



GOVERNMENT OF SIKKIM

ACCOUNTS AT A GLANCE
2008-2009

**SENIOR DEPUTY ACCOUNTANT GENERAL,
(ACCOUNTS AND ENTITLEMENTS) SIKKIM**

Preface

This is the Eleventh issue of our annual publication 'Accounts at a Glance'.

The Annual Accounts of the State Government are prepared and examined under the directions of Comptroller and Auditor General of India in accordance with the requirement of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 for being laid before the Legislature of the State. The Annual Accounts consists of (a) Finance Accounts and (b) Appropriation Accounts. Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise expenditure against provision approved by State Legislature and offer explanations for variations between the actual expenditure and the funds provided. The Senior Deputy Accountant General (Accounts and Entitlements), Sikkim prepares the State Finance Accounts and the Appropriation Accounts.

'Accounts at a Glance' provides a broad overview of Governmental activities, as reflected in the Finance Accounts and the Appropriation Accounts. The information is presented through brief explanations, statements and graphs.

We look forward to suggestions that would help us in improving the publication.



(DINESH BHAGATA)
ACCOUNTANT GENERAL, SIKKIM

Gangtok
Date

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CHAPTER-I

OVERVIEW

The monthly accounts of the State Government are compiled and consolidated from the accounts submitted by the Chief Pay and Accounts Office, Public Works and Forest Divisions to the Office of the Senior Deputy Accountant General (Accounts and Entitlements) Sikkim. Besides, the Finance Accounts and the Appropriation Accounts are prepared annually by the Senior Deputy Accountant General under the directions of the Comptroller and Auditor General of India in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971.

The accounts of Government are kept in the following three parts:

Part I	Consolidated Fund
Part II	Contingency Fund
Part III	Public Account

There are two main divisions under the Consolidated Fund:

The Revenue division (Revenue Account) deals with the proceeds of taxation and other receipts classed as revenue and the expenditure met there from, the net result of which represents the revenue surplus or deficit for the year.

In the Capital division, the section 'Receipt Heads (Capital Account)' deals with receipts of capital nature which cannot be applied as a set off to capital expenditure. The section 'Expenditure Heads (Capital Account)' deals with expenditure met usually from borrowed funds with the object of increasing concrete assets of a material and permanent character. It also includes receipts of a capital nature intended to be applied as a set off to capital expenditure. The section 'Public Debt, Loans and Advances, etc.' comprises loans raised and their repayments by Government such as 'Internal Debt' and 'Loans and Advances' made (and their recoveries) by Government.

In the Contingency Fund, the transactions connected with Contingency Fund established under Article 267 of the Constitution of India are recorded.

In the Public Account, the transactions relating to 'Debt' (other than those included in Part I), 'Deposits', 'Advances', 'Remittances' and 'Suspense' are recorded.

Finance Accounts

Finance Accounts present the accounts of receipts and outgoings of the Government for the year together with the financial results disclosed by the revenue and capital accounts, the accounts of the public debts and the liabilities and assets as worked out from the balances recorded in the accounts.

During 2008-2009 total receipts amounted to Rs. 2905.63 crore comprising Rs 2671.25 crore revenue receipts (Rs. 563.39 crore Tax revenue, Rs. 1205.31 crore Non-Tax revenue and Rs. 902.55 crore Grants-in-aid and Contributions), and Rs 234.38 crore capital receipts (Rs. 234.00 crore on account of borrowings and other liabilities and Rs. 0.38 crore towards recovery of loans and advances).

Disbursements during the year were Rs. 2905.63 crore, Rs 2293.60 crore (79 %) on revenue account and Rs. 612.03 crore (21%) on capital account.

Appropriation Accounts

Appropriation Accounts bring out the expenditure of the State Government against amounts voted and charged by the State Legislature and supplement the Finance Accounts. These comprise accounts of 2 charged Appropriations and 42 voted Grants.

Appropriation Acts, 2008-2009 had provided for a gross expenditure of Rs. 3484.83 crore, which includes the Supplementary Grants of Rs. 317.10 crore. An amount of Rs. 1.41 crore was projected as recoveries in reduction of expenditure.

Appropriation Accounts 2008-2009 show disbursements aggregating Rs. 2984.61 crore against the aggregate budget provision of Rs. 3484.83 crore resulting in saving of Rs. 500.22 crore, against Grants and Appropriations.

Recoveries in reduction of expenditure amounted to Rs. 2.69 crore reflecting an excess of Rs. 1.28 crore vis-à-vis budget estimates.

