



सत्यमेव जयते

**State Finances Audit Report
of
the Comptroller and Auditor General of India
for the year ended 31 March 2021**



लोकहितार्थं सत्यनिष्ठा
Dedicated to Truth in Public Interest



GOVERNMENT OF SIKKIM
Report No. 1 of 2022

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of
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Government of Sikkim

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PREFACE

1. This Report on Finances of the State Government of Sikkim, has been prepared for submission to the Governor of Sikkim under Article 151 (2) of the Constitution of India for being laid in the Legislature of the State.
2. **Chapter I** describes the basis and approach to the Report and the underlying data, providing an overview of the structure of Government accounts, budgetary processes, macro-fiscal analysis of key indices and State's fiscal position including the fiscal/revenue deficits/surplus.
3. **Chapter II** of this Report provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the period from 2016-17 to 2020-21, debt profile of the State and key Public Account transactions, based on the Finance Accounts of the State.
4. **Chapter III** is based on the Appropriation Accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management.
5. **Chapter IV** provides comments on the quality of accounts rendered by various authorities of the State Government and issues of non-compliance with prescribed financial rules and regulations, by various Departments of the State Government.
6. **Chapter V** provides a 'bird's eye view' on the functioning of the State Public Sector Enterprises (SPSEs). The term State Public Sector Enterprises (SPSEs) encompasses the State Government owned/controlled Government Companies set up under the Companies Act, 2013/Sikkim Registration of Companies Act 1961 and Statutory Corporations established under the proclamations of the erstwhile Chogyal (King) of Sikkim.

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

Background

This Report on the Finances of the Government of Sikkim is being brought out with a view to assessing the financial performance of the State during the year 2020-21. 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 the performance of schemes/programmes of the Government. In order to give a perspective to the analysis, an effort has been made to compare with the normative assessment made by the Finance Commission (FC). A comparison has been made to see whether the State has given adequate fiscal priority to developmental as well as 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 2021, this Report provides an analytical review of the annual accounts of the State Government. The Report has five Chapters.

Chapter I describes the basis and approach to the Report and the underlying data, provides an overview of structure of Government accounts, budgetary processes, macro-fiscal analysis of key indices and State's fiscal position including the deficits/surplus

Chapter II of this Report provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the period from 2016-17 to 2020-21, debt profile of the State and key Public Account transactions, based on the Finance Accounts of the State.

Chapter III is based on the Appropriation Accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management.

Chapter IV provides comments on the quality of accounts rendered by various authorities of the State Government and issues of non-compliance with prescribed financial rules and regulations by various departmental officials of the State Government.

Chapter V provides an overall picture on the functioning of the State Public Sector Enterprises (SPSEs). The term State Public Sector Enterprises (SPSEs) encompasses the State Government owned/controlled Government Companies set up under the Companies Act, 2013/ Sikkim Registration of Companies Act 1961 and Statutory Corporations established under the proclamations of the erstwhile Chogyal (King) of Sikkim.

Audit Findings

Overview of State Finances

The growth rate of GSDP of the State at current prices, during 2016-21 ranged between 6.22 per cent (2020-21) to 25.54 per cent (2017-18). During 2020-21, the GSDP at current price was ₹ 32,724 crore, up from ₹ 30,809 crore in 2019-20, representing an increase of 6.22 per cent which was much higher than that of national growth rate. The per capita GSDP of the State (₹ 4,86,248) was also more than the per capita GDP of India (₹ 1,45,680) during 2020-21.

During the five-year period of 2016-21, the share of Agriculture (Primary) Sector in the GSDP grew from 9.29 per cent in 2016-17 to 10.12 per cent in 2020-21 and the share of Services (Tertiary) Sector grew from 26.77 per cent in 2016-17 to 32.50 percent in 2020-21. However, Industry (Secondary) Sector's share shrunk from 58.67 per cent in 2016-17 to 52.50 per cent in 2020-21 and the share of Taxes on Products & Subsidies on Product decreased from 5.27 per cent in 2016-17 to 4.88 per cent in 2020-21.

The State after maintaining Revenue Surplus for three years from 2016-17 to 2018-19, had run into Revenue Deficit of ₹ 1,343.81 in 2019-20 mainly due to decrease in Central transfers. Though, the State was able to reduce Revenue Deficit to ₹ 760.83 crore in 2020-21. Similarly, after successfully containing the Fiscal Deficit below three per cent of GSDP during 2016-19, the State's Fiscal Deficit was 6.76 per cent of GSDP during 2019-20 and 6.95 per cent of GSDP in 2020-21. Fiscal Deficit increased by ₹ 192.36 crore from ₹ 2,081.18 crore in 2019-20 to ₹ 2,273.54 crore in 2020-21, witnessing growth of 9.24 per cent. Besides, the ratio of total outstanding debt to GSDP of the State which ranged between 20.99 per cent and 27.68 per cent, consistently exceeded the norms prescribed in the SFRBM Act as well as projections of Finance Commission, during the period 2016-21. The SFRBM Act had envisaged that the State Government would limit the percentage of total outstanding debt to GSDP to 20.09 per cent in 2016-17 and 24.64 per cent in 2020-21.

Recommendations

- *The State Government needs to make efforts to achieve the projections/ targets on major fiscal parameters, made in the Sikkim FRBM Act through prudent financial management.*

(Chapter I)

Finances of the State

During the five-year period of 2016-21, State had maintained Revenue Surplus till 2018-19, but had huge Revenue Deficit of ₹ 1,343.81 crore during 2019-20, though it was able to reduce the deficit to ₹ 760.83 crore during 2020-21.

Similarly, after successfully containing the Fiscal Deficit below three per cent of GSDP during 2016-19, the State's Fiscal Deficit was 6.95 per cent of GSDP during 2020-21. Thus, the State failed to achieve targets of SFRBM Act, in respect of these two parameters during 2020-21.

Revenue Receipts during the year 2020-21 increased (by ₹ 766.55 crore) from ₹ 4,841.27 crore in 2019-20 to ₹ 5,607.82 crore in 2020-21 (by 15.83 *per cent*). State's Own Revenue of ₹ 1,663.81 crore in 2019-20 decreased to ₹ 1,628.99 crore during 2020-21 by ₹ 34.82 crore (2.09 *per cent*), while Grants-in-Aid from GoI increased by ₹ 794.66 crore (90.11 *per cent*) and State's Share of Union taxes and Duties increased by ₹ 6.71 crore (0.29 *per cent*) during 2020-21 as compared to the previous year.

About 29.05 *per cent* of the Revenue Receipts during 2020-21 came from the State's own resources, while Central Tax Transfers and Grants-in-aid together contributed 70.96 *per cent*. This is indicative of the fact that the State's fiscal position is largely dependent on Central Tax transfers and Grants-in-aid from GoI.

During the period 2016-21, Total Expenditure of the State increased by 74.19 *per cent* (₹3,357.16 crore) from ₹ 4,525.37 crore in 2016-17 to ₹ 7,882.53 crore in 2020-21. During the current year, it increased by 13.86 *per cent* over the previous year. The ratio of Total Expenditure of the State to GSDP fluctuated between 21.85 *per cent* and 24.09 *per cent* during 2016-21.

Revenue Expenditure during the year 2020-21 was ₹ 6,368.65 crore (80.79 *per cent*) against the Total Expenditure of ₹ 7,882.53 crore. During the year, Committed Expenditure like salary & wages, pension, interest payments decreased by ₹ 412 crore (9.98 *per cent*) from ₹ 4,537.13 crore during 2019-20 to ₹ 4,125.13 crore during 2020-21. The Committed Expenditure during 2020-21 was 73.55 *per cent* of the total Revenue Receipts (₹ 12,982.65 crore) and 64.77 *per cent* of the total Revenue Expenditure (₹ 12,428.47 crore).

Capital Expenditure is the expenditure incurred for creation of fixed infrastructure assets such as roads, building, etc. It is noticed that Capital Expenditure of the State had decreased from ₹ 1,506.78 crore in 2017-18 to ₹ 720.61 crore in 2019-20, but it increased to ₹ 1,513.88 crore in 2020-21, registering an increase of 110.08 *per cent* as compared to 2019-20.

Fiscal Liabilities of the State increased by 22.41 *per cent* from ₹ 7,400.67 crore in 2019-20 to ₹9,058.84 crore in 2020-21. During 2020-21, total Public debt receipts was of ₹ 1,564.72 crore and the Government repaid ₹79.75 crore. There was an addition of ₹ 1,292 crore of Market Loans in 2020-21. The Public debt receipts of the State increased by ₹731.51 crore (87.79 *per cent*) over previous year.

Out of total outstanding Public Debt, 49.72 *per cent* (₹3,426.48 crore) of Public debt is payable within the next seven years. Of the total outstanding Public Debt, internal debt consisting of market borrowings, loans from NABARD and Special Securities issued to NSSF constituted 95.75 *per cent* (₹ 6,598.09 crore).

The growth rate of Revenue Receipts has generally been lower than the growth rate of debt during the 2016-21 (except 2016-17). The burden of interest payment was 8.03 *per cent* of the Revenue Receipts during 2020-21. Though Net Debt available to the State was positive during the five years period ending 2020-21, there was a sharp

increase in Net Debt available, from ₹2.37 crore in 2019-20 to ₹ 1,034.91 crore in 2020-21.

