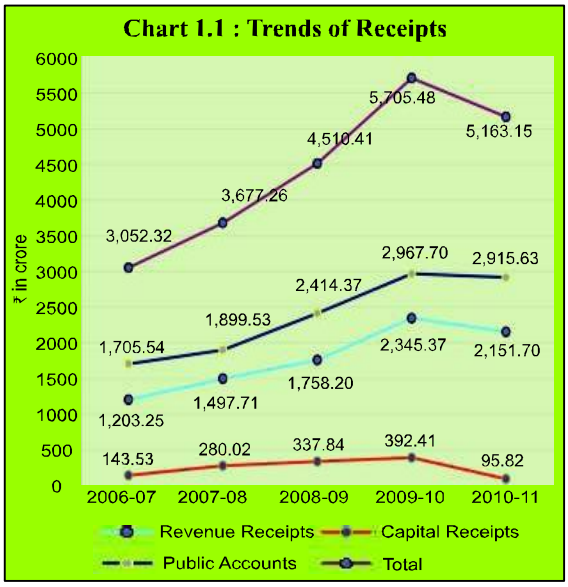
Actual **fiscal deficit** fell short of the assessment made in the budget estimate by 12.28 *per cent* (₹ 44.26 crore) and revised estimate by 37.08 *per cent* (₹ 186.34 crore) mainly due to decrease in capital expenditure.

1.3 Resources of the State

1.3.1 Resources of the State as per Annual Finance Accounts

Revenue receipts and capital receipts are the two streams of receipts that constitute the resources of the State Government. Revenue receipts consist of tax revenues, non-tax revenues, State's share of union taxes and duties and grants-in-aid from the Government of India (GOI). Capital receipts comprise miscellaneous capital receipts such as proceeds from disinvestments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GOI as well as accruals from Public Account.

While **Table 1.1** presents the receipts and disbursements of the State during the current year as recorded in its Annual Finance Accounts, **Chart 1.1** depicts the trends in various components of the receipts of the State during 2006-11 and **Chart 1.2** depicts the composition of resources of the State during the current year.



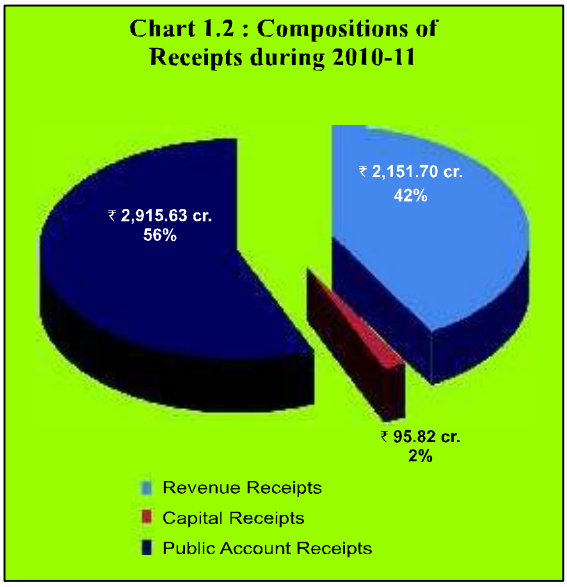


Table - 1.5: Trends in growth and composition of receipts.

(₹ in crore)

	Sources of State Receipts	2006-07	2007-08	2008-09	2009-10	2010-11
I	**Revenue Receipts**	**1,203.25**	**1,497.71**	**1,758.20**	**2,345.37**	**2,151.70**
II	**Capital Receipts (CR)**	**143.53**	**280.02**	**337.84**	**392.41**	**95.82**
	Miscellaneous Capital Receipts	-	-	-	-	-
	Recovery of Loans and Advances	0.78	0.38	0.38	0.30	0.79
	Public Debt Receipts	142.74	279.64	337.46	392.11	95.03
	Rate of growth of non-debt capital receipts	457.14	(-)51.28	0.00	(-)21.05	163.33
	Rate of growth of debt capital receipts	(-)1.60	95.91	20.68	16.19	(-)75.76
	Rate of growth of GSDP[4]	8.44	15.95	28.85	46.79	19.23
	Rate of growth of CR *(per cent)*	(-)1.15	95.10	20.65	16.15	(-) 75.58
	Debt Capital buoyancy	(-)0.19	6.02	0.72	0.35	(-)3.94
	Non Debt Capital buoyancy	54.17	(-) 3.22	0.00	(-) 0.45	8.49
III	**Contingency Fund**	-	-	-	-	-
IV	**Public Account Receipts**	**1,705.54**	**1,899.53**	**2,414.37**	**2,967.70**	**2,915.63**
	a. Small Savings, Provident Fund, etc.	80.02	84.23	97.39	107.84	162.67
	b. Reserve Fund	24.51	64.11	56.10	44.99	59.56
	c. Deposits and Advances	24.70	26.88	46.84	45.04	51.43
	d. Suspense and Miscellaneous	1,119.86	1,191.74	1,385.07	1,925.55	1,966.87
	e. Remittances	456.45	532.57	828.97	844.29	675.10
	Total Receipts	**3,052.32**	**3,677.26**	**4,510.41**	**5,705.48**	**5,163.15**

The total receipts of the State during 2009-10 was ₹ 5,705.48 crore which decreased to ₹ 5,163.15 crore in 2010-11 (9.51 *per cent*). This was due to less receipt of non-tax revenue and Grants-in-Aid from GOI. The revenue receipts were ₹ 2,151.70 crore, constituting 41.67 *per cent* of the total receipts. The balance came from capital receipts (1.86 *per cent*) and receipts from Public Account (56.47 *per cent*). The capital receipts decreased by 75.58 *per cent* as compared to 2009-10, mainly due to decrease in internal debt (75.77 *per cent*) whereas the Public Account receipts decreased by 1.75 *per cent*. Public debt receipts which create future repayment obligation were 99.18 *per cent* of the total capital receipts.

The rate of growth of debt capital receipts decreased from 16.19 *per cent* in 2009-10 to (-) 75.76 *per cent* in 2010-11 and the ratio of growth of non-debt capital receipts increased from (-) 21.05 *per cent* in 2009-10 to 163.33 *per cent* in 2010-11.

The rate of growth of debt capital receipts decreased from (-) 1.60 *per cent* in 2006-07 to (-) 75.76 *per cent* in 2010-11 while the rate of growth of GSDP increased from 8.44 *per cent* in 2006-07 to 19.23 *per cent* in 2010-11 resulting in decrease in the rate of growth of debt capital buoyancy from (-) 0.19 in 2006-07 to (-) 3.94 in 2010-11.

The rate of growth of non-debt capital receipts decreased from 457.14 *per cent* in 2006-07 to 163.33 *per cent* in 2010-11 resulting in decrease in the rate of growth of non-debt capital buoyancy from 54.17 in 2006-07 to 8.49 in 2010-11.

[4] *The GSDP for the year 2010-11 for the State of Sikkim was ₹ 5,652.01 crore*

1.3.2 Funds transferred to State Implementing Agencies outside the State Budget

The Central Government has been transferring a sizeable quantum of funds directly to the State Implementing Agencies[5] for the implementation of various schemes/ programmes in social and economic sectors recognised as critical. As these funds are not routed through the State Budget/State Treasury System, State's receipts and expenditure as well as other fiscal variables/parameters derived from them are underestimated to that extent. To present a holistic picture on availability of aggregate resources, funds directly transferred to State Implementing Agencies (SIAs) are presented in **Appendix-1.4.** Significant amounts released for major programmes/schemes are detailed in **Table 1.6**.

Table - 1.6: Funds transferred directly to State Implementing Agencies

(₹ in crore)

Sl. No.	Name of the Agency/ Organisation	Name of the Scheme	Total Funds released by GOI during 2010-11	Funds received by SIAs during 2010-11	Closing balance as on 31 March 2011
1.	Sarva Shiksha State Mission Authority (Human Resource Dev. Department)	Sarva Siksha Abhiyan	44.69	44.69	2.76
2.	Rural Management and Development Department	MNREGA	44.49	44.49	24.48
3.	Sikkim Rural RoadsDevelopment Agency	PMGSY Programme	79.38	79.38	0. 43
4.	Rural Management and Development Department	National Rural Drinking Water Programmeme	23.20	23.20	10.78
5.	State Health Society (Health Care, Human Services & Family Welfare Department)	NRHM	21.27	21.26	13.33
6	Public Health Engineering Department	National River Conservation Plan	26.14	37.28	3.95
		Total	**239.17**	**250.30**	**55.73**

Source: 'Central Plan Scheme Monitoring System' portal in Controller General of Accounts' website and information from State Government departments.

The GOI directly transferred ₹ 335.07 crore to State Implementing Agencies during 2010-11.

Table 1.6 shows that an amount of ₹ 239.17 crore i.e. 71.38 *per cent* of the total funds were released for (i) Pradhan Mantri Gram Sadak Yojana (23.69 *per cent*) (ii) Mahatma Gandhi National Rural Employment Guarantee Programme (13.28 *per cent*), (iii) Sarva Shiksha Abhiyan (13.34 *per cent*) (iv) National Rural Health Mission (6.35 *per cent*), (v) National Rural Drinking Water Programme (6.92 *per cent*) and (v) National River Conservation Plan (7.80 *per cent*) during 2010-11 out of which ₹ 55.73 crore remained unutilised in these six programmes. With the transfer of an approximate amount of ₹ 335.07 crore directly by GOI to

[5] *State Implementing Agencies include Organisations/Institutions including Non-Governmental Organisation which are authorised by the State Government to receive the funds from the Government of India for implementing specific programmes in the State, e.g. State Health Mission for NRHM*

the State Implementing Agencies, the total availability of State resources during 2010-11 had increased from ₹ 6,058.76 crore to ₹ 6,393.83 crore.

There was no single agency monitoring the funds directly transferred by the GOI and there was no readily available data on how much was actually spent in any particular year on major flagship schemes and other important schemes being implemented by the State Implementing Agencies and funded directly by the GOI.

1.4 Revenue Receipts

Statement-11 of the Finance Accounts details the revenue receipts of the Government. The revenue receipts consist of its own tax and non-tax revenues, central tax transfers and grants-in-aid from GOI. The trends and composition of revenue receipts during the period 2006-11 are presented in **Appendix- 1.2** and also depicted in **Charts 1.3** and **1.4** respectively.

Chart 1.3 : Trends in Revenue Receipts

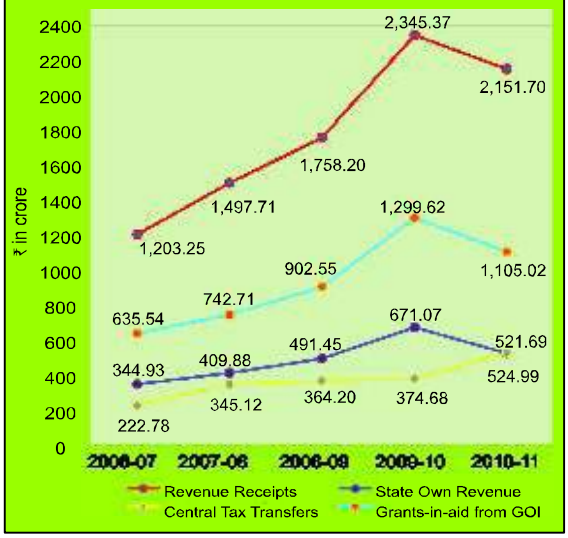
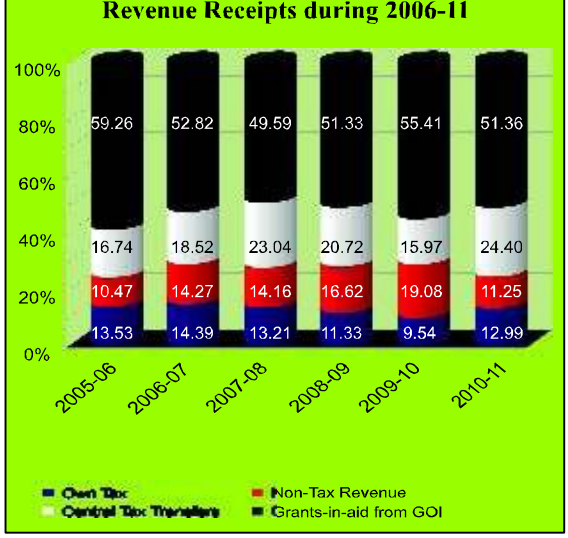


Chart 1.4 : The Composition of Revenue Receipts during 2006-11



1.4.1 General Trends

The revenue receipts had shown a progressive increase over the period 2006-07 to 2009-10. However during 2010-11, revenue receipts decreased by 8.26 *per cent*. Increase in revenue expenditure of ₹ 182.90 (10 *per cent*) and the decrease of ₹ 193.67 crore (8.26 *per cent*) in revenue receipts resulted in decrease in revenue surplus by ₹ 376.57crore.

- The decline in non-tax revenue by 45.88 *per cent* and Grants-in-Aid from GOI by 14.97 *per cent* as compared to previous year resulted in decrease of revenue receipts by 8.26 *per cent.*
- Tax revenue constituted 12.99 *per cent* of the total revenue receipts and increased by ₹ 55.89 crore (24.99 *per cent*) during 2010-11 over the previous year. The percentage of tax revenue to total revenue receipts ranged between 9.54 and 14.39 *per cent* during 2006-11.
- Non-tax revenue receipts constituted 11.25 *per cent* of the total revenue receipts and

decreased by ₹ 205.27 crore (45.88 *per cent)* over the previous year. Non-tax revenue as a percentage of revenue receipts ranged between 11.25 and 19.08 *per cent* during 2006-11.

The trends in revenue receipts relative to GSDP are presented in **Table 1.7**.

Table - 1.7: Trends in Revenue Receipts relative to GSDP

	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue Receipts (RR) (₹ in crore)	1,203.25	1,497.71	1,758.20	2,345.37	2,151.70
Rate of growth of Revenue Receipts *(per cent)*	10.57	24.47	17.39	33.40	(-) 8.26
Revenue Receipts / GSDP (*per cent*)	55.66	59.75	54.44	49.47	38.07
Rate of growth of Own taxes *(per cent)*	19.63	14.25	0.68	12.28	24.99
Buoyancy Ratios[6]					
Revenue Buoyancy w.r.t. GSDP	1.25	1.53	0.60	0.71	(-) 0.43
State's Own Tax Buoyancy with respect to GSDP	1.55	1.12	0.05	0.91	1.55
Gross State Domestic Product (₹ in crore)	2,161.45	2,506.34	3,229.44	4,740.42(P)	5,652.01(Q)
Rate of growth of GSDP	8.44	15.95	28.85	46.79	19.23

(P) – Provisional Estimate; (Q) - Quick Estimate

The rate of growth of revenue receipts during 2010-11 had decreased by 8.26 *per cent* as compared to 2009-10.The decrease was mainly due to decline in non-tax revenue by 45.88 *per cent* and Grants-in-Aid from GOI by 14.97 *per cent* as compared to previous year. Revenue Buoyancy was more than one during the years 2006-07 and 2007-08 which gradually came down and was (-) 0.43 in 2010-11. State's Own Tax buoyancy increased from 0.91 in 2009-10 to 1.55 in 2010-11. Ideally growth rate of revenue should be higher than GSDP growth rate so that over a time, the budget can be better balanced. If the State's own taxes are buoyant, then the Government will be in a better position to plan expenditure and improve welfare of the people.

1.4.2 State's Own Resources

As the State's share in central taxes and grants-in-aid are determined on the basis of recommendations of the Finance Commission, collection of central tax receipts and central assistance for plan schemes, etc., the State's performance in mobilisation of additional resources should be assessed in terms of its own resources comprising revenue from its own tax and non-tax sources.

The gross collection in respect of major taxes and duties as well as the components of non-tax receipts vis-à-vis budget estimates during the years from 2006-07 to 2010-11 are given in **Appendix -1.5** and **1.6**

The tax revenue of the State increased from ₹ 173.18 crore in 2006-07 to ₹ 279.54 crore in

[6] *As detailed in Appendix 1.1 – Part-C*

2010-11 at an average annual rate of 12.28 *per cent*. The non-tax revenue (NTR), which constituted 11.25 *per cent* of the total revenue receipts, decreased from ₹ 447.42 crore in 2009-10 to ₹ 242.15 crore 2010-11.

1.4.3 Cost of collection

The gross collection in respect of major revenue receipts, expenditure incurred on collection and the percentage of such expenditure to gross collection during the year 2008-09, 2009-10 and 2010-11 along with the relevant all India average percentage of expenditure on collection to gross collection for 2009-10 was as follows:

Table – 1.8: Cost of collection

(₹ in crore)

Sl. No	Head of revenue	Year	Collection	Expenditure on collection of revenue	Percentage of expenditure on collection	All India average percentage for the year 2009-10
1.	Sales tax	2008-09	101.14	1.95	1.93	0.96
		2009-10	121.07	3.75	3.10	
		2010-11	142.74	3.28	2.30	
2.	State excise	2008-09	46.46	2.36	5.08	3.64
		2009-10	57.27	3.62	6.32	
		2010-11	70.64	3.93	5.56	
4.	Taxes on vehicles	2008-09	6.94	0.77	11.10	3.07
		2009-10	7.88	1.34	17.01	
		2010-11	10.66	1.13	10.60	

The percentage of expenditure on collection during 2010-11 as compared to the corresponding all India average percentage for 2009-10 was much higher in the cases of sales tax, state excise and taxes on vehicles which is indicative of the fact that the excess expenditure incurred on collection of revenue might impede the path of improvement towards achieving a healthy fiscal path in the State.

The position with regard to mobilisation of the State's own resources in 2010-11 vis-à- vis projections made by XIII FC and the State Government in its Budget is as under:

Table - 1.9: Mobilisation of own resources

(₹ in crore)

Year 2010-11	Assessment of XIII FC	Budget Estimate	Actual	Percentage Change over	
				XIII FC Projection	BE
Tax Revenue (own tax)	205.16	211.26	279.54	36.25	32.32
Non-tax Revenue	308.73	362.31	242.15	21.57	33.16

Source: Thirteenth Finance Commission Report and Finance Accounts

Table 1.9 shows that the tax revenue exceeded the normative projection of XIII FC and Budget Estimate of State Government whereas the Non-Tax Revenue was less than the XIII FC projection and Budget Estimate.

1.4.4 Cost recovery in supply of merit goods and services

The current levels of cost recovery (non-tax revenue receipts as a percentage of non- plan revenue expenditure) in supply of merit goods and services by Government were negligible, as depicted in **Table 1.10**.

Table 1.10: Cost recovery in supply of merit goods and services

(₹ in lakh)

	Non-tax Revenue receipts	Non-plan Revenue expenditure	Cost Recovery (*per cent*)
Elementary Education	51.88	15,462.60	0.34
Medical and Public Health	72.45	6,748.01	1.07
Water Supply &Sanitation	261.04	1,827.53	14.28
Roads & Bridges	Nil	3,411.11	Nil
Minor Irrigation	29.30	154.03	19.02

As can be seen from above table, the cost recovery for Roads and Bridges during 2010-11 was 'nil' and the cost recovery in respect of Elementary Education, Medical and Public Health, Water Supply & Sanitation and Minor Irrigation were 0.34, 1.07, 14.28 and 19.02 *per cent* respectively. While cost recovery from social services like education and health are expected to be lower than that of economic services, incremental increase in user charges will facilitate sustainable provision of these services over a period of time.

1.4.5 Revenue Arrears

The arrears of revenue as on 31 March 2011 in respect of some principal heads of revenue as furnished by the departments amounted to ₹ 158.02 crore of which ₹ 27.33 crore was outstanding for more than five years as mentioned in the following table:

Table - 1.11: Revenue Arrears

(₹ in crore)

Sl. No.	Head of revenue	Amount outstanding as on 31 March 2011	Amount outstanding for more than five years as on 31 March 2011
1	Road transport (SNT)	3.34	Nil
2	Water Supply	1.36	0.08
3	Power	117.55	25.17
4	Sewerage	0.14	0.01
5	Animal Husbandry, Livestock, Fishers and VS	0.57	0.57
6	Tourism	0.57	0.57
7	Lottery	27.27	Nil
8	Printing & Stationery	0.93	0.93
9	Food storage and warehousing	6.29	Nil
	Total	**158.02**	**27.33**

Source: Information from State Government departments

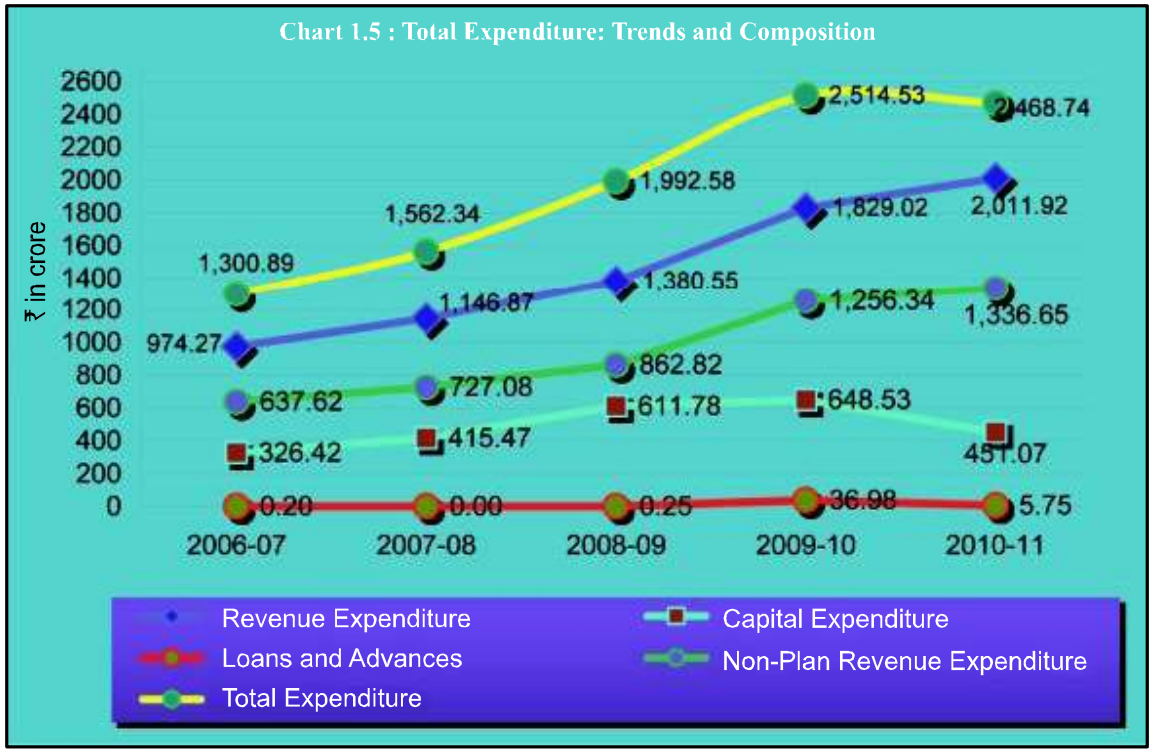
1.5 Application of Resources

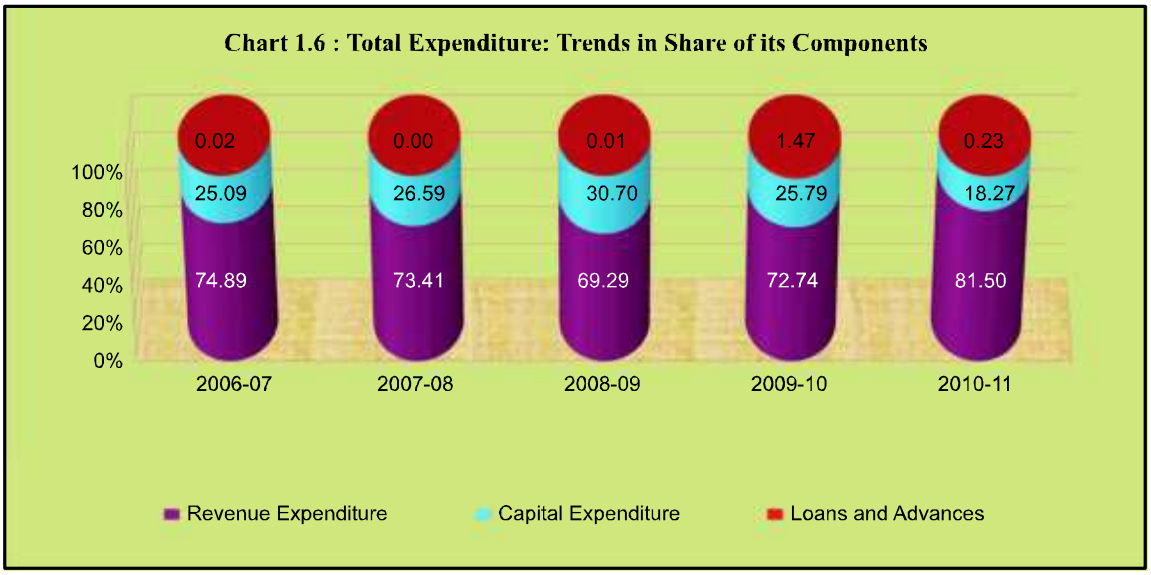
Analysis of the allocation of expenditure at the State Government level assumes significance since major expenditure responsibilities are entrusted with them. Within the framework of fiscal responsibility legislations, there are budgetary constraints in raising public expenditure financed by deficit or borrowings. It is therefore, important to ensure that the ongoing fiscal correction and consolidation process at the State level is not at the cost of expenditure, especially expenditure directed towards development and social sectors.

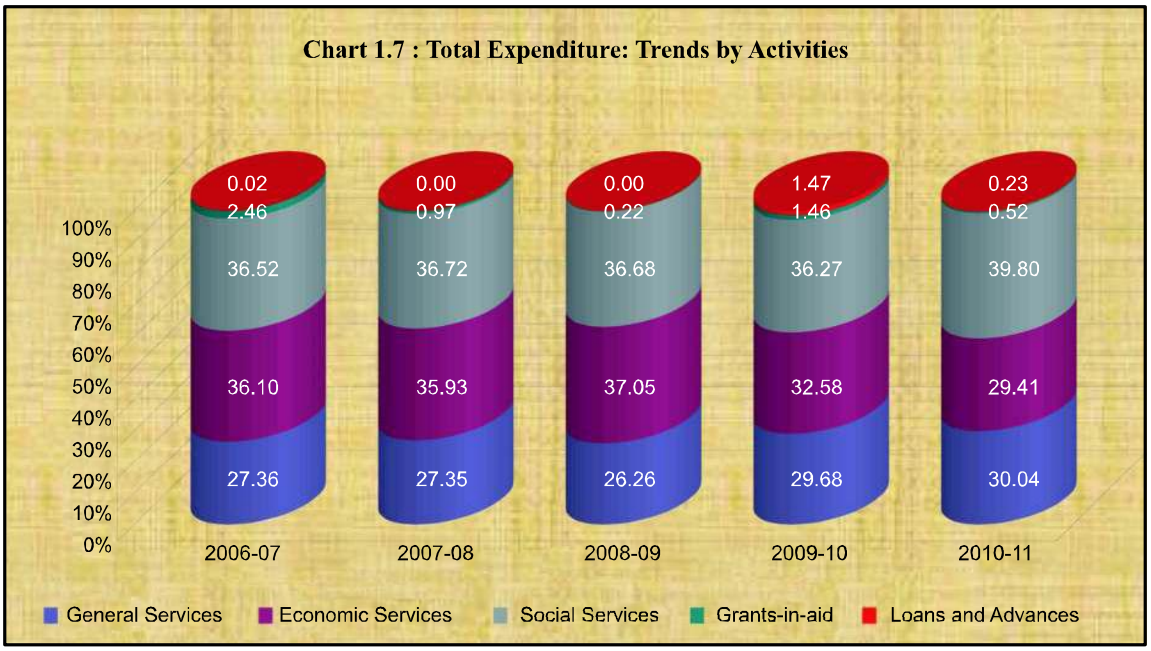
1.5.1 Growth and Composition of Expenditure

Statement 12 of volume -2 of the Finance Accounts depicts the detailed revenue expenditure minor head-wise and capital expenditure major head-wise. States raise resources to perform their sovereign functions, maintain their existing nature of delivery of social and economic services, extend the network of these services through capital expenditure and investment and discharge their debt service obligations.