CHAPTER-II

HIGHLIGHTS OF ACCOUNTS

(Rupees in crore)

Sl. No		B.E 2008-2009 *	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GDP**
1.	Tax Revenue	451.99	563.39	124.65	21.57
2.	Non-Tax Revenue	1146.26	1205.31	105.15	46.14
3.	Grants-in-aid & Contributions	1090.95	902.55	82.73	34.55
4.	Revenue Receipts (1+2+3)	2689.20	2671.25	99.33	102.27
5.	Recovery of Loans & Advances	0.53	0.38	71.70	0.01
6.	Other Receipts	0.00	0.00	0.00	0.00
7.	Borrowings and other liabilities (net)	374.97	234.00	62.40	8.96
8.	Capital Receipts (5+6+7)	375.50	234.38	62.42	8.97
9.	Total Receipts (4+8)	3064.70	2905.63	94.81	111.24
10.	Non-Plan Expenditure (NPE)	1673.17	1776.12	106.15	68.00
* 11.	NPE on Revenue Account	1672.92	1775.87	106.15	67.99
12.	NPE on Interest Payments out of 11	134.74	142.64	105.86	5.46
13.	NPE on Capital Account	0.25	0.25	100.00	0.01
14.	Plan Expenditure (PE)	1391.53	1129.51	81.17	43.24
* 15.	PE on Revenue Account	563.84	517.73	91.82	19.82
16.	PE on Capital Account	827.69	611.78	73.91	23.42
17.	Total Expenditure (10+14)	3064.70	2905.63	94.81	111.24
* 18.	Revenue Expenditure(11+15)	2236.76	2293.60	102.54	87.81
#19.	Capital Expenditure (13+16)	827.94	612.03	73.92	23.43
20.	Revenue Surplus (4-18)	452.44	377.65	83.47	14.46
21.	Fiscal Deficit (4+5+6-17)	374.97	234.00	62.40	8.96

* Provision and actuals excluding the recovery figure as shown in Demands for Grants.

** GDP rate during the year 2008-09 is Rs. 2612 (Advance).

Expenditure on Capital Expenditure includes Capital Account (Rs. 611.78 crore) and Loans and Advances disbursed (Rs. 0.25 crore).

Receipts and Disbursements

Total receipts as well as disbursement during the year were Rs. 2905.63 crore. This was 94.81% of the budget provision. The Fiscal deficit during the year was Rs. 234.00 crore against the projected figures of Rs.374.97 crore in the Budget.

The following table summarises the Accounts for 2008-2009.

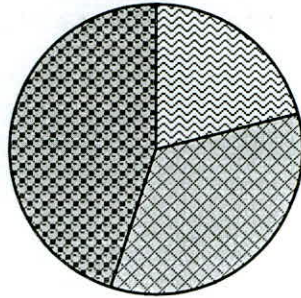
(Rupees in crore)

Total Receipts	2,905.63		Total Disbursements	2,905.63	
Revenue Receipts	2671.25	92%	Revenue Disbursements	2293.60	79%
Capital Receipts	234.38	8%	Capital Disbursements	612.03	21%

RECEIPTS

Revenue Receipts

Gross Tax Revenue of Rs. 563.39 crore and Grants-in-aid and contributions of Rs. 902.55 crore formed 21 per cent and 34 per cent respectively of the total Revenue Receipts. The major contributor to revenues was Non Tax Revenue of Rs. 1205.31 crore comprising 45 per cent of total Revenue Receipts. The ratio of Revenue Receipts is indicated in the diagram below.



■ Tax Revenue 21%
▣ Grants in aid and contribution 34%
■ Non Tax Revenue 45%

Net tax receipts during the year were higher than the budget estimates by Rs. 111.40 crore, mainly on account of more receipts of State Share of Union Taxes and Duties as estimated.

Share of various tax, non-tax revenue and grants-in-aid and contributions to total revenue receipts is given below:

Revenue Receipts and Grants-in-Aid and Contributions

(Rupees in crore)

Components	Actuals	Percentage to total Revenue Receipts
A. Tax Revenue*	563.39	21.09
Taxes on Income and Expenditure **	210.48	7.88
Taxes on Property and Capital Transactions	6.41	0.24
Taxes on Commodities and Services	346.50	12.97
B. Non-tax Revenue	1205.31	45.12
Interest Receipts, Dividends and Profits	27.25	1.02
General Services ***	977.95	36.61
Social Services	7.77	0.29
Economic Services	192.34	7.20
C. Grants-in-aid and Contributions	902.55	33.79
TOTAL-REVENUE RECEIPTS	2671.25	100

* Includes State's Share of Taxes and Duties from Government of India of Rs. 378.79 Crores.

** Consequent upon the implementation of Income Tax Act, 1961 by the Finance Act, 2008 (vide Finance, Revenue and Expenditure Department, Government of Sikkim Circular No. 2/Fin/Adm dated 16th June 2008), the Government of Sikkim has decided to retain the Shareable Income Tax and Wealth Tax from the financial year 2008-2009.

*** Out of Rs. 1205.31 crore under General Services, Rs. 957.00 crore pertains to the gross receipts under State Lotteries.

Capital Receipts

Compared to the budget estimates of Rs 375.50 crore, the actual receipts were Rs 234.38 crore resulting an overall decrease of Rs. 141.12 crore.

DISBURSEMENTS

Revenue Disbursements

Revenue Disbursement of Rs. 2293.60 crore were 79 per cent of total disbursements of Rs. 2905.63 crore. It was less than budget estimates by Rs. 56.84 crore due to excess disbursement of Rs. 102.95 crore under Non-Plan and less disbursement of Rs. 46.11 crore under Plan side.

Capital Disbursements

Capital Disbursements of Rs. 612.03 crore was 21 per cent of the total disbursement. It was less than the budget estimates by Rs. 215.91 crore due to less Expenditure of Rs 215.91 crore under Plan side.