The Government had not transferred ₹ 83.12 crore under National Pension System to the NSDL as on 31 March 2021. Thus, current liability stood deferred to future year(s) and State had created an interest liability on un-transferred funds.

The return from investments made in State Public Sector Undertakings (SPSUs) was only 2.61 *per cent* during 2020-21 and some of the PSUs were incurring recurring losses.

Out of 251 incomplete projects, 60 projects for which the State had spent ₹ 233.26 crore as of 31 March 2021, were pending for five years or more.

During 2020-21, the State Government received ₹ 17.12 crore towards State Compensatory Afforestation Fund, out of total fund only ₹ 47.72 crore was spent and there was an unspent balance of ₹ 331.83 crore. The State Government may review the status of the Fund for appropriate action.

Out of ₹0.21 crore cess collected under the Ecology & Environment Fund during 2020-21 the State Government has not transferred to the Fund. Also the State Government had not utilized the Cess for last two years. The State Government may increase its spending out of the Cess collected.

There was un-reconciled cash balance of ₹ 34.71 crore as per accounts of the Government and the records of State Bank of Sikkim.

Huge cash balances (Month-wise) ranging between ₹34.90 crore and ₹4,207.96 crore, were maintained in Government account with SBS during 2020-21. No minimum cash limit had been prescribed by the Government.

Recommendations

- *The State Government may make concrete efforts to augment own resources of revenue to bridge the mismatch between revenue receipts and expenditure and reduce its fiscal deficit.*
- *Considering the increasing outstanding debt of the State, the Government may take appropriate steps to rationalise its committed revenue expenditure.*
- *To avoid liabilities under NPS, the State Government needs to transfer the outstanding funds already accumulated to NSDL, for management of the NPS. They may strictly monitor the allotment of PRAN to the employees.*
- *The State Government needs to prioritise completion of incomplete projects in a planned manner with periodical review and monitoring mechanism at the highest level of administration so as to avoid time and cost inefficiencies. They need to specifically monitor those projects, which are being executed out of borrowed funds and pose a consequential extra financial burden on the Government.*

- *Increasing trend of debt maturity profile vis-à-vis the level of borrowings needs to be reviewed so as to ensure that mobilised financial resources are used adequately for incurring capital expenditure for creation of assets. The increasing trends of Revenue Expenditure be corrected by identifying potential wasteful expenditure and adopting economy measures across departments.*
- *The Government should frame a policy on prudent cash balance management and ensure reconciliation with State Bank of Sikkim.*

(Chapter II)

Budgetary Management

Budgetary assumptions of the State Government were not very realistic during 2020-21 and despite carrying out an elaborate pre-budget exercise to bring about efficiency and transparency in budget formulation and execution, budgetary estimates were off the mark to a considerable extent, and control over the execution and monitoring of budget was inadequate.

Savings during the year was ₹ 2,477.50 crore which was 23.73 per cent of the budget provision of ₹ 10,440.51 crore. However, the Controlling Officers surrendered savings of ₹ 2,024.96 crore, during last month of the year, with major portion of savings (₹ 1,627.31 crore) being surrendered on the last day of the financial year 2020-21.

During 2020-21, no excess expenditure had taken place. However, an excess expenditure of ₹ 90.69 crore in respect of previous years (from 2012-13 to 2019-20) was pending for regularisation by the PAC/State Legislature.

During 2020-21, State Government incurred an expenditure of ₹ 950.13 crore, constituting about 11.93 per cent of the total Revenue Expenditure of ₹ 7,963.01 crore, in March 2021. However out of ₹ 950.13 crore incurred in March 2021, ₹ 310.76 crore (32.71 per cent of the total Revenue expenditure of March 2021) was spent on the last day of the financial year i.e., 31 March 2021.

The explanations for variations in expenditure vis-à-vis allocations were not provided in respect of 91 sub-heads (15.12 per cent) out of 602 sub-heads to the office of Sr. DAG (A&E).

During the period 2016-21, the Government had substantial savings ranging between 15.95 per cent and 27.35 per cent of total budget allocation and could utilise between 72.65 per cent and 84.05 per cent of total allocation. Although the issue of persistent savings is being highlighted in the Reports of the CAG on State Finances every year, Departments had not taken any perceptible action in this regard.

Supplementary Grants/ Appropriations were obtained without adequate justification. During 2020-21, Supplementary provision aggregating ₹ 366.33 crore obtained in 28 cases (with ₹ 50.00 lakh or more), proved unnecessary as the total expenditure did not come up to the level of original provision and re-appropriations under 29 Heads of Account proved excessive or insufficient and resulted in saving/ excess of over ₹ 10.00

lakh. Despite flagging this issue every year over the last several years, the State Government had failed to take corrective measures in this regard.

Recommendations

- *State Government needs to formulate a realistic budget based on reliable estimates of the needs of the Departments and their capacity to utilise the allocated resources;*
- *An appropriate control mechanism needs to be instituted by the Government to enforce proper implementation and monitoring of budget to ensure that savings are curtailed, large savings within the Grant/ Appropriation are controlled, and anticipated savings are identified and surrendered within the specified time frame;*
- *Controlling Officers need to be made aware of their responsibility to explain the variation in expenditure from the allocation to facilitate proper analysis of budget and preparation of meaningful Appropriation Accounts;*
- *Excess expenditure over grants approved by the Legislature needs to be viewed seriously and got regularised at the earliest;*
- *The Agriculture Department may strengthen its budgetary management on basis of realistic estimates so that financial resources can be allocated/ utilised efficiently and effectively to achieve the desired objectives.*

(Chapter III)

Quality of Accounts & Financial Reporting Practices

During the year 2020-21, all the Controlling Officers reconciled the Government receipts and expenditure with the figures in the books of the Sr. DAG (A&E).

Audit noticed that Revenue Receipts of ₹ 341.19 crore earned from sale proceeds of electricity sold outside the State and royalty receipts from the HEPs located in the State, were not deposited in the Consolidated Fund of State by PDS. This led to understatement of Government Revenue Receipts by ₹ 341.19 crore and overstatement of Revenue Deficit and Fiscal Deficit to that extent. Further, an expenditure of ₹ 405.03 crore had been incurred without routing it through Government Accounts resulting in understatement of Government expenditure by ₹ 405.03 crore with consequential understatement of Revenue Deficit and Fiscal Deficit. This led to an overall understatement of Revenue Deficit and Fiscal Deficit by ₹ 63.84 crore during 2020-21.

As on 31 March 2021, the SSERC Bank Account had a balance of ₹ 67.69 Lakh and due to non-creation of the State Electricity Regulatory Commission Fund, the grants, fee and other receipts collected by the SSERC were being kept in a bank account.

As informed by 12 CCOs to the office of Sr. Deputy Accountant General (A&E) Sikkim, an amount of ₹ 199.14 crore was lying in the Savings/ Current Accounts of these CCOs as on 31 March 2021.

During the year 2020-21, the State Government repaid ₹ 140.85 crore worth of loans availed by three financial institutions for implementation of various Government projects, and interest accrued thereupon. The borrowings by these Institutions had not formed part of the outstanding liabilities of the State Government during the respective years.

The GoI transferred ₹ 201.99 crore directly to Implementing Agencies (IAs) in the state, during 2020-21. The amount of such funds transferred by GoI to IAs during 2020-21, had increased as compared to the previous year's amount (₹ 161.86 crore).

The Educational Cess levied by the State Government was meant for a specific purpose, ideally a separate Fund should have been created by the State Government. However, despite a lapse of 14 years from the passage of the Act for levying the Educational Cess, rules for carrying out the purposes of this Act have not been made (March 2021) and the cess collected between 2007-08 and 2020-21 amounting to ₹ 64.35 crore was credited to the Consolidated Fund of the State.

The practice of not furnishing UCs in a timely manner resulted in pendency of large number of UCs. At the end of March 2021, 1392 UCs involving an aggregate amount of ₹ 192.28 crore were pending for submission even after a lapse of one to seventeen years by various departments.

Out of 521 AC bills amounting to ₹20.82 crore drawn during the year 2020-21, 151 AC bills amounting to ₹11.19 crore (54 *per cent*) were drawn in March 2021. DC Bills in respect of a total of 3133 AC bills amounting to ₹75.18 crore as on 31 March 2021 were not received.

During year 2020-21, the State government booked 7.76 *per cent* of total revenue receipts and 11 *per cent* of total expenditure under Minor Head 800- Other Receipts and Minor Head 800-Other Expenditure respectively.

Non-furnishing of detailed information about financial assistance given to various institutions and non-submission of accounts by 14 Autonomous Bodies/ Authorities as per timelines led to non-compliance with Financial Rules. There were also delays in placement of SARs to Legislature.

There were six cases of misappropriation involving Government money in respect of four Departments with the money value of ₹2.64 crore at the end of 2020-21 where final action was pending.