Chart 1.5 presents the trends of total expenditure over a period of five years (2006-11) and its composition both in terms of 'economic classification' and 'expenditure by activities' is depicted respectively in **Charts 1.6 and 1.7**.







Total expenditure of ₹ 1,300.89 crore in 2006-07 increased to ₹ 2,468.74 crore in 2010-11. In absolute terms there was increase of ₹ 1,037.65 crore in revenue expenditure and 124.65 crore in capital outlay during 2010-11 as compared to 2006-07.

The total expenditure, its annual growth rate, the ratio of expenditure to the GSDP and to revenue receipts and its buoyancy with respect to GSDP and revenue receipts are indicated in **Table 1.12.**

Table - 1.12: Total expenditure – basic parameters

	2006-07	2007-08	2008-09	2009-10	2010-11
Total Expenditure (TE) (₹ in crore)	1,300.89	1,562.34	1,992.58	2,514.53	2,468.74
Rate of growth (*per cent*)	5.15	20.10	27.54	26.19	(-)1.82
TE/GSDP ratio (*per cent*)	60.19	62.34	61.70	53.04	43.68
RR/TE ratio (*per cent*)	92.49	95.86	88.23	93.27	87.16
Buoyancy of Total Expenditure with reference to:					
GSDP (ratio)	0.61	1.26	0.95	0.56	0.09
RR (ratio)	0.49	0.82	1.58	0.78	0.22
Gross State Domestic Product (₹ in crore)	2,161.45	2,506.34	3,229.44	4,740.42	5,652.01
Rate of growth of GSDP	8.44	15.95	28.85	46.79	19.23
Revenue Receipts (RR) (₹ in crore)	1,203.25	1,497.71	1,758.20	2,345.37	2,151.70
Rate of growth of Revenue Receipts (*per cent*)	10.57	24.47	17.39	33.40	(-) 8.26

During the current year, 87.16 *per cent* of the total expenditure was met from revenue receipts and the remaining from capital receipts and borrowed funds.

The increase/decrease in revenue expenditure was in the following services:

The General Services expenditure in 2010-11 increased by ₹ 27.33 crore, Social Services expenditure by ₹ 125.15 crore and Economic Services by ₹ 17.48 crore which was offset by lesser disbursement of Grants-in-Aid and contributions by ₹ 174.52 crore.

The decrease in Capital expenditure during 2010-11 was mainly on account of General Service by ₹ 32.20 crore, Social Service by ₹ 54.79 and ₹ 110.47 crore in Economic Service.

The disbursement of loans and advances during 2010-11 was ₹ 2.00 crore for Social Services and ₹ 3.75 crore for Agriculture and Allied Activities. The decrease in disbursement of loans and advances of ₹ 31.23 crore as compared to the previous year was mainly due to the fact that no loans were given for the power sector which was ₹ 35 crore in the previous year.

The pattern of total expenditure in the form of plan and non-plan expenditure during 2010-11 revealed that non-plan expenditure and plan expenditure contributed 54.14 *per cent* and 45.86 *per cent* respectively. The Plan expenditure during the year decreased by ₹ 94.87 crore as compared to the previous year due to decrease in General Services-Revenue by ₹ 16.54 crore and General Services-Capital by ₹ 32.20 crore, increase in Social Services-Revenue by ₹ 86.02 crore and decrease in Social Services-Capital by ₹ 54.79 crore, increase in Economic services-Revenue by ₹ 33.10 crore and decrease in Economic Services-Capital by ₹ 110.46 crore.

The decrease in ratio of revenue receipts to total expenditure from 93.27 *per cent* in 2009-10 to 87.16 *per cent* in 2010-11 is to be viewed in the light of the decrease in central grants by ₹ 194.60 crore (14.97 *per cent*) from ₹ 1,299.62 crore in 2009-10 to 1,105.02 crore in 2010-11.The buoyancy of total expenditure with reference to GSDP decreased to 0.09 during 2010-11 due to decrease in the rate of growth of total expenditure as well as to the rate of growth of

GSDP. Similarly, the buoyancy ratio of total expenditure to revenue receipts was 0.78 in 2009-10 and 0.22 in 2010-11 indicating rate of decrease of receipt was higher than rate of decrease of expenditure during the current year.

1.5.2 Trends in total expenditure in terms of activities

In terms of activities, total expenditure could be considered as being composed of expenditure on General Services including interest payments, Social and Economic Services, Grants-in-aid and loans and advances.

The expenditure on general services and interest payments, which are considered as non-developmental, together contributed 30.04 *per cent* in 2010-11 as against 29.68 *per cent* in 2009-10 and 27.36 *per cent* in 2006-07. On the other hand, developmental expenditure i.e., expenditure on social and economic services together accounted for 69.21 *per cent* in 2010-11 as against 68.85 *per cent* in 2009-10 and 72.62 *per cent* in 2006-07. This indicates that the non-developmental expenditure had increased by 2.68 *per cent* in 2010-11 as compared to 2006-07 while the developmental expenditure had decreased by 3.41 *per cent* over the same period.

1.5.3 Revenue Expenditure

Revenue expenditure had predominant share (81.50 *per cent*) in total expenditure. The overall revenue expenditure of the State during 2010-11 increased by 10 *per cent* from ₹ 1,829.02 crore in 2009-10 to ₹ 2,011.92 crore in 2010-11.The revenue expenditure, its rate of growth, the ratio of revenue expenditure to GSDP and to revenue receipts and its buoyancy is indicated in **Table 1.13.**

Table - 1.13: Revenue expenditure – basic parameters

(₹ in crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue Expenditure (RE), of which	974.27	1,146.87	1,380.55	1,829.02	2,011.92
Non-Plan Revenue Expenditure (NPRE)	637.62	727.08	862.82	1,256.34	1,336.65
Plan Revenue Expenditure (PRE)	336.65	419.79	517.73	572.68	675.27
Rate of Growth of					
RE (*per cent*)	9.29	17.72	20.38	32.48	10.00
NPRE (*per cent*)	6.76	14.03	18.67	45.61	6.39
PRE (*per cent*)	14.43	24.70	23.33	10.61	17.91
Revenue Expenditure as percentage to TE	74.89	73.41	69.28	72.74	81.50
NPRE/GSDP (*per cent*)	29.50	29.01	26.72	26.50	23.65
NPRE as percentage of TE	49.01	46.54	43.30	49.96	54.14
NPRE as percentage of RR	52.99	48.55	49.07	53.57	62.12
Buoyancy of Revenue Expenditure with					
GSDP (ratio)	1.10	1.11	0.71	0.69	0.52
Revenue Receipts (ratio)	0.88	0.72	1.17	0.97	(-)1.21

The overall revenue expenditure of the State increased by 10 *per cent* from ₹ 1,829.02 crore in 2009-10 to ₹ 2,011.92 crore in 2010-11 at an annual average rate of 17.97 *per cent*. The NPRE constituted 66.44 *per cent* of the revenue expenditure and had increased by ₹ 80.31 crore over the previous year. The PRE increased by ₹ 102.59 crore from ₹ 572.68 crore in 2009-10 to

₹ 675.27 crore in 2010-11.

The buoyancy of revenue expenditure with reference to GSDP was 0.52 *per cent* whereas the buoyancy of revenue expenditure with reference to receipts was (-) 1.21 during 2010-11. This indicated that rate of increase of Revenue expenditure was less than GSDP but was more than the revenue receipts.

Non-plan revenue expenditure was a major component (66.44 *per cent*) during 2010-11. Only 33.56 *per cent* of revenue expenditure was Plan Revenue Expenditure. The trends in composition of revenue expenditure (both plan and Non-plan) during 2006-11 are depicted in the table below:

Table – 1.14: Plan and Non –plan expenditure

(₹ in crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Plan	336.65 (34.55)	419.79 (36.60)	517.73 (37.50)	572.68 (31.31)	675.27 (33.56)
Non Plan	637.62 (65.45)	727.08 (63.40)	862.82 (62.50)	1,256.34 (68.69)	1,336.65 (66.44)
Total	**974.27**	**1,146.87**	**1,380.55**	**1,829.02**	**2,011.92**

A comparative position of Non-plan Revenue Expenditure (NPRE) vis-a vis assessment made by XIII FC revealed that NPRE was ₹ 400.41 crore (42.77 per cent) more than the assessment made by XIII FC.

1.5.4 Committed Expenditure

The committed expenditure of the State Government on revenue account mainly consists of interest payments, expenditure on salaries & wages, pensions and subsidies. **Table 1.15** and **Chart 1.8** present the trends in the expenditure on these components during 2006-11.

The committed expenditure (i.e., interest payments, pensions, salaries and subsidies) of the State Government increased from ₹ 1,117.45 crore in 2009-10 to ₹ 1,237.27 crore in 2010-11. The overall percentage of committed expenditure on NPRE and total Revenue Receipts was 92.56 *per cent* and 57.50 *per cent* respectively during the current year.

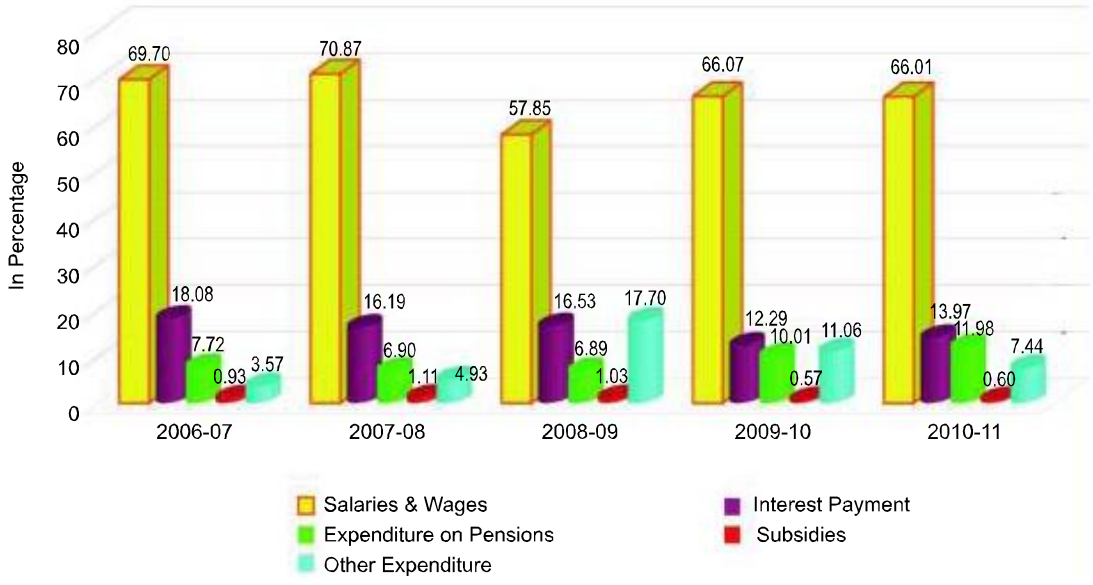
Table - 1.15: Components of Committed Expenditure

(₹ in crore)

Components of Committed Expenditure	2006-07	2007-08	2008-09	2009-10	2010-11
Salaries & Wages , *Of which*	444.42 (69.70)	515.28 (70.87)	499.16 (57.85)	830.05 (66.07)	882.31 (66.01)
Non-Plan Head	332.97	373.07	358.62	646.68	629.64
Plan Head**	111.45	142.21	140.54	183.37	252.67
Interest Payments	115.27 (18.08)	117.74 (16.19)	142.64 (16.53)	154.43 (12.29)	186.77 (13.97)
Expenditure on Pensions	49.24 (7.72)	50.19 (6.90)	59.45 (6.89)	125.75 (10.01)	160.14 (11.98)
Subsidies	5.91 (0.93)	8.08 (1.11)	8.93 (1.03)	7.22 (0.57)	8.05 (0.60)
Total :	**614.84**	**691.29**	**710.18**	**1,117.45**	**1,237.27**
As *per cent* of Revenue Receipts					
Salaries & Wages	36.93	34.40	28.39	35.39	41.01
Interest Payments	9.58	7.86	8.11	6.58	8.68
Expenditure on Pensions	4.09	3.35	3.38	5.36	7.44
Subsidies	0.49	0.54	0.51	0.003	0.37

Figures in the parenthesis indicate percentage to Non-plan Revenue Expenditure
***Plan Head also includes the salaries and wages paid under Centrally Sponsored Schemes*

Chart 1.8 : Share of Committed expenditure in Non-Plan Revenue Expenditure



Salaries & Wages

Salaries & Wages alone accounted for 41.01 *per cent* of revenue receipts of the State during the year. Salaries & Wages increased by about 6.30 *per cent* from ₹ 830.05 crore in 2009-10 to ₹ 882.31 crore in 2010-11. The expenditure on salaries was 43.85 *per cent* of the revenue expenditure.

Pension payment

Pension payments increased by 27.35 per cent from ₹ 125.75 crore in 2009-10 to ₹ 160.14 crore in 2010-11. Pension payments were also ₹ 81.99 crore more than the projection made by XIII FC. Increase in the Pension payment during the year was due to increase of 726 pensioners in the State. Pension payment accounted for 7.44 *per cent* of revenue receipts and 7.96 *per cent* of total revenue expenditure.

Interest payments

Interest payment increased by 20.94 *per cent* from ₹ 154.43 crore in 2009-10 to ₹ 186.77 crore in 2010-11. Interest payments of ₹ 186.77 crore in 2010-11 consisted of internal debt market loans (₹ 129.32 crore), loans received from Central Government (₹ 19.79 crore) and Small Savings, Provident Fund, etc. (₹ 37.66 crore). *The interest payment during 2010-11 exceeded the normative projections of XIII FC by ₹ 44.97 crore.*

Subsidies

During 2010-11, the State Government paid subsidy of ₹ 8.05 crore on Food & Warehousing (₹ 6.65 crore), on Co-operation as transport and marketing subsidies (₹ 1.25 crore) and on crop husbandry as price support to farmers (₹ 0.15 crore).

1.5.5 Financial Assistance by State Government to local bodies and other Institutions

The quantum of assistance provided by way of grants and loans to local bodies and others during the current year relative to the previous years are presented in **Table 1.16**

Table - 1.16: Financial assistance to Local Bodies, etc.

(₹ in crore)

Financial Assistance to Institutions	2006-07	2007-08	2008-09	2009-10	2010-11
Educational Institutions (Non-Government Aided School, etc)	0.93	0.81	0.76	0.67	1.31
Zilla Parishads and Other Panchayati Raj Institutions	24.96	24.13	110.85	182.05	242.94
Cooperative societies	1.12	1.36	0.53	3.72	1.25
Other Institutions (Voluntary Organisation, Other Scientific Bodies, Housing Board, etc.)	4.97	0.44	0.87	1.02	0.30
Assistance to Muncipalities/Muncipal Councils	-	-	-	-	0.70
Assistance to Local Bodies Corporations, Urban Development	-	-	-	-	1.36
Total	**31.98**	**26.74**	**113.01**	**187.46**	**247.86**
Assistance as per percentage of RE	3.28	2.33	8.19	10.25	12.32

The total assistance at the end of the year 2010-11 had increased by 32.22 *per cent* over the level of 2009-10 mainly due to increase in assistance to Zilla Parishads and Other Panchayati Raj Institutions, assistance to Municipalities/Municipal Councils and assistance to Local Bodies Corporations and Urban Development.

1.6 Quality of Expenditure

The availability of better social and physical infrastructure in the State generally reflects the quality of its expenditure. The improvement in the quality of expenditure basically involves three aspects, *viz.,* adequacy of the expenditure (i.e., adequate provision for providing public services); efficiency of expenditure and the effectiveness (assessment of outlay-outcome relationships for select services).

1.6.1 Adequacy of Public Expenditure

The expenditure responsibilities relating to social sector and economic infrastructure are largely assigned to the State Governments. Enhancing human developmental levels require the States to step up their expenditure on key social services like, education, health, etc. **Table 1.17** analyses the fiscal priority of the State Government with regard to developmental expenditure, social sector expenditure and capital expenditure during the current year.

Table-1.17: Fiscal Priority and Fiscal capacity of the State in 2007-08 and 2010-11

Fiscal Priority of the State	AE/GSDP	DE#/ AE	SSE/AE	CE/AE	Education/AE	Health/AE
Sikkim's Average (Ratio) 2007-08	62.34	72.65	36.72	26.59	15.80	4.71
Sikkim's Average (Ratio) 2010-11	43.68	69.20	39.79	26.59	22.69	6.09

AE: Aggregate Expenditure, DE: Development Expenditure, SSE: Social Sector Expenditure, CE: Capital Expenditure
Development expenditure includes Development Revenue Expenditure, Development Capital Expenditure and Loans &Advances disbursed.

Table 1.17 shows the fiscal priority given by the Sikkim Government to various expenditure heads in 2007-08 (the middle of the Twelfth Finance Commission Award Period) and the current year *viz.* 2010-11. The AE / GSDP ratio of the Government of Sikkim had come down to 43.68 *per cent* i.e. a reduction of 18.66 *per cent* as compared to the year 2007-08.

The ratio of development expenditure as a proportion to aggregate expenditure had also come down by 3.45 *per cent* in 2010-11 as compared to the year 2007-08 which indicates that the State had given lower priority to this category of expenditure during the year 2010-11 as compared to 2007-08.

In Social Sector, Sikkim Government's expenditure as a percentage of AE had gone up by 3.07 *per cent* in the year 2010-11 as compared to the year 2007-08 indicating that the Sikkim Government was giving more emphasis on Social Sector. However, the capital expenditure remained stagnant at 26.59 *per cent* in the years 2007-08 and 2010-11 indicating that the State Government was not giving enough emphasis to increase the percentage of capital expenditure over the years.

1.6.2 Efficiency of Expenditure Use

In view of the importance of public expenditure on developmental heads from the point of view of social and economic development, it is important for the State Governments to take appropriate expenditure rationalisation measures and lay emphasis on provision of core public

and merit goods[7]. Apart from improving the allocation towards developmental expenditure, the efficiency of expenditure use is also reflected by the ratio of capital expenditure to total expenditure (and/or GSDP) and proportion of revenue expenditure being spent on operation and maintenance of the existing social and economic services. The higher the ratio of these components to total expenditure (and/or GSDP), the better would be the quality of expenditure. While **Table 1.18** presents the trends in developmental expenditure relative to the aggregate expenditure of the State during the current year vis-a-vis budgeted and the previous years, **Table 1.19** provides the details of capital expenditure and the components of revenue expenditure incurred on the maintenance of the selected social and economic services.

Table - 1.18: Developmental Expenditure

(₹ in crore)

Components of Developmental Expenditure	2006-07	2007-08	2008-09	2009-10	2010-11
Developmental Expenditure (a to b)	944.80 (72.62)	1,135 (72.65)	1,469.04 (73.72)	1,768.05 (70.31)	1,708.44 (69.20)
a. Developmental Revenue Expenditure	639.44 (49.15)	758.81 (48.57)	934.39 (46.89)	1,171.41 (46.59)	1,314.04 (53.23)
b. Developmental Capital Expenditure	305.36 (23.47)	376.19 (24.08)	534.65 (26.83)	596.64 (23.72)	394.40 (15.97)

Figures in parentheses indicate percentage to aggregate expenditure

Developmental expenditure of ₹ 944.80 crore in 2006-07 increased to ₹ 1,708.44 crore in 2010-11. However, its share in aggregate expenditure decreased from 72.62 *per cent* to 69.20 *per cent* during the period. It was also noticed that the developmental revenue expenditure comprised the dominant share with 53.23 *per cent* in 2010-11 whereas the development capital expenditure accounted for only 15.97 *per cent*.

[7] *As detailed in Appendix 1.1 – Part-C*

Table - 1.19: Efficiency of Expenditure Use in Selected Social and Economic Service

(In per cent)

Social/Economic Infrastructure	2009-10			2010-11		
	Ratio of Capital Expenditure to Total Expend-iture*	In Revenue Expenditure, the share of		Ratio of Capital Expenditure to Total Expenditure*	In Revenue Expenditure, the share of	
		Salary &Wages	Operations & Maintenance*		Salary &Wages	Operations &Maintenance*
Social Services (SS)						
General Education	1.83	28.59	0.26	1.81	32.51	0.15
Technical Education, Sports, Art & Culture	1.19	1.35	0	2.20	0.99	0
Health and Family Welfare	0.38	13.33	0.19	3.24	11.48	0.04
Water Supply, Sanitation, & Housing & Urban Development	19.87	1.89	0	9.43	1.97	0
Other Social Services	0.93	3.56	0	0.20	2.92	0
Total (SS)	**24.20**	**48.72**	**0.45**	**16.88**	**49.87**	**0.19**
Economic services (ES)						
Agriculture & Allied Activities	1.79	20.49	0	0.85	19.97	0
Irrigation and Flood Control	0.42	1.11	0.23	0.73	1.06	0.23
Power & Energy	8.79	6.99	0.06	4.53	8.35	0.08
Transport	18.03	7.69	0	13.57	8.11	0
Other Economic Services	12.36	9.35	0	11.79	10.67	0
Total (ES)	**42.60**	**45.62**	**0.29**	**31.47**	**48.16**	**0.31**

**TE: Total revenue and capital expenditure of the service*

Social Services

The trends in capital expenditure on social services during 2009-11 revealed that the share of capital expenditure to total expenditure during these years was 24.20 and 16.88 *per cent*, which indicated that the revenue expenditure was dominant. While there was some improvement in the share of capital expenditure to total expenditure on the Health & Family Welfare and Technical Education, Sports, Arts &Culture during the current year, in respect of other categories of social services, there was deterioration in this category of expenditure. Water supply, Sanitation, Housing & Urban Development were the worst sufferers as only 9.43 *per cent* of total expenditure on this sector was incurred on capital account during 2010-11 as against 19.87 *per cent* during the preceding year.

Of the revenue expenditure on social services, the share of salary and wages component has increased from 48.72 *per cent* in 2009-10 to 49.87 *per cent* in 2010-11 implying less expenditure on non-salary expenditure including maintenance. Non-salary and wage expenditure on social services had decreased by 57.02 *per cent* during 2010-11 from ₹ 3.56 crore in 2009-10 to ₹ 2.03 crore in 2010-11.

Economic Services

The expenditure on economic services during 2010-11 (₹ 726.16 crore) accounted for about 29 *per cent* of the total expenditure and 43 *per cent* of the development expenditure during the year. Out of the total expenditure on economic services during the current year, 20 *per cent* was incurred on Agriculture and Allied Activities and 8 *per cent* each on Transport and Power & Energy.

The trends in revenue and capital expenditure on economic services indicate that capital expenditure consistently increased from ₹ 469.68 crore in 2006-07 to ₹ 726.16 crore (55 *per cent*) in 2010-11. However, the share of capital expenditure to total expenditure on economic services decreased from 39.61 *per cent* in 2006-07 to 31.47 *per cent* in 2010-11. Revenue expenditure also consistently increased from ₹ 283.63 crore in 2006-07 to ₹ 497.61 crore (75 *per cent*) in the current year. Within the revenue expenditure, salary and wage component constituted 46 and 48 *per cent* of the total revenue expenditure during 2009-10 and 2010-11 respectively. It increased from ₹ 219.07 crore in 2009-10 to ₹ 239.66 crore in 2010-11.

1.6.3 Effectiveness of the Expenditure, i.e. Outlay-Outcome Relationship

Three performance reviews viz. "Elementary Education in Sikkim", Acquisition and Allotment of Land" and "Integrated Audit of Urban Development and Housing Department" included in a separate Report of the Comptroller and Auditor General of India for the year ended 31 March 2011 highlight the following aspects:

Elementary Education in Sikkim

The State was relatively successful in providing access for elementary education to all, equitable access to boys and girls and rural and urban children. Despite high priority accorded to education sector in budgetary allotment, small class size and availability of large number of teachers leading to favourable Pupil Teacher Ratio; the performance of students was poor as only 40 to 50 per cent class V children could do simple division and read standard II text; 30 to 40 per cent of class III students could do subtraction and could read standard I text. Maximum students fell under average and below average category and teachers were graded between C and D as per Advancement of Educational Performance through Teacher Support (ADEPTS) study indicating average quality primarily owing to lack of desired qualifications and training and low commitment of the teachers. The other areas of concern were high drop- out rate, considerable number of out-of-school children, children with special needs and skewed concentration of teachers in urban areas at the cost of rural areas which needs to be addressed by the Government in a more focused manner.

Acquisition and Allotment of Land

The Rules of Business of the Land Revenue and Disaster Management(LRDMD) Department were not clear about its role on the custody and safeguard of Government land and also its role about establishing stability of land acquired by the Government. The LRDMD had failed to create a comprehensive database of all Government land acquired so far. The LRDMD had time and again made excess payments even to those landowners willing to sell their land to the Government.

The Urban Development and Housing Department (UDHD) had not formulated any policy relating to allotment of housing sites in the State; the existing Act did not provide firm selection criteria on maximum ceiling limit in the absence of which allotment was made indiscriminately. There was no centralised data bank on total land available in urban notified areas of the State for allotment of house sites. Allotment was done on the basis of land identified by the applicant themselves. There was no segregation of land for allotment of house sites, development of bazaars and towns, industrial purpose and other development purposes. Even the land belonging to other Government departments not under the possession of the UDHD were transferred and mutated in favour of the UDHD for facilitating allotment of house sites to VIPs/MLAs and their relatives.

Urban Development and Housing Department

Integrated Audit of UDHD revealed that the Department had taken some effective steps such as banning of plastic carry bags, door to door collection of garbage, creation of footpath along the NH 31A, construction of multi-storeyed parking, establishment of ULBs, etc. However, there were areas of significant concern requiring remedial action like non-preparation of Annual Action Plan incidental to Master Plan, inadequate budgetary management, irregular permission for construction of buildings, unabated traffic congestion, absence of basic facilities in shopping complexes/ parking places, absence of quality control in execution of works, delay in execution of works, non-adherence to approved specifications, non-utilisation and non-maintenance of assets created and inept revenue management.

1.7 Financial Analysis of Government Expenditure and Investments

Though the FRBM Act was recently enacted in the State Legislature in September 2010, the fiscal responsibility legislation was expected to not only keep the fiscal deficit (and borrowing) at low levels but also meet its capital expenditure/investment (including loans and advances) requirements. In addition, in a transition to complete dependence on market based resources, the State Government needs to initiate measures to earn adequate return on its investments and recover its cost of borrowed funds rather than bearing the same on its budget in the form of implicit subsidy and take requisite steps to infuse transparency in financial operations. This section presents the broad financial analysis of investments and other capital expenditure undertaken by the Government during the current year vis-a-vis previous years.