Plan Disbursements

During the year 2008-2009, Plan Disbursements were Rs. 1129.51 crore consisting of Rs. 957.33 crore under State Plan, (Rs. 442.91 crore under revenue and Rs. 514.42 crore under capital account) and Rs. 172.17 crore (Rs. 74.82 crore under revenue account and Rs. 97.35 crore under capital account) under Central Plan and Centrally Sponsored Plan Schemes.

Non-Plan Disbursements

Non-plan Disbursements during 2008-2009 were Rs. 1775.87 crore, under Revenue account only. Sectoral distribution of expenditure and its percentage to total revenue expenditure is given below:-

SECTORAL DISTRIBUTION OF EXPENDITURE AND ITS PERCENTAGE TO TOTAL REVENUE EXPENDITURE

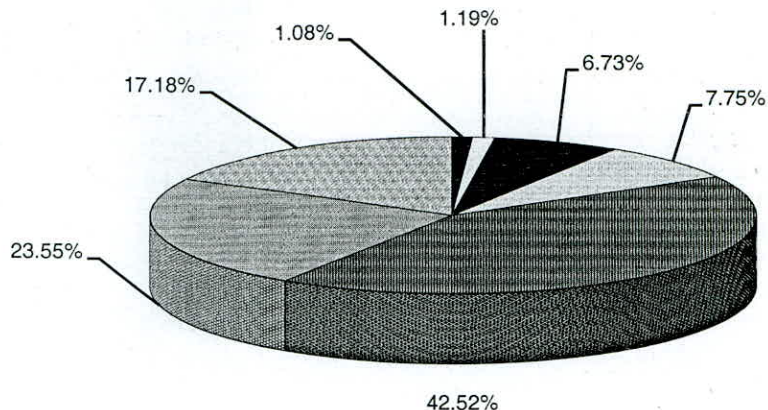
(Rupees in crore)

Components	Amount	Percentage to Total Revenue Expenditure
A. Fiscal Services		
(i) Collection of Taxes on Property and Capital transactions	4.49	0.20
(ii) Collection of Taxes on Commodities and Services	19.38	0.85
(iii) Collection of Taxes on Income and Expenditure	0.70	0.03
B. Organs of State	27.28	1.19
C. Interest Payment and Servicing of Debt	154.37	6.73
D. Administrative Services	177.64	7.75
E. Pension and Miscellaneous General Services	975.35	42.52
F. Social Services	540.24	23.55
G. Economic Services	394.15	17.18
TOTAL EXPENDITURE (REVENUE ACCOUNT)	2293.60	100.00

A pie chart showing the distribution of Expenditure under different sectors is as under :

SECTORAL DISTRIBUTION OF EXPENDITURE DURING 2008 -2009

Revenue Expenditure



■ Fiscal Services
□ Organs of State
■ Interest Payment and Servicing of Debt
□ Administrative Services
■ Pension and Miscellaneous General Service
■ Social Services
■ Economic Services

TREND OF EXPENDITURE

Trend of expenditure in some important sectors between 2004-05 and 2008-2009(5 years) is brought out below:-

STATEMENT OF EXPENDITURE IN SELECTED SECTORS

(Rupees in Crore)

Sector	2004-05	% to B.E	% to RBE	2005-06	% to B.E	% to RBE	2006-07	% to B.E	% to RBE	2007-08	% to B.E	% to RBE	2008-09	% to B.E	% to RBE
Interest Payment & Servicing of Debt	110.19	102.00	99.63	113.60	103.01	103.01	127.00	100.52	99.04	129.47	91.84	91.82	154.37	105.39	101.25
Pension & Misc. General Services	914.19	99.46	99.46	920.81	100.02	100.02	972.55	78.15	77.06	1265.61	79.25	78.78	975.35	74.23	71.37
Education, Sports, Arts & Culture	160.40	101.15	90.23	198.00	111.39	100.94	211.58	107.33	97.21	239.03	100.18	96.12	285.21	104.37	97.41
Health & Family Welfare	53.55	98.01	94.01	51.89	102.57	98.52	54.84	106.38	94.78	71.01	97.90	96.92	82.27	104.90	98.39
Agriculture & Allied Activities	86.70	99.32	95.06	100.52	110.52	98.94	111.03	111.27	94.30	134.45	105.21	92.95	153.19	90.00	83.10
Rural Development	15.73	59.09	58.61	32.41	101.41	94.94	36.60	7.57	97.70	38.54	97.77	99.30	48.06	108.85	101.22
Irrigation & Flood Control	6.76	90.37	80.57	8.56	76.22	74.76	15.50	85.77	85.02	13.52	105.46	80.91	27.00	44.39	43.67
Energy	92.20	98.37	98.32	41.89	107.74	100.02	38.19	75.29	99.79	38.09	91.65	90.13	49.77	105.44	98.55
Transport	51.73	92.00	85.76	42.72	76.64	83.58	50.01	86.62	85.21	55.20	88.11	87.20	68.59	110.53	94.63
General Economic Services	10.85	91.72	94.02	12.36	33.62	50.93	4.31	60.91	91.96	17.35	47.85	90.98	20.49	71.41	96.33

BE: Budget Estimate; RBE: Revised Budget Estimate.

DEBTS AND LIABILITIES

Outstanding Public Debt at the end of 2008-2009 was Rs. 1485.86 crore, comprising internal debt of Rs.1185.74 crore, Loans and advances from Central Government of Rs. 300.11 crore. Other liabilities accounted under Public Account Rs. 303.66 crore.