Recommendations

- *Departments should adhere to the Government Accounting Rules and all the financial transactions, should be routed through Government Accounts, to reflect actual financial position of the State.*
- *The Government may enhance the scope and coverage of budget provision by including the extra budgetary resources given to various State Government PSUs/ entities for implementation of various State Government Schemes/ Programmes etc.*

- *Finance Department may draw up an action plan for monitoring and ensuring submission of all pending UCs especially keeping in view that UCs from 2003-04 onwards are still due for submission. Release of subsequent grants should be linked with submission of outstanding UCs.*
- *Finance Department may make special efforts to settle old outstanding AC bills specially keeping in view that submission of DC bills from 2001-02 onwards are still pending for submission. At the same time, the DDOs should be asked to ensure that the DC bills are submitted within prescribed time, in order to stem the accretion of unadjusted AC bills. Advances should be monitored closely for effective control and old outstanding AC bills should be adjusted by making special efforts in a time bound manner.*
- *Timely reconciliation may be done with figures of the PAO and AG's office to avoid discrepancies in Accounts. The special efforts to be taken for reconciliation of State Bank of Sikkim and PAO figures.*
- *In order to make accounts transparent, the Government should operate appropriate Minor Heads instead of booking under Minor Head 800.*
- *Finance Department should consider evolving a system to expedite the process of compilation and submission of annual accounts by autonomous bodies in order to assess their financial position.*
- *The Government may take appropriate measures to get the unspent money lying in the bank accounts, refunded into the Government account and may also frame suitable orders to this effect.*
- *The Government should prepare a time bound framework for taking prompt action in cases of misappropriation, loss, theft, etc. and strengthening the internal control system in Departments to prevent recurrence of such cases.*

(Chapter IV)

Functioning of State Public Sector Enterprises

As on 31 March 2021, the State of Sikkim had 23 SPSEs (17 working and six non-working) and only 17 working SPSEs were under the audit jurisdiction of the CAG. The State Government did not extend the audit entrustment of six non-working SPSEs to CAG. The 17 working SPSEs audited by CAG included 13 Government Companies, and four Statutory Corporations. The CAG conducts supplementary audit of four SPSEs (all companies registered under the Companies Act, 2013) as per the provisions of the Companies Act, 2013 while the audit of remaining 13 SPSEs (nine companies registered under the Sikkim Registration of Companies Act 1961 and four Corporations established under the proclamations of the erstwhile Chogyal (King) of Sikkim) is conducted by CAG on entrustment basis under Section 20 (1) or Section 19 (3) of CAG's (DPC) Act, 1971.

As on 31 March 2021, there was a difference of ₹ 37.76 crore in the investment figures of the State Government (Equity: ₹ 2.76 crore; Long-term Loans: ₹ 35.00 crore) as per

State Finance Accounts vis-à-vis records of SPSEs. The differences in investment figures existed in respect of eight SPSEs.

During 2020-21 the State Government has provided budgetary support of ₹ 6.50 crore to one SPSEs (Temi Tea Estates) in the form of Grants/ Subsidy.

During 2020-21, out of total 17 working SPSEs, nine SPSEs earned profits (₹ 75.25 crore) as per their latest finalised accounts. However, more than 92 *per cent* (₹ 69.34 crore) of the profits (₹ 75.25 crore) earned by nine SPSEs was contributed by two SPSEs, namely, Teestavalley Power Transmission Limited (₹ 46.10 crore) and State Bank of Sikkim (₹ 23.24 crore). Further, the accumulated losses (₹ 1,322.38 crore) of four out of 17 working SPSEs had completely eroded their paid-up capital (₹ 76.00 crore) as per their latest finalised accounts.

As on 30 September 2021, 12 out of 17 SPSEs had a total arrear of 40 accounts ranging from one to seven years. The highest number of accounts pending finalisation pertained to Sikkim Livestock Processing and Development Corporation (seven accounts).

Recommendations

- *The State Government and the SPSEs concerned should take concrete steps to reconcile the differences in the investment figures (Equity and Long term Loans) of the State Government as appearing in the State Finance Accounts vis-à-vis SPSE records in a time-bound manner.*
- *Accumulation of huge losses by above four SPSEs had eroded public wealth, which is a cause of serious concern and the State Government needs to review the working of these SPSEs for continuing their operations.*
- *The Administrative Departments overseeing the SPSEs having backlog of Accounts need to ensure that these SPSEs finalise and adopt their Accounts within the stipulated period, failing which financial support to them be reviewed.*

(Chapter V)

CHAPTER-I: OVERVIEW

Chapter I: Overview

This Chapter describes the basis and approach to the Report and the underlying data, providing an overview of structure of Government accounts, budgetary processes, macro-fiscal analysis of key indices and State's fiscal position including the fiscal/revenue deficits/surplus.

1.1 Profile of the State

Sikkim is a sparsely populated State situated in the Eastern Himalayas. It became part of the Indian Union on 16 May 1975. It has a total area of 7,096 sq. km. which constitutes 0.22 *per cent* of the total geographical area of India; and as per 2011 Census, the State's population was 6.11 lakh (approx.). Sikkim being landlocked State, National Highway 10 is the only lifeline, which connects the State with the rest of the country. Sikkim has four districts and nine sub-divisions. The State has been included in the North Eastern Council (NEC) since December 2002.

The State's Gross Domestic Product (GSDP) in 2020-21 at current prices was ₹ 32,724.47 crore. General and financial data relating to the Sikkim State as well as other States of the North Eastern Region is given in **Appendix 1.1 (Part-A)**.

1.2 Basis and Approach to State Finances Audit Report

In terms of Article 151 (2) of the Constitution of India, the reports of the Comptroller and Auditor General of India (CAG) relating to the accounts of a State are to be submitted to the Governor of the State, who shall cause them to be laid before the Legislature of the State. The State Finances Audit Report (SFAR) of Sikkim for the year ending 31 March 2021 has been prepared by the CAG for submission to the Governor of Sikkim under Article 151 (2) of the Constitution of India.

The office of Sr. Deputy Accountant General (Accounts & Entitlements), Sikkim prepares the Finance Accounts and Appropriation Accounts of the State annually, from the vouchers, challans, initial and subsidiary accounts rendered by the treasuries, offices, and departments responsible for keeping of such accounts functioning under the control of the State Government. These accounts are audited independently by the Principal Accountant General (Audit) and certified by the CAG.

Finance Accounts and Appropriation Accounts of the State constitute the core data for this Report. Other sources include the following:

- ✓ **Budget of the State:** for assessing the fiscal parameters and allocative priorities *vis-à-vis* projections, as well as for evaluating the effectiveness of its implementation and compliance with the relevant rules and prescribed procedures;
- ✓ **GSDP data** and other State related statistics;
- ✓ **Results of audit** carried out by the office of the Principal Accountant General (Audit) Sikkim at the State Secretariat as well as at the field level offices during the year;

- ✓ Other data with Departmental Authorities and Treasuries (accounting as well as MIS); and
- ✓ Various Audit Reports of the CAG of India.

The analysis is also carried out in the context of recommendations of the Finance Commission (FC), Sikkim Fiscal Responsibility and Budget Management Act (SFRBM), best practices and guidelines of the Government of India (GoI).

1.3 Report Structure

The SFAR is structured into the following five Chapters:

Table 1.1: Structure of SFAR

Chapter - I	Overview: This Chapter describes the basis and approach to the Report and the underlying data, provides an overview of structure of Government accounts, budgetary processes, macro-fiscal analysis of key indices and State's fiscal position including the deficits/surplus.
Chapter - II	Finances of the State: This Chapter provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the period from 2016-17 to 2020-21, debt profile of the State and key Public Account transactions, based on the Finance Accounts of the State.
Chapter - III	Budgetary Management: This Chapter is based on the Appropriation Accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management.
Chapter - IV	Quality of Accounts & Financial Reporting Practices: This Chapter comments on the quality of accounts rendered by various authorities of the State Government and issues of non-compliance with prescribed financial rules and regulations by various Departments of the State Government.
Chapter V	Functioning of State Public Sector Enterprises: This Chapter provides an overall picture on the functioning of the State Public Sector Enterprises (SPSEs). The term State Public Sector Enterprises (SPSEs) encompasses the State Government owned/controlled Government Companies set up under the Companies Act, 2013/Sikkim Registration of Companies Act 1961 and Statutory Corporations established under the proclamations of the erstwhile Chogyal (King) of Sikkim.

1.4 Overview of Government Account Structure and Budgetary Processes

There is a constitutional requirement in India (Article 202) to present before the House or Houses of the Legislature of the State, a Statement of Estimated Receipts and Expenditures of the Government in respect of every financial year. This 'Annual Financial Statement' constitutes the main budget document. Further, the budget must distinguish expenditure on the revenue account from other expenditures.

This section provides a broad perspective of the finances of the Government of Sikkim (GoS) 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. The analysis has been made based on State Finance Accounts and the information obtained from State Government. The structure and form of Government Accounts, layout of Finance Accounts, methodology adopted for the assessment of fiscal position and State Profile are given in **Appendix 1.1 (Parts A, B & C)**. The time series data on key fiscal variables/ parameters and fiscal ratios relating to the State Government finances for the period 2016-21 are presented in **Appendix 1.2**.