1.7.1 Incomplete projects

The department-wise information pertaining to incomplete projects as on 31 March 2011 is given in **Table 1.20.**

Table - 1.20: Department-wise Profile of Incomplete Projects

(₹ in crore)

Department	No. of Incomplete Projects	Initial Budgeted Cost	Revised Total Cost	Cost Overrun	Actual exp as on 31.3.2011
Energy and Power Department	13	234.36	353.77	119.41	228.09
Human Resources Development Department	113	106.13	106.94	0.81	25.69
Building & Housing Department	12	70.62	92.39	21.77	40.38
Total	138	411.11	553.10	141.99	294.16

As per the information received from the State Government, there were 138 incomplete projects as on 31 March 2011 in which ₹ 294.16 crore were blocked, out of which 58 works (estimated cost: ₹ 305.83 crore and actual expenditure incurred as on 31 March 2011: ₹ 270.89 crore) were due to be completed by 31 March 2011. Out of 58 works, the cost of 10 incomplete projects was revised and increased by 84.65 *per cent* i.e. ₹ 141.26 crore (Building and Housing Department: five works involving ₹ 21.05 crore, Human Resource Development Department: one work involving ₹ 0.81 crore and Energy and Power Department: four works involving ₹ 119.40 crore).

Due to delay in completion of the projects, the intended benefits from those projects did not reach the beneficiaries in the State. The main reasons for delay as stated by the departments were natural calamities, non-availability of stock materials and change in scope of works.

1.7.2 Investment and returns

As on 31 March 2011, Government had invested ₹ 90.31 crore in Statutory Corporations, Banks, Joint Stock Companies and Co-operatives **(Table 1.21).** The average return on this investment was 1.36 *per cent* in the last three years while the Government paid an average interest rate of 9 *per cent* on its borrowings during 2010-11.

Table - 1.21: Return on Investment

Investment/Return/Cost of Borrowings	2006-07	2007-08	2008-09	2009-10	2010-11
Investment at the end of the year (₹ in crore)	83.40	83.41	85.59	89.31	90.31
Return (₹ in crore)	0.76	0.68	1.31	0.46	2.37
Return *(per cent)*	0.91	0.82	1.53	0.52	2.62
Average rate of interest on Govt borrowing *(per cent)*	8.74	8.83	8.40	8.35	9.00
Difference between interest rate and return *(per cent)*	7.83	8.01	6.87	7.83	6.38

The Companies Act, 1956 was not extended to the State of Sikkim. The Government companies in Sikkim were registered under 'The Registration of Companies Act, 1961' and the Statutory Corporations were governed under the proclamation of the erstwhile Chogyal (King) of Sikkim.

As on 31 March 2011, Government invested in three Statutory Corporations *viz,* State Bank of Sikkim, Sikkim Mining Corporation, State Trading Corporation of Sikkim (STCS) (₹ 8.26 crore) and in Companies *viz,* Sikkim Time Corporation Limited, Sikkim Industrial Development and Investment Corporation Limited (SIDICO), Sikkim Tourism Development Corporation, Sikkim Jewels Limited, Scheduled Castes Scheduled Tribes and Other Backward Classes Development Corporation Limited (SABCCO), Sikkim Livestock Development & Processing Corporation, Power Development Corporation, Sikkim Distilleries Limited, etc. (₹ 70 crore) and in banks and co-operatives (₹ 12.04 crore). The return on these investments were however, negligible as most of the statutory corporations/companies and/or co-operative societies were incurring losses.

Out of 15 Companies/ Corporations, 11 Companies/Corporations were working companies and the remaining 4 were non-working companies. None of the companies were listed on the stock exchange(s).

As per finalised accounts, out of 11 working PSUs, seven PSUs[8] incurred loss of 13.72 crore whereas four PSUs[9] earned profit of ₹ 2.32 crore during the year 2010-11. The major profit was earned by State Bank of Sikkim (₹ 1.30 crore), State Trading Corporation of Sikkim (₹ 0.62 crore) and Sikkim Industrial Development & Investment Corporation Limited (SIDICO) (₹ 0.23 crore). The losses of PSUs were mainly attributable to deficiencies in financial management, planning, implementation of projects, running their operations and inadequate monitoring.

The figures in respect of equity and loans as per records of State PSUs should agree with the figures appearing in the Finance Accounts of the State. In case the figures do not agree, the concerned PSUs and the Finance Department should carry out reconciliation of differences. The position in this regard as on 31 March 2011 is stated below.

Table - 1.22: Outstanding Equity and Loans

(₹ in crore)

Outstanding in respect of	Amount as per Finance Accounts	Amount as per records of PSUs	Difference
Equity	73.57	80.40	6.83
Loans	37.03	2.03	35.00

[8] *Sikkim Time Corporation Limited, Sikkim Industrial Development & Investment Corporation Limited (SIDICO), Sikkim Tourism Development Corporation, Sikkim Jewels Limited, Sikkim Poultry Development Corporation (SPDCL), Sikkim Hatcheries Limited (SHL), Scheduled Castes, Schedule Tribes and Other Backward Classes Development Corporation Limited (SABCCO)*

[9] *State Bank of Sikkim, Sikkim Industrial Development & Investment Corporation Limited (SIDICO) Sikkim Tourism Development Corporation, State Trading Corporation of Sikkim (STCS)*

Audit observed that the differences occurred in respect of seven PSUs and some of the differences were pending reconciliation since 2004-05. The Government and the PSUs should take concrete steps to reconcile the differences in a time-bound manner.

1.7.3 Loans and advances by State Government

In addition to investments in co-operative societies, corporations and companies, Government has also been providing loans and advances to many of these institutions/ organisations. **Table 1.23** presents the outstanding loans and advances as on 31 March 2011, interest receipts vis-a-vis interest payments during the last three years.

Table - 1.23: Average Interest Received on Loans Advanced by the State Government

(₹ in crore)

Quantum of Loans/Interest Receipts/ Cost of Borrowings	2007-08	2008-09	2009-10	2010-11
Opening Balance	5.50	5.12	4.99	41.67
Amount advanced during the year	Nil	0.25	36.98	5.75
Amount repaid during the year	0.38	0.38	0.30	0.79
Closing Balance	5.12	4.99	41.67	46.63
Net addition	(-)0.38	(-)0.13	(+)36.68	(+)4.96
Interest Receipts	Nil	Nil	Nil	Nil
Interest receipts as *per cent* to outstanding Loans and advances	Nil	Nil	Nil	Nil
Interest payments as *per cent* to outstanding fiscal liabilities of the State Government	6.56	6.62	5.59	6.68
Difference between interest payments and interest receipts (*per cent*)	6.56	6.62	5.88	6.86

Interest received was "Nil" during the financial years 2007-11 due to the poor performance of the Statutory corporations/Government Companies/Co-operative Societies.

1.7.4 Cash Balances and Investment of Cash Balances

Table 1.24 depicts the cash balances and investments made by the State Government out of cash balances during the year.

Table - 1.24: Cash Balances and Investment of Cash balances

(₹ in crore)

Particulars	As on 31 March 2010	As on 31 March 2011	Increase/ Decrease (-)
Cash Balances[10]	115.54	155.34	39.80
Investments held in Cash Balances (a to d)			
a. GOI Treasury Bills	-	-	-
b. GOI Securities	-	-	-
c. Other Securities, if any specify	-	-	-
d. Other Investments	785.00	440.00	(-) 345
Fund-wise Break-up of Investment from Earmarked balances (a to c)			
a. Sinking fund	114.12	126.12	12.00
b. State Disaster Response Fund	3.63	13.63	10.00
c. Guarantee Redemption Fund	9.72	11.72	2.00
Interest Realised	36.36	24.78	(-) 11.58

Source: Finance Accounts

Under a resolution passed in the year 1968-69, the State Bank of Sikkim was vested with the responsibility by the Government of Sikkim for receiving money on behalf of Government and making all Government payments and keeping custody of the balances of Government in Current Account as well as in Fixed Deposits which could be made through the branches of the Bank. As per the Finance Accounts, there was a balance of ₹ 154.79 crore with the State Bank of Sikkim as on 31 March 2011. But as per the records of the State Bank of Sikkim, the cash balance of the State Government stood at ₹ 154.05 crore leaving behind an un-reconciled balance of ₹ 0.74 crore.

Unspent balances in the accounts of the implementing agencies

The State Government provides funds to State/district level Autonomous Bodies and Authorities, Societies, Non-Governmental Organisations, etc. for implementation of centrally sponsored schemes (State Share) and State schemes. Since the funds are generally not being spent fully by the implementing agencies in the same financial year, there remain unspent balances in the bank accounts of these implementing agencies. During 2010-11, ₹ 68.91 crore were lying as unspent balances in the bank accounts of the implementing agencies.

Further, there was unspent balance of ₹ 84.65 crore lying with the various implementing authorities who received funds directly from the Government of India as detailed in **Appendix-1.4**.

1.8 Assets and Liabilities

1.8.1 Growth and composition of Assets and Liabilities

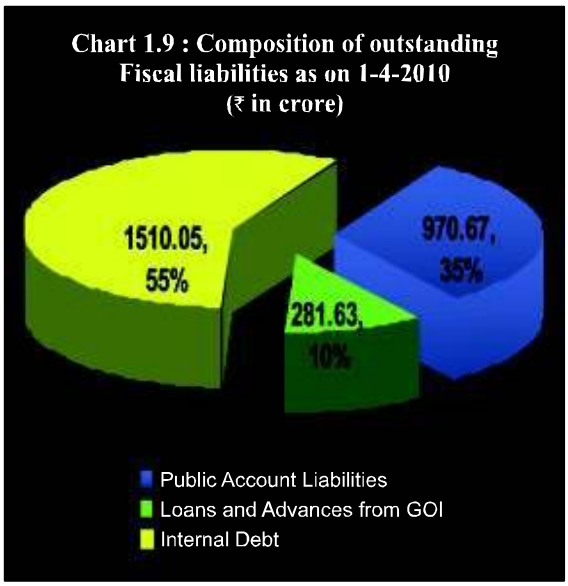
In the existing Government accounting system, comprehensive accounting of fixed assets

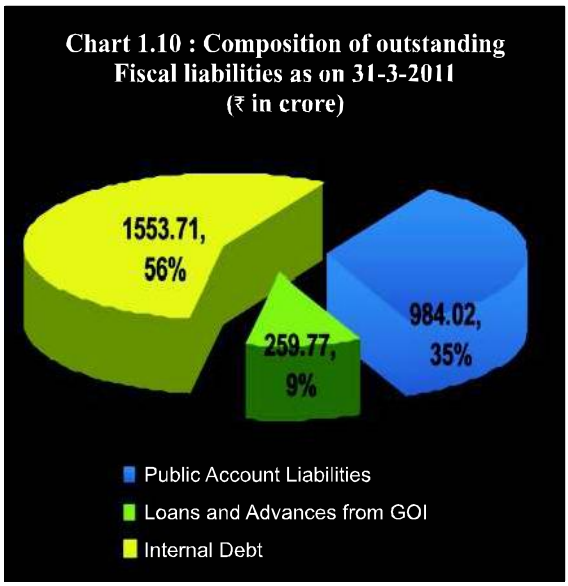
[10] *Including cash with Departmental Officers and Permanent Advances for contingent expenditure with Departmental Officers*

like land and buildings owned by the Government is not done. However, the Government accounts do capture the financial liabilities of the Government and the assets created out of the expenditure incurred. **Appendix-1.3** gives an abstract of such liabilities and the assets as on 1 April 2010, compared with the corresponding position on 31 March 2011. While the liabilities in this Appendix consist mainly of internal borrowings, loans and advances from the GOI, receipts from the Public Account and Reserve Funds, the assets comprise mainly of the capital outlay and loans and advances given by the State Government and cash balances.

1.8.2 Fiscal Liabilities

The trends in outstanding fiscal liabilities of the State are presented in **Appendix-1.2.** The composition of fiscal liabilities during the current year vis-a-vis the previous year is presented in **Charts 1.9** and **1.10.**





Overall fiscal liabilities of the State increased by ₹ 35.15 crore (1.27 *per cent*) from ₹ 2,762.35 crore in 2009-10 to ₹ 2,797.50 crore in 2010-11. The increase in fiscal liabilities was mainly due to increase in Internal debt (₹ 43.66 crore) and Public Accounts liabilities (₹ 13.35 crore), which was partially offset by a decrease in loans and advances from GOI (₹ 21.86 crore). The ratio of these liabilities to GSDP decreased from 58.27 *per cent* in 2009-10 to 49.50 *per cent* in 2010-11. The fiscal liabilities stood at nearly 1.30 times the revenue receipts and 5.36 times of State's own resources at the end of 2010-11. The buoyancy of these liabilities with respect to GSDP during the year was 0.07 indicating that for each one *per cent* increase in GSDP, fiscal liabilities grew by 0.07 *per cent.* As of March 2011, sinking fund balances stood at ₹ 126.12 crore which were invested in fixed deposit in the State Bank of Sikkim and other Commercial and Nationalised Banks.

1.8.3 Status of Guarantees - Contingent liabilities

Guarantees are liabilities contingent on the Consolidated Fund of the State in case of default by the borrower for whom the guarantee had been extended. As per Statement 9 of volume 2 of

the Finance Accounts, the maximum amount for which guarantees were given by the State and outstanding guarantees for the last five years is given in **Table 1.25.**

Table - 1.25: Guarantees given by the Government of Sikkim

(₹ in crore)

Year	Maximum amount guaranteed	Outstanding guarantees	Tax revenue receipts of second preceding year
2006-07	84.47	84.40	116.95 (2004-05)
2007-08	84.40	75.00	147.23 (2005-06)
2008-09	75.00	75.00	173.18 (2006-07)
2009-10	75.00	75.00	197.85 (2007-08)
2010-11	360.00	246.69	199.19 (2008-09)

Government had guaranteed loans raised by two corporations: Scheduled Tribes/Scheduled Castes and Other Backward Classes Development Corporation Limited (SABCCO) (₹ 35.92 crore) and Sikkim Industrial Development and Investment Corporation (SIDICO) ₹ 210.77 crore. On any guarantee given to a public body, a guarantee commission at the rate of one *per cent* was being charged by the State Government. However, no Guarantee commission was paid by the concerned PSUs during 2010-11.

The State Government passed the Sikkim Ceiling on Government Guarantees Act, 2000 in December 2000 which provided that the total outstanding Government guarantees on the first of April of any year shall not exceed thrice the State's tax revenue receipts of the second preceding year. The outstanding guarantees given by the Government as on 31 March 2011 were within the ceiling limit prescribed under the Act.

The State Government set up a Guarantee Redemption Fund in the year 2000 which stood at ₹ 11.72 crore after transferring ₹ 2 crore during 2010-11.

1.9 Debt Sustainability

Apart from the magnitude of debt of State Government, it is important to analyse various indicators that determine the debt sustainability[11] of the State. This section assesses the sustainability of debt of the State Government in terms of debt stabilisation[12]; sufficiency of non-debt receipts[13]; net availability of borrowed funds[14]; burden of interest payments (measured by interest payments to revenue receipts ratio) and maturity profile of State Government securities. **Table 1.26** analyses the debt sustainability of the State according to these indicators for the period of five years beginning 2006-07.

[11] *As detailed in Appendix 1.1 – Part C*
[12] *As detailed in Appendix 1.1 – Part C*
[13] *As detailed in Appendix 1.1 – Part C*
[14] *As detailed in Appendix 1.1 – Part C*

Table - 1.26: Debt Sustainability: Indicators and Trends

(₹ in crore)

Indicators of Debt Sustainability	2006-07	2007-08	2008-09	2009-10	2010-11
Debt Stabilisation (Quantum Spread + Primary Deficit)	(-)16.48	104.00	374.92	110.69	220.49
Sufficiency of Non-debt Receipts (Resource Gap)	(+)51.97	(+)32.61	(-)169.76	(+)65.14	(+)147.39
Net Availability of Borrowed Funds	4.70	120.32	160.73	196.97	106.64
Burden of Interest Payments (IP/RR Ratio)	-	7.86	8.11	6.58	8.68

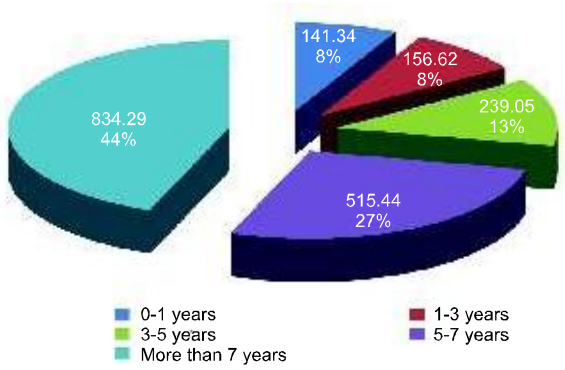
The sum of the quantum spread and primary deficit was positive during 2006-11 indicating declining trend of debt-GSDP ratio. These trends indicate the tendency towards debt stabilisation, which would eventually improve the debt stability of the State. The resource gap had been negative in 2008-09 out of the last five year period ending 2010-11. However, during the current year, the resource gap had been positive indicating that incremental non-debt receipts were sufficient to meet the incremental primary expenditure and interest burden. Availability of net fund was positive indicating that ₹ 106.64 crore of the total debt receipts in 2010-11 were utilised for other purposes rather than for discharging past debt obligations. The maturity profile of the State Government's Debt is given in **Table 1.27** and **Chart 1.11**.

Table 1.27: Maturity Profile of State Debt

(₹ in crore)

Maturity profile	Amount	Percentage
0-1 years	141.34	7.49
1-3 years	156.62	8.30
3-5 years	239.05	12.67
5-7 years	515.44	27.32
More than 7 years	834.29	44.22
Total	**1,886.74**	**100.00**

Chart 1.11 : Maturity profile of State debt (₹ in crore)



To discharge its expenditure obligations, the Government had to borrow further, since fiscal surplus was not available in any of the last five years. The maturity profile of outstanding stock of State Development Loans (SDLs) as on 31 March 2011 shows that 44 *per cent* of the SDLs are in the maturity bucket of seven years and above.

1.10 Fiscal Imbalances

Three key fiscal parameters - revenue, fiscal and primary deficits - indicate the extent of overall fiscal imbalances in the Finances of the State Government during a specified period. The deficit in the Government accounts represent the gap between its receipts and expenditure. The nature of deficit is an indicator of the prudence of fiscal management of the Government. Further, the ways in which the deficit is financed and the resources raised

applied are important pointers to its fiscal health. This section presents trends, nature, magnitude and the manner of financing these deficits for the financial year 2010-11.

1.10.1 Trends in Deficits

Charts 1.12 and **1.13** present the trends in deficit indicators over the period 2006-11.

Chart 1.12: Trends in deficit indicators

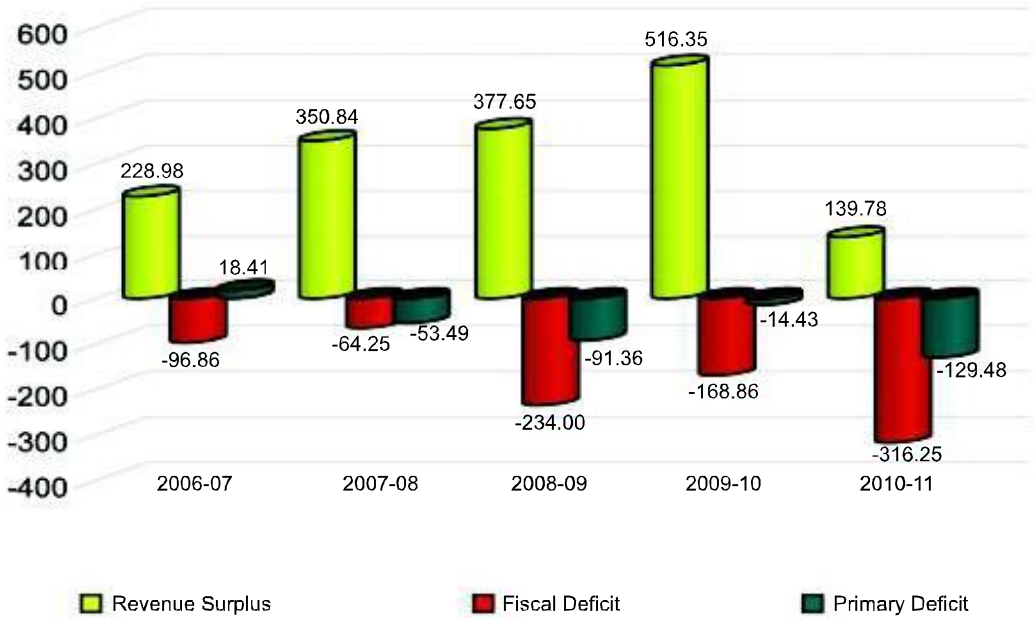
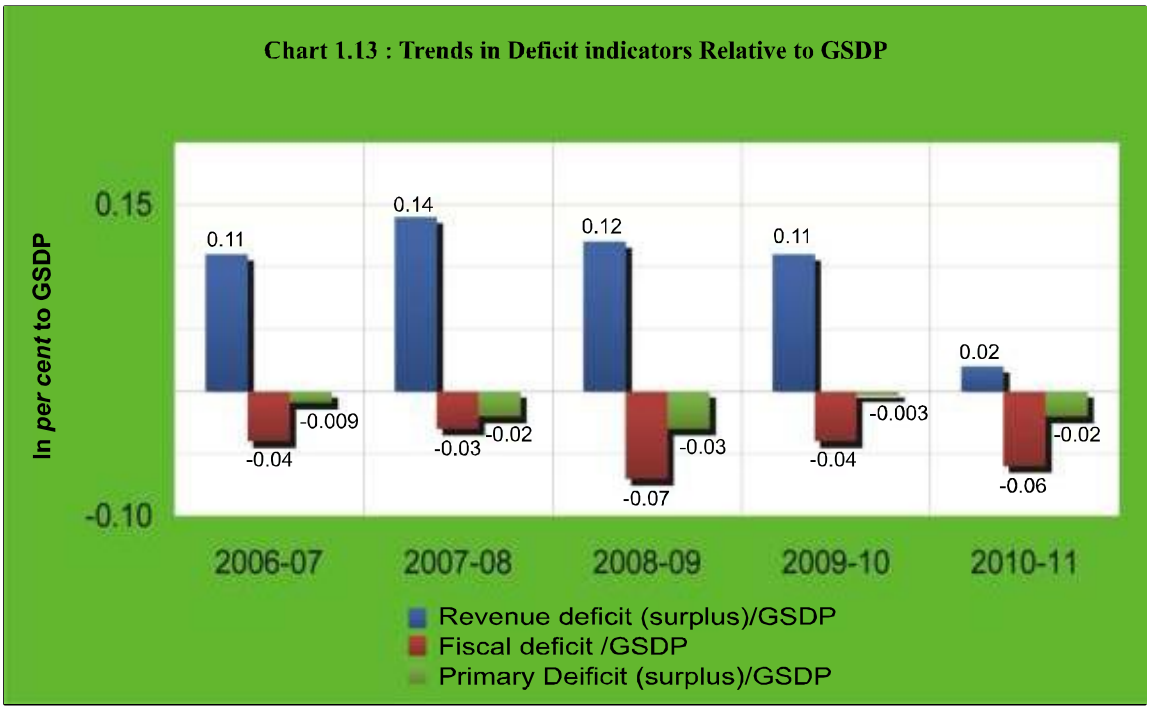


Chart 1.13 : Trends in Deficit indicators Relative to GSDP



Deficit in Government Account represents the gap between its receipts and expenditure. The revenue account of the State had exhibited consistent improvement during the period 2006-10 as the State had not only maintained revenue surplus but its surplus position had improved year on year during the period. However, during the current year, the revenue surplus had decreased by ₹ 376.57 crore mainly on account of decrease in revenue receipts by ₹ 193.67 crore as against the increase of ₹ 182.90 crore in revenue expenditure over the previous year. This downward trend in revenue account during 2010-11 was mainly on account of decrease of ₹ 194.60 crore in grants-in-aid from GOI.

The reduction in revenue surplus in 2010-11 accompanied by slight decrease in capital expenditure (₹ 197.46 crore) in 2010-11 together with disbursement of loans and advances led to increase of ₹ 147.39 crore in fiscal deficit during 2010-11 over the previous year. Increase in fiscal deficit accompanied by a minor increase in interest payment resulted in primary deficit of ₹ 129.48 crore during the year against the primary deficit of ₹ 14.43 crore in 2009-10.

1.10.2 Components of Fiscal Deficit and its Financing Pattern

The financing pattern of the fiscal deficit has undergone a compositional shift as reflected in **Table 1.28.**

Table - 1.28: Components of Fiscal Deficit and its Financing Pattern

(₹ in crore)

	Particulars	2006-07	2007-08	2008-09	2009-10	2010-11
Decomposition of Fiscal Deficit		96.86	64.25	234.00	168.86	316.25
1	Revenue surplus	228.98	350.84	377.65	516.35	139.78
2	Net Capital Expenditure	326.42	415.47	611.78	648.53	451.07
3	Net Loans and Advances	-0.58	-0.38	-0.13	36.68	4.96
Financing Pattern of Fiscal Deficit*						
1	Market Borrowings	106.46	233.17	276.88	324.31	43.65
2	Loans from GOI	-2.75	-9.10	-15.71	-18.49	-21.86
3	Small Savings, PF, etc.	16.25	13.98	29.27	45.58	98.51
4	Deposits and Advances	5.46	3.59	23.24	9.90	20.01
5	Suspense and Misc.	5.63	31.28	-5.42	103.65	-97.87
6	Remittances	11.92	17.94	49.13	14.81	(-) 28.27
7	Reserve fund	3.37	42.99	13.08	8.87	20.78
8	Contingency fund transaction	0.10	0	0	0	0.10
9	Increase(-)/decrease (+) in cash balances	49.58	269.60	136.47	319.77	281.20
	Overall Surplus/Deficit	**96.86**	**64.25**	**234.00**	**168.86**	**316.25**

**All these figures are net of disbursements/outflows during the year.*

The State had fiscal deficit during all the five years (2006-11) which increased from 96.86 crore in 2006-07 to 316.25 crore in 2010-11. The fiscal deficit was mainly financed by market borrowings and small savings, PF, etc. Even though there was a revenue surplus of ₹ 139.78 crore during 2010-11, there was a fiscal deficit of ₹ 316.25 crore mainly due to decrease in revenue receipts.

1.10.3 Quality of Deficit/Surplus

The ratio of RD to FD and the decomposition of primary deficit into primary revenue deficit and capital expenditure (including loans and advances) would indicate the quality of deficit in the States' finances. The ratio of revenue deficit to fiscal deficit indicates the extent to which borrowed funds were used for current consumption. Further, persistently high ratio of revenue deficit to fiscal deficit also indicates that the asset base of the State was continuously shrinking and a part of borrowings (fiscal liabilities) were not having any asset backup. The bifurcation of the primary deficit **(Table 1.29)** would indicate the extent to which the deficit has been on account of enhancement in capital expenditure which may be desirable to improve the productive capacity of the State's economy.

Table - 1.29: Primary Deficit/Surplus - Bifurcation of factors

(₹ in crore)

Year	Non-debt receipts	Primary revenue expenditure	Capital expenditure	Loans and advances	Primary expenditure	Primary revenue deficit (-)/ surplus (+)	Primary deficit (-)/ surplus (+)
1	2	3	4	5	6	7	8
					(3+4+5)	(2 – 3)	(2 – 6)
2006-07	1,204.03	859.00	326.42	0.20	1,185.62	(+) 345.03	(+) 18.41
2007-08	1,498.09	1,029.13	415.47	0	1,444.60	(+) 468.96	(-)53.49
2008-09	1,758.58	1,237.92	611.78	0.25	1,849.95	(+) 520.66	(-) 91.36
2009-10	2,345.67	1,674.60	648.53	3698	2,360.11	(+) 671.07	(-) 14.43
2010-11	2,152.49	1,825.15	451.07	5.75	2,281.97	(+)327.34	(-)129.48

The bifurcation of the factors resulting in primary deficit or surplus of the State during the period 2006-11 reveals **(Table 1.28)** that the non-debt receipts were enough to meet the requirements of primary revenue expenditure and some receipts were left to meet the capital expenditure. However, increase in revenue expenditure and decrease in revenue receipts resulted in primary deficit[15] of ₹ 129.48 crore in the current year. This indicates the extent to which primary deficit has been on account of enhancement in revenue expenditure which is not desirable to improve productive capacity of the State's economy.