The State also acts as a banker and trustee in respect of deposits like small savings collections, provident funds. There was an overall increase of Rs. 29.28 crore in respect of such liabilities of the State Government during 2008-2009.

Interest payments on debt and other liabilities totaling Rs. 142.64 crore constituted 6 per cent of revenue expenditure of Rs. 2293.60 crore. Interest payments on public debts were Rs. 113.27 crore (Internal debt Rs.92.60 crore, loans and advances from Central Governments Rs. 20.67 crore) and Rs. 27.00 crore on other liabilities. Expenditure on account of interest payments increased by Rs. 24.90 crore during 2008-2009.

Internal debt of Rs. 337.01 crore raised during 2008-2009 was mainly used for payments of interest of Rs.92.60 crore.

INVESTMENTS AND RETURNS

Total investment as share capital in non-financial public sector undertakings (PSUs) stood at Rs. 85.59 crore at the end of 2008-2009. Dividends received during the year were Rs. 1.31 crore on investment. During 2008-2009 investments in PSUs increased by Rs. 0.63 crore.

LOANS AND ADVANCES BY THE STATE GOVERNMENT

Total loans and advances made by the State Government at the end of 2008-2009 was Rs. 5.00 crore. Information about arrears in recovery of Loans and Advances and interest had not been received from the departmental officers who maintain the detailed accounts thereof.

FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

Assistance to local bodies etc. during 2008-2009 was Rs. 136.21 crore. It increased from Rs. 30.62 crore in 2004-05 to Rs. 136.21 crore in 2008-2009. The grants given to Panchayat Raj Institution (Rs. 133.98 crore) were 98 per cent of total grants given during the year.

APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of Sikkim for the year 2008-2009 present the accounts of sums expended during the year ended 31 March 2009, compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Articles 204 and 205 of the Constitution of India.

The Appropriation Accounts show that in the year 2008-2009, there was actual expenditure of Rs.2984.61 crore, comprising Rs. 2296.30 crore Revenue Expenditure, Rs. 611.78 crore Capital Expenditure, Rs. 76.28 crore Repayment of Debt and Rs. 0.25 crore Loans and Advances. There were saving under all section of expenditure with reference to total grants allocated by the State Legislature as under.

(Rupees in crore)

Summary of Appropriation Accounts					(Rupees in crore)	
Sl. No.	Nature of expenditure	Original grant	Supplementary grant	Total	Actual expenditure	Savings(-) Excess (+)
1	Revenue					
	Voted	2103.75	168.18	2271.93	2131.06	(-)140.87
	Charged	156.43	7.01	163.44	165.24	(+)1.80
	Capital					
	Voted	827.69	143.91	971.60	611.78	(-)359.82
	Charged	-	-	-	-	-
3	Public Debt					
	Charged	77.61	-	77.61	76.28	(-)1.33
4	Loans and Advances					
	Voted	0.25	-	0.25	0.25	-
	Charged	-	-	-	-	-
Total		3165.74	319.10	3484.83	2984.61	(-)500.22

Details of persistent savings in a few selected grants/appropriations are given below:

TREND OF EXPENDITURE ON SELECTED GRANTS SHOWING PERSISTENT SAVINGS

(Rupees in crore)

GRANT NO./SECTION	Years	Total Allocation	Percentage of Savings
1. Food Security & Agriculture Development (Revenue)	2004-2005	20.65	4%
	2005-2006	12.37	8%
	2006-2007	35.10	3%
	2007-2008	44.08	9%
	2008-2009	62.09	36%
5. Culture Affairs and Heritage (Revenue)	2004-2005	4.38	6%
	2005-2006	5.39	18%
	2006-2007	5.10	5%
	2007-2008	5.39	1%
	2008-2009	8.78	0.34%
13. Health Care Human Services and Family Welfare (Revenue)	2004-2005	57.86	6%
	2005-2006	54.68	3%
	2006-2007	59.32	5%
	2007-2008	74.96	3%
	2008-2009	87.41	4%
19. Irrigation & Flood Control (Revenue)	2004-2005	9.39	24%
	2005-2006	12.45	28%
	2006-2007	19.23	18%
	2007-2008	17.47	22%
	2008-2009	61.47	56%
29. Development Planning Economic Reforms & North Eastern Council Affairs (Revenue)	2004-2005	14.39	66%
	2005-2006	39.87	80%
	2006-2007	24.45	59%
	2007-2008	27.68	72%
	2008-2009	20.28	62%
33. Water Security and Public Health Engineering (Capital)	2004-2005	33.48	20%
	2005-2006	34.30	27%
	2006-2007	63.81	57%
	2007-2008	53.56	43%
	2008-2009	10.26	0.68%

RECONCILIATION OF ACCOUNTS

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of departmental figures with the figures in the books of Senior Deputy Accountant General (A&E).