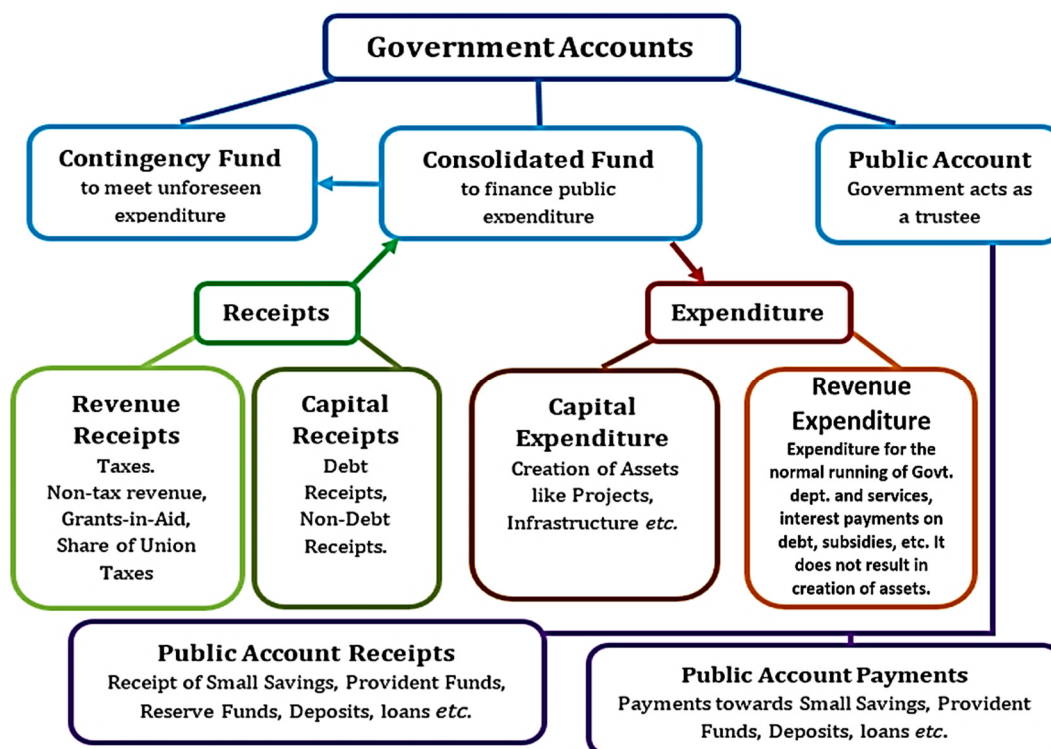
Revenue receipts consist of Tax revenue, Non-tax revenue, share of Union Taxes/ Duties, and Grants-in-aid received from GoI.

Revenue expenditure consists of all those expenditures of the Government which do not result in creation of physical or financial assets. It relates to expenses incurred for the normal functioning of the Government departments and various services, interest payments on debt incurred by the Government, and grants given to various institutions (even though some of the grants may be meant for creation of assets).

The main items of **Capital receipts** are loans raised by the Government from the public which are called market borrowings, borrowing by the Government from the commercial banks and other financial institutions, and recoveries of loans granted by the Government. Other items include small savings (Post-Office Savings Accounts, National Savings Certificates, *etc.*), Provident funds and net receipts obtained from the sale of shares in Public Sector Undertakings (PSUs).

Capital Expenditure includes expenditure on the acquisition of land, building, machinery, equipment, investment in shares, and loans and advances by the government to PSUs and other parties.

Chart 1.1: Structure of Government Accounts



The Accounts of the State Government are kept in three parts:

1. Consolidated Fund of the State as per Article 266(1) of the Constitution of India.
2. Contingency Fund of the State as per Article 267(2) of the Constitution of India.
3. Public Accounts of the State is constituted under Article 266(2) of the Constitution.

In Government Accounts, classification system is based on both functional and economic properties, as detailed below.

Table 1.2: Government Accounts Classification System

Particulars	Attribute of transaction	Classification
Standardized in LMMH by CGA	Function- Education, Health, <i>etc.</i> /Department	Major Head under Grants (four-digit)
	Sub-Function	Sub Major head (two-digit)
	Programme	Minor Head (three-digit)
Flexibility left for States	Scheme	Sub-Head (two-digit)
	Sub scheme	Detailed Head (two-digit)
	Economic nature/Activity	Object Head-salary, minor works, <i>etc.</i> (two-digit)

The functional classification provides us the Department, function, scheme or programme, and object of the expenditure. Economic classification helps organise these payments as revenue, capital, debt, *etc.* Economic classification is achieved by the numbering logic embedded in the first digit of four-digit Major Heads. For instance, zero and one is for revenue receipts, two and three for revenue expenditure, four for capital expenditure *etc.* Economic classification is also achieved by an inherent definition and distribution of some object heads. For instance, while “salary” object head is revenue expenditure, “construction” object head is capital expenditure. Object head is the primary unit of appropriation in the budget documents.

Budgetary Processes

In terms of Article 202 of the Constitution of India, the Governor of State causes to be laid before the State Legislature, a statement of the estimated receipts and expenditure of the State for the year in the form of an Annual Financial Statement. As per Article 203, the statement is submitted to the State Legislature in the form of Demands for Grants/ Appropriations and after approval of these, the Appropriation Bill is passed by the Legislature under Article 204 to provide for appropriation of the required money out of the Consolidated Fund. Some States have more than one consolidated Budget – there could be sub-budgets like Child Budget, Agriculture Budget, Weaker sections (SC/ST) Budget, Disability Budget, *etc.*

In terms of Article 203, the Annual Financial Statement or Budget of Government of Sikkim for year 2020-21 was submitted to the State Legislature in the form of 47 Demands for Grants/Appropriations and after approval of these, the Appropriation Bill was passed by the Legislature under Article 204 to provide for appropriation of the required money out of the Consolidated Fund.

Results of audit scrutiny of budget and implementation of other budgetary initiatives of the State Government are detailed in **Chapter III** of this Report.

1.4.1 Gross State Domestic Product of the State

Gross State Domestic Product (GSDP) is the value of all the goods and services produced within the boundaries of the State in a given period of time. Growth of GSDP is an important indicator of the State's economy, as it denotes the extent of changes in the level of economic development of the State over a period of time.

Trends in annual growth of Sikkim's GSDP *vis-à-vis* that of the country are given in **Table 1.3**.

Table 1.3: Trends in growth of GDP and GSDP

Year	2016-17	2017-18	2018-19	2019-20	2020-21
All India GDP (₹ in crore)	1,53,91,669	1,70,90,042	1,88,86,957	2,03,51,013	1,97,45,670*
Growth rate of GDP (<i>per cent</i>)	11.76	11.03	10.51	7.75	-2.97
GSDP of State at current prices (₹ in crore)	20,687	25,971	28,402	30,809*	32,724**
Growth rate of GSDP at current prices (<i>per cent</i>)	14.71	25.54	9.36	8.47	6.22
<i>Per capita GDP of India</i>					1,45,680
<i>Per capita GSDP of Sikkim</i>					4,86,248

Source: Central Statistical Office (CSO), Ministry of Statistics & Programme Implementation and Report of the Technical Group on Population Projections for India and States (2011-2036), Registrar General of India

* Provisional Estimates; ** Quick Estimates

The growth rate of GSDP of the State at current price was higher than that of national growth rate except during 2018-19, when it was 9.36 *per cent* as against the national growth of 10.51 *per cent*. The growth rate of GSDP at current price during 2016-21 ranged between 6.22 *per cent* (2020-21) to 25.54 *per cent* (2017-18). During 2020-21, the GSDP of the State at current price was ₹ 32,724 crore, up from ₹ 30,809 crore in 2019-20, representing an increase of 6.22 *per cent* which was higher than that of national growth rate (-2.97 *per cent*).

The per capita GSDP of the State (₹ 4,86,248) of 2020-21 was more than three times the per capita GDP of India (₹ 1,45,680).

Sectoral components of GSDP

Changes in sectoral contribution to the GSDP is also important to understand the changing structure of economy. The economic activity is generally divided into Primary, Secondary and Tertiary sectors, which corresponds to the Agriculture, Industry and Service sectors respectively.