1.10.4 State's Own Revenue and Deficit Correction

It is worthwhile to observe the extent to which the deficit correction is achieved by the State on account of improvement in its own resources which is an indicator of the durability of the correction in deficit indicators. **Table 1.30** presents the change in revenue receipts of the State and the correction of the deficit during the last three years.

[15] *Primary expenditure of the State, defined as the total expenditure net of the interest payments, indicates the expenditure incurred on the transactions undertaken during the year.*

Table - 1.30: Change in Revenue Receipts and Correction of Deficit

(Per cent of GSDP)

Parameters	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue Receipts (a to d)	55.69	59.76	54.44	49.48	38.07
a. State's Tax Revenue	8.02	7.90	6.17	4.72	4.95
b. State's Own Non-tax Revenue	7.95	8.46	9.05	9.44	4.28
c. State's Share in Central Taxes and Duties	10.31	13.76	11.27	7.90	9.29
d. Grants-in-aid	29.41	29.64	27.95	27.42	19.55
Revenue expenditure	45.07	45.75	42.75	38.59	35.60
Revenue Deficit/ Surplus	10.60	14.00	11.70	10.90	2.48
Fiscal Deficit/ Surplus	(-)4.49	(-)2.57	(-)7.25	(-)3.57	(-)5.60

The trends in ratios of revenue receipts and State's own taxes to GSDP indicate the adequacy and accessibility of resources of the State. Revenue receipts comprise not only of the tax and non-tax resources of the State but also the transfers from Union Government. The ratio of revenue receipts to GSDP remained quite high in the State mainly on account of large transfers from GOI. The ratio during the current year at 38.07 *per cent* had decreased by 11.41 percentage points over the previous year mainly due to increase in GSDP in absolute terms. The ratio of own taxes to GSDP remained at 4.95 during 2010-11 which was a slight improvement of 0.23 *per cent* as compared to 2009-10.

1.11 Conclusion

The fiscal position of the State viewed in terms of key fiscal parameters – revenue surplus, fiscal deficit, primary deficit, etc. indicated that the State had been able to maintain revenue surplus during the last five year period but the revenue surplus decreased by ₹ 376.57 crore in the current year from ₹ 516.35 crore in 2009-10 to ₹ 139.78 crore in 2010-11. The decrease was due to reduction in revenue receipts (8.26 *per cent*) during the current year coupled with the increase (10 *per cent*) in revenue expenditure. The share of committed expenditure in the NPRE was 92.56 *per cent* leaving meagre funds for developmental purposes. Despite decrease in capital expenditure by ₹ 197.46 crore over the previous year, the State Government could not bring down the fiscal deficit during the current year which increased by ₹ 147.39 crore in the current year from ₹ 168.86 crore in 2009-10 to ₹ 316.25 crore in 2010-11. The primary deficit also continued to prevail except in the year 2006-07 wherein surplus was recorded. The primary deficit increased by ₹ 115.05 crore from ₹ 14.43 crore in 2009-10 to ₹ 129.48 crore in 2010-11.

Although the grants-in-aid from GOI involving 51.36 *per cent* of the total receipts of the State had declined by ₹ 194.60 crore during 2010-11 over the previous year, the State continued to be dependent upon the central transfers and grants-in-aid, which is evident from the fact that 75.76 *per cent* of the revenue receipts during the year had come from the GOI.

Developmental expenditure of ₹ 944.80 crore in 2006-07 increased to ₹ 1,708.45 crore in 2010-11. However, its share in aggregate expenditure decreased from 72.62 *per cent* in 2006-07 to 69.20 *per cent* in 2010-11.The ratio of development expenditure as a proportion to

aggregate expenditure had also come down by 3.45 *per cent* in 2010-11 as compared to the year 2007-08 which indicates that the State had given lower priority to this category of expenditure during the year 2010-11 as compared to 2007-08.

The Debt-GSDP ratio decreased from 58.27 *per cent* in 2009-10 to 49.50 *per cent* in 2010-11. This ratio was much below the normative assessment made by the XIII F.C. for the current year. The fiscal liabilities stood at nearly 1.30 times of the revenue receipts and 5.36 times of the State's own resources at the end of 2010-11. The buoyancy of these liabilities with respect to GSDP during the year was 0.07 indicating that for each one *per cent* increase in GSDP, fiscal liabilities grew by 0.07 *per cent.*

Investment of the Government money in the Government Companies and Statutory Corporations was increasing year after year. However, while the return on the investment was 2.62 *per cent,* the Government paid an average interest rate of 9 *per cent* on its borrowings during the year.

CHAPTER – II

FINANCIAL MANAGEMENT AND BUDGETARY CONTROL

2.1 Introduction

2.1.1 The Appropriation Accounts are accounts of the expenditure, voted and charged, of the Government for each financial year compared with the amounts of the voted grants and appropriations charged for different purposes as specified in the schedules appended to the Appropriation Acts. These Accounts list the original budget estimate, supplementary grants, surrenders and re-appropriation distinctly and indicate actual capital and revenue expenditure on various specified services *vis-à-vis* those authorised by the Appropriation Act in respect of both charged and voted items of budget. The Appropriation Accounts is thus a control document facilitating management of finances and monitoring of budgetary provision and are therefore complementary to the Finance Accounts.

2.1.2 Audit of appropriation by the Comptroller and Auditor General of India seeks to ascertain whether expenditure actually incurred under various grants is within the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution is so charged. It also ascertains whether the expenditure so incurred is in conformity with the law, relevant rules, regulations and instructions.

2.2 Summary of Appropriation Accounts

The summarised position of actual expenditure during 2010-11 against 46 grants/appropriations was as given in **Table 2.1**:

Table - 2.1: Summarised Position of Actual Expenditure vis-à-vis Original/Supplementary provisions

(₹ in crore)

	Nature of expenditure	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Saving (-)/ Excess (+)
Voted	I Revenue	2,856.84	161.81	3,018.65	2,696.84	(-) 321.81
	II Capital	893.13	88.41	981.54	456.52	(-) 525.02
	III Loans and Advances	0.30	0	0.30	0.30	0.00
Total Voted		**3,750.27**	**250.22**	**4,000.49**	**3,153.66**	**(-) 846.83**
Charged	IV Revenue	222.58	0.21	222.79	212.18	(-) 10.61
	V Capital	Nil	Nil	Nil	Nil	Nil
	VI Public Debt-Repayment	73.86	0	73.86	73.23	(-) 0.63
Total Charged		**296.44**	**0.21**	**296.65**	**285.41**	**(-) 11.24**
Appropriation to Contingency Fund (if any)		Nil	Nil	Nil	Nil	Nil
Grand Total		**4,046.71**	**250.43**	**4,297.14**	**3,439.07**	**(-) 858.07**

Source: Appropriation Accounts

The overall saving of ₹ 858.07 crore was the result of saving of ₹ 859.66 crore in 41 grants and 2 appropriations under Revenue Section, 27 grants under Capital Section and one grant (Public Debt-Repayments) under Loan Section, offset by excess of ₹ 1.59 crore in three grants under Revenue Section.

The savings/excess were intimated (March 2011) to the Controlling Officers requesting them to explain the significant variations. Out of 480 sub-heads, explanations for variation were not received (November 2011) in respect of 84 sub-heads (Saving: 53 sub-heads and Excess: 31 sub-heads).

2.3 Financial Accountability and Budget Management

2.3.1 Appropriation vis-à-vis Allocative Priorities

The outcome of the appropriation audit reveals that in 21 cases, savings exceeded ₹ 1 crore in each case and also by more than 20 *per cent* of total provision **(Appendix 2.1).** Against the total savings of ₹ 758.08 crore, savings of ₹ 545.25 crore (72 *per cent*)[1] occurred in 6 cases relating to 6 grants as indicated in **Table 2.2.**

Table - 2.2: List of Grants with savings of ₹ 50 crore and above

(₹ in crore)

S. No.	No. and Name of the Grant	Original	Supplementary	Total	Actual Expenditure	Savings
	Revenue -Voted					
1	29 – Development Planning, Economic Reforms and North Eastern Council Affairs	94.32	0.87	95.19	8.26	86.93
2	38 – Social Justice, Empowerment and Welfare	116.20	3.59	119.79	57.15	62.64
	Capital - Voted					
3	31 – Energy and Power	97.54	1.22	98.76	32.86	65.90
4	34 – Roads and Bridges	194.36	19.16	213.52	87.98	125.54
5	40 – Tourism	98.11	5.79	103.90	49.03	54.87
6	41 – Urban Development and Housing	182.67	0	182.67	33.30	149.37
						545.25

Source: Appropriation Accounts

Reasons for savings were mainly due to (i) non-receipt of funds from the GOI; (ii) non-receipt of claims and transfer of staff; and (iii) Ad-hoc payments to the contractors.

2.3.2 Persistent Savings

In six cases, during the last five years, there were persistent savings of more than ₹ 1 crore in each case and also by 10 *per cent* or more of the total grant (**Table 2.3).**

[1] *Exceeding ₹ 50 crore in each case.*

Table - 2.3: List of Grants indicating Persistent Savings during 2006-11

(₹ in crore)

Sl. No.	No. and Name of the grant	Amount of savings				
		2006-07	2007-08	2008-09	2009-10	2010-11
	Revenue -Voted					
1	19 - Irrigation & Flood Control	3.51 (18.25)	3.77 (21.59)	34.70 (56.45)	15.07 (28.93)	28.05 (39.01)
2	29 - Development Planning, Economic Reforms and North Eastern Council Affairs	14.31 (58.51)	19.95 (72.07)	12.54 (61.81)	14.96 (60.96)	86.93 (91.32)
3	39 - Sports & Youth Affairs	1.11 (14.70)	1.24 (16.92)	4.55 (45.45)	2.01 (18.31)	1.89 (27.08)
	Capital-Voted					
4	31 - Energy and Power	134.62 (77.84)	98.22 (71.65)	85.93 (62.23)	43.90 (30.31)	65.89 (66.72)
5	34 - Roads & Bridges	85.05 (62.26)	88.36 (58.34)	54.60 (26.62)	63.63 (45.87)	125.54 (58.80)
6	40 - Tourism	17.78 (44.80)	19.32 (37.77)	64.72 (58.82)	23.91 (32.77)	54.87 (52.81)

Source: Appropriation Accounts
(Figures in the bracket indicate percentage to total provision)

Reasons for savings were mainly due to (i) non-receipt of funds from the GOI and (ii) non-receipt of claims.

2.3.3 Excess over provisions relating to previous years requiring regularisation

As per Article 205 of the Constitution of India, it is mandatory for a State Government to get the excess over a grant/appropriation regularised by the State Legislature. Although no time limit for regularisation of expenditure has been prescribed under the Article, the regularisation of excess expenditure is done after the completion of discussion of the Appropriation Accounts by the Public Accounts Committee (PAC). However, the excess expenditure amounting to ₹ 7.46 crore incurred during the years 2007-10 were yet to be regularised. The year-wise amount of excess expenditure pending regularisation for grants/appropriations is summarised in **Table 2.4**.

Table - 2.4: Excess over provisions relating to previous years requiring regularisation

(₹ in crore)

Year	Number of		Amount of excess over provision	Status of Regularization
	Grants	Appropriations		
2007-08	03 (Grant nos. 16,24,37)	-	0.38	Not yet discussed by PAC
2008-09	02 (Grant No. 33, 10)	-	1.98	-do-
2009-10	4 (Grant No. 24,28,29,33	-	5.10	- do -
Total			**7.46**	

Source: Appropriation Accounts

2.3.4 *Excess over provisions during 2010-11 requiring regularisation*

Table 2.5 contains the summary of total excess in four grants amounting to ₹ 158.69 lakh over the amount authorised for withdrawal from the Consolidated Fund of the State during 2010-11 and requires regularisation under Article 205 of the Constitution.

Table - 2.5: Excess over provisions requiring regularisation during 2010-11

(₹ in lakh)

Sl. No.	Number and title of grant/appropriation		Total grant/ appropriation	Expenditure	Excess
A. Voted Grants -					
1.	24	Legislature	849.19	863.07	13.88
2.	33	Water Security & Public Health Engineering	1,069.60	1,207.44	137.84
3.	37	Sikkim Nationalised Transport	2,824.65	2,825.46	0.81
B. Charged Grants -					
4.	24	Legislature	40.00	46.16	6.16
Total					**158.69**

Source: Appropriation Accounts

2.3.5 *Unnecessary/Excessive/Inadequate supplementary provision*

Supplementary provision aggregating ₹ 70.86 crore obtained in 21 cases (₹ 10 lakh or more in each case) during the year proved unnecessary as the expenditure did not come up to the level of original provision as detailed in **Appendix 2.2**. In one case, supplementary provision of ₹ 1.50 crore proved insufficient by more than ₹ 1 crore leaving an aggregate uncovered excess expenditure of ₹ 1.38 crore as indicated in **Table 2.6** below:

Table - 2.6: Supplementary provision proved insufficient by more than ₹ 1 crore

(₹ in crore)

Sl. No.	Number Grant	Name of the Grants and Appropriation	Original Provision	Supplementary provision	Total	Expenditure	Excess
1	33	Water Security and Public Health Engineering	9.19	1.50	10.69	12.07	1.38

2.3.6 *Excessive/unnecessary re-appropriation of funds*

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Injudicious re-appropriation proved excessive or insufficient and resulted in savings/excess of over ₹ 14.68 crore (₹ 10 lakh or more in each case) in 21 sub-heads. There was excess of ₹ 6.55 crore in 10 sub-heads as detailed in **Appendix 2.3(A)** and savings of ₹ 8.13 crore in 11 sub-heads as detailed in **Appendix 2.3 (B).**

2.3.7 *Substantial surrenders*

Substantial surrenders (the cases where more than 50 *per cent* of the total provision was surrendered) were made in respect of 115 sub-heads on account of either delay in implementation of schemes/programmes or non-receipt of funds from the Government of India. Out of the aggregated provision of ₹ 809.60 crore in these 115 sub-heads, ₹ 654.84 crore (81 *per cent*) constituting 15 *per cent* of total budget provision (₹ 4,297.14 crore) were

surrendered, which included cent *per cent* surrender in 62 sub-heads (₹ 113.62 crore). The details of such cases are given in **Appendix 2.4.**

2.3.8 Surrender in excess of actual saving

In two cases, the amount surrendered (₹ 50 lakh or more in each case) was in excess of actual savings indicating lack of or inadequate budgetary control in these departments. As against savings of ₹ 14.82 crore, the amount surrendered was ₹ 27.51 crore resulting in excess surrender of ₹ 12.69 crore as indicated in **Table 2.7.**

Table - 2.7: Surrender in excess of actual savings (₹ 50 lakh or more)

(₹ in crore)

Sl. No	Number and name of the grant/appropriation	Total grant/ appropriation	Savings	Amount surrendered	Amount surrendered in excess
1	10 – Finance, Revenue and Expenditure Revenue Voted	1,094.63	6.10	10.23	4.13
2	10 – Finance, Revenue and Expenditure Revenue Charged	209.49	8.73	17.28	8.55
Total		**1,304.12**	**14.83**	**27.51**	**12.68**

Source: Appropriation Accounts

2.3.9 Anticipated savings not surrendered

As per Sikkim Financial Rules, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. At the close of the year 2010-11, there were 21 grants/appropriations where despite the savings, no funds were surrendered by the concerned departments. The amount involved in these cases was ₹ 16.95 crore (2 *per cent* of the total savings) The major departments involved were Cultural Affairs and Heritage (₹ 1.28 crore), Information Technology (₹ 1.51 crore) and Development Planning, Economic Reforms and North Eastern Council Affairs (₹ 11.37 crore) **(Appendix 2.5).**

Similarly, out of total savings of ₹ 858.07 crore, savings of ₹ 1 crore and above under 17 other grants/appropriations were noticed aggregating ₹ 116.35 crore representing 24 *per cent* of the total savings in those grants/appropriation that were not surrendered, details of which are given in **Appendix 2.6.** Besides, in 44 cases (surrender of funds of ₹ 1 crore or more), ₹ 739.75 crore were (**Appendix 2.7**) surrendered (major departments involved were Development Planning, Economic Reforms & NEC Affairs: ₹ 84.42 crore, Energy and Power: ₹ 65.74 crore, Water Security and PHE: ₹ 41.74 crore, Roads and Bridges: ₹ 111.64 crore, Social Justice, Family Welfare and Women and Child Development: ₹ 35.71 crore, Tourism: ₹ 52.73 crore and Urban Development and Housing: ₹ 149.16 crore) on the last working day of March 2011 indicating inadequate financial controls and also the fact that these funds could not be utilised for other development purposes.

2.3.10 *Expenditure without Provision*

As per Sikkim Financial Rules, expenditure should not be incurred on any scheme/service without the provision of funds. It was, however, noticed that expenditure of ₹ 22.37 lakh was incurred in three cases as detailed in **Table 2.8** without any provision in the original estimates/supplementary demand and without any re-appropriation orders to this effect.

Table - 2.8: Expenditure incurred without Provision during 2010-11

(₹ in lakh)

Number and Name of		Head of Account	Amount of Expenditure without provision	Reasons/Remarks
Grants	Appropriations			
2	-	2405-00.101-66 Fish Farmers Development	3.64	There was budget provision of ₹ 30 lakh which was e-appropriated and surrendered to meet the expenditure under other heads, but the expenditure incurred by the Department was passed by the PAO/East without verifying budget provision.
38	-	2225-02.796-64 Tribal Area Sub Plan	5.99	There was token budget provision of ₹ 0.01 lakh which was surrendered, but the expenditure incurred by the Department was passed by the PAO/East without verifying budget provision.
38	-	2225-03.001-60 Establishment	12.74	There was no budget allotment in the Demand as well as in the Supplementary book, but the expenditure incurred by the Department was passed by the PAO/East without verifying budget provision.
	Total	**22.37**		

Source: Appropriation Accounts

2.3.11 *Rush of expenditure*

According to the Sikkim Financial Rules, rush of expenditure in the closing month of the financial year should be avoided. Contrary to this, expenditure exceeding ₹ 1 crore and also more than 50 *per cent* of the total expenditure for the year was incurred in respect of 16 Major Heads under 11 Grants and 28 Major Heads under 18 Grants during March 2011 and last quarter of the year 2010-11 respectively as listed in **Appendix 2.8** .

In seven and four cases, expenditure during the last quarter and March 2011 respectively, was 100 *per cent* of total provision during the year, which was contrary to aforesaid provision.

2.4 Non-reconciliation of Departmental figures

2.4.1 Pendency in submission of Detailed Contingent (DC) Bills against Abstract Contingent (AC) Bills

As per Sikkim Financial Rules, every drawing officer has to certify in each abstract contingent

bill that detailed bills for all contingent charges drawn by him prior to the first of the current month have been forwarded to the respective controlling officers for countersignature and transmission to the Accountant General (Accounts and Entitlement). The total amount of DC bills received during the period 2006-11 was only ₹ 120.21 crore (including opening balance of ₹ 66.75 crore in 2006-07) against the amount of AC bills of ₹ 231.51 crore leading to an outstanding balance of DC bills of ₹ 111.30 crore as on 31 March 2011. Year wise details are given in the following table.

Table - 2.9: Details of AC Bills

(₹ in crore)

Year	Opening Balance	Addition during the year	Total Amount of AC bills	Amount of adjustment (DC bills)	DC bills as percentage to AC bills	Outstanding AC bills
2006-07	66.75	21.85	88.60	8.04	9.07	80.56
2007-08	80.56	41.39	121.95	5.19	4.26	116.76
2008-09	116.76	35.37	152.13	49.77	32.72	102.36
2009-10	102.36	36.30	138.66	1.88	1.36	136.78
2010-11	136.78	29.85	166.63	55.33	33.70	111.30
Total		**164.76**		**120.21**		

Source: Voucher Level Computerisation data of Accountant General (Accounts and Entitlement).

Department-wise pending DC bills for the years up to 2010-11 are given in **Appendix 2.9.** Non-submission of DC bills for long periods after drawing the AC bills is fraught with the risk of misappropriation and therefore needs to be monitored closely.

2.5 Outcome of Review of Selected Grant

2.5.1 Food Security and Agriculture Department

A review on budgetary procedure and control over expenditure for the period 2006-07 to 2010-11 was conducted (**June 2011**) in respect of Grant No. 1-Food Security and Agriculture Department (FS&AD), Government of Sikkim. Important points noticed during review are detailed below:

2.5.1.1 Summary of Appropriation Accounts

The summarised position of actual expenditure against the grant during 2006-07 to 2010-11 in respect of Demand No.1 pertaining to the Food Security and Agriculture Department is given below:

Table - 2.10: Summarised position

(₹ in crore)

Year	Section	Nature of expenditure	Original grant	Supplementary grant	Total	Actual expenditure	Savings	Surrender
2006-07	Voted	Revenue	20.29	14.81	35.10	33.95	1.15	0.11
		Capital	1.15	0.15	1.30	0.54	0.76	0.50
2007-08	Voted	Revenue	36.01	8.08	44.09	39.98	4.11	0.85
		Capital	0.16	0.19	0.35	0.34	0.01	0.04
2008-09	Voted	Revenue	59.65	2.44	62.09	39.69	22.40	22.26
		Capital	0.47	0	0.47	0.44	0.03	0.03
2009-10	Voted	Revenue	53.64	8.57	62.21	55.59	6.62	5.82
		Capital	0.73	0	0.73	0.67	0.06	0.06
2010-11	Voted	Revenue	57.29	8.61	65.90	53.38	12.52	8.16
		Capital	1.00	0	1.00	0.70	0.30	0.30
Total		**Revenue**	**226.88**	**42.51**	**269.39**	**222.59**	**46.80**	**37.20**
		Capital	**3.51**	**0.34**	**3.85**	**2.69**	**1.16**	**0.93**

Source: Appropriation Accounts

2.5.1.2 Unnecessary/excessive supplementary provision

Savings in a grant or appropriation indicates that the expenditure could not be incurred as estimated and planned. It points to poor budgeting or shortfall in performance depending upon the circumstances and the purpose for which the original grant or appropriation was provided. However, review of Grant No. 1 in respect of FS & AD for the last five years from 2006-07 to 2010-11 revealed the following:

Against the additional requirements of ₹ 13.66 crore, ₹ 3.97 crore, and ₹ 1.95 crore during the years 2006-07, 2007-08 and 2009-10, the supplementary grants of ₹ 14.81 crore, ₹ 8.08 crore and ₹ 8.57 crore were obtained, resulting in saving of ₹ 1.15 crore, ₹ 4.11 crore and ₹ 6.62 crore under the Revenue Head. Similarly, supplementary grants of ₹ 2.44 crore and ₹ 8.61crore during the years 2008-09 and 2010-11 under Revenue Head and ₹ 0.15 crore during 2006-07 under Capital Head were unnecessary as the final expenditure of ₹ 39.69 crore, ₹ 53.38 crore and ₹ 0.54 crore respectively were within the Original Provision of ₹ 59.65 crore and ₹ 57.29 crore and ₹ 1.15 crore.

2.5.1.3 Injudicious augmentation by re-appropriation of funds

Re-appropriation is transfer of funds within a grant from one unit of appropriation, where savings are anticipated, to another unit where additional funds are needed. Audit analysis revealed that while the total expenditure was within the grant, augmentation of funds by way of re-appropriation proved injudicious. Details are as shown below:

Table - 2.11: Injudicious augmentation by re-appropriation of funds

(₹ in lakh)

Year	MH affecting the grant	Total grant (Original plus Supplementary)	Actual expenditure	Savings	Amount of re-appropriation
2009-10	2401-00-103 (PLAN) Seeds	68.44	68.03	4.76	4.35
	2402-00-001-01 Dir. & Admn. (plan)	53.59	52.43	2.53	1.37
2008-09	2401-00-105-62 Agriculture Input Scheme (Plan)	38.95	38.02	2.62 (Surrender-1.15)	2.84
2007-08	2402-00-001-01 (NP) Dir. & Admn.	147.53	147.17	2.88	2.52

Source: Appropriation Accounts

2.5.1.4 Substantial surrenders

Substantial surrenders were made in respect of four heads of account during 2008-09 and 2009-10 either due to slow implementation or non-implementation of schemes/programmes as shown below:

Table - 2.12: Substantial surrenders

(₹ in crore)

SI No	Year	Major Head	Total grant	Amount of surrender	Percentage of surrender
1	2008-09	2401-00-800-65 (Plan) Organic Farming	5.56	4.91	88
2		2401-00-109 Extension and Farmers Training (100% CSS)	2.50	2.44	98
3		2435-60-800-01-00-89 (Plan) Rashtriya Krishi Vikash Yojana	12.92	8.59	66
4	2009-10	2401- 00-109 Extension & Farmers Training(100% CSS)	1.66	1.57	95
		Total	**22.64**	**17.51**	77

Source: Appropriation Accounts

Audit analysis revealed that the quantum of surrender in the above four heads of account ranged between 66 and 98 *per cent* and on an average, the surrender in respect of these heads of account sums up to 77 *per cent*.

2.5.1.5 Anticipated savings not surrendered

As per Sikkim Financial Rules, the spending departments are required to surrender the grants/appropriations or portion thereof to the Finance Department as and when the savings are anticipated. Audit analysis revealed that despite the savings, no funds were surrendered by the FS&AD in the following cases:

Table - 2.13: Statement of grants/appropriations in which savings occurred but no part of which had been surrendered

(₹ in Lakh)

Year	MH affecting the grant	Total grant (Original plus Supplementary)	Actual expenditure	Amount of re-appropriation	Savings	Amount Surrendered
2007-08	2435-60-000-01-81-88 Macro Management in Agriculture	2,651.92	2,346.05	-	305.87	Nil
2009-10	2401-00-001-01 (NP) Dir. & Admn	549.33	363.81	139.57	45.95	Nil

Source: Appropriation Accounts

2.5.1.6 Non-utilisation of funds

Budget allotment is provided based on the proposed activities to be undertaken for a year. Audit analysis on the review of the grant revealed that an amount of ₹ 286 lakh provided for various activities as shown below were not utilised.