Before the annual accounts are finalised, all the Heads of the Departments and Controlling Officers are required to reconcile the departmental accounts figures with those booked by the Senior Deputy Accountant General on quarterly basis in order to ensure that the latter's figures are accurate. This also facilitates identification of errors, misclassification and proper budgetary/financial control of expenditure. The report of reconciliation by the controlling officers during the year 2008-2009 are as under:

Particulars	Total No. of Controlling Officers	Fully reconciled	Partially reconciled	Not at all reconciled
(i) Expenditure Accounts	48	48	NIL	NIL
(ii) Receipts Accounts	32	32	NIL	NIL

SUBMISSION OF ACCOUNTS BY TREASURIES

There was a delay of 0 to 15 days, in receipt of accounts for the months of April 2008 to March 2009 from Chief Pay and Accounts Offices.

34 Public Works Divisions and 12 Forest Divisions submitted their accounts with delays ranging from 0 to 15 days. The fact of late receipt/non-receipt of monthly accounts was brought to the notice of the concerned authorities, as and when the delay occurred.

CHAPTER-III

TRENDS IN GOVERNMENT REVENUE AND EXPENDITURE

Trends in Government Revenue Receipts and Revenue Expenditure from 2004-2005 to 2008-2009 (5 years period) is given below.

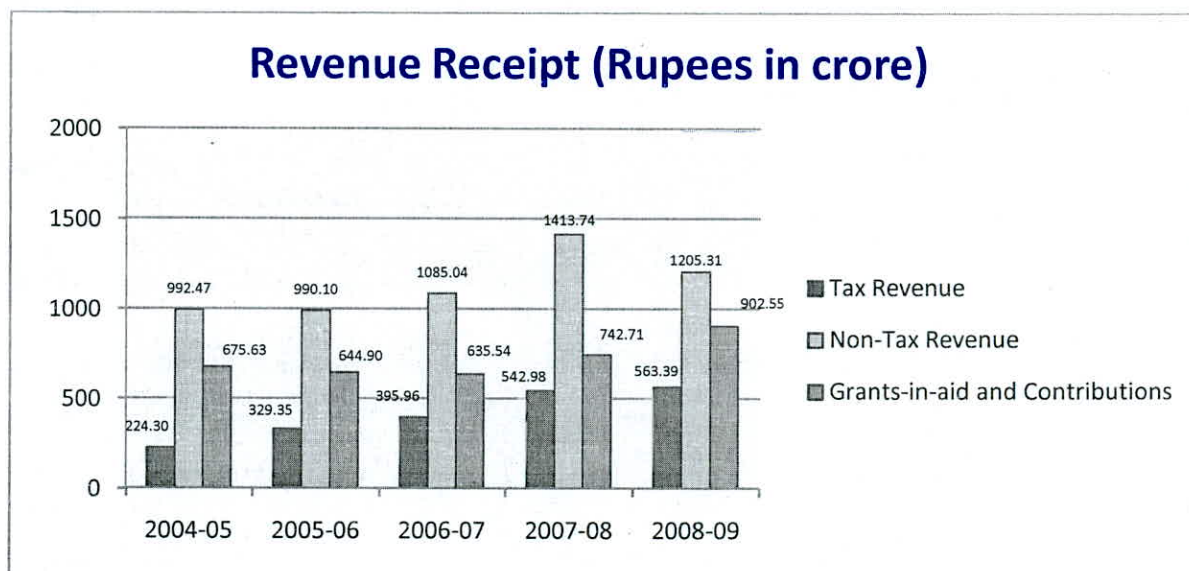
Revenue Receipts

(Rupees in crore)

Year	Tax Revenue	Non-Tax Revenue	Grants-in-aid and Contributions	Gross Revenue Receipts	GDP	Percentage of Gross Revenue Receipts to GDP
2004-2005	224.30	992.47	675.63	1,892.40	1,531(A)	123.64%
2005-2006	329.35	990.10	644.90	1,964.35	1,717(Q)	114.41%
2006-2007	395.96	1,085.04	635.54	2,116.54	2,040(A)	103.75%
2007-2008	542.98	1,413.74	742.71	2,699.43	2,353(A)	114.72%
2008-2009	563.39	1,205.31	902.55	2,671.25	2,612(A)	102.26%

GDP - Gross Domestic Product, (Q) - Quickly arrived at, (A) - Advance.

The Revenue Receipts over the last five years is shown in the Bar chart below :