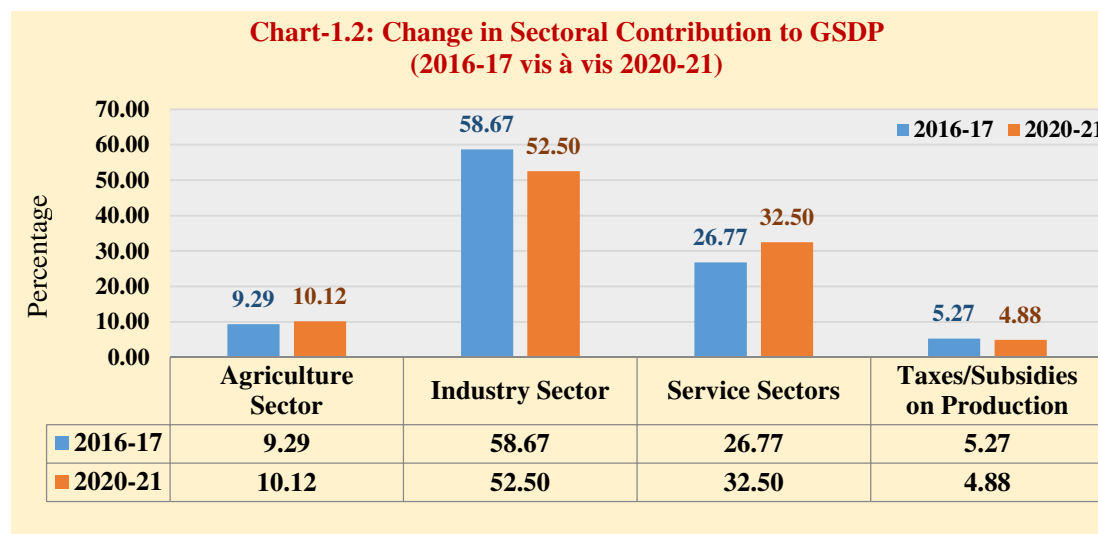
Chart 1.2 reveals that during the five-year period 2016-21, there was a marginal increase in the relative share of Agriculture (Primary) Sector¹ in GSDP, as the share of this Sector grew from 9.29 *per cent* in 2016-17 to 10.12 *per cent* in 2020-21. However, the share of Industry Sector² (Secondary) dropped from 58.67 *per cent* in 2016-17 to 52.50 *per cent* in 2020-21. The share of Services (Tertiary) Sector³ grew from

¹ Agriculture and Related Sector is also known as Primary Sectors

² Industry and related Sector is also known as Secondary Sector.

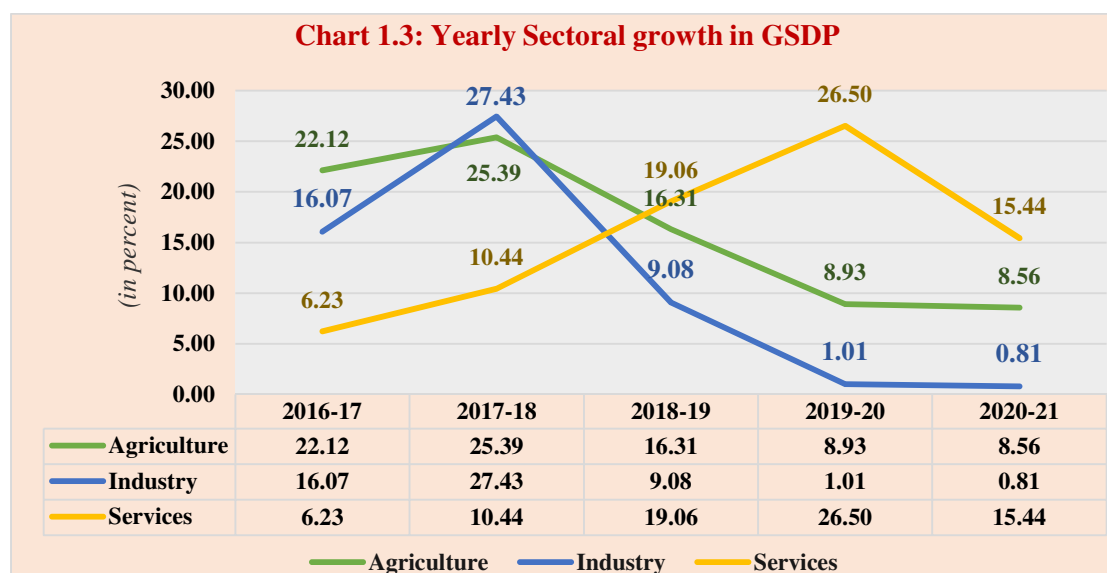
³ Services and related Sector is also known as Tertiary Sector

26.77 per cent in 2016-17 to 32.50 per cent in 2020-21 and there was a slight decrease in share of Taxes on Products & Subsidies on Product from 5.27 per cent in 2016-17 to 4.88 per cent in 2020-21.



Source: Directorate of Economics, Statistics, Monitoring and Evaluation, Government of Sikkim

Further, it could be seen from **Chart 1.3** that rate of growth of all three Sectors viz., Agriculture, Industry and Service witnessed a fluctuating trend during 2016-21. The growth rate of Agriculture and Industry Sectors had peaked during 2017-18 with 25.39 per cent and 27.43 per cent respectively. Thereafter, the growth of these two Sectors decreased continuously. Similarly, the Service Sector registered a maximum growth of 26.50 per cent during 2019-20 and it decreased to 15.44 per cent in 2020-21.



Source: Directorate of Economics, Statistics, Monitoring and Evaluation, Government of Sikkim”

1.4.2 Summarised Position of Finances of State

The following table provides the comparison of actual financial parameters of 2020-21 vis-à-vis Revised Estimates for the year 2020-21 and actuals of 2019-20.

Table 1.4: Summarised position of Finances of State

(*₹ in crore*)

Sl. No.	Components	2019-20 Actuals	2020-21		Percentage of Actual to RE	Percentage of Actual to GSDP
			RE	Actuals		
1	Tax Revenue	970.41	928.51	966.70	106.56	3.02
2	Non-Tax Revenue	693.40	579.75	662.29	114.24	2.02
3	Share of Union taxes/duties	2,295.56	2,133.88	2,302.27	107.89	7.04
4	Grants-in-aid and Contributions	881.90	3,296.75	1,676.56	50.16	5.05
5	Revenue Receipts (1+2+3+4)	4,841.27	6,938.89	5,607.82	80.82	17.14
6	Recovery of Loans and Advances	0.30	0.08	1.17	1,462.50	0.00
7	Other Receipts	0.00	0.00	0.00	--	0.00
8	Borrowings and other Liabilities	2,081.18	1,867.18	2,273.54	121.76	6.95
9	Capital Receipts (6+7+8)	2,081.48	1,867.26	2,274.71	121.82	6.95
10	Total Receipts (5+9)	6,922.75	8,806.15	7,882.53	89.51	24.09
11	Revenue Expenditure of which	6185.08	7245.25	6368.65	87.90	19.46
12	<i>Interest payments</i>	509.68	562.04	548.41	97.57	1.68
13	<i>Grant in Aid for creation of capital assets</i>	0.00	0.00	0.00	--	--
14	Capital Expenditure of which	737.67	1697.08	1513.88	89.20	4.63
15	<i>Capital outlay</i>	720.61	1694.38	1513.88	89.35	4.63
16	<i>Loan and advances</i>	17.06	1.35	0.00	0.00	0.00
17	Total Expenditure (11+14)	6,922.75	8,942.33	7,882.53	88.15	24.09
18	Revenue Deficit (5-11)	1,343.81	306.36	760.83	248.35	2.32
19	Fiscal Deficit {(5+6+7)-17}	2,081.18	2,003.36	2,273.54	113.49	6.95
20	Primary Deficit (19-12)	1,571.50	1,441.32	1,725.13	119.69	5.27

Source: Finance Account, Estimates of Receipts and Expenditure

Borrowings and other Liabilities: Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts - Disbursements) of Public Account + Net of Opening and Closing Cash Balance.

It can be seen from above table that Revenue Receipts of the State increased by ₹ 766.55 crore, from ₹ 4,841.27 crore in 2019-20 to ₹ 5,607.82 crore in 2020-21, mainly due to increase in Grants-in-aid and contributions from the Central Government. The increase in Capital receipts was mainly due to increase in borrowings and liabilities. The total expenditure increased to ₹ 7,882.53 crore in 2020-21 from ₹ 6,922.75 in the previous year, the increase (₹ 959.78 crore) comprised of increase of ₹ 793.27 crore in capital outlay.

During 2020-21, against the estimate of ₹ 306.36 crore, the State ended up with Revenue Deficit of ₹ 760.83 crore and Fiscal Deficit was ₹ 2,273.54 crore against the estimate of ₹ 2,003.36 crore. Further, there was Primary Deficit of ₹ 1,725.13 crore against ₹ 1,571.50 crore of previous year.

1.4.3 Summarised position of Assets and liabilities of the Government

Government accounts capture the financial liabilities of the Government and the assets created out of the expenditure incurred. The liabilities consist mainly of internal borrowings, loans and advances from GoI, receipts from public account and reserve funds, and the assets comprise mainly the capital outlay and loans and advances given by the State Government and cash balances. The summarised position of assets and

liabilities for 2019-20 and 2020-21 with increase and decrease is given in **Table 1.5** below:

Table 1.5: Summarised position of Assets and Liabilities

(₹ in crore)

Liabilities				Assets			
Particulars	2019-20	2020-21	Per cent increase/decrease	Particulars	2019-20	2020-21	Per cent increase/decrease
Consolidated Fund							
a Internal Debt	5,305.00	6,598.09	24.37	a Gross Capital Outlay	13,200.22	14,714.10	11.47
b Loans and Advances from GoI	100.73	292.59	190.47	b Loans and Advances	254.06	252.89	-0.46
Contingency Fund							
	1.00	1.00	0.00		--		
Public Account							
a Small Savings, Provident Funds, etc.	1,162.86	1,318.29	13.37	a Advances	1.03	1.03	0.00
b Deposits	361.50	362.34	0.23	b Remittance	0.00	0.00	
c Reserve Funds	1,022.66	1,080.83	5.69	c Suspense and Miscellaneous	0.00	0.00	
d Remittances	158.33	513.66	224.42	Cash balance (including investment in Earmarked Fund)	2,084.57	1,992.24	-4.43
e Suspense and Miscellaneous	217.19	343.66	58.23				
Total	8,329.27	10,510.46	26.19				
Cumulative excess of receipts over expenditure	7,210.61	6,449.80	-10.55				
Total	15,539.88	16,960.26	9.14	Total	15,539.88	16,960.26	9.14

Source: Finance Accounts

As it can be seen from the above, during 2020-21, the assets increased by ₹ 1,420.38 crore and the liabilities (excluding surplus on Government Accounts) increased by ₹ 2,181.19 crore. Consequently, the growth rate of assets increased from (-)2.87 per cent in 2019-20 to 9.14 per cent in 2020-21 whereas, the growth rate of liabilities excluding surplus on Government Accounts increased to 26.19 per cent from 11.89 per cent in 2019-20.