Table - 2.14: Non utilisation of fund

(₹ in lakh)

Year	MH affecting the grant	Amount	Expenditure
2007-08	2401-00-800-65-44-82 National Project for Organic Farming in North Eastern states (100 % CSS)	20	Nil
2009-10	2401-00-103-61-00-76 Dev. & Strengthening of Infra facility for pro. & dist. Of quality Seeds (100 % CSS)	256	Nil
	2401-00-800-65-44-82 National Project for Organic Farming in North Eastern states (100 % CSS)	10	Nil

Source: Appropriation Accounts

2.5.1.7 Rush of expenditure

As per Note 3 under Rule 84 of Sikkim Financial Rules, rush of expenditure, particularly in the closing month of the financial year, is to be regarded as a breach of financial propriety and should be avoided. Contrary to this, expenditure during the last quarter under the heads (2435-60.800-01.00.88 and 2435-60.800-01.00.89 Rastriya Krishi Vikash Yojana) during 2008-09 was 100 *per cent*. Besides, during 2006-07 to 2010-11, expenditure during the last quarter ranged from 17 to 51 *per cent* of the total expenditure as shown below:

Table - 2.15

(₹ in crore)

Particulars	2006-07	2007-08	2008-09	2009-10	2010-11
Expenditure during April to December	13.80	13.41	14.82	18.19	22.40
Expenditure during January to February	8.62	6.27	5.64	28.74	6.08
Expenditure during March	12.07 (35)	20.64 (51)	19.67 (49)	9.34 (17)	25.59 (47)
Total	**34.49**	**40.32**	**40.13**	**56.27**	**54.07**

Source: Appropriation Accounts

Further analysis revealed that rush of expenditure during the closing month under Major Head 2435 ranged from 43 to 100 *per cent* of the total expenditure in the following cases:

Table - 2.16

(₹ in crore)

Year	Major/Sub/Minor/Sub/ Detailed head	Final grant	Expen-diture upto December	Expen-diture during January-February	Expen-diture during March	Total expen-diture	Percentage of expenditure during March
2006 -07	2435 Other Agricultural Programme						
	81 Macro Management (100% CSS)						
	01.81.88 Macro Management in Agriculture	19.00	2.55	3.50	12.50	18.25	68
2007 -08	2435 Other Agricultural Programme						
	81 Macro Management (100% CSS)						
	01.81.88 Macro Management in Agriculture	26.51	3.29	3.80	16.37	23.46	70
2008 -09	2435 Other Agricultural Programme						
	01.00.88 Rastriya Krishi Vikash Yojana (100% CSS)	1.50	Nil	Nil	1.50	1.50	100
	01.00.89 Rastriya Krishi Vikash Yojana (100%CSS)	4.33	Nil	Nil	4.33	4.33	100
	81 Macro Management (100% CSS)						
	01.81.88 Macro Management in Agriculture	24.00	3.46	2.84	11.56	17.86	65
2009 -10	2435 Other Agricultural Programme						
	01.00.89 Rastriya Krishi Vikash Yojana (100% CSS)	10.48	1.14	4.78	4.53	10.45	43
	81 Macro Management (100% CSS)						
	01.81.88 Macro Management in Agriculture	20.50	4.93	2.45	12.18	19.56	62
2010 -11	2435 Other Agricultural Programme						
	01 Agriculture Department						
	01.00.89 Rastriya Krishi Vikash Yojana (100% CSS)	12.72	1.80	0.45	6.46	8.71	74
	01.81.88 Macro Management in Agriculture	28.22	6.57	3.56	15.34	25.47	60

Source: Figures furnished by the Department

2.5.1.8 Variation between the budget estimates and actual

The variation between the budget estimates (BE) and actual of revenue receipts for the years 2006-07 to 2010-11 in respect of Food Security & Agriculture Development Department are shown below:

Table - 2.17: Variation between the budget estimates and actual

(₹ in crore)

Year	Budget Estimate	Actual	Variations excess (+)/shortfall (-)	Percentage of variation
2006-07	0.14	0.2537	(+) 0.1137	(+) 81
2007-08	0.14	1.6332	(+) 1.4932	(+) 1067
2008-09	0.14	0.4176	(+) 0.2776	(+) 198
2009-10	0.14	0.1251	(-) 0.0149	(-) 11
2010-11	0.22	0.2243	(+) 0.0043	(+) 2

Source: Figures furnished by the Department

Audit analysis revealed that there was excess during 2006-07, 2007-08 and 2008-09 by 81, 1,067 and 198 *per cent* respectively. The receipt fell short by 11 *per cent* during 2009-10. Again, there was excess during 2010-11 by 2 *per cent.* The huge variation and fluctuation in revenue receipt points to the fact that framing of budget estimate was not realistic.

2.6 Conclusion

This chapter deals with the position of actual expenditure against 46 Grants/Appropriations during 2010-11. It was observed that there was an overall savings of ₹ 859.66 crore and excess expenditure of ₹ 1.59 crore during 2010-11. This excess expenditure of 2010-11 compounded with an excess expenditure of ₹ 7.46 crore pertaining to 2007-10 requires regularisation by the Legislature under Article 205 of the Constitution of India. Out of a provision of ₹ 809.60 crore in 115 sub-heads, ₹ 654.84 crore (81 *per cent*) constituting 15 *per cent* of the total budget provision of the State were surrendered, which included cent per cent surrender in 62 sub-heads. A rush of expenditure was observed towards the end of the year. In respect of 16 Major Heads under 11 Grants, more than 50 *per cent* of the total expenditure during the year was incurred in the last month of the financial year, despite clear directions to the contrary. The Abstract Contingent Bills had not been adjusted for long periods of time which was fraught with the risk of mis-appropriation and therefore needs to be monitored closely.

CHAPTER – III

FINANCIAL REPORTING

Sound internal financial reporting with relevant and reliable information significantly contributes to efficient and effective governance by the State Government. Compliance with financial rules, procedures and directives as well as the timeliness and quality of reporting on the status of such compliance is thus one of the attributes of good governance. The reports on compliance and controls, if effective and operational, assist the State Government to meet its basic stewardship responsibilities, including strategic planning and decision making. This chapter provides an overview and status of the State Government on compliance with various financial rules, procedures and directives during the current year.

3.1 Delay in furnishing utilisation certificates

Sikkim Financial Rules (SFR) (Rule 116 (1)) states that every grant made for a specific object is subject to the implied conditions, (i) that the grant shall be spent upon the object within a reasonable time (which should ordinarily be interpreted to mean one year from the date of issue of the letter sanctioning the grant as per note below Rule 116), if no time limit has been fixed by the sanctioning authority; and (ii) that any portion of the amount which is not ultimately required for expenditure upon that object shall be duly surrendered to Government. However, of the 1,793[1] utilisation certificates (UCs) due in respect of grants-in-aid aggregating ₹ 82.11 crore paid up to 2010-11, 632 UCs (35.25 *per cent*) for an aggregate amount of ₹ 44.72 crore were in arrears as of November 2011. While the department-wise break-up of outstanding UCs are given in **Appendix 3.1,** the age-wise delay in submission of UCs are summarised in **Table 3.1**.

Table - 3.1: Age-wise arrears of utilisation certificates

(₹ in crore)

Sl. No.	Range of Delay in Number of Years	Total grants paid		Utilisation Certificates Outstanding	
		Number	Amount	Number	Amount
1	0 - 1	450	45.26	78	28.61
2	1 - 3	582	23.29	371	11.66
3	3 - 5	709	12.74	175	4.40
4	5 - 7	12	0.23	2	0.03
5	7 - 9	26	0.37	4	0.01
6	9 & above	14	0.22	2	0.01
TOTAL		**1793**	**82.11**	**632**	**44.72**

Source: Information furnished by the State Government departments

Out of 632 UCs worth ₹ 44.72 crore pending as of March 2011, 8 UCs involving ₹ 0.05 crore were pending for more than five years. Pendency of UCs mainly pertained to Ecclesiastical Affairs Department (376 UCs: ₹ 8.79 crore), Co-operation Department (153 UCs: ₹ 4.14 crore), Health Care, Human Services and Family Welfare Department (16 UCs: ₹ 4.80 crore), Cultural Affairs and Heritage Department (46 UCs: ₹ 2.63 crore), Animal Husbandry, Livestock, Fisheries and Veterinary Services Department (2 UCs: ₹ 1.77 crore), Land Revenue

[1] *Details compiled from information received from 14 Departments.*

and Disaster Management Department (2 UCs: ₹ 20.96 crore) and Food Security and Agriculture Department (22 UCs: ₹ 0.54 crore).

In the absence of the UCs, it could not be ascertained as to whether the recipients had utilised the grants for the purposes for which these were given.

3.1.1 Review of grant

A detailed review on utilisation of grants in Ecclesiastical Affairs Department revealed the following:

- Out of 825 utilisation certificates (UCs) involving ₹ 16.28 crore due in respect of grants-in-aid paid upto 2010-11, 376 UCs (45.58 *per cent*) involving ₹ 8.79 crore were in arrears.
- Out of 537 grants above ₹ 1 lakh released to various institutions in respect of civil works, in 298 cases, grants were released without detailed estimates as per the prevailing schedule of rates which is a prerequisite for grants in aid in respect of civil works. Hence, audit could not ascertain the purpose and actual execution of the works.
- Test check of 33 cases of non-recurring grants-in-aid above 5 lakhs released during 2006-07 to 2010-11 revealed that in 20 cases involving ₹ 2.37 lakh, no audited statement of accounts and copy of their constitution was furnished by grantee to the Department as stipulated under Rule 114 of Sikkim Financial Rules.
- According to Department's Circular (2009) applications accompanied by registration documents/Government recognised certificate duly recommended by MLA/Panchayats concerned would be considered for necessary action. It was however, noticed that during 2006-11 various institutions were provided grants-in-aid whose applications were neither accompanied with registration nor certified by the MLA/Panchayat concerned.
- During 2008-09, Enchey Monastery, Gangtok was released ₹ 29.95 lakh as grant-in-aid. However no detailed accounts, audited statement and copy of constitution was available with the Committee of the Monastery which received the grants. Further, during 2007-08 and 2009-10, a total of ₹ 34.58 lakh was paid to Building and Housing Department for maintenance of Enchey Monastery. As no progress of work was noticed at the site during verification, the expenditure incurred by the Committee and the Building and Housing Department needs to be verified by the Department.
- Five institutions were given grants during 2010-11 amounting to ₹ 6.30 lakh without obtaining UCs for grants of ₹ 2.51 lakh released previously during 2007-08 to 2009-10 in contravention of SFR 113 (1) and 116 (1).

3.2 Non-submission/delay in submission of accounts

In order to identify the institutions which attract Audit under Sections 14 and 15 of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act 1971, the Government/Heads of the Department are required to furnish to Audit every year detailed information about the financial assistances given to various institutions, the purpose of assistance granted and the total expenditure of the institutions. The accounts of only one body

were received for the year 2009-10, which attracted Audit by the Comptroller and Auditor General of India. The accounts of 12 Bodies/Authorities, which were received for previous years, were audited during 2009-10 and 2010-11.

58 annual accounts of 22 Autonomous Bodies/Authorities due up to 2010-11 had not been received as of November 2011 by the Accountant General (Audit). The details of these accounts are given in **Appendix 3.2** and their age-wise pendency is presented in **Table 3.2.**

Table - 3.2: Age-wise arrears of annual accounts due from the Government Bodies

Sl. No.	Delay in number of years	No. of Bodies/ Authorities	No. of Annual Accounts	Grants received (₹ in lakhs)
1	0 - 1	1	1	Not furnished
2	1 - 3	15	30	Not furnished
3	3 - 5	5	17	Not furnished
4	5 - 7	--	--	NA
5	7 - 9	--	--	NA
6	9 & above	1	10	Not furnished

Source: Information is based on submission of accounts by the Bodies to Accountant General Office and excludes those against which SARs are being prepared (Table 3.3)

In the absence of annual accounts and subsequent Audit of these 22 Bodies and Authorities involving 58 annual accounts, the proper accountal/utilisation of the grants and loans disbursed to these Bodies/ Authorities remained unverified. The reasons for non-preparation of the accounts were, however, not intimated.

3.3 Delay in submission of Accounts/Audit Reports of Autonomous Bodies

Several Autonomous Bodies have been set up by the State Government in the field of Rural Development, Urban Development, Khadi and Village Industries, State Health and Family Welfare, Science and Technology, etc. A large number of these Bodies are audited by the Comptroller and Auditor General of India with regard to the verification of their transactions, operational activities and accounts, conducting regulatory compliance audit of all transactions scrutinised in Audit, review of internal management and financial control, review of system and procedures, etc. The Audit of accounts of eight Bodies in the State has been entrusted to the Comptroller and Auditor General of India. The status of entrustment of audit, rendering of accounts to Audit, issuance of Separate Audit Report and its placement in the Legislature are indicated in **Appendix 3.3**. The frequency distribution of Autonomous Bodies according to the delay in submission of accounts to Audit and placement of Separate Audit Report in the legislature after the entrustment of Audit to Comptroller and Auditor General of India is summarised in **Table 3.3.**

Table - 3.3: Delay in submission of accounts and placement of Separate Audit Report

Delay in submission of Accounts (in months)	Autonomous Bodies		Reasons for the delay	Delay in placement of SARs in Legislature (in years)	Number of Autonomous Bodies	Reasons for the delay
	No.	A/Cs				
1-6	3	4	Not furnished	1-2	Nil	Not furnished
6-12	1	1		2-3	Nil	
12-18	1	1		3-4	Nil	
18-24	1	1		4-5	1	
24 & above	2	2		5 & above	3	
Total		**9**			**4**	

Nine accounts of six Autonomous Bodies were in arrears for periods ranging from 3 to 35 months as of November 2011. The State Government disbursed regular funds to these Autonomous Bodies. In the absence of accounts and subsequent Audit, it could not be verified as to whether the funds received and expenditure incurred had been properly accounted for and the purpose for which the funds were disbursed were achieved. Besides, delay in finalisation of accounts carries the risk of financial irregularities going undetected apart from violation of the provision of the respective legislations under which the Bodies were constituted.

3.4 Departmental Commercial Undertakings

The departmental undertakings of certain Government departments performing activities of quasi-commercial nature are required to prepare proforma accounts in the prescribed format annually showing the working results of financial operations so that the Government can assess their working. The finalised accounts of departmentally managed commercial and quasi-commercial undertakings reflect their overall financial health and efficiency in conducting their business. In the absence of timely finalisation of accounts, the investment of the Government remains outside the scrutiny of the Audit/State Legislature. Consequently, corrective measures, if any required, for ensuring accountability and improving efficiency cannot be taken up in time. Besides, the delay in all likelihood may also open the system to risk of fraud and leakage of public money.

The Heads of Departments in the Government are to ensure that the undertakings prepare such accounts and submit the same to Accountant General for audit within a specified time frame. As of November 2011, there were two such undertakings, out of which, one had finalised accounts upto 2008-09 and the accounts duly audited. The other one had prepared accounts for 2006-07 (provisional accounts received upto 2009-10, but yet to be finalised by Board of Directors and remained to be audited) which have also been audited. The department-wise position of finilisation of accounts and investment made by the Government are given in **Appendix 3.4.**

3.5 Misappropriation, loss, defalcation, etc.

State Government reported nine cases (in 4 Departments) of misappropriation, defalcation, etc. involving Government money amounting to ₹ 2.79 crore up to the period September 2011 on which final action was pending. The department-wise break up of pending cases alongwith age-wise analysis is given in **Appendix 3.5** and nature of these cases are given in **Appendix 3.6.** The age-profile of the pending cases and the number of cases pending in each category – theft, misappropriation/loss, etc. as emerged from these appendices are summarised in **Table 3.4.**

Table - 3.4: Profile of Misappropriation, losses, defalcation, etc.

Age-profile of the pending cases			Nature of the pending cases
Range in years	Number of cases	Amount involved (₹ in lakhs)	
0-5	4	74.31	Misappropriation/ Loss of material
5-10	2	149.00	
10-15	1	42.63	
15-20	2	13.20	
Total	**9**	**279.14**	

Source: Information from State Government departments

A further analysis indicated the reasons for which the cases were outstanding as detailed in **Table 3.5.**

Table - 3.5: Reasons for outstanding cases of misappropriation, loss, defalcation, etc.

Reasons for the Delay/Outstanding pending Cases		Number of cases	Amount (₹ in lakh)
i)	Awaiting departmental and criminal investigation	2	34.48
ii)	Departmental action initiated but not finalised	3	40.49
iii)	Pending in the courts of law	4	204.17
	Total	**9**	**279.14**

An effective mechanism needs to be put in place to ensure speedy settlement of cases relating to misappropriation and loss.

3.6 Conclusion

The foregoing discussion discloses deficiencies in furnishing utilisation certificates in time against grants/loans received, non-furnishing of detailed information about financial assistance received by various Institutions and non-submission of accounts in time. There was delay in placement of Separate Audit Report to Legislature and huge arrears in finalisation of accounts by the Autonomous Bodies/Authorities. Besides, cases of misappropriation and losses indicated inadequacy of controls in the departments.

Gangtok **(Dinesh Bhargav)**
The **Accountant General (Audit), Sikkim**

Countersigned

New Delhi **(Vinod Rai)**
The **Comptroller and Auditor General of India**

Appendix - 1.1
PART- A
Structure and Form of Government Accounts

Structure of Government Accounts: The accounts of this State Government are kept in three parts: (i) Consolidated Fund, (ii) Contingency Fund, and (iii) Public Account.

Part I: Consolidated Fund

All revenues received by the State Government, all loans raised by issue of treasury bills, internal and external loans and all money received by the Government in repayment of loans shall form one consolidated fund entitled 'The Consolidated Fund of State' established under Article 266 (1) of the Constitution of India.

Part II: Contingency Fund

Contingency Fund of State established under Article 267 (2) of the Constitution of India is in the nature of an imprest place at the disposal of the Governor to enable him/her to make advances to meet urgent unforeseen expenditure, pending authorisation by Legislature. Approval of the Legislature for such expenditure and for withdrawal of an equivalent amount from the Consolidated Fund is subsequently obtained, whereupon the advances from the Contingency Fund are recouped to the Fund.

Part III: Public Account

Receipts and disbursement in respect of certain transactions such as small savings, provident funds, reserve funds, deposits, suspense, remittances, etc. which do not form part of the Consolidated Fund, are kept in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State Legislature.

Appendix – 1.1

PART B

Layout of Finance Accounts

(Reference: Page 1)

The new format of Finance Accounts introduced from the year 2009-10, has been divided into two Volumes- Volume I and II. Volume I represents the financial statements of the Government in summarised form while Volume II represents detailed financial statement. The layout of the Finance Accounts is chalked out in the following manner:

Layout	
VOLUME I	
STATEMENT 1	Statement of Financial Position
STATEMENT 2	Statement of Receipts and Disbursements
STATEMENT 3	Statement of Receipts (Consolidated Fund)
STATEMENT 4	Statement of Expenditure (Consolidated Fund) By Function and Nature Notes to Accounts Appendix I: Cash Flow Statement
VOLUME II	
PART I	
STATEMENT 5	Statement of Progressive Capital Expenditure
STATEMENT 6	Statement of Borr owings and other Liabilities
STATEMENT 7	Statement of Loans and Advances given by the Government
STATEMENT 8	Statement of Grants –in-aid given by the Government
STATEMENT 9	Statement pf Guarantees given by the Government
STATEMENT 10	Statement of Voted and Charged Expenditure
PART II	
STATEMENT 11	Detailed Statement of Revenue and Capital Receipts by minor Heads
STATEMENT 12	Detailed Statement of Revenue Expenditure by minor heads
STATEMENT 13	Detailed Statement of Capital Expenditure by minor heads
STATEMENT 14	Detailed Statement of Investments of the Government
STATEMENT 15	Detailed Statement of Borrowing and other Liabilities
STATEMENT 16	Detailed Statement of Loans and Advances given by the Government
STATEMENT 17	Detailed Statement on Sources and Application of funds for expenditure (other than revenue account to end of 2010-11)
STATEMENT 18	Detailed Statement of Contingenc y Fund and other Public Account transactions
STATEMENT 19	Detailed Statement on Investments of earmarked funds
PART III: Appendices	
II	Comparative Expenditure on Salary
III	Comparative Expenditure
IV	Grants-in-aid (Scheme wise and Institution wise)
V	Externally Aided Projects
VI	Plan Scheme expenditure (Capital and State Plan Schemes)
VII	Direct transfer of funds to implementing agencies
VIII	Summary of Balances
IX	Financial results of Irrigation Schemes
X	Incomplete Works
XI	Maintenance expenditure with segregation of salary and non-salary portion

Appendix - 1.1
Part-C
Methodology Adopted for the Assessment of Fiscal Position
(Reference: Page 1)

The norms/Ceilings prescribed by the TFC for selected fiscal variable along with its projections for a set of fiscal aggregates are used to make qualitative assessment of the trends and pattern of major fiscal aggregates. Assuming that GSDP is the good indicator of the performance of the State's economy, major fiscal aggregates like tax and non-tax revenue, revenue and capital expenditure, internal debt and revenue and fiscal deficits have been presented as percentage to the Gross State Domestic Product (GSDP) at current market prices. The buoyancy coefficients for relevant fiscal variables with reference to the base represented by GSDP have also been worked out to assess as to whether the mobilisation of resources, pattern of expenditure, etc., are keeping pace with the change in the base or these fiscal aggregates are also affected by factors other than GSDP.

The definitions of some of the selected terms used in assessing the trends and pattern of fiscal aggregates are given below:

List of terms used in the Chapter I and basis for their calculation

Terms	**Basis of calculation**
Buoyancy of a parameter	
Buoyancy of a parameter (X) with respect to another parameter	Rate of Growth of the parameter (X) /Rate of Growth of the parameter (Y)
Rate of Growth (ROG)	(Current year Amount/Previous year Amount – *1)* *100
Average	Trend of growth over a period of 5 years
Share shift/Shift rate of a parameter	Trend of percentage shares, over a period of 5 years, of the parameter In Revenue or Expenditure as the case may be
Development Expenditure	Social Services + Economic Services
Weighted Interest Rate (Average interest paid by the State)	Interest payment / [(amount of previous year's Fiscal Liabilities + current year's Fiscal Liabilities)/2]*100
Interest spread	GSDP growth - Weighted Interest rates
Quantum spread	Debt stock * Interest Spread/100
Interest received as *per cent* to loans outstanding	Interest received / [(opening balance + closing balance of loans and advances)/2]* 100
Revenue deficit	Revenue receipt - revenue expenditure
Fiscal deficit	Revenue Expenditure + Capital Expenditure + Net Loans and Advances - Revenue Receipts - Miscellaneous Capital Receipts
Primary deficit	Fiscal deficit - Interest payments
Balance from current revenue (BCR)	Revenue receipts *minus* plan grants and non-plan revenue expenditure excluding debits under 2048 - Appropriation for reduction or avoidance of debt.
Compound Annual Growth Rate (CAGR)	The compound annual growth rate Is calculated by taking the n^{th} root of the total percentage growth rate, where n is the number of years in the period being considered. CAGR = [Ending Value/Beginning Value] $^{(1/no.\ of\ years)}$-1
Terms	**Description**
GSDP	GSDP is defined as the total income of the State or the market value of goods and services produced using labour and all other factors of production at current prices.
Buoyancy ratio	Buoyancy ratio indicates the elasticity or degree of responsiveness of a fiscal variable with respect to a given change in the base variable. For instance, revenue buoyancy at 0.7 implies that revenue receipts tend to increase by 0.7 percentage points, if the GSDP increases by one *per cent*.

Core Public and Merit goods	Core public goods are which all citizens enjoy in common in the sense that each individual's consumption of such goods lead to no subtractions from any other individual's consumption of that goods, e.g. enforcement of law and order, security and protection of our rights; pollution free air, other environmental good, road infrastructure, etc. Merit goods are commodities that the public sector provides free or at subsidised rates because an individual or society should have them on the basis of some concept of need, rather than ability and willingness to pay the Government and therefore wishes to encourage their consumption. Examples of such goods include the provision of free or subsidised food for the poor to support nutrition, delivery of health services to improve quality of life and reduce morbidity, providing basic education to all, drinking water and sanitation, etc. "The analysis of expenditure data is disaggregated into developmental and non-developmental expenditure. All expenditure relating to Revenue Account, Capital Outlay and Loans and Advances is categorised into social services, economic services and general services. Broadly, the social and economic services constitute developmental expenditure, while expenditure on general services is treated as non-developmental expenditure
Debt Sustainability	The Debt sustainability is defined as the ability of the State to maintain a constant debt- GSDP ratio over a period of time and also embodies the concern about the ability to service its debt. Sustainability of debt therefore also refers to sufficiency of liquid assets to meet current or committed obligations and the capacity to keep balance between costs of additional borrowings with returns from such borrowings. It means that rise in fiscal deficit should match with the increase in capacity to service the debt.
Debt Stabilisation	A necessary condition for stability states that if the rate of growth of economy exceeds the interest rate or cost of public borrowings, the debt-GSDP ratio is likely to be stable provided primary balances are either zero or positive or are moderately negative. Given the rate spread (GSDP growth rate - interest rate) and quantum spread (Debt*rate spread), debt sustainability condition states that if quantum spread together with primary deficit is zero, debt-GSDP ratio would be constant or debt would stabilise eventually. On the other hand, if primary deficit together with quantum spread turns out to be negative, debt-GSDP ratio would be rising and in case it is positive, debt-GSDP ratio would eventually be falling.
Non-debt receipts	Adequacy of incremental non-debt receipts of the State to cover the incremental interest liabilities and incremental primary expenditure. The debt sustainability could be significantly facilitated if the incremental non-debt receipts could meet the incremental interest burden and the incremental primary expenditure.
Net availability of borrowed funds	Defined as the ratio of the debt redemption (principal + interest payments) to total debt receipts and indicates the extent to which the debt receipts are used in debt redemption indicating the net availability of borrowed funds.

Appendix - 1.1

Part-D

State Profile

(Reference: Page 1)

Sl. No.	Particulars	Figures
1	Area	7,096 Sq. Km
2	Population	6.07 lakh
3	Density of Population (2001) (All India Average — 325 persons per sq km)	86 persons per sq km
4	Population below poverty line (1999-2000)[A] (All India Average = 26.10%)	36.55%
5	Literacy (2011) (All India Average = 74.04%)	82.20%
6	Infant Mortality (per 1,000 live births) (All India Average — 53 per 1,000 live births)	33
7	Sex ratio (All India - Female per 1,000 males= 933)	889
8	Gross State Domestic Product (GSDP) 2010-11	5,652.01 crore
11	Per capita income of the State	43,535

Source: BPL — Planning Commission & NSSO data, Life Expectancy at Birth — Office of the Registrar General of India, Ministry of Home Affairs and Economic Survey 2009-10, Infant Mortality Rate - SRS Bulletin (October 2009).

[A]The level of poverty is being determined on different measures and the data furnished by Planning Commission & NSSO is one such indicator.