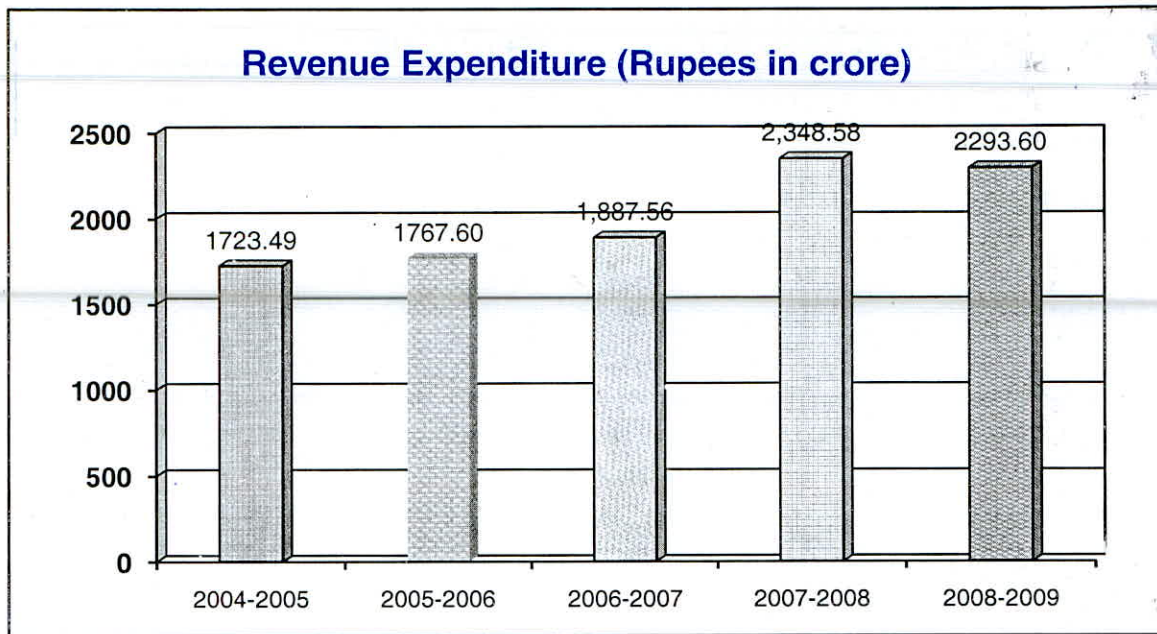
Revenue Expenditure

(Rupees in crore)

Year	Revenue Expenditure	Total Expenditure	GDP	Percentage increase/decrease over previous year			Percentage of Government Expenditure to GDP
				Revenue Expenditure	Total Expenditure	GDP	
2004-2005	1,723.49	2,077.71	1,531 (A)	45.94%	32.98%	12.74%	135.71%
2005-2006	1,767.60	2,113.33	1,717 (Q)	2.56%	1.71%	12.15%	123.08%
2006-2007	1,887.56	2,214.18	2,040 (A)	6.79%	4.77%	18.81%	108.54%
2007-2008	2,348.58	2,764.05	2,353(A)	24.42%	24.83%	15.34%	117.47%
2008-2009	2,293.60	2,905.63	2,612(A)	(-).2.34%	5.12%	11.00%	111.24%

GDP - Gross Domestic Product, (Q) - Quickly arrived at, (A) - Advance.

The Revenue Expenditure over the last five years is shown in the Bar chart below:



The overall increase in the Government's revenue receipt and revenue expenditure during 2008-2009 compared to 2004-2005 have been Rs. 778.85 crore and Rs. 570.11 crore respectively was mainly due to more transaction under Crop Husbandry, Administrative Services, Social Services and Agriculture and Allied Activities during the year. Growth in major areas of Revenue Expenditure is shown in the following table:-

(Rupees in crore)

Areas of expenditure	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	Percentage increase in 2008-2009 over the year 2004-2005
Interest Payments and Servicing of Debt	110.19	113.60	127.00	129.47	154.37	40%
Pension and Other Retirement Benefits.	30.77	41.53	49.24	50.19	59.45	93%
Crop Husbandry	16.39	21.71	23.67	30.55	39.74	142%
Administrative Services	90.78	103.27	119.58	144.44	177.64	96%
Social Services	306.64	337.78	355.81	438.23	540.24	76%
Agriculture and Allied Activities	86.70	100.52	111.03	134.45	153.19	77%

Government Accounts

The total expenditure (Revenue and Capital) for the year is netted against total receipts (Revenue and non-debt Capital receipts) of the year and the surplus/deficit thereof is transferred to a separate ledger called "Government Account". In addition, net effect of Prior Period Adjustments, Miscellaneous Government Accounts, etc, is also transferred to the ledger "Government Account". Thus, the ledger "Government Account" represents the cumulative surplus/deficit of the operations of the Government.

The details of the ledger "Government Accounts" for the past five years are given below:-

(Rupees in crore)

Year	Revenue Heads			* Capital Heads			Other Heads (#)	Deficit for the year	Cumulative deficit/surplus at the end of the year
	1	2			3				
	(a)	(b)	(c)	(a)	(b)	(c)		(2c+3c+4)	
	Receipts	Disbursements	Deficit/Surplus	Receipts \$	Disbursements \$	Deficit/Surplus	Deficit/Surplus		
2004-05	1,892.40	1,723.49	(+) 168.91	...	353.54	(-) 353.54	...	(-) 184.63	(-) 1,015.27
2005-06	1,964.35	1,767.60	(+) 196.75	...	345.73	(-) 345.73		(-) 148.98	(-) 1,164.25
2006-07	2,116.54	1,887.56	(+) 228.98	...	326.42	(-) 326.42		(-) 97.44	(-) 1,261.64
2007-08	2,699.43	2,348.58	(+) 350.85	...	415.47	(-) 415.47		(-)64.62	(-)1,326.31
2008-09	2,671.25	2,293.60	(+)377.65	...	611.78	(-)611.78		(-)234.13	(-)1,560.44

\$ Excluding Receipts and disbursement under F – Loans and Advances.

Miscellaneous Government Accounts.