1.5 Fiscal Balance: Achievement of deficit and total debt targets

Sikkim FRBM Targets on Key Fiscal Parameters and Achievements thereon

The State Government enacted the Sikkim Fiscal Responsibility and Budget Management (SFRBM) Act in September 2010 (last amended in June 2021), and the rules under the Sikkim FRBM Act were notified in March 2011 with the objective of ensuring prudence in fiscal management by eliminating revenue deficit, reducing fiscal deficit and overall/ outstanding debt to acceptable level, establishing improved debt management and improving transparency in a medium-term framework. In this context,

the Act provides quantitative targets to be adhered by the State with regard to deficit measures and debt level.

As per the SFRBM Act, the State Government was to eliminate Revenue Deficit by 2011-12 and maintain Revenue Surplus thereafter and reduce Fiscal Deficit to three *per cent* of the estimated GSDP. Further, as per SFRBM (Amendment) Act, 2020, the Fiscal Deficit Target for the financial year 2020-21 was fixed at five *per cent* of the estimated GSDP. Further, the Act also envisaged that the State Government would limit the percentage of total outstanding debt to GSDP to 20.09 *per cent* in 2016-17 and 24.64 *per cent* in 2020-21 as shown in **Table 1.6** below.

Targets of key fiscal parameters envisaged in the SFRBM Act and their achievement during 2016-21 are given in **Table 1.6** below:

Table 1.6: Compliance with State FRBM Act

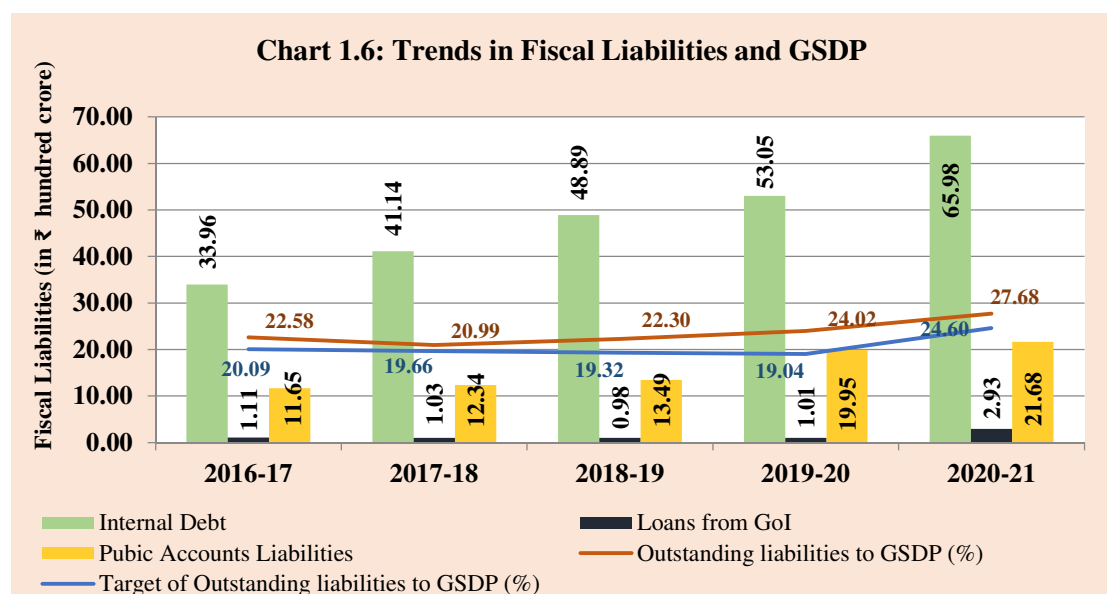
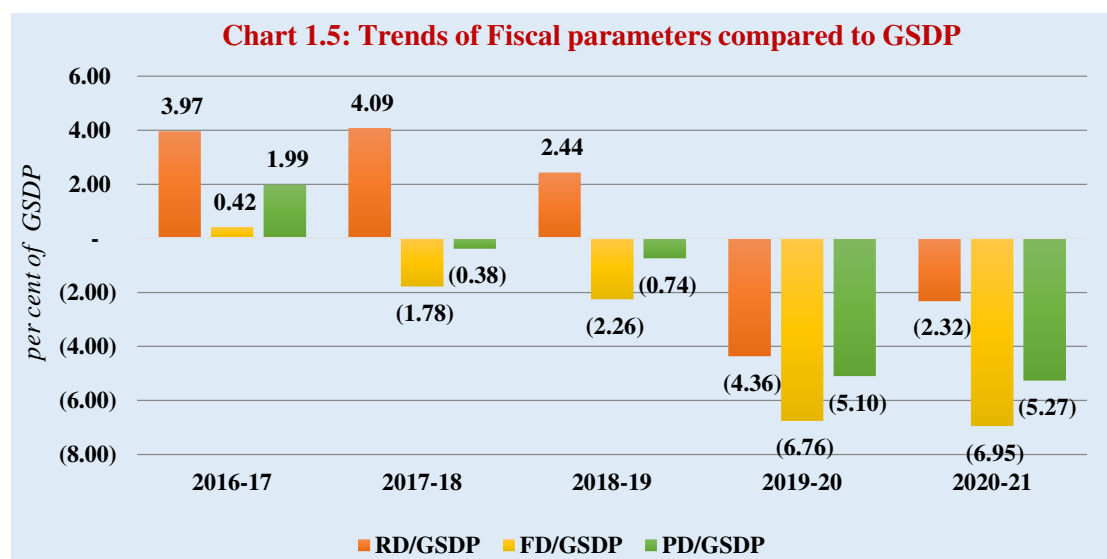
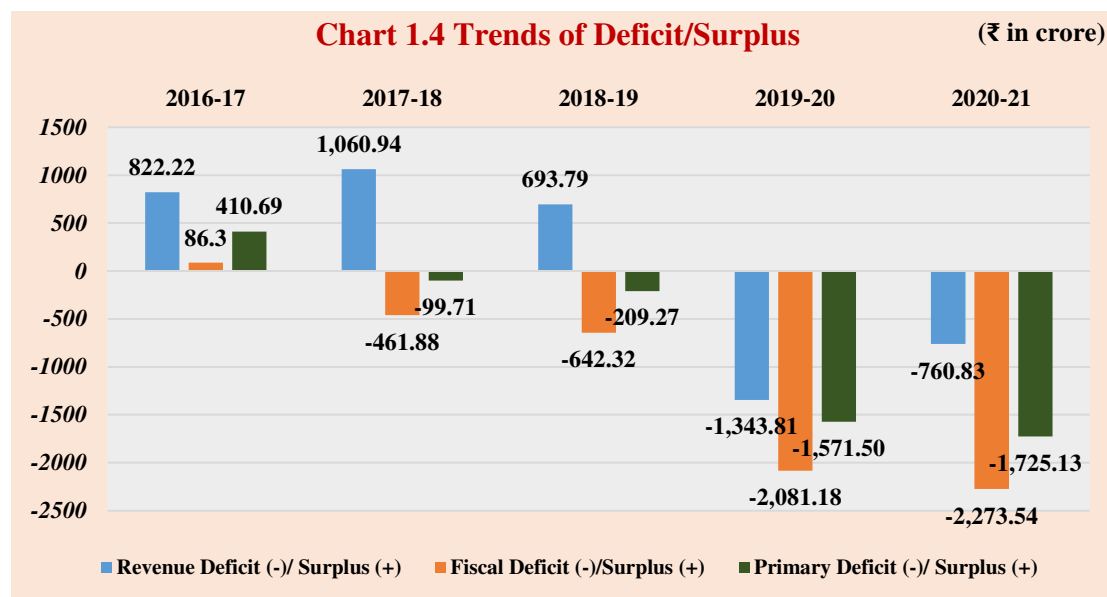
Fiscal Parameters	Fiscal targets set in the Act	Actuals (₹ in crore)				
		2016-17	2017-18	2018-19	2019-20	2020-21
Revenue Deficit (-)/ Surplus (+) (₹ in crore)	Maintain Revenue Account Balance	822.22	1,060.94	693.79	- 1343.81	-760.83
		✓	✓	✓	✗	✗
Fiscal Deficit (-)/ Surplus (+) (as percentage of GSDP)	2016-20: 3 <i>per cent</i>	86.30 (0.42)	-461.88 (-1.78)	-642.32 (-2.26)	-2,081.18 (-6.76)	-2,273.54 (-6.95)
	2020-21: 5 <i>per cent</i>	✓	✓	✓	✗	✗
Ratio of total outstanding debt to GSDP (in <i>per cent</i>)	Target	20.09	19.66	19.32	19.04	24.64
	Achievement	22.58 (X)	20.99 (X)	22.30 (X)	24.02 (X)	27.68 (X)

Source: FRBM Act. and Departmental information

The State after maintaining Revenue Surplus for 2016-17 to 2018-19, ran into Revenue Deficit in 2019-20 and 2020-21. Similarly, after successfully containing the Fiscal Deficit below three *per cent* of GSDP during 2016-19, the State's Fiscal Deficit was 6.76 *per cent* of GSDP during 2019-20 and 6.95 *per cent* of GSDP during 2020-21.