Appendix -1.2

Time series data on the State Government finances

(Reference: Paragraphs 1.4 and 1.8.2, Page 9 and 29)

(₹ in crore)

	2006-07	2007-08	2008-09	2009-10	2010-11
Part A. Receipts					
1. Revenue Receipts	1,203.25	1,497.71	1,758.20	2,345.37	2,151.70
(i) Tax Revenue	173.18 (14.39)	197.85 (13.21)	199.19 (11.33)	223.65 (9.54)	279.54 (12.99)
Taxes on Sales, Trade, etc	74.66 (43.11)	81.32 (41.10)	101.14 (50.78)	121.07 (54.13)	142.74 (51.06)
State Excise	33.31 (19.23)	37.94 (19.18)	46.47 (23.33)	57.27 (25.61)	70.64 (25.27)
Taxes on Vehicles	5.95 (3.44)	6.22 (3.14)	6.94 (3.48)	7.88 (3.52)	10.66 (3.81)
Stamps and Registration fees	2.52 (1.46)	4.26 (2.15)	4.35 (2.18)	4.48 (2.00)	5.70 (2.04)
Land Revenue	0.78 (0.45)	2.75 (1.39)	1.95 (0.98)	2.71 (1.21)	7.33 (2.62)
Taxes on Income other than Corporation Tax	46.52 (26.86)	49.10 (24.82)	16.16 (8.11)	2.84 (1.26)	4.94 (1.77)
Other Taxes	9.44 (5.45)	16.26 (8.22)	22.18 (11.14)	27.40 (12.25)	37.52 (13.42)
(ii) Non Tax Revenue	*171.75* *(14.27)*	*212.03* *(14.16)*	292.26 (16.62)	447.42 (19.08)	242.15 (11.25)
(iii) State's share of Union taxes and duties	*222.78* *(18.51)*	*345.12* *(23.04)*	364.20 (20.71)	374.68 (15.98)	524.99 (24.40)
(iv) Grants in aid from Government of India	*635.54* *(52.82)*	*742.71* *(49.59)*	902.55 (51.33)	1,299.62 (55.41)	1,105.02 (51.36)
2. Miscellaneous Capital Receipts	-	-	-	-	-
3. Recoveries of Loans and Advances	0.78	0.38	0.38	0.30	0.79
4. Total Revenue and Non debt capital receipts (1+2+3)	1,204.03 (89.40)	1,498.09 (84.27)	1,758.58 (83.90)	2,345.67 (85.68)	2,152.49 (95.77)
5. Public Debt Receipts	142.74 (11)	279.64 (16)	337.46 (16)	392.11 (14.32)	95.03 (4.23)
Internal Debt (excluding Ways and Means Advances and Overdrafts)	132.22 (92.63)	274.08 (98.01)	337.01 (99.87)	391.86 (99.94)	94.96 (99.93)
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	-
Loans and Advances from Government of India	*10.52* *(7.37)*	5.56 (1.99)	0.45 (0.13)	0.25 (0.06)	0.07 (0.07)
6. Total Receipts in the Consolidated Fund (4+5)	1,346.77	1,777.73	2,096.04	2,737.78	2,247.52
7. Contingency Fund Receipts	0.1	-	-	-	-
8. Public Account Receipts	1,705.54	1,899.53	2,414.37	2,967.70	2,915.63
9. Total Receipts of the State (6+7+8)	3,052.41	4,327.09	4,510.41	5,705.48	5,163.14
Part B. Expenditure/Disbursement					
10. Revenue Expenditure	974.27	1,146.87	1,380.55	1,829.02	2,011.92
Plan	336.65	419.79	517.73	572.68	675.27
Non Plan	637.62	727.08	862.82	1,256.34	1,336.65
General Services (including interest payments)	334.83 (34.47)	388.06 (33.84)	446.15 (32.32)	657.61 (35.95)	684.94 (34.04)
Social Services	355.81	438.23	540.24	691.28	816.43
Economic Services	283.63	320.58	394.15	480.13	497.61
Grants -in-aid and contributions	31.98	26.74	113.01	187.46	12.94

11. Capital Expenditure	326.42	415.47	611.78	648.53	451.07
Plan	*326.42*	*415.47*	611.78	648.53	451.07
Non Plan	-	-	-	-	-
General Services	21.06	39.28	77.13	88.87	56.67
Social Services	119.31	135.41	190.54	220.64	165.85
Economic Services	186.05	240.78	344.11	339.02	228.55
12. Disbursement of Loans and Advances	0.20	-	0.25	36.98	5.75
13. Total (10+11+12)	**1,300.89**	**1,562.34**	**1,992.58**	**2,514.53**	**2,468.74**
14. Repayments of Public Debt	39.03	55.57	76.28	86.29	73.23
Internal Debt (excluding Ways and Means Advances and Overdrafts)	25.76	40.91	60.13	67.55	51.31
Net transactions under Ways and Means Advances and Overdraft	-	-	-	-	-
Loans and Advances from Government of India	13.27	14.66	16.15	18.74	21.92
15. *Appropriation to Contingency Fund*	-	-	-	-	-
16. Gross Expenditure on Lotteries	913.29	1201.71	913.05	909.02	895.61
17. Total disbursement out of Consolidated Fund (13+14+15 +16)	2,253.21	2,819.62	2,981.91	3,509.84	3,437.58
18. Contingency Fund disbursements	0	0	0	0	0.10
19. Public Account disbursements	1,662.92	1,789.75	2,305.07	2,784.90	2,912.28
20. Total disbursement by the State (17+18+19)	3,916.13	4,609.37	5,286.98	6,294.74	6,339.96
Part C. Deficits					
21. Revenue Deficit (-)/Revenue Surplus (+) (1-10)	228.98	350.84	377.65	516.35	139.78
22. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	-96.86	-64.25	-234.00	-168.86	-316.25
23. Primary Deficit (22-24)	18.41	-53.49	-91.36	-14.43	-129.48
Part D. Other data					
24. Interest Payments (included in revenue expenditure)	115.27	117.74	142.64	154.43	186.77
25. Financial Assistance to local bodies etc.	31.98	15.13	11.53	21.06	247.87
26. Ways and Means Advances/Overdraft availed (days)	-	-	-	-	-
27. Interest on Ways and Means Advances/ Overdraft	-	-	-	-	-
28 Gross State Domestic Product (GSDP)	2,161.45	2,506.34	3,229.44	4,740.42*	5,652.01**
29. Outstanding Fiscal liabilities (year end)	1,483.99	1,795.82	2,155.70	2,762.35	2,797.50
30. Outstanding guarantees (year end) (including interest)	84.40	75.00	75.00	77.58	276.42
31. Maximum amount guaranteed (year end)	84.47	84.40	75.00	75.00	246.69
32. Number of incomplete projects	105.00	61.00	144.00	142.00	138.00
33. Capital blocked in incomplete projects	136.74	285.97	681.40	586.67	294.16
Part E: Fiscal Health Indicators					
I Resource Mobilisation					
Revenue Receipts/GSDP	0.56	0.60	0.54	0.49	0.38
Own Tax Revenue/GSDP	0.08	0.08	0.06	0.08	0.05
Own Non-Tax Revenue/GSDP	0.08	0.08	0.09	0.09	0.04
State's share in Central taxes and Duties/GSDP	0.10	0.14	0.11	0.08	0.09
II Expenditure Management					
Total Expenditure/GSDP	0.60	0.62	0.62	0.52	0.44
Total Expenditure/Revenue Receipts	1.08	1.04	1.13	1.07	1.14
Revenue Expenditure/Total Expenditure	0.75	0.73	0.69	0.73	0.82
Expenditure on Social Services/Total Expenditure	0.37	0.37	0.37	0.36	0.40
Expenditure on Economic Services/Total Expenditure	0.36	0.36	0.37	0.33	0.29
Capital Expenditure/Total Expenditure	0.25	0.27	0.31	0.26	0.18
Capital Expenditure on Social and Economic Services/Total Expenditure.	0.23	0.24	0.27	0.22	0.16
III Management of Fiscal Imbalances					
Revenue deficit (surplus)/GSDP	0.11	0.14	0.12	0.11	0.02

Fiscal deficit/GSDP	-0.04	-0.03	-0.07	-0.04	-0.06
Primary Deficit (surplus) /GSDP	-0.009	-0.02	-0.03	-0.003	-0.02
Revenue Deficit/Fiscal Deficit	-2.36	-5.46	-1.61	-3.06	-0.44
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	0.69	0.72	0.67	0.58	0.49
Fiscal Liabilities/RR	1.23	1.20	1.23	1.18	1.30
V Other Fiscal Health Indicators					
Return on Investment	0.76	0.68	1.31	0.46	2.37
Balance from Current Revenue *(₹ in crore)*	6.08	126.66	71.17	169.80	180.66
Financial Assets/Liabilities	2.07	2.08	2.07	2.11	2.11

**Provisional Estimate*
***Quick Estimate*

Appendix -1.3

Abstract of Receipts and Disbursements for the year 2010-11

(Reference: Paragraphs 1.1.and 1.8.1, Page 1 and 29)

(₹ in crore)

Receipts				Disbursements					
2009-10			**2010-11**	**2009-10**		**Non-Plan**	**Plan**	**Total**	**2010-11**
	Section A: Revenue								
2,345.37	I-Revenue Receipts		2,151.70	1,829.02	I- Revenue expenditure				2,011.92
223.65	Tax revenue	279.54		657.62	General services	**677.30**	**20.58**	**697.88**	
447.42	Non-tax revenue	242.15		691.28	Social Services	**449.99**	**366.44**	**816.43**	
374.68	State's share of Union Taxes	524.99		408.68	Education, Sports, Art and Culture.	328.15	225.80	553.95	
28.79	Non-Plan Grants	121.32		121.10	Health and Family Welfare	67.48	51.08	118.56	
1,026.19	Grants for State Plan Schemes	799.88		66.48	Water Supply, Sanitation, Housing and Urban Development	18.28	48.77	67.05	
191.77	Grants for Central and Centrally Sponsored Plan Schemes	151.38		7.67	Information and Broadcasting	3.12	2.47	5.59	
52.87	Grants for Special Plan Schemes (North Eastern Council)	32.44		17.15	Welfare of Scheduled Caste, Scheduled tribes and Other Backward Classes	3.46	9.85	13.31	
				3.41	Labour and Labour Welfare	1.80	1.78	3.58	
				56.45	Social Welfare and Nutrition	17.14	26.68	43.82	
				10.34	Others	10.57	-	10.57	

Receipts				Disbursements					
2009-10			**2010-11**	**2009-10**		**Non-Plan**	**Plan**	**Total**	**2010-11**
				480.13	Economic Services		497.61		
				190.37	Agriculture and Allied Activities	95.48	110.60	206.08	
				48.06	Rural Development	1.17	40.55	41.72	
				0.44	Special Areas Programmes	-	0.46	0.46	
				36.66	Irrigation and Flood Control	1.54	42.03	43.57	
				60.36	Energy	35.80	41.23	77.03	
				23.50	Industry and Minerals	7.83	12.99	20.82	
				86.23	Transport	60.07	22.69	82.77	
				3.24	Science	0.15	2.50	2.65	
					Technology and Environment				
				31.27	General Economic Services	7.32	15.19	22.51	
	II-Revenue deficit carried over to Section- B	-		516.35	II-Revenue surplus carried over to Section-B		139.78		
2,345.37			**2,151.70**	**2,345.37**				**2,151.70**	
	Section-B								
708.24	III-Opening Cash balance including Permanent Advances and Cash Balance Investment		1,028.01	648.53	III-Capital Outlay				451.07
	IV-Miscellaneous Capital receipts	-			*General services*		56.66	56.67	
					Social Services		165.85	165.85	
					Education, Sports, Art and Culture		39.43		
					Health and Family Welfare		31.83		
					Water Supply, Sanitation, Housing and Urban Development		92.65		
					Welfare of Scheduled Caste, Scheduled tribes and Other Backward Classes		0.44		

Receipts				Disbursements					
2009-10			**2010-11**	**2009-10**		**Non-Plan**	**Plan**	**Total**	**2010-11**
					Social Welfare		0.60		
					Others		0.90		
					Economic Services			228.55	
					Agriculture and Allied Activities		6.20		
					Rural Development		22.74		
					Special Areas Programmes		11.34		
					Irrigation and Flood control		5.29		
					Energy		32.86		
					Industry and		1.64		
					Minerals				
					Transport		98.56		
					Science and Environment		0.20		
					General Economic Services		49.72		
0.30	V-Recoveries of Loans and Advances		0.79	36.98	IV- Loans and Advances Disbursements				
	From Power Projects				To Government Servants				
	From Government Servants and				To Others				5.75
	From Others	0.79			V -Revenue deficit brought down				
516.35	VI-Revenue surplus brought down		139.78						
392.11	VH-Public debt receipts		95.03	86.29	VI-Repayment of Public Debt				73.23
	External debt				External debt				
	Internal debt other than ways and means Advances and overdraft	94.96			Internal debt other than Ways and Means Advances and Overdraft	51.31			
	Net transaction under Ways and Means Advances including over draft				Net transaction under Ways and Means Advances including overdraft				
	Loans and Advances from Central Government	0.07			Repayment of Loans and Advances to Central Government	21.92			

Receipts				Disbursements					
2009-10			**2010-11**	**2009-10**		**Non-Plan**	**Plan**	**Total**	**2010-11**
-	VIII-Amount transferred to Contingency Fund				VII-Expenditure from Contingency Fund				10
2,967.71	IX-Public Account Receipts		2.915.63	2.784.90	VHI-Public Account disbursements				2,902.28
	Small Savings and Provident fund	162.67			Small Savings and Provident Funds	64.16			
	Reserve funds	59.56			Reserve Funds	38.77			
	Suspense and Miscellaneous	1,966.87			Suspense and Miscellaneous	2,064.58			
	Remittance	675.10			Remittances	703.35			
	Deposits and	51.43			Deposits and	31.42			
	Advances				Advances				
					IX- Cash balance at the end				
				1,028.01	Cash in Treasuries and Local Remittances				746.81
					Deposits with Reserve Bank				
					Departmental Cash Balance including permanent Advances				
					Cash Balance Investment				
4,584.71	**Total**		**4,179.24**	**4,584.71**	**Total**				**4,179.24**

Appendix -1.3 (Continued)

Summarised financial position of the Government of Sikkim as on 31 March 2011

(Reference: Paragraphs 1.1.and 1.8.1, Page 1 and 29)

(₹ in crore)

Part B			
As on 31.03.2010	**Liabilities**		**As on 31.03.2011**
1,510.05	Internal Debt -		1,553.71
1,266.64	Market Loans bearing interest	1,235.53	
	Market Loans not bearing interest		
90.94	Loans from Life Insurance Corporation of India	95.64	
152.47	Loans from other Institutions	222.54	
	Overdrafts from Reserve Bank of India		
281.63	Loans and Advances from Central Government -		259.77
2.72	Pre 1984-85 Loans	2.15	
86.66	Non-Plan Loans	81.78	
170.55	Loans for State Plan Schemes	155.35	
3.17	Loans for Central Plan Schemes & Special Schemes	2.95	
18.53	Loans for Centrally Sponsored Plan Schemes	17.54	
1	Contingency Fund		1.00
411.76	Small Savings, Provident Funds, etc.		510.28
65.39	Deposits		85.40
151.37	Reserve Funds		172.15
2,875.05	Surplus on Government Accounts		3,014.83
2,358.70	Last year balance	2,875.05	
516.35	Add Revenue Surplus	139.78	
166.93	Remittance Balances		138.68
5,463.18	**Total**		**5,735.82**
	Assets		
4,567.68	Gross Capital Outlay on Fixed Assets -		5,018.75
89.31	Investments in shares of Companies, Corporations, etc.	90.31	
4,478.37	Other Capital Outlay	4,928.44	
41.68	Loans and Advances -		46.64
35	Loans for Power Projects	35.00	
6.18	Other Development Loans	11.14	
0.50	Loans to Government servants and Miscellaneous loans	0.50	
	Contingency Fund (un-recouped)		0.10
	Reserve Fund Investments		
1.03	Advances		1.03
-175.22	Suspense and Miscellaneous Balances		-77.51
1,028.01	Cash		746.81
20.40	Deposits with other Bank	21.32	
94.60	Cash in Treasuries and Local Remittances	133.47	
0	Deposits with Reserve Bank	0	
0.15	Departmental Cash Balance	0.15	
0.39	Permanent Advances	0.40	
785.00	Cash Balance Investments	440.00	
127.47	Earmarked funds Investment	151.47	
5,463.18	**Total**		**5,735.82**

Appendix -1.4

Statement showing the funds transferred to the State Implementing Agencies under Programmes / Schemes outside the State budget during 2010-11

(Reference: Paragraph 1.3.2, Page 8)

(₹ in lakh)

Sl No	Name of the agency/ Organisation	Name of the scheme	Total fund released by GOI during 2010-11	Fund received during 2010-11	Fund not received	Closing balance as on 31.03.2011
1	Forest, Environment & Wild life Management Department (State Environment Agency)	Environment Information Education & Awareness	4.49	4.49	-	4.49
2	Do (Sikkim Medicinal Plant Board)	Medicinal plants	87.19	87.19	-	70.83
3	Do (State Forest Development Agency)	National Aforestation programme	1,198.74	1,198.74	-	116.16
4	Do	NE Areas	129.00	129.00	-	129.00
5	Do (State Pollution Control Board)	Pollution Abatement	23.35	23.35	-	.68
6	Agriculture & Food Security Department (SAMETI)	Promotion of fertiliser	65.00	65.00	-	65.00
7	Animal Husbandry & Veterinary Services Department	National project for cattle and buffalo breeding	100.00	100.00	-	100.00
8	Horticulture & Cash Crops Dev Deptt. (Small Farmers Agri-business Consortium)	Medicinal plants	4.17	4.17	-	50.05
9	Do	National Mission on Bamboo Technology	333.23	333.23	-	170.07
10	Human Resource Development Department	Sarva Siksha Abhiyan	4,469.19	4,469.19	-	983.35
11	Do (R M S A)	R M S A	426.76	426.76	-	426.76
12	Do (Centre for Computer & Communication Technology, Chisopani.)	Strengthening of existing polytechnic	10.00	10.00		10.00
13	Do (Advanced Technical Training Centre Bordang)	Do	10.00	10.00	-	3.60
14	Do (Sikkim Government College)		0.80	0.80	-	0.01
15	Sikkim Consultancy Centre, a division of W. Bengal consultancy limited Kolkata,	Science & Technology programme for socio economic development	3.52	3.52		-
16	Rural Management & Development Department (SWSM Sikkim)	Central Rural sanitation programme	112.86	112.86	-	326.20
17	Do	MG-NREGA	4,448.55	4,448.55	-	-
18	Do (Sikkim Rural Road Development Agency)	PMGSY	7,938.00	7,938.00	-	753.49
19	Do (District Rural Development Agency (East) Sikkim)	SGSY	573.80	573.80		318.78
20	Do	DRDA (Admn)	97.22	97.22	-	1.10
21	Do	Rural housing(IAY)	852.16	852.34	+.18	196.83

Sl No	Name of the agency/ Organisation	Name of the scheme	Total fund released by GOI during 2010-11	Fund received during 2010-11	Fund not received	Closing balance as on 31.03.2011
22	Do (SWSM)	National Rural Drinking Water Programme	2,319.70	2,319.70	-	1,077.98
23	Do (SREDA)	Information, publicity & extension	13.65	3.15	-10.50	-
24	Do	Off grid DRPS	71.38	71.38	-	-
25	Do	Renewable energy fund application for all village.	36.93	36.93	-	15.20
26	Forest, Env. & Wild Life Management Deptt. (SLNA Social Forestry Wing)	Integrated watershed management programme (North & East)	274.00	274.00	-	322.91
27	Do	Do (South & West)	13.72	113.72	-	113.72
28	RMDD (SRDA)	Panchayat empowerment & Accountability incentive scheme	100.00	100.00	-	100.00
29	State Health Society	Health care for the Elderly	65.22	65.22	-	65.22
30	Do	Tobacco control	14.84	14.84	-	0.94
31	Do	Human resources for health	500.00	500.00		500.00
32	Do	Association for social health in India	4.98	4.98	-	0.06
33	Do	Prevention & control of Diabetis	73.27	73.27	-	73.27
34	Do	Cancer control program	27.51	27.51	-	27.51
35	Do	Mental National Health programme	19.22	19.22	-	19.22
36	Do	NRHM Central	28.00	28.00	-	21.85
37	Do	NRHM Central sponsored program	2,098.51	2,098.34	-0.17	1,311.34
38	Department of Information Technology (Centre for Research & Training in Informatic)	Electronic governance	112.88	Not received	112.88	-
39	Do	NE Areas	77.60	77.60	-	20.00
40	Police Department	Computerisation of police society	1,136.64	192.45	-944.19	166.97
41	Science & Technology Department (State Council of Science & Technology)	Sikkim State Science & Technology development programme	461.99	461.99	-	315.52
42	Department of Personnel, Training & Reforms (Vocational Training projects implementation society)	Enhancing skill development infrastructure in Sikkim	241.68	241.68	-	241.68
43	Sikkim Handloom & Handicraft development Society	Human Resource Development	1.25	1.25	-	-
44	Do	Marketing & export promotion scheme	13.00	13.00	-	-
45	Do	Marketing support and services and export promotion scheme	16.71	16.71	-	-

Sl No	Name of the agency/ Organisation	Name of the scheme	Total fund released by GOI during 2010-11	Fund received during 2010-11	Fund not received	Closing balance as on 31.03.2011
46	Institute of Hotel Management , Rumtek	Capacity building for service providers	10.57			-
47	Managing Committee, Lhantse Goompa .	Buddhist & Tibetan studies	1.00			-
48	Namgyal Institute of Tibetology, Gangtok	Do	2.50	2.50	-	1.69
49	Do	Manpower development i/c skill development in ITDIT	11.59	11.59	-	6.62
50	Do	Dissemination of art & culture	1.25	1.25	-	-
51	Land Revenue Department (District Collector, East)	MPLAD scheme	400.00	400.00	-	230.34
52	Sikkim Manipal University of Health, Medical and Technological science	Marine, Research & Technology development	2.50			-
53	Do	Research & Development support SERC	3.70			
54	Do	NE Areas	1.00			
55	Do	Research and development in Biotechnology	32.33	32.33	-	32.33
56	Human Development Foundation of Sikkim, GRBA road ,Chogney tar, Gangtok	Grants in aid to NGOs for STs including allied schemes.	26.03	26.03	-	-
57	Sikkim State Aids Control Society	National Aids Control programme including STD control	450.70	450.70	-	24.49
58	Muyal Liang Trust	Grants in aid to NGOs for STs including allied schemes	32.61			Not furnished
59	Sikkim Power Development Corporation	Grid interactive renewable power MNRE	300.00	300.00	-	-
60	Nayuma Women Cooperative society Gangtok	Human resource development	1.25			Not furnished
61	Zilla Panchayat(East)	Integrated watershed management program	85.28			
62	ZillaPanchayat(West)	Do	34.47			
63	ZillaPanchayat(North)	Do	65.06			
64	Himalayan Pharmacy Institute	Research & Development SERC	1.73			
65	National Research Centre for Orchid, Rumtek	Research & Development of biotechnology	16.56			16.56
66	Do	Hortical Mission for North East & Himalayan State	700.00			29.59
67	Gramiya Valorchi Sangam, Tamilnadu.	Marine Research & Technology development	0.25			
68	Water Security & PHE Department	National river conservation plan	2,614.00	2,614.00		3.95
69	Misc. Receipts		2.32			
	Total		**33,507.41**			**8,465.36**

Appendix -1.5

Tax and Non-Tax Revenue collected during 2006-11

(Reference: Paragraph 1.4.2, Page 10)

(₹ in crore)

Sl. No.	Head of Revenue	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	Percentage of increase (+)/ decrease (-) in 2010-11 over 2009-10
	Tax Revenue							
1	Sales tax	56.65	74.66	81.32	101.14	121.07	142.74	17.90
2	Taxes on income other than corporation tax	47.82	46.71	49.10	16.16	2.84	4.94	73.94
3	State excise	32.96	33.31	37.94	46.47	57.27	70.64	23.35
4	Stamps and registration fees	2.27	2.52	4.26	4.35	4.48	5.70	27.23
5	Taxes on vehicles	4.24	5.95	6.22	6.94	7.88	10.67	35.40
6	Other taxes and duties on commodities and services	2.68	9.25	16.26	22.18	27.40	37.52	36.93
7	Land revenue	0.61	0.78	2.75	1.95	2.71	7.33	170.47
	Total	**147.23**	**173.18**	**197.85**	**199.19**	**223.65**	**279.54**	
	Non-Tax Revenue							
1	Interest receipts	6.31	5.34	15.10	25.94	44.18	28.14	(-)36.31
2	Road transport	13.67	14.86	15.62	17.64	20.29	24.76	22.00
3	Plantations	2.01	1.95	2.10	2.35	1.80	2.90	61.11
4	Dividends & profits	1.14	0.76	0.68	1.31	0.46	2.37	415.21
5	Forestry and wild life	9.97	9.50	10.95	11.26	8.79	12.25	33.36
6	Tourism	0.81	0.87	1.18	2.11	1.62	3.00	85.18
7	Crop husbandry	0.36	0.50	1.64	0.71	0.40	0.51	27.50
8	Power	28.00	58.16	97.66	154.74	285.83	87.86	(-)69.26
9	Printing & stationery	1.65	1.69	1.98	1.50	2.27	1.52	(-)33.03
10	Medical and public health	0.91	0.60	1.14	0.96	1.02	0.72	29.41
11	Village & small industries	0.14	0.10	0.23	0.08	0.09	0.07	(-)22.22
12	Public works	3.09	3.74	4.32	4.97	2.89	3.48	20.41
13	Police	14.14	13.90	14.64	11.68	14.52	9.57	(-)34.09
14	Animal husbandry	0.41	0.39	0.43	0.30	0.32	0.38	18.75
15	Industries	0.19	0.02	0.01	0.25	0.18	0.27	50.00
16	State Lotteries#	22.19	50.01	30.84	43.95	40.90	42.54	4.00
17	Others	8.95	9.36	13.51	12.32	16.67	17.55	5.28
18	Contribution and Recoveries towards Pension and Other Retirement Benefits	-	-	0.19	5.19	4.26		(-)17.92
	Total	**113.94**	**171.75**	**212.03**	**292.26**	**447.42**	**242.15**	

#Net Amount

Appendix -1.6

Budget estimates and actual

(Reference: Paragraph 1.4.2, Page 10)

(₹ in crore)

Sl. No.	Head of revenue	BE	Actuals	Variations excess (+)/ shortfall(-)	Percentage of variation
A	**Tax revenue**				
1	Sales tax(including *VAT)*	118.50	142.74	24.24	20.46
2	State excise	55.50	70.64	15.14	27.28
3	Other taxes and duties on commodities and services	19.39	37.52	18.13	93.50
4	Taxes on vehicles	9.00	10.67	1.67	18.55
5	Stamps and registration	3.13	5.70	2.57	82.11
6	Taxes on income other than corporation tax.	1.92	4.94	3.02	157.29
7	Land Revenue	3.82	7.33	3.51	91.88
	Total	**211.26**	**279.54**		
B	**Non-Tax Revenue**				
8	Miscellaneous general services	60.00	45.71	14.29	(-)23.82
9	Power	190.00	87.86	102.14	(-)53.76
10	Police	24.42	9.57	14.85	(-)60.81
11	Road transport	21.20	24.76	3.56	16.79
12	Forestry and wildlife	11.00	12.25	1.25	11.36
13	Interest receipts	25.58	28.14	2.56	10.00
14	Public works	3.80	3.48	0.32	(-)8.42
15	Other administrative services	3.19	4.72	1.53	47.96
16	Water supply and sanitation	2.82	2.61	0.21	(-)7.45
17	Public Service Commission	0.035	0.09	0.05	157.14
18	Medical and Public Health	0.56	0.72	0.16	28.57
19	Tourism	3.11	3.00	0.11	(-)3.54
20	Dividends and profits	1.26	2.37	1.11	88.10
21	Urban Development	0.13	2.38	2.25	1730.77
22	Education, Sports, Art and Culture	1.21	1.73	0.52	42.98
23	Contributions and recoveries towards pension	3.00	4.26	1.26	42.00
24	Housing	0.36	0.41	0.05	13.88
25	Information and Publicity	0.09	0.18	0.09	100.00
26	Other Social Services	0.04	0.06	0.02	50.00
27	Crop Husbandry	0.42	0.51	0.09	21.43
28	Animal Husbandry	0.45	0.38	0.07	15.56
29	Fisheries	0.02	0.02	-	-
30	Plantations	2.70	2.90	0.20	7.40
31	Food storage and warehousing	0.06	0.11	0.05	83.00
32	Cooperation	0.0016	0.04	0.04	2400.00
33	Other Rural Development Programme	2.80	1.17	1.63	(-)58.21
34	Minor Irrigation	0.21	0.29	0.08	38.10
35	Village and Small Industries	0.25	0.07	0.18	(-)72.00
36	Labour and Employment	0.10	0.22	0.12	120.00
37	Industries	0.25	0.27	0.02	8.00
38	Stationery and Printing	1.51	1.52	0.01	0.66
39	Non-Ferrous, Mining & Metallurgical Industries	0.085	0.19	0.11	123.53
40	Other Social Security and Welfare Programme.	0.02	0.02	-	-
41	Other General Economic Services	0.08	0.11	0.03	
42	Jails	1.53	0.03	1.50	(-)98.00
	Total	**362.31**	**242.15**		

Appendix - 2.1

Statement of various grants/appropriations where saving was more than ₹ 1 crore each and more than 20 *per cent* of the total provision

(Reference: Paragraph 2.3.1; Page 38)

(₹ in crore)