LIABILITIES

Liabilities of the State Government increased by Rs. 1,048.63 crore from Rs. 1,107.07 crore in 2004-2005 to Rs. 2,155.70 crore during 2008-2009. Public debt comprising internal debt of the State Government and loans and advances from the Central Government increased by Rs. 701.62 crore from Rs. 1,107.07 crore in 2004-2005 to Rs. 1,485.85 crore at the end of the current year. Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be fixed from time to time by the State Legislature. No such limit has been fixed by the State Legislature in respect of the State Government. Details of the Public Debt and total liabilities of the State Government are as under:

(Rupees in crore)

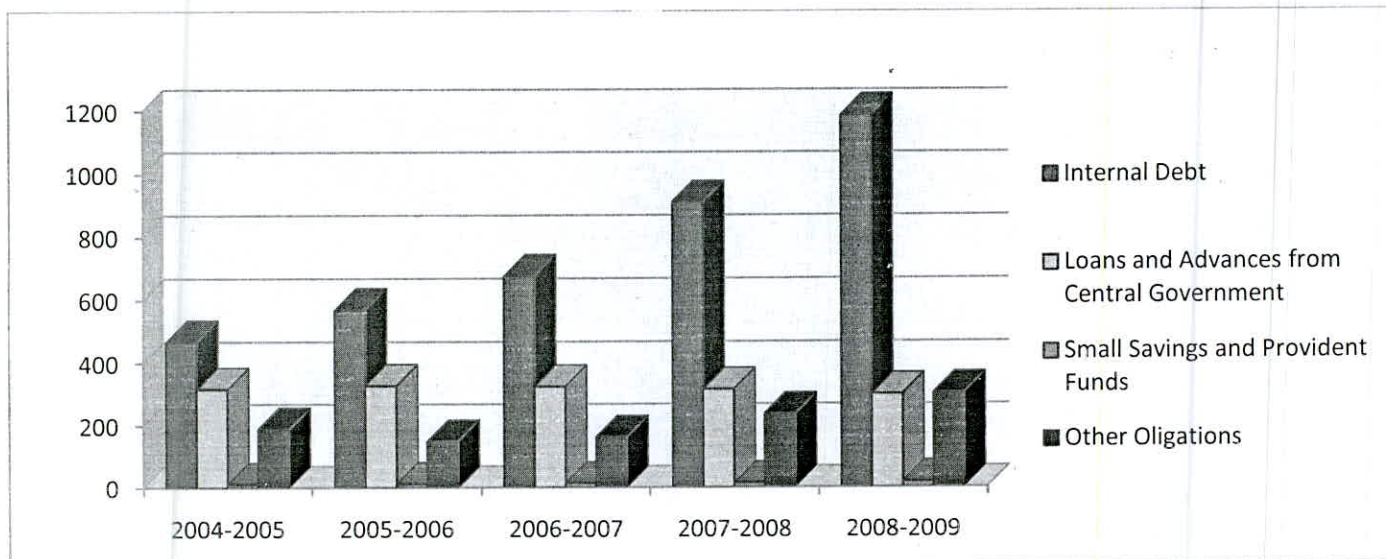
Year	Internal Debt	Loans & Advances from Central Government	Total Public Debt	Small Savings Insurance and Pension fund	Provident Funds	Other Obligations *	Total Liabilities	GDP	% of total liability to GDP
2004-2005	467.49	316.74	784.23	10.85	281.05	188.36	1,107.07	1,531 (A)	72.31%
2005-2006	569.21	327.68	896.89	12.44	292.45	149.09	1,350.87	1,717 (Q)	78.68%
2006-2007	675.68	324.93	1,000.61	14.34	306.79	162.24	1,483.98	2,040 (A)	72.74%
2007-2008	908.86	315.82	1,224.68	14.70	320.42	236.02	1,795.82	2,353(A)	76.32%
2008-2009	1185.74	300.11	1485.85	18.78	347.41	303.66	2155.70	2612(A)	82.53%

GDP – Gross Domestic Product.

(Q) - Quickly arrived at.

(A) - Advance.

* Liability includes Reserve Fund (net), Deposit & Advances, Remittances and Suspense & Miscellaneous (other than cash & investment)



STATE PROVIDENT FUND

The details of transactions from the State Provident Fund are shown in the following table:

(Rupees in crore)

Year	Opening Balance	Receipts *	Payments	Net accretion during the year	Closing Balance	Interest charged on balance of P.F
2004-2005	258.11	67.84	44.90	22.94	281.05	20.35
2005-2006	281.05	71.62	60.22	11.40	292.45	19.00
2006-2007	292.45	77.58	63.24	14.34	306.79	20.95
2007-2008	306.79	83.35	69.72	13.63	320.42	21.06
2008-2009	320.42	94.45	67.46	26.99	347.41	24.79

* Figures includes interest accrued during the year.

STATE GOVERNMENT EMPLOYEES GROUP INSURANCE FUND

From the 1st January 1994 the State Government Employees Group Insurance Scheme has been introduced by the government. The details of transactions for last five years from the insurance fund are shown in the following table.

(Rupees in Crore)

Year	Opening Balance	Receipts*	Payments	Net accretion for the year	Closing Balance	Interest charged on balance of Group Insurance Fund
2004-2005	9.34	1.96	0.45	1.51	10.85	1.15
2005-2006	10.85	2.19	0.60	1.59	12.44	1.33
2006-2007	12.44	2.44	0.54	1.90	14.34	1.55
2007-2008	14.34	0.89	0.53	0.36	14.70	1.79
2008-2009	**16.48	2.95	0.65	2.30	18.78	2.06

* Figures include interest accrued during the year.