During the five-year period 2016-21, the ratio of total outstanding debt to GSDP of the State consistently exceeded the norms prescribed in the SFRBM Act as well as projections⁴ of Finance Commissions.

⁴ XIV FC projections (Ratio): 2016-17: 20.09, 2017-18: 19.66, 2018-19: 19.32, 2019-20: 19.04 and XV FC projections (Ratio): 2020-21:24.60.



Revenue Surplus/ Deficit

Revenue Deficit is the gap between Revenue Receipts and Revenue Expenditure. The State had Revenue Surplus from 2016-17 to 2018-19 but it turned into huge deficit of ₹ 1,343.81 crore in 2019-20, though in 2020-21 the position improved slightly as it stood at ₹ 760.83 crore. This indicates that the Revenue Receipts were insufficient to meet the Revenue Expenditure.

Fiscal Deficit

Fiscal Deficit represents the gap between the Non-debt receipts and Total Expenditure. This gap can be met either by additional Public Debt (internal or external) or by the use of surplus funds from Public Accounts. Fiscal Deficit normally represents the net incremental liabilities of the Government or its additional borrowing requirements. Except for 2016-17, the State had Fiscal Deficit during the last five-year period (2015-21). During 2020-21 the Fiscal Deficit increased by ₹ 192.36 crore from ₹ 2,081.18 crore in 2019-20 to ₹ 2,273.54 crore, witnessing a growth of 9.24 per cent.

Medium Term Fiscal Plan (MTFP)

As per the SFRBM Act, the State Government has to lay before the State Legislature, a Five-Year Fiscal Plan along with the Annual Budget. The Medium Term Fiscal Plan (MTFP) sets forth a five-year rolling target for the prescribed fiscal indicators.

Table 1.7 indicates the variation between the projections made for 2020-21 in MTFP presented to the State Legislature and the Actuals of the year.

Table 1.7: Actuals vis-à-vis projection in MTFP for 2020-21

Sl. No.	Fiscal Variables	Projections as per MTFP	Actuals (2020-21)		Variation
1	Own Tax Revenue	928.51	966.70	38.19	
2	Non-Tax Revenue	579.75	662.29	82.54	
3	Share of Central Taxes	2,133.88	2,302.27	168.39	
4	Grants -in-aid from GoI	3,296.75	1,676.56	-1,620.19	
5	Revenue Receipts (1+2+3+4)	6,938.89	5,607.82	-1331.07	
6	Revenue Expenditure	7,245.25	6,368.65	-876.6	
7	Revenue Deficit (-)/ Surplus (+) (5-6)	-306.36	-760.83	-454.47	
8	Fiscal Deficit (-)/ Surplus (+)	-2,003.36	-2,273.54	-270.18	
9	Debt-GSDP ratio (<i>per cent</i>)	24.64	27.68	3.04	
10	GSDP growth rate at current prices (<i>per cent</i>)	11	6.22	-4.78	

(Source: Departmental information, Finance Accounts and MTFP Report)

From the table above it can be seen that except for Own Tax Revenue, Non-tax Revenue and Share of Central Taxes the State could not achieve the projections of the MTFP for 2020-21 in respect of other parameters. The Revenue Receipts of Government fell short by 19.18 per cent of the target. The State had projected the Revenue Deficit of ₹ 306.36 crore for 2020-21 against which actual Revenue Deficit was ₹ 760.83 crore. Similarly, the State projected the Fiscal Deficit target of ₹ 2,003.36 crore during 2020-21 was exceeded by ₹ 270.18 crore which was higher by 13.49 per cent. The targets of Debt-GSDP ratio and growth rate of GSDP also fell short of MTFP target.

1.6 Deficits and Total Debt after examination in audit

In order to present better picture of State Finances, there is a tendency to classify revenue expenditure as capital expenditure and to conduct off budget fiscal operations.

1.6.1 Post Audit – Deficits after Examination in Audit

Misclassification of revenue expenditure as capital and off budget fiscal operations impact deficit figures. Besides, deferment of clear-cut liabilities, not depositing Cess/ Royalty to Consolidated Fund, short contribution to New Pension Scheme, Sinking and Redemption funds, *etc.* also impact the Revenue and Fiscal Deficit figures. In order to arrive at actual deficit figures, the impact of such irregularities need to be reversed.

The impact on Revenue Deficit/ Surplus and Fiscal Deficit of the Government of Sikkim during the year 2020-21, consequent to under-booking of expenditure or non-crediting of receipts, is detailed in **Table 1.8**.

Table 1.8: Transactions impacting Revenue Deficit and Fiscal Deficit

(₹ in crore)

Item	Impact on Revenue Deficit		Impact on Fiscal Deficit	
	Over-statement	Under-statement	Over-statement	Under-statement
Misclassification between revenue and capital heads of accounts	12.02	--	--	--
Non-provision of interest towards Defined Contribution Pension Scheme for Government Employees (National Pension System)	--	4.70	--	4.70
Receipts on account of sale of power(trading)	136.58	--	136.58	
Royalty from HEPs	204.61	--	204.61	
Expenditure towards purchase of Power	--	206.70	--	206.70
Royalty utilized for servicing loans	--	198.33	--	198.33
Total (Net) Impact	56.52 (Understatement)		68.54 (Understatement)	

Source: Notes to Account Volume I Finance Account

As could be seen from the table above the Revenue Deficit and Fiscal Deficit were understated by ₹ 56.52 crore and ₹ 68.54 crore respectively during the year 2020-21.

During 2020-21, GoS incorrectly booked expenditure of ₹ 12.02 crore under Revenue Section instead of Capital Section as has been determined from the purpose of expenditure. This led to understatement of revenue deficit to that extent.

GoS did not provide for interest towards Defined Contribution Pension Scheme for Government Employees (National Pension System). This resulted in understatement of Revenue Deficit and Fiscal Deficit by ₹ 4.70 crore (@ 7.10 per cent on ₹ 66.12 crore).

In addition to cases mentioned in Note to Accounts, Finance Accounts 2020-21, the following transactions performed without routing through Government Account also had impact on Government revenue and expenditure figures and consequently on Revenue deficit and Fiscal deficit.

- Power Department of Sikkim (PDS) had earned revenue of ₹ 136.58 crore by selling surplus power outside the State and had received royalty amounting to ₹ 204.61 crore during the financial year 2020-21. These receipts of ₹ 341.19 crore were not deposited in the Consolidated Fund of State by the PDS. This led to understatement of Government Revenue Receipts by ₹ 341.19 crore and overstatement of Revenue Deficit as well as Fiscal Deficit to that extent.
- During 2020-21, PDS had also incurred expenditure of ₹ 206.70 crore towards purchase of power without routing it through the Government account and they transferred ₹ 198.33 crore to SPICL during 2020-21 for repayment of loan availed on behalf of Government of Sikkim. These transactions were not reflected in Government accounts. This led to understatement of Government expenditure by ₹ 405.03 crore with consequential understatement of Revenue Deficit and Fiscal Deficit.

1.7 Conclusion

The growth rate of GSDP of the State at current prices, during 2016-21 ranged between 6.22 *per cent* (2020-21) to 25.54 *per cent* (2017-18). During 2020-21, the GSDP at current price was ₹ 32,724 crore, up from ₹ 30,809 crore in 2019-20, representing an increase of 6.21 *per cent* which was much higher than that of national growth rate. The per capita GSDP of the State (₹ 4,86,248) was also more than the per capita GDP of India (₹ 1,45,680) during 2020-21.

During the five-year period of 2016-21, the share of Agriculture (Primary) Sector in the GSDP grew from 9.29 *per cent* in 2016-17 to 10.12 *per cent* in 2020-21 and the share of Services (Tertiary) Sector grew from 26.77 *per cent* in 2016-17 to 32.50 percent in 2020-21. However, Industry (Secondary) Sector's share shrunk from 58.67 *per cent* in 2016-17 to 52.50 *per cent* in 2020-21 and the share of Taxes on Products & Subsidies on Product decreased from 5.27 *per cent* in 2016-17 to 4.88 *per cent* in 2020-21.