Sl. No.	Grant No	Name of the Grant/Appropriation	Total Grant/ Appropriation	Savings	Percentage
(1)	(2)	(3)	(4)	(5)	(6)
1	2	Animal Husbandry, Livestock, Fisheries and Veterinary Services Capital-voted	7.60	5.74	76
2	3	Buildings Capital-voted	31.03	12.33	40
3	7	Human Resources Development Capital-voted	27.33	7.53	28
4	12	Forestry and Environment Management Capital-voted	5.71	3.06	54
5	16	Commerce and Industries Revenue-voted	45.26	25.33	56
6	18	Information Technology Revenue-voted	3.50	1.50	43
7	19	Irrigation and Flood Control Revenue - voted	71.91	28.05	39
8	19	Irrigation and Flood Control Capital – voted	11.12	5.83	52
9	22	Land Revenue & Disaster Management Revenue - voted	65.14	35.60	55
10	29	Development Planning, Economic Reforms and North Eastern Council Affairs Revenue – voted	95.19	86.93	91
11	29	Development Planning, Economic Reforms and North Eastern Council Affairs Capital - voted	22.70	11.37	50
12	31	Energy and Power Capital-voted	98.76	65.90	67
13	33	Water Security and Public Health Engineering Capital –Voted	67.20	43.04	64
14	34	Roads and Bridges Capital-voted	213.52	125.54	59
15	35	Rural Management and Development Capital-voted	86.74	22.44	26
16	38	Social Justice, Empowerment and Welfare Revenue - voted	119.79	62.64	52
17	38	Social Justice, Empowerment and Welfare Capital - voted	10.34	6.09	59
18	39	Sports and Youth Affairs Revenue-voted	6.96	1.88	27
19	39	Sports and Youth Affairs Capital-voted	8.95	3.04	34
20	40	Tourism Capital-voted	103.90	54.87	53
21	41	Urban Development and Housing Capital-voted	182.67	149.37	82
			TOTAL	**758.07**	

Appendix - 2.2

Statement showing the cases where supplementary provision (₹ 10 lakh or more in each case) proved unnecessary

(Reference: Paragraph 2.3.5; Page 40)

(₹ in thousand)

Number and Name of the Grant		Original Provision	Actual expenditure	Savings out of Original provision	Supplementary provision
	A Revenue (Voted)				
1	Food Security and Agriculture Development	5,72,948	5,33,845	39,103	86,098
6	Ecclesiastical	1,07,272	1,02,122	5,150	3,900
12	Forestry and Environment Management	7,72,305	6,67,124	1,05,181	53,054
14	Home	2,64,712	2,33,227	31,485	8,645
15	Horticulture & Cash Crops Management	3,10,191	2,77,894	32,297	7,689
16	Commerce and Industries	4,18,074	1,99,295	2,18,779	34,546
19	Irrigation and Flood Control	7,14,961	4,38,592	2,76,399	4,195
20	Judiciary	79,690	75,617	4,073	4,927
22	Land Revenue & Disaster Management	6,44,600	2,95,414	3,49,186	6,855
29	Development Planning, Economic Reforms and North Eastern Council Affairs	9,43,143	82,589	8,60,554	8,741
30	Police	15,88,877	15,83,772	5,105	3,550
38	Social Justice, Empowerment and Welfare	11,62,035	5,71,530	5,90,505	35,913
41	Urban Development and Housing	3,15,072	2,78,027	37,045	12,390
Total-Revenue		**78,93,880**	**53,39,018**	**25,54,862**	**2,70,503**
	B Capital (Voted)				
2	Animal Husbandry, Livestock, Fisheries and Veterinary Services	45,454	18,573	26,881	30,542
3	Buildings	2,06,786	1,87,098	19,688	1,03,605
16	Commerce and Industries	18,564	16,423	2,141	4,000
29	Development Planning, Economic Reforms and North Eastern Council Affairs	1,90,000	1,13,384	76,616	37,050
31	Energy and Power	9,75,374	3,28,630	6,46,744	12,201
34	Roads and Bridges	19,43,623	8,79,791	10,63,832	1,91,562
39	Sports and Youth Affairs	8,8200	59,137	29,063	1,320
40	Tourism	9,81,149	4,90,311	4,90,838	57,866
Total-capital		**44,49,150**	**20,93,347**	**23,55,803**	**4,38,146**
Grant Total		**1,23,43,030**	**74,32,365**	**49,10,665**	**7,08,649**

Appendix - 2.3 (A)

Statement of Insufficient re-appropriation of funds

(Reference: Paragraph 2.3.6; Page 40)

(₹ in lakh)

Sl. No.	Grant No.	Description	Head of Account	Re-appropriation	Final Excess(+)
1.	7	Human Resource Development	2202-02.001-58	54.39	(+) 102.03
2.	10	Finance, Revenue and expenditure	2071-01.104-60	1604.99	(+) 37.04
3	10	Finance, Revenue and expenditure	2071-01.105	255.68	(+) 242.52
4	10	Finance, Revenue and expenditure	2071-01.117	19.15	(+) 129.75
5	15	Horticulture and Cash Crops Management	2401-00.104-16	132.68	(+) 25.43
6	24	Legislature	2011-02.103-63	9.07	(+) 11.70
7	30	Police	2055-00.104-64	338.76	(+) 38.25
8	30	Police	2055-00.109	126.60	(+) 11.18
9	33	Water Security and Public Health Engineering	2215-01-101-60	112.44	(+) 36.98
10	43	Panchayati Raj institutions	2515-00.196-61	97.56	(+) 20.00
Total					**654.88**

Appendix - 2.3 (B)

Statement showing the excess/unnecessary re-appropriation of funds

(Reference: Paragraph 2.3.6; Page 40)

(₹ in lakh)

Sl. No.	Grant No.	Description	Head of Account	Re-appropriation	Final Savings (-)
1.	2	Animal Husbandry, Livestock, Fisheries and Veterinary Services	2403-00.102-67	17.25	(-) 16.01
2.	7	Human Resource Development	2202-01.800-71	53.57	(-) 16.20
3	7	Human Resource Development	2202-02.104-64	5,009.46	(-) 22.69
4	7	Human Resource Development	4202-01.201-70	77.50	(-) 510.32
5	10	Finance, Revenue and Expenditure	2071-01.102	256.69	(-) 13.17
6	13	Health Care, Human Services and Family Welfare	2210-01.110-63	578.96	(-) 12.80
7	16	Commerce and Industries	2851-00.003-61	121.79	(-) 17.53
8	21	Labour	4059-01.051.64	109.99	(-) 21.46
9	31	Energy and Power	2801-80.001	12.00	(-) 96.18
10	38	Social Justice, Empowerment and Welfare	2225-02.001-60	3.45	(-) 15.45
11	40	Tourism	5452-01.101-60	12.96	(-) 71.33
Total					**813.14**

Appendix - 2.4

Statement of results of review of substantial surrenders made during the year 2010-11

(Reference: Paragraph 2.3.7; Page 41)

Sl. No.	Number and title of Grant	Name of the scheme (Head of Account)	Total Provision (₹ in lakh)	Amount of Surrender (₹ in lakh)	Percentage of surrender
1	1 Food Security and Agriculture Development	Organic Farming 2401-00.800-65	**505.50**	**503.58**	**99.62**
	Surrendered due to not-receipt of fund from the Government of India				
2	2 Animal Husbandry, Livestock, Fisheries and Veterinary Services	Goat Breeding 2403-00.106-71	**64.66**	**44.50**	**68.82**
	Surrendered due to non-receipt of Sanctions				
3	2 Animal Husbandry, Livestock, Fisheries and Veterinary Services	Other Livestock Breeding 2403-00.106-72	**146.06**	**90.89**	**62.22**
	Surrendered due to not-receipt of fund from the Government of India				
4	2 Animal Husbandry, Livestock, Fisheries and Veterinary Services	Diary Projects 2404-00.102-62	**8.74**	**8.74**	**100**
	Surrendered due to not-receipt of fund from the Government of India				
5	2 Animal Husbandry, Livestock, Fisheries and Veterinary Services	Fish Farmers Development 2405-00.101-66	**30.00**	**30.00**	**100**
	Surrendered to meet the expenditure under other heads				
6	3 Building and Housing	Building and Housing Department 2059-80.799-03	**50.00**	**45.10**	**90.20**
	Surrendered due to reasons that the advance for stock materials were made from the concerned head.				
7	3 Building and Housing	Lease charges (PWD) 2216-05.800-65	**3.85**	**3.85**	**100**
	Surrendered due to non receipt of claims				
8	7 Human Resource Development	Junior High Schools 2202-01.101-63	**6.00**	**3.56**	**59.33**
	Surrendered to meet the expenditure under TA				
9	7 Human Resource Development	Equipments 2202-02.052	**11.00**	**11.00**	**100**
	Surrendered due to non implementation of the scheme				
10	7 Human Resource Development	Rastriya Madhyamik Siksha Aviyan (100% CSS) 2202-02.109-66	**100.00**	**50.00**	**50**
	Surrendered due to not-receipt of fund from the Government of India				
11	7 Human Resource Development	Establishment 2202-80.001-60	**6,171.45**	**5,070.21**	**82.15**
	Surrendered for payment of arrears of revised pay				
12	7 Human Resource Development	Scholarships 2202-80.107	**26.35**	**21.70**	**82.35**
	Surrendered due to non receipt of fund from the N.E.C				
13	8 Election	Conduct of Election 2015-00.105-62	**0.10**	**0.10**	**100**
	Surrendered due to the reason that no election was held				
14	10 Finance, Revenue and Expenditure	Employees and Pension Database (Grants under 13th Finance Commission) 2054-00.800-41	**250.00**	**179.22**	**71.68**
	Surrendered due to non completion of work				

Sl. No.	Number and title of Grant	Name of the scheme (Head of Account)	Total Provision (₹ in lakh)	Amount of Surrender (₹ in lakh)	Percentage of surrender
15	10 Finance, Revenue and Expenditure	Finance Department 2235-60.104-10	**0.01**	**0.01**	**100**
	Surrendered due to non receipt of claims				
16	10 Finance, Revenue and Expenditure	House Building Advances to A.I.S Officers 7610-00.201-61	**20.00**	**20.00**	**100**
	Surrendered due to non receipt of application for the advances				
17	11 Food, Civil Supplies and Consumer Affairs	**Buildings 4408-01.101-60**	**60.00**	**60.00**	**100**
	Surrendered due to non-utilisation of fund by Building and Housing Department towards construction of Gyalsing				
18	12 Forestry, Environment and Wildlife Management	Waste Land Development (100% CSS) 2501-05.101-81	**20.00**	**20.00**	**100**
	Surrendered due to not-receipt of fund from the Government of India				
19	12 Forestry, Environment and Wildlife Management	Botanical Garden Hee-Gorucharan 435-03.101-61	**15.00**	**15.00**	**100**
	Surrendered due to change in DPR				
20	Governor	Entertainment Expenses 2012-03.106	**0.23**	**0.13**	**56.52**
	Surrendered due to austerity measures adopted by His Excellency				
21	Governor	Expenditure from Contract Allowance 2012-03.107	**3.64**	**2.80**	**76.92**
	Surrendered due to curtail in expenditure as directed by His Excellency				
22	Governor	Work Charged Establishment 2059-60.053-60	**0.31**	**0.31**	**100**
	Surrendered due to austerity measures adopted by His Excellency				
23	Governor	**Other Maintenance Expenditure 2059-60.053-61**	**14.62**	**14.62**	**100**
	Surrendered due to austerity measures adopted by His Excellency				
24	Governor	Governor 2059-60.103-44	**4.15**	**4.15**	**100**
	Surrendered due to austerity measures adopted by His Excellency				
25	13 Health Care, Human Services and Family welfare	Establishment 2210-01.001-60	**2,191.79**	**1,588.85**	**72.49**
	Surrendered was made to offset the excess under other heads due to payment of revised pay.				
26	13 Health Care, Human Services and Family welfare	Development of Nursing Services (100% CSS) 2210-05.105-81	**0.20**	**0.20**	**100**
	Token provision of ₹ 0.20 lakh was surrendered				
27	13 Health Care, Human Services and Family welfare	National Mental Health Programme (100% CSS) 2210-06.101-86	**12.76**	**10.94**	**85.73**
	Surrendered due to transferred of fund to the Programme (outside treasury) under NRHM				
28	13 Health Care, Human Services and Family welfare	Drug De-addiction Programme (100% CSS) 2210-06.101-87	**3.50**	**3.50**	**100**
	Surrendered due to not-receipt of fund from the Government of India				
29	13 Health Care, Human Services and Family welfare	Establishment of Drug Testing Laboratory under AYUSH (100% CSS) 2210-06.107	**5.00**	**5.00**	**100**
	Surrendered due to non-completion of work within scheduled time				

Sl. No.	Number and title of Grant	Name of the scheme (Head of Account)	Total Provision (₹ in lakh)	Amount of Surrender (₹ in lakh)	Percentage of surrender
30	13 Health Care, Human Services and Family welfare	Work Charged Establishment 2216-05.053-60	**10.95**	**6.50**	**59.36**
	Surrendered due to non-receipt of claims				
31	13 Health Care, Human Services and Family welfare	Other Maintenance Expenditure 2216-05.053-61	**34.29**	**34.00**	**99.15**
	Surrendered was made to meet the shortfall under salaries in other heads				
32	13 Health Care, Human Services and Family welfare	Construction of Pharmacy College (ACA) 4210-03.103-61	**100.00**	**100.00**	**100**
	Surrendered due to non-finalisation of the construction work				
33	13 Health Care, Human Services and Family welfare	Construction of Drug Testing Laboratory under AYUSH (100% CSS) 4210-04.107-60	**140.00**	**123.60**	**88.28**
	Surrendered due to non-completion of work				
34	14 Home	Improving Delivery of Justice 2014-00.800-41	**435.00**	**381.61**	**87.72**
	Surrendered due to non receipt of proposals from Building and Housing Department				
35	15 Horticulture and Cash Crops Management	Horticulture Department 2401-00.107-16	**1,000.02**	**698.14**	**69.81**
	Surrendered due to implementation of similar programme under other heads				
36	15 Horticulture and Cash Crops Management	Vegetables 2401-00.119-64	**100.00**	**85.48**	**85.48**
	Surrendered due to non-receipt of claims and non-sanction of fund				
37	16 Commerce and Industries	Directorate of Small Scale industries 2851-00.001-60	**483.07**	**284.16**	**58.82**
	Surrendered for payment of arrear salaries and transfer of Staff				
38	21 Labour	Construction of ITI at Gyalshing 4059-01.051-62	**35.00**	**35.00**	**100**
	Surrendered due to non-receipt of fund from the Government of India				
39	21 Labour	Construction of Centre of Excellence at Rangpo 4059-01.051-63	**110.00**	**110.00**	**100**
	Surrendered for conducting Vocational Training and payment of committed liabilities from other heads				
40	22 Land Revenue and Disaster Management	Supply of Fodder 2245-02.10104	**0.10**	**0.10**	**100**
	Token provision surrendered due to non-implementation of the related scheme				
41	22 Land Revenue and Disaster Management	Veterinary Care 2245-02.105	**0.10**	**0.10**	**100**
	Token provision surrendered due to non- implementation of the related scheme				
42	22 Land Revenue and Disaster Management	Repairs and restoration of damaged Government Office Buildings 2245-02.107	**0.10**	**0.10**	**100**
	Token provision surrendered due to non-implementation of the related scheme				
43	22 Land Revenue and Disaster Management	Repairs and restoration of damaged Government Residential Buildings 2245-02.108	**0.10**	**0.10**	**100**
	Token provision surrendered due to non-implementation of the related scheme.				

Sl. No.	Number and title of Grant	Name of the scheme (Head of Account)	Total Provision (₹ in lakh)	Amount of Surrender (₹ in lakh)	Percentage of surrender
44	22 Land Revenue and Disaster Management	Ex-gratia payment to bereaved families 2245-02.111	**0.10**	**0.10**	**100**
	Token provision surrendered due to non-im plementation of the related scheme				
45	22 Land Revenue and Disaster Management	Evacuation of population 2245-02.112	**0.10**	**0.10**	**100**
	Token provision surrendered due to non-im plementation of the related scheme				
46	22 Land Revenue and Disaster Management	Assistance for repairs/reconstruction of Houses 2245-02.113	**0.10**	**0.10**	**100**
	Token provision surrendered due to non-im plementation of the related scheme				
47	22 Land Revenue and Disaster Management	Assistance to Farmers for purchase of Agricultural inputs 2245-02.114	**0.10**	**0.10**	**100**
	Token provision surrendered due to non-im plementation of the related scheme				
48	22 Land Revenue and Disaster Management	Assistance to Farmers to clear sand/silt/salinity from lands 2245-02.115	**0.10**	**0.10**	**100**
	Token provision surrendered due to non-im plementation of the related scheme				
49	22 Land Revenue and Disaster Management	Assistance to Farmers for purchase of live stocks 2245-02.117	**0.10**	**0.10**	**100**
	Token provision surrendered due to non-im plementation of the related scheme				
50	22 Land Revenue and Disaster Management	Afforrestation 2245-02.121	**0.10**	**0.10**	**100**
	Token provision surrendered due to non-im plementation of the related scheme				
51	22 Land Revenue and Disaster Management	Public Health 2245-02.282	**0.30**	**0.30**	**100**
	Token provision surrendered due to non-im plementation of the related scheme				
52	22 Land Revenue and Disaster Management	Other Expenditure 2245-02.800	**2,173.20**	**1,430.13**	**65.81**
	Surrendered to meet the expenditure under other heads and due to non-receipt of funds from Government of India				
53	22 Land Revenue and Disaster Management	Census Enumeration for Decennial Population Census - 2011 3454-01.800-01	**200.00**	**114.75**	**57.37**
	Surrendered in view that payment should be made in the next financial year 2011-12				
54	29 Development Planning, Economic Reforms and North Eastern Council Affairs	Border area Development Programmes 2575-06.101	**100.00**	**52.04**	**52.04**
	Surrendered due to delay in tender process				
55	29 Development Planning, Economic Reforms and North Eastern Council Affairs	**Planning & Development 3451-00.090-30**	**8,829.78**	**8,442.24**	**95.61**
	Surrendered for the allocation of fund to other projects sanctioned by the Government of India under SPA				
56	29 Development Planning, Economic Reforms and North Eastern Council Affairs	Incentive for Issuing UID (Grant under 13th Finance Commission) 3454-02.206-64	**22.00**	**22.00**	**100**
	Surrendered to carry forward the fund to lthe next financial year				

Sl. No.	Number and title of Grant	Name of the scheme (Head of Account)	Total Provision (₹ in lakh)	Amount of Surrender (₹ in lakh)	Percentage of surrender
57	31 Energy and Power	Schemes under ministry of New and Renewable Energy (100% CSS) 4801-01.800-79	**1,080.7**	**1,080.70**	**100**
	Surrendered due to non implementation of the scheme, non receipt of resource				
58	31 Energy and Power	Schemes under NLCPR 4801-05.800-46	**900.06**	**900.06**	**100**
	Surrendered due to non receipt of fund				
59	31 Energy and Power	Schemes under North Eastern Council 4801-05.800-47	**1,157.59**	**8,25.31**	**71.29**
	Surrendered due non receipt of fund				
60	31 Energy and Power	Scheme under State Plan 4801-05.800-48	**700.00**	**700.00**	**100**
	Surrendered due to non approval of the proposal				
61	31 Energy and Power	Remodeling & Conversion of Existing Overhead LT line into underground Cable System of all Electrical Network in and Around Ravong, South Sikkim (NEC) 4801-05.800-51	**90.56**	**51.64**	**57.02**
	Surrendered due to non receipt of fund from the Government of India				
62	31 Energy and Power	Syncronisation renovation and modernization of Rimbi Stage I & II and Kalez Khola Hydro Electric Project (Dentam) with 66 KV State Grid in West Sikkim (NEC) 4801-05.800-54	**488.12**	**377.05**	**77.24**
	Surrendered on the basis of actual release of fund during the year				
63	31 Energy and Power	Construction of 66/11 KV 2x5 MVA sub-station at Perving, East Sikkim Including drawing of 11 KV Transmission lines for Power Evacuation & other Allied Electrical Works in and around Gangtok (NLCPR) 4801-05.800-67	**300.00**	**300.00**	**100**
	Surrendered due to non approval of the proposals				
64	31 Energy and Power	66 KVDC Transmission Lines from LLHP to Bulbuley & 2x10 MVA Sub-station at Bulbuley (NLCPR) (East) 4801-05.800-68	**2.50**	**2.50**	**100**
	Surrendered due to closure of the Scheme				
65	31 Energy and Power	Remodelling of Transmission and Distribution Network in Gangtok town in Sikkim (NLCPR) (East) 4801-05.800-79	**15.08**	**15.08**	**100**
	Surrendered due to closure of the Scheme				

Sl. No.	Number and title of Grant	Name of the scheme (Head of Account)	Total Provision (₹ in lakh)	Amount of Surrender (₹ in lakh)	Percentage of surrender
66	31 Energy and Power	Construction of D/C 132 KV Transmission Lines from LLHP to Nathula with LILO at Bulbuley (NLCPR) 4801-05.800-84	**828.37**	**828.37**	**100**
	Surrendered due to non-receipt of fund from the Government of India				
67	31 Energy and Power	Construction of 33 KV Transmission Line from Nmchi to Damthang and Temi and Sub-station at Temi/Damthang (NLCPR) 4801-05.800-96	**150.00**	**150.00**	**100**
	Surrendered due to non-receipt of fund from the Government of India				
68	31 Energy and Power	Drawing of New 66KV Double Circuit Transmission Line from LLHP to Tadong 66/11KV Sub-station, East Sikkim (NLCPR) 4801-05.800-98	**350.00**	**350.00**	**100**
	Surrendered due to non approval of the proposals				
69	31 Energy and Power	Installation of 1x15MVA Transmission and Extension Bay at 66/11KV sub-station at Mamring East Sikkim (NLCPR) 4801-05.800-99	**484.66**	**484.66**	**100**
	Surrendered due to non approval of the proposals				
70	33 Water Security and Public Health Engineering	Gangtok Water Supply Schemes (East) 4215-01.101-60	**801.19**	**454.86**	**56.77**
	Surrendered due to non-receipt of fund from the Government of India				
71	33 Water Security and Public Health Engineering	Namchi Water Supply Schemes South 4215-01.101-61	**200.01**	**112.00**	**56**
	Surrendered due to non-receipt of fund from the Government of India				
72	33 Water Security and Public Health Engineering	Pakyong Water Supply Schemes (East) 4215-01.101-63	**150.01**	**150.00**	**99.99**
	Surrendered due to non-receipt of fund from the Government of India				
73	33 Water Security and Public Health Engineering	Gyalshing Water Supply Schemes (West) 4215-01.101-64	**22.70**	**15.05**	**66.29**
	Surrendered due to non-receipt of fund from the Government of India				
74	33 Water Security and Public Health Engineering	Other Water Supply Schemes	**4,841.26**	**3,946.56**	**81.51**
	Surrendered due to non-receipt of fund from the Government of India				
75	34 Roads	Replacement of BB Lal Bridge over Kalej Khola (NLCPR) 5054-04.101-64	**5.00**	**5.00**	**100**
	Surrendered due to not receipt of fund				
76	34 Roads	Replacement jof 2 Nos Existing suspension bridges on Pelling-Yuksom Road in Sikkim 5054-04.101-65	**22.26**	**22.26**	**100**
	Surrendered due to not receipt of fund				

Sl. No.	Number and title of Grant	Name of the scheme (Head of Account)	Total Provision (₹ in lakh)	Amount of Surrender (₹ in lakh)	Percentage of surrender
77	34 Roads	Construction of Suspension Bridge at Singtam (NLCPR) 5054-04.101-67	**869.57**	**869.57**	**100**
	Surrendered due to not receipt of fund				
78	34 Roads	District Roads 5054-05.337-60	**3,533.15**	**2,324.36**	**65.78**
	Surrendered due to non-receipt of fund				
79	35 Rural Management and Development	Rural Development Department 2215-01.102-36	**835.87**	**703.58**	**84.17**
	Surrendered was made to meet the expenditure under other heads				
80	35 Rural Management and Development	Rural Development Department 3054-80.799-36	**50.00**	**33.71**	**67.42**
	Surrendered due to curtailment of expenditure				
81	35 Rural Management and Development	Rural Development Department 4215-01.102-36	**2,328.92**	**1,398.38**	**60.04**
	Surrendered due non implementation of schemes and non-receipt of claims				
82	38 Social Justice, Empowerment and Welfare	Special Component Plan for Schedule Castes 2210-80.789	**2.40**	**2.08**	**86.66**
	Surrendered due to late sanction of scheme				
83	38 Social Justice, Empowerment and Welfare	Tribal Area Sub-Plan 2210-80.796	**2.50**	**2.50**	**100**
	Surrendered due to late sanction of the scheme				
84	38 Social Justice, Empowerment and Welfare	Other welfare Activities 2225-02.800-64	**9.53**	**9.53**	**100**
	Surrendered due to non-receipt of fund from the Government of India				
85	38 Social Justice, Empowerment and Welfare	Educational Support 2225-03.277-61	**16.52**	**9.64**	**58.35**
	Surrendered due to non-receipt of fund from the Government of India				
86	38 Social Justice, Empowerment and Welfare	Development Programme 2225-03.800-64	**0.01**	**0.01**	**100**
	Surrendered due to meagre plan size				
87	38 Social Justice, Empowerment and Welfare	Multi Sectoral Development Programme for Minority Concentration Districts (100% CSS) 2225-80.800-73	**578.75**	**578.75**	**100**
	Surrendered due to non-receipt of fund				
88	38 Social Justice, Empowerment and Welfare	Other Child Welfare Programme 2235-02.102-62	**62.01**	**50.01**	**80.64**
	Surrendered due to non-receipt of fund				
89	38 Social Justice, Empowerment and Welfare	ICDS Programme (State Share) 2235-02.102-63	**0.02**	**0.02**	**100**
	The provision only being token was surrendered				
90	38 Social Justice, Empowerment and Welfare	Integrated Child Protection Scheme (ICPS) (90:10% CSS) 2235-02.102-64	**370.22**	**370.22**	**100**
	Surrendered due to non-receipt of fund				
91	38 Social Justice, Empowerment and Welfare	Other Women's Welfare Programme 2235-02.103-64	**183.96**	**181.84**	**98.84**
	Surrendered due to non-receipt of fund				