** Increase of Rs.1.79 lakh due to proforma adjustment.

GUARANTEES

The position of guarantees by the State Government for the payment of loans and capital and payment of interest thereon raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies, etc. are given below:

(Rupees in crore)

At the end of the year	Amount Guaranteed (Principal only)	Amount outstanding	
		Principal	Interest
2004-2005	NIL	82.47*	N.A.
2005-2006	NIL	84.47**	N.A.
2006-2007	NIL	84.40	N.A.
2007-2008	NIL	75.00***	N.A.
2008-2009	NIL	75.00	N.A.

N.A. – not available

* Guarantee to State Bank of India for grant of loan of Rs. 363.00 lakh to Sikkim Vanaspati Limited was settled during the year 2004-05 by paying Rs. 400.00 lakh to the State Bank of India as per the decree of the debt recovery tribunal Guwahati.

** Guarantee to State Bank of Sikkim for overdraft for grant of loan of Rs. 7.00 lakh to Sikkim Mining Corporation was liquidated during the year 2006-07 as per letter No. 42/127 DMMG/105 dated 26.04.2007.

*** Guarantee to IDBI for grant of loan of Rs. 440.00 lakh to Sikkim Vanaspati Limited and Guarantee to Central Bank of India for grant of loan of Rs. 500.00 lakh to Sikkim Time Corporation Limited were settled during the year 2007-2008 as per the letter No. Nil dated 18.07.2008.

WAYS AND MEANS ADVANCES

No agreement has so far been made by the State government with the Reserve Bank of India for the transaction of its banking business. As a result, no transactions (inter Government/State) are routed through the R.B.I. However, under a resolution made in the year 1968-69 with the State Bank of Sikkim (a State Undertaking), the Bank has been vested with the responsibility of receiving money on behalf of Government, making all Government payments and keeping custody of the balances of Government in current accounts as well as in fixed deposits that may be made through the branches of the Bank. For the purpose of meeting the resource gap the State Government takes Ways and Means Advances from the Government of India which is subsequently adjusted by Government of India while releasing grants-in-aid to the State Government.

The Ways and Means Advance drawn by the State Government from Government of India and its repayment/adjustment in the last five years are given below:-

(Rupees in crore)

Year	Amount of Ways and Means advance drawn from Government of India	Repayment/Adjustment	Outstanding at the end of the year
2004-2005	NIL	NIL	NIL
2005-2006	NIL	NIL	NIL
2006-2007	NIL	NIL	NIL
2007-2008	NIL	NIL	NIL
2008-2009	NIL	NIL	NIL

GENERAL CASH BALANCES

The cash balance with the Government increased from Rs. 78.83 crore at the beginning of the year 2008-2009 to Rs. 95.68 crore at its end, the details of sources and application of funds being as follows:

Cash flow Statement for the year

(Rupees in crore)

SOURCES			APPLICATION		
Sl. No	Items	Amount	Sl. No	Items	Amount
1	Opening cash balance	78.83	1	Revenue Expenditure Non-Plan Plan	1775.87 517.73
2.	State's share of Union Taxes	378.79		Total	2293.60
3.	State's own revenue collection	1389.91	2	Capital Expenditure Non-Plan Plan	NIL 611.78
4.	Central grants/assistance other than loans	902.55		Total	611.78
5.	Miscellaneous receipts	NIL	3	Loans and Advances repaid	16.15
6.	Net Receipts from public debt, small savings, deposits and advances (Other than Central loans)	329.39	4	Loans and Advances given	0.25
7.	Receipts from Central loans	0.44	5	Closing cash balance	95.68
8.	Recoveries from borrowers	0.38			
9.	Net contribution from Contingency Fund	NIL			
10.	Net effect of adjustment of suspense and remittance balances & increase/decrease of Reserve Funds	(-)62.83			
	Total	3017.46		Total	3017.46

Investments held in the Cash Balance Investment Account as on 31 March 2009 were Rs. 495.00 crore.

Other cash balances and investment comprising cash with departmental officers (Rs. 0.20 crore), permanent advances with departmental officers (Rs. 0.39 crore) and investment of earmarked funds (Rs. 116.97 crore) as on 31 March 2009 were Rs. 117.56 crore. There is an un-reconciled difference of Rs 172.97 crore between State Bank of Sikkim and the Government Account.

CONTINGENCY FUND

Contingency Fund of the State with a corpus of Rs. 1.00 crore is designed to meet contingencies. The following details will indicate the extent of use of this Fund during the year

(Rupees in crore)

	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009
Number of withdrawals from Contingency Fund	3	4	5	2	3
Total withdrawals from Contingency Fund (Rs. in crore)	1.00	0.94	0.57	0.55	1.00
Withdrawals from Contingency Fund as a percentage to total Budget provision	0.05%	0.04%	0.02%	0.02%	0.03%

**Officers in the Office of the Accountant General (A&E), Sikkim, Gangtok, who
may be contacted for detailed information on Accounts at a Glance**

Name and Designation of the Officer	Telephone Number	
Shri D.Bhagata, Accountant General, Sikkim	Office	280417
		281580
	Residence	202795
Shri A.F.Dungdung, Deputy Accountant General (A&E), Sikkim	Office	280465
	Residence	281255