Sl. No.	Number and title of Grant	Name of the scheme (Head of Account)	Total Provision (₹ in lakh)	Amount of Surrender (₹ in lakh)	Percentage of surrender
92	38 Social Justice, Empowerment and Welfare	2235-03.101-60 Pension Schemes	**1,277.00**	**668.29**	**52.33**
	Surrendered due to non-receipt of fund from the Government of India				
93	38 Social Justice, Empowerment and Welfare	2235-60.102-60 Pension Schemes	**2.00**	**1.22**	**61**
	Surrendered due to non-receipt of claims				
94	38 Social Justice, Empowerment and Welfare	Horticulture Department 2401-00.789-16	**200.00**	**100.00**	**50**
	Surrendered as per the direction of the Government				
95	38 Social Justice, Empowerment and Welfare	Special Component Plan for Schedule Castes 2702-01.789	**591.00**	**591.00**	**100**
	Surrendered due to non-fulfilment of the conditions for the utilisation of the fund as prescribed				
96	38 Social Justice, Empowerment and Welfare	Tribal Area Sub Plan 2702-01.796	**2,980.00**	**2,980.00**	**100**
	Surrendered due to non-fulfilment of the conditions for the utilisation of the fund as prescribed				
97	38 Social Justice, Empowerment and Welfare	Special Component Plan for Scheduled Castes 2705-00.789	**9.00**	**9.00**	**100**
	Surrendered due to non-fulfilment of the conditions for the utilisation of the fund as prescribed				
98	38 Social Justice, Empowerment and Welfare	Tribal Area Sub Plan 2705-00.796	**20.00**	**20.00**	**100**
	Surrendered due to non-fulfilment of the conditions for the utilisation of the fund as prescribed				
99	38 Social Justice, Empowerment and Welfare	Tribal Area Sub Plan 2225-02.796-64	**0.01**	**0.01**	**100**
	Surrendered due to late receipt of proposals and as advised by the Government				
100	38 Social Justice, Empowerment and Welfare	Tribal Area Sub Plan 4059-80.796	**100.00**	**100.00**	**100**
	Surrendered due to late receipt of proposals and as advised by the Government				
101	38 Social Justice, Empowerment and Welfare	Construction of Primary Health Sub-Centres 4210-02.796-61	**47.50**	**47.50**	**100**
	Surrendered due to late sanction of the scheme				
102	38 Social Justice, Empowerment and Welfare	Infrastructure Development Programme 4225-02.796-60	**0.01**	**0.01**	**100**
	Token provision was surrendered				
103	38 Social Justice, Empowerment and Welfare	Investment in SABCCO 4225-80.190-60	**0.01**	**0.01**	**100**
	Token provision was surrendered				
104	38 Social Justice, Empowerment and Welfare	Social Welfare 4235-02.102-39	**428.78**	**368.79**	**66**
	Surrendered due to non-receipt of fund				
105	39 Sports and Affairs	Development Activities 2204-00.104-65	**188.15**	**161.14**	**85.64**
	Surrendered due to non-receipt of fund from the Government of India				
106	40 Tourism	Other Development Projects 5452-01.101-61	**3,625.59**	**2,419.90**	**66.74**
	Surrendered due to delay in execution of work due to delay in tender				

Sl. No.	Number and title of Grant	Name of the scheme (Head of Account)	Total Provision (₹ in lakh)	Amount of Surrender (₹ in lakh)	Percentage of surrender
107	40 Tourism	Tourist Destination Projects 5452-01.101-62	**2,835.56**	**2,251.59**	**79.40**
	Surrendered due to delay in submission of bill and delay in progress of work in some cases and due to non-completion work				
108	40 Tourism	Tourist Institutes 5452-01.101-64	**200.00**	**193.16**	**96.58**
	Surrendered due to delay in progress in work and non-completion of work				
109	41 Urban Development	Charges for conduct of Election to Panchayat/Local Bodies 2015-00.109	**1.00**	**1.00**	**100**
	Surrendered due to non-conduct of election				
110	41 Urban Development	Garbage Plant at Martam 2217-80.800-64	**10.00**	**8.93**	**89.30**
	Surrendered due to curtailment in expenditure				
111	41 Urban Development	Urban Oriented Development Programme 3475-00.108	**100.00**	**53.81**	**53.81**
	Surrendered due to non receipt of fund				
112	41 Urban Development	Jawaharlal Nehru National Urban Renewal Mission 4217-03.051-71	**15,000.00**	**13,192.50**	**87.95**
	Surrendered due to non receipt of fund				
113	41 Urban Development	ADP Project (EAP) 4217-03.051-75	**500.00**	**500.00**	**100**
	Surrendered due to non receipt of fund				
114	41 Urban Development	Projects/Schemes for the Benefit jof N.E Region and Sikkim (90:10% CSS) 4217-03.051-778	**1,008.86**	**748.56**	**74.19**
	Surrendered due to non receipt of fund				
115	41 Urban Development	Schemes under NEC 4217-03.051-79	**150.00**	**105.00**	**70**
	Surrendered due to non receipt of fund				
116	43 Panchayati Raj Institutions	Lower Primary Schools 2202-01.198-61	**6,796.97**	**3,928.86**	**57.80**
	Surrendered to meet the expenditure on arrear payment of revised pay from other heads				
TOTAL			**80,960.50**	**65,484.39**	

Appendix - 2.5

Statement of various grants/appropriations in which savings occurred but no part of which had been surrendered

(Reference Paragraph 2.3.9, Page 41)

(₹ in lakh)

I - Grant			
Sl.No.	**Grant No.**	**Number and Name of grant/appropriation**	**Saving**
1	4	Co-operation	0.06
2	5	Cultural Affairs and Heritage	128.00
3	11	Food, Civil Supplies and Consumers Affairs	5.22
4	15	Horticulture & Cash Crops Management	0.03
5	16	Commerce and Industries	61.41
6	17	Information and Public Relation	10.01
7	18	Information Technology	150.71
8	22	Land Revenue and Disaster Management	83.95
9	23	Law	0.26
10	25	Mines Mineral and Geology	0.04
11	26	Motor Vehicles	0.50
12	27	Parliamentary Affairs	0.56
13	29	Development Planning, Economic Reforms and North Eastern Council Affairs	1,136.66
14	30	Police	4.99
15	31	Energy and Power	43.18
16	32	Printing	0.06
17	36	Science and Technology	0.23
18	37	Sikkim Nationalised Transport	65.01
19	40	Tourism	2.09
20	42	Vigilance	1.89
		Total	**1,694.86**
II - Appropriation			
1		Public Service Commission	0.01
		Total	**0.01**
		Grand Total	**1,694.87**

Appendix - 2.6

Statement showing the details of saving of ₹ 1 crore and above not surrendered

(Reference Paragraph 2.3.9; Page. 41)

(₹ in crore)

Sl. No.	Number and Name of Grants/Appropriation	Capital/Revenue	Saving	Surrender	Saving which remained to be surrendered
1	2	3	4	5	6
1	01 Food Security and Agriculture Development	Revenue	12.52	8.16	4.36
2	02 Animal Husbandry, Livestock, Fisheries and Veterinary Services	Capital	5.74	3.71	2.03
3	03 Buildings	Capital	12.33	2.53	9.80
4	05 Cultural Affairs and Heritage	Capital	1.28	0	1.28
5	07 Human Resources and Development	Capital	7.53	2.50	5.03
6	12 Forestry and Environment Management	Revenue	15.82	12.16	3.66
7	13 Health Care, Human Services and Family Welfare	Revenue	4.28	3.19	1.09
8	16 Commerce and Industries	Revenue	25.33	.08	25.25
9	18 Information Technology	Revenue	1.50	0	1.50
10	22 Land Revenue & Disaster Management	Revenue	35.60	7.88	27.72
11	29 Development Planning, Economic Reforms and North Eastern Council Affairs	Revenue	86.93	85.22	1.71
12	29 Development Planning, Economic Reforms and North Eastern Council Affairs	Capital	11.36	0	11.36
13	33 Water Security and Public Health Engineering	Capital	43.04	41.74	1.30
14	34 Roads and Bridges	Capital	125.54	111.64	13.90
15	35 Rural Management and Development	Revenue	4.33	2.19	2.14
16	35 Rural Management and Development	Capital	22.44	20.36	2.08
17	40 Tourism	Capital	54.87	52.73	2.14
	Total		**470.44**	**354.09**	**116.35**

Appendix - 2.7

Statement showing the cases of surrender of funds in excess of ₹ 1 crore on 31 March 2011

(Reference Paragraph 2.3.9; Page 41)

(₹ in crore)

Sl No.	Grant No.	Major Head	Amount of Surrender	Percentage of total provision
1	2	3	4	5
1	1	2401	6.2	27.07
2	1	2435	1.96	4.87
3	2	2403	4.9	14.45
4	2	4403	3.71	77.5
5	3	4059	2.53	8.42
6	5	4202	1.1	7.85
7	7	2202	4.76	1.54
8	7	4202	2.5	9.14
9	10	2049	17.29	8.84
10	10	2054	1.8	15.8
11	10	2075	8.42	0.91
12	12	2406	11.64	17.61
13	12	4406	3.06	53.59
14	13	2210	3.19	2.94
15	13	4210	3.39	9.62
16	14	2014	3.82	87.81
17	15	2401	4.15	13.1
18	19	2702	28.04	41.16
19	19	4711	5.79	52.06
20	20	2014	1.64	10.72
21	22	2245	6.69	14.3
22	22	3454	1.15	57.5
23	29	3451	84.42	95.61
24	31	4801	65.74	66.57
25	33	4215	41.74	62.11
26	34	5054	111.64	52.28
27	35	2215	1.84	14.29
28	35	4215	17.33	74.4
29	35	4216	1	3.57
30	35	4515	2	7.83
31	38	2215	2	20
32	38	2225	6.57	36.39
33	38	2235	12.98	37.68
34	38	2236	1.8	16.21
35	38	2401	3	37.5
36	38	2702	35.71	100
37	38	4059	1	100
38	38	4235	4.29	100
39	39	2204	1.61	23.13
40	39	4202	2.5	27.93
41	40	5452	52.73	50.75
42	41	2217	4.38	15.52
43	41	4217	149.16	81.65
44	43	3604	8.58	43.64
		Total	**739.75**	

Appendix - 2.8
Statement showing the rush of Expenditure
(Reference: Paragraph 2.3.11; Page 42)

(₹ in crore)

Sl. No.	Number and Name of Grants/ Appropriation	Head of Account	Expenditure incurred during Jan-March 2011	Expenditure incurred in March 2011	Total expenditure	% of total expenditure incurred during	
						Jan-March 2011	March 2011
1	1 Food Security and Agriculture Development	2435	25.49	24.24	34.19	74.55	70.90
2	2 Animal Husbandry, Livestock, Fisheries and Veterinary Services	4405	1.48	-	1.57	94.27	-
3	4 Co-operation	4425	1.00	1.00	1.00	100.00	100.00
		6425	3.75	-	3.75	100.00	-
4	6 Ecclesiastical	2250	6.29	5.72	10.21	61.61	56.02
5	7 Human Resources and Development	4202	12.11	-	19.80	61.16	-
6	8 Election	2015	2.00	-	3.25	61.54	-
7	10 Finance, Revenue and Expenditure	2045	9.00	9.00	9.00	100.00	100.00
		2075	575.31	-	901.90	63.79	-
8	12 Forestry and Environment Management	4406	2.37	2.37	2.65	89.43	89.43
9	15 Horticulture and Cash Crops Management	2401	16.63	-	27.65	60.14	-
10	19 Irrigation and Flood Control	2702	26.03	23.60	41.57	62.62	56.77
		2711	1.39	-	2.28	60.96	-
		4711	3.64	3.29	5.29	68.81	62.19
11	21 Labour	4059	1.24	1.24	1.93	64.25	64.25
12	22 Land Revenue & Disaster Management	4059	21.68	20.90	36.78	58.95	56.82
13	28 Personnel, Administrative Reforms, Training, Public Grievances,	6202	2.00	-	2.00	100.00	-
14	29 Development Planning, Economic Reforms and North Eastern Council Affairs	4575	6.77	-	11.34	59.70	-
15	34 Roads and Bridges	5054	49.86	-	87.98	56.67	-
16	38 Social Justice, Empowerment and Welfare	2215	8.00	7.83	8.32	96.15	94.11
		2225	8.62	6.64	11.26	76.55	58.97
		2236	5.05	-	9.43	53.55	-
		2401	5.00	4.32	5.00	100.00	86.40
		4202	1.00	1.00	1.00	100.00	100.00
		4217	1.50	1.50	1.50	100.00	100.00
17	39 Sports and Youth Affairs	4202	2.97	2.97	5.91	50.25	50.25
18	41 Urban Development and Housing	2217	15.27	13.47	23.85	64.03	56.48
		4217	17.66	-	33.30	53.03	-

Appendix - 2.9

Statement showing the pending DC bills for the years up to 2010-11

(Reference paragraph 2.4.1 Page 43)

(₹ in crore)

Sl. No.	Department	Number of AC bills	Amount
1	Food Security and Agriculture Development	121	7.76
2	Animal Husbandry, Livestock, Fisheries and Veterinary Services	43	3.50
3	Building & Housing	56	0.61
4	Co-operation	127	1.09
5	Cultural Affairs and Heritage	29	0.28
6	Ecclesiastical	26	0.98
7	Human Resource Development	56	2.17
8	Election	28	0.48
9	Excise	71	0.37
10	Finance, Revenue and Expenditure	249	1.86
11	Food, Civil supplies and Consumer Affairs	161	1.17
12	Forestry and Environment Management	232	1.67
13	Health Care, Human Services and Family Welfare	546	3.74
14	Home	228	8.30
15	Horticulture and Cash Crops Management	162	10.82
16	Commerce and Industries	115	2.24
17	Information and Public Relation	41	0.57
18	Information Technology	13	0.70
19	Irrigation and Flood Control	202	2.62
20	Judiciary	164	1.24
21	Labour	91	7.16
22	Land Revenue and Disaster Management	176	3.64
23	Law	36	0.09
24	Legislature	36	0.44
25	Mines, Mineral and Geology	121	2.56
26	Motor Vehicles	14	0.06
27	Parliamentary Affairs	20	0.04
28	Personnel, Administrative Reforms, Training & Public Grievances	62	3.32
29	Development Planning, Economic Reforms and North Eastern Council Affairs	160	5.83
30	Police	94	6.60
31	Energy and Power	109	1.88
32	Printing	10	0.01
33	Water Security and Public Health Engineering	64	0.48
34	Roads and Bridges	158	0.35
35	Rural Management and Development	347	5.57
36	Science and Technology	18	0.07
37	Sikkim Nationalised Transport	25	0.17
38	Social Justice, Empowerment and Welfare	203	7.52
39	Sports and Youth Affairs	70	3.20
40	Tourism	56	6.79
41	Urban Development and Housing	235	1.07
42	Vigilance	59	0.36
43	Panchayati Raj Institutions	13	0.20
44	Governor	73	0.52
45	Public Service Commission	22	0.19
46	Municipal Affairs	0	0
47	Not identified	7	1.01
	Total	**4,949**	**111.30**

Appendix - 3.1

Utilisation certificates outstanding as on 31 March 2011

(Reference: Paragraph 3.1; Page 49)

(₹ in lakh)

Sl. No.	Department	Year of Payment of grant	Total grants paid		Utilisation Certificates			
			Number	Amount	Received		Outstanding	
					Number	Amount	Number	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
I	Cultural Affairs and Heritage							
1	Cultural Affairs and Heritage Department	2009-10	78	89.00	45	76.55	33	12.45
2	Cultural Affairs and Heritage Department	2010-11	76	290.00	63	39.10	13	250.90
	Total		**154**	**379**	**108**	**115.65**	**46**	**263.35**
II	Food Security and Agriculture Development							
1	Zilla Panchayat	2003-04	08	7.30	07	6.56	01	0.74
2	Zilla Panchayat	2006-07	04	9.00	03	6.30	01	2.70
3	Zilla Panchayat	2007-08	14	25.55	11	19.39	03	6.16
4	Zilla Panchayat	2008-09	07	12.07	05	9.02	02	3.05
5	Zilla Panchayat	2009-10	08	10.80	04	5.40	04	5.40
6	Gram Panchayat	2004-05	04	6.14	03	5.40	1	0.74
7	Gram Panchayat	2005-06	04	6.14	03	4.22	01	1.92
8	Gram Panchayat	2007-08	18	65.45	15	49.71	03	15.74
9	Gram Panchayat	2009-10	12	31.50	06	14.31	06	17.19
	Total		**79**	**173.95**	**57**	**120.31**	**22**	**53.64**
III	Co-operation							
1	2425-Cooperation	1999-2000	5	3.25	4	3	1	0.25
2	2425-Cooperation	2001-02	9	19.04	8	18.24	1	0.80
3	2425-Cooperation	2002-03	18	29.52	15	29.31	3	0.21
4	2425-Cooperation	2005-06	4	11	4	11	0	0
5	2425-Cooperation	2006-07	351	68	296	60.41	55	7.59
6	2425-Cooperation	2007-08	199	138	132	86.10	67	51.90
7	2425-Cooperation	2008-09	25	159	17	126.74	8	32.26
8	2425-Cooperation	2009-10	33	377	15	56.27	18	320.73
	Total		**644**	**804.81**	**491**	**391.07**	**153**	**413.74**
IV	Social Justice, Empowerment and Welfare							
1	National Association for Blind	2010-11	1	2.5	0	0	1	2.50
2	Spastic Society	2010-11	1	1.00	1	1.00	0	0
3	Association for Social Health in India (Sikkim)	2010-11	1	0.60	1	0.60	0	0
4	Serenity Home	2010-11	1	0.50	0	0	1	0.50
5	Sikkim Viklang Society	2010-11	1	1.00	1	1.00	0	0
6	Sikkim Rehabilitation Centre, Nimtar	2010-11	1	1.00	1	1.00	0	0
7	Shanti Sewa samiti	2010-11	1	0.50	0	0	1	0.50
8	Mayalmu Sangh, Tadong	2010-11	1	1.00	0	0	1	1.00
9	Pragati Social Charity, Tadong	2010-11	1	0.50	0	0	1	0.50
10	Sikkim Welfare Commission	2010-11	1	3.50	1	3.50	0	0
11	State Commission for Women	2010-11	3	12.0	3	12.00	0	0
12	Social Welfare Board	2010-11	3	24.00	2	22.00	1	2.00
13	State Commission for Protection of Right of Children	2010-11	4	10.00	4	10.00	0	0
14	Juvenile Welfare Board	2010-11	4	12.82	4	12.82	0	0
15	Balika Niketan Tadong	2010-11	2	2.52	2	2.52	0	0
16	Kaluk Destitute Home	2010-11	3	4.75	3	4.75	0	0
17	King Stone Destitute Home, Rhenock	2010-11	2	2.75	2	2.75	0	0
18	Turuk Destitute Home	2010-11	2	1.61	2	1.61	0	0
19	Wangdi Faith Mission, Mangan	2010-11	2	2.75	2	2.75	0	0
	Total		**35**	**85.3**	**29**	**78.30**	**6**	**7.00**
V	Council of Science & Technology							
1	Science and Technology Department	2010-11	01	20.00	01	20.00	0	0
	Total		**01**	**20.00**	**01**	**20.00**	**0**	**0**
VI	Information Technology							
1	RMDD- to Zilla Parishads	07-08/08-09	4	10.35	2	5.18	2	5.17
2	RMDD- to Gram Parishads	07-08/08-09	4	24.15	2	9.62	2	14.53
	Total		**8**	**34.50**	**4**	**14.80**	**4**	**19.70**

Sl. No.	Department	Year of Payment of grant	Total grants paid		Utilisation Certificates			
			Number	Amount	Received		Outstanding	
					Number	Amount	Number	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
VII	Chief Electoral Officer, Sikkim							
1	Building and Housing Department	2010-11	2	32.56	0	0	2	32.56
	Total		**2**	**32.56**	**0**	**0**	**2**	**32.56**
VIII	DOPART							
1	DOPART	2010-11	3	500.00	2	494.00	1	6.00
	Total		**3**	**500.00**	**2**	**494.00**	**1**	**6.00**
IX	Food, Civil Supplies and consumer Affairs							
1	UD & HD	2009-10	1	4.16	0	0	1	4.16
	Total		**1**	**4.16**	**0**	**0**	**1**	**4.16**
X	AH, Livestock, Fisheries and VS							
1	AH, LF & VS	2010-11	3	196.67	1	20	2	176.67
	Total		**3**	**196.67**	**1**	**20**	**2**	**176.67**
XI	LRDMD							
1	Revamping of Civil Defence	2010-11	1	1,160.00	-	-	1	1,160.00
2	Land Reforms	2010-11	1	936.00	`-	-	1	936.00
	Total		**2**	**2,096.00**	**-**	**-**	**2**	**2,096.00**
XII	Tourism and Civil Aviation							
1	Tourism	2010-11	3	665	2	625	1	40
	Total		**3**	**665**	**2**	**625**	**1**	**40**
XIII	Ecclesiastical Affairs							
1	Ecclesiastical Affairs	2006-07	89	94.95	58	60.60	31	34.35
2	Ecclesiastical Affairs	2007-08	22	127.60	15	95.87	07	31.73
3	Ecclesiastical Affairs	2008-09	281	599.75	36	103.35	245	496.40
4	Ecclesiastical Affairs	2009-10	112	238.59	70	173.90	42	64.69
5	Ecclesiastical Affairs	2010-11	321	567.14	270	315.11	51	252.03
	Total		**825**	**1,628.03**	**449**	**748.83**	**376**	**879.20**
XIV	Health Care, Human Services & Family Welfare							
1	State Blood Transfusion Council	2008-09	1	5.00	1	5.00	-	-
		2009-10	1	5.00	1	5.00	-	-
		2010-11	1	5.00	1	5.00	-	-
2	CRH Tadong	2007-08	1	400.00	1	400.00	-	-
		2008-09	1	85.00	1	85.00	-	-
3	State Illness Assistance Fund	2007-08	1	20.00	1	20.00	-	-
		2008-09	1	75.00	1	75.00	-	-
		2009-10	1	50.00	1	50.00	-	-
		2010-11	1	50.00	1	50.00	-	-
4	Sikkim Medical Council	2007-08	1	10.00	1	10.00	-	-
		2008-09	1	5.00	1	5.00	-	-
		2009-10	1	8.00	1	8.00	-	-
		2010-11	1	6.00	1	6.00	-	-
5	Gram Panchayat	2007-08	4	87.00	-	-	4	87.00
		2008-09	4	57.00	-	-	4	57.00
6	Zilla Parishad	2007-08	4	203.00	-	-	4	203.00
		2008-09	4	133.00	-	-	4	133.00
7	State Health Society, NRHM	2007-08	1	25.00	1	25.00	-	-
		2008-09	1	250.00	1	250.00	-	-
		2009-10	1	100.00	1	100.00	-	-
		2010-11	1	12.00	1	12.00	-	-
	Total		**33**	**1,591.00**	**17**	**1,111.00**	**16**	**480.00**
	Grand Total		**1,793**	**8,210.98**	**1,161**	**3,738.96**	**632**	**4,472.02**

Appendix - 3.2

Statement showing names of bodies and authorities, the accounts of which had not been received

(Refer paragraph 3.2 ; page 51)

Sl. No.	Name of the body/authority	Year for which accounts had not been received	Grants received (₹ in lakh)
1	Sikkim Institute of Rural Development	2009-10, 2010-11	Not furnished
2	Sikkim Illness Assistance Fund Association	2001-02 to 2010-11	Not furnished
3	State Leprosy Society, Gangtok	2009-10, 2010-11	Not furnished
4	District Leprosy Officer, East	2009-10, 2010-11	Not furnished
5	District Leprosy Officer, West	2009-10, 2010-11	Not furnished
6	District Leprosy Officer, North	2009-10, 2010-11	Not furnished
7	District Leprosy Officer, South	2009-10, 2010-11	Not furnished
8	Member Secretary, Health & Family Welfare Society.	2009-10, 2010-11	Not furnished
9	Sikkim Renewal Energy Dev. Agency	2009-10, 2010-11	Not furnished
10	National Aids Control Project	2009-10, 2010-11	Not furnished
11	Prevention and Control of Blindness	2009-10, 2010-11	Not furnished
12	PNG School	2009-10, 2010-11	Not furnished
13	Tashi Namgyal Academy	2009-10, 2010-11	Not furnished
14	Sikkim Institute of Tibetology	2009-10, 2010-11	Not furnished
15	Council of Science & Technology	2008-09 to 2010-11	Not furnished
16	Sikkim Rural Dev. Agency	2007-08 to 2010-11	Not furnished
17	Institute of Hotel Management	2009-10, 2010-11	Not furnished
18	Sikkim Urban Dev. Agency	2008-09 to 2010-11	Not furnished
19	Small Farmers Agri Business Consortium	2008-09 to 2010-11	Not furnished
20	Sikkim State Commission for Women	2009-10, 2010-11	Not furnished
21	Rajya Sainik Board	2007-08 to 2010-11	Not furnished
22	Sikkim Livestock Development Board	2010-11	Not furnished

Appendix - 3.3

Statement showing performance of the autonomous bodies

(Reference: Paragraph 3.3; Page 51)

Sl. No.	Name of body	Period of entrustment	Year up to which accounts were rendered	Period up to which Separate Audit Report is issued	Placement of SAR in the Legislature	Delay in submission of accounts	Period of delay
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1	Sikkim Mining Corporation	2011-12 to 2016-17	2008-09	2006-07	2003-04 30.7.2009	2004-05 July 2006	3 months
					2004-05 30.7.2009	2005-06 August 2007	4 months
					2005-06 30.7.2009	2006-07 August 2007	--
					2006-07 30.7.2009		
2	State Trading Corporation of Sikkim	2011-12 to 2016-17	2007-08	2007-08	2002-03 30.7.2009	2004-05 March 2009	2 years 11 months
					2003-04 30.7.2009	2005-06 March 2009	1 year 11 months
					2004-05 12.01.11	2006-07 March 2009	11 months
						2007-08 March 2009	--
3	State Bank of Sikkim	2007-08 to 2012-13	2005-06	2005-06	2002-03 29.3.07	2004-05 August 2005	--
						2005-06 August 2007	4 months
4	State Legal Service Authority	19 (2)	2010-11	2008-09	2004-05 14.12.2006	2010-11 August 2011	--
5	Sikkim Housing Dev Board	2007-08 to 2010-11	2006-07	NA	NA	2006-07 June 2009	1 year 2 months
6	Sikkim Milk Producer Union	April 2008 to March 2013	2009-10	NA	NA	2009-10 January 2011	–
7	SIMFED	2005-06 to 2009-10	2008-09	NA	NA	2008-09 August 2010	4 months
8	Sikkim Khadi and Village Industries Board	2005-06 to 2009-10	2005-06	NA	NA	2005-06 May 2009	2 years 1 month

Appendix - 3.4

Statement of finalisation of accounts and the Government investment in Departmentally Managed Commercial and Quasi-Commercial Undertakings

(Reference: Paragraph 3.4; Page 52)

Sl. No.	Name of the Undertaking	Accounts Finalised up to	Investment as per the last accounts finalised (₹ in crore)	Remarks/Reasons for Delay in Preparation of accounts
1	Government Fruit Preservation Factory	2008-09	2.16	Delay in preparation of accounts not on record.
2	Temi Tea Estate	2006-07	31.23	Provisional accounts received upto 2009-10, but yet to be approved by BOD.

Appendix - 3.5

Department-wise/duration-wise break-up of the cases of misappropriation, defalcation, etc., (Cases where Final action was pending on 31 March 2011)

(Reference: Paragraph 3.5; Page 52)

Sl. No.	Name of the Department	Up to 5 years	5 to 10 years	10 to 15 years	15 to 20 years	20 to 25 years	25 years to More	Total No. of Cases.
1	Finance, Revenue and expenditure	1 (0.26)	0	0	0	0	0	1 (0.26)
2	Food, Civil Supplies and Consumer Affairs	1 (39.57)	0	1 (42.63)	2 (13.20)	0	0	4 (95.40)
3	Sports and Youth Affairs	0	1 (15)	0	0	0	0	1 (15)
4	Transport (SNT)	2 (34.48)	1 (134)	0	0	0	0	3* (168.48)
	Total	4 (74.31)	2 (149)	1 (42.63)	2 (13.20)	0	0	9 (279.14)

(Figures in bracket indicate rupees in lakh)
**In one case amount not ascertained*

Appendix - 3.6

Department/category-wise details in respect of cases of loss to Government due to theft, misappropriation/loss of Government material

(Reference: Paragraph 3.5; Page 52)

(₹ in lakh)

Name of Department	Theft Cases		Misappropriation/ Loss of Government Material		Total	
	Number of Cases	Amount	Number of Cases	Amount	Number of Cases	Amount
Finance, Revenue and Expenditure	Nil	Nil	1	0.26	1	0.26
Food, Civil Supplies and Consumer Affairs	Nil	Nil	4	95.40	4	95.40
Sports and Youth Affairs	Nil	Nil	1	15	1	15
Transport (SNT)	Nil	Nil	3*	168.48	3*	168.48
Total			**9**	**279.14**	**9**	**279.14**

**In one case amount not ascertained*