The State after maintaining Revenue Surplus for three years from 2016-17 to 2018-19, had run into Revenue Deficit of ₹ 1,343.81 in 2019-20 mainly due to decrease in Central transfers. Though, the State was able to reduce Revenue Deficit to ₹ 760.83 crore in 2020-21. Similarly, after successfully containing the Fiscal Deficit below three *per cent* of GSDP during 2016-19, the State's Fiscal Deficit was 6.76 *per cent* of GSDP during 2019-20 and 6.95 *per cent* of GSDP in 2020-21. Fiscal Deficit increased by ₹ 192.39 crore from ₹ 2,081.18 crore in 2019-20 to ₹ 2,273.54 crore in 2020-21, witnessing growth of 9.24 *per cent*. Besides, the ratio of total outstanding debt to GSDP of the State which ranged between 20.99 *per cent* and 27.68 *per cent*, consistently exceeded the norms prescribed in the SFRBM Act as well as projections of Finance Commission, during the period 2016-21. The SFRBM Act had envisaged that the State Government would limit the percentage of total outstanding debt to GSDP to 20.09 *per cent* in 2016-17 and 24.64 *per cent* in 2020-21.

1.8 Recommendations

- *The State Government needs to make efforts to achieve the projections/ targets on major fiscal parameters, made in the Sikkim FRBM Act through prudent financial management.*

**CHAPTER-II:
FINANCES OF THE STATE**

Chapter II: Finances of the State

This Chapter provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the five-year period from 2016-21, debt sustainability of the State and key Public Account transactions, based on the Finance Accounts of the State. For this purpose, information was also obtained from the State Government where necessary.

2.1 Major changes in Key fiscal aggregates in 2020-21 vis-à-vis 2019-20

A bird's eye view of the major changes in key fiscal aggregates of the State during the financial year 2020-21, compared to the previous year is depicted below. Each of these indicators is analysed in detail in the subsequent paragraphs.

Table 2.1 Snapshot of changes in key fiscal aggregates in 2020-21 compared to 2019-20

Revenue Receipts	<ul style="list-style-type: none"> ✓ Revenue receipts of the State increased by 15.83 per cent ✓ Own Tax receipts of the State decreased by 0.38 per cent ✓ Own Non-tax receipts decreased by 4.49 per cent ✓ State's Share of Union Taxes and Duties increased by 0.29 per cent ✓ Grants-in-aid from GoI increased by 90.11 per cent
Revenue Expenditure	<ul style="list-style-type: none"> ✓ Revenue expenditure increased by 2.97 per cent ✓ Revenue expenditure on General Services decreased by 0.15 per cent ✓ Revenue expenditure on Social Services increased by 7.86 per cent ✓ Revenue expenditure on Economic Services increased by 0.04 per cent ✓ Expenditure on Grants-in-aid increased by 11.28 per cent
Capital Expenditure	<ul style="list-style-type: none"> ✓ Overall Capital expenditure increased by 110.08 per cent ✓ Capital expenditure on General Services decreased by 27.65 per cent ✓ Capital expenditure on Social Services increased by 90.45 per cent ✓ Capital expenditure on Economic Services increased by 180.53 per cent
Loans and Advances	<ul style="list-style-type: none"> ✓ There was no disbursement under Loans and Advances during 2020-21 ✓ Recoveries of Loans and Advances increased by 290 per cent
Public Debt	<ul style="list-style-type: none"> ✓ Public Debt Receipts increased by 87.79 per cent ✓ Repayment of Public Debt decreased by 80.73 per cent
Public Account	<ul style="list-style-type: none"> ✓ Public Account Receipts increased by 3.28 per cent ✓ Disbursement of Public Account increased by 0.76 per cent
Cash Balance	<ul style="list-style-type: none"> ✓ Cash balance decreased by ₹ 92.33 crore (4.43 per cent)

2.2 Sources and Application of Funds

Table 2.2 presents the summary of the State Government's fiscal transactions and compares the sources and application of funds of the State of 2020-21 with 2019-20. The details of receipts and disbursements as well as the overall fiscal position of the current year (2020-21) *vis-à-vis* the previous year (2019-20) are given in **Appendix 2.1 (A) & (B)**.

Table 2.2: Details of Sources and Application of funds during 2019-20 and 2020-21

(₹ in crore)

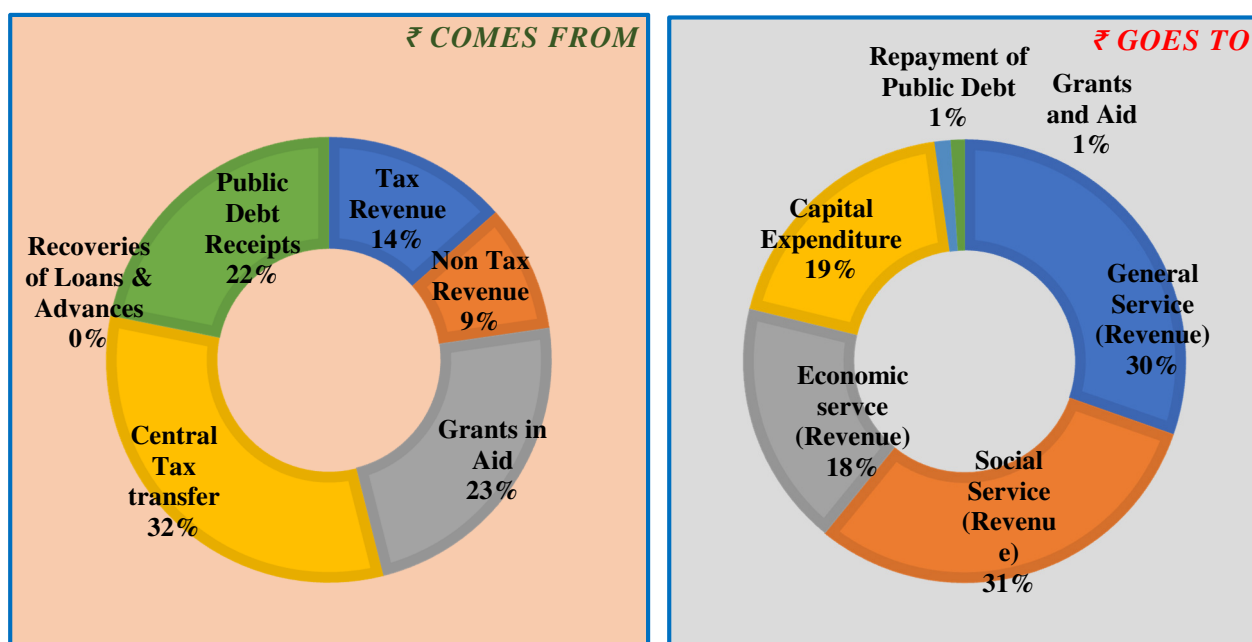
	Particulars	2019-20	2020-21	Increase (+)/ Decrease (-)
Sources	Opening Cash Balance	3,280.55	2,084.57	-1,195.98
	Revenue Receipts	4,841.27	5,607.82	766.55
	Recoveries of Loans and Advances	0.30	1.17	0.87
	Public Debt Receipts	833.21	1,564.71	731.50
	Public Account Receipts (Gross)	8,987.23	9,282.40	295.17
	Total	17,942.56	18,540.67	598.11
Application	Revenue Expenditure	6,185.08	6,368.65	183.57
	Capital Expenditure	720.61	1,513.88	793.27
	Disbursement of Loans and Advances	17.06	0.00	-17.06
	Repayment of Public Debt	413.78	79.75	-334.03
	Contingency Fund	0.00	0.00	0.00
	Public Account Disbursements (Gross)	8,521.46	8,586.15	64.69
	Closing Cash Balance	2,084.57	1,992.24	-92.33
	Total	17,942.56	18,540.67	598.11

Source : Finance Accounts

The total inflow and outflow of the Government after deducting the cash balances during the year 2020-21 was ₹16,456.10 crore (₹18,540.67 – ₹ 2,084.57) and ₹16,548.43 crore (₹18,540.67 – ₹ 1,992.24) respectively leading to decrease in cash balance by ₹ 92.33 crore. There was increase in Revenue Receipts of the Government during 2020-21 as compared to previous year but Revenue Expenditure also witnessed increase during this period, thus State had Revenue Deficit during 2020-21. Capital Expenditure as well as borrowings of the State increased in 2020-21 over the previous year. The Government had utilised the cash balance of ₹ 92.33 crore of the previous year, during 2020-21.

The **Charts 2.1** and **2.2** give the details of total receipts into and expenditure from the Consolidated Fund during 2020-21 in terms of percentages.

Chart 2.1 & 2.2: Composition of sources and application of resources



2.3 Resources of the State

The resources of the State are sourced from three sources as described below:

1. **Revenue receipts** consist of Tax revenue, Non-tax revenue, State's share of Union Taxes and Duties and Grants-in-aid from the Government of India (GoI).
2. **Capital receipts** comprise miscellaneous Capital receipts such as proceeds from dis-investments, recoveries of loans and advances, debt receipts from internal sources (market loans, borrowings from financial institutions/commercial banks) and loans and advances from GoI.

Both revenue and capital receipts form part of the Consolidated Fund of the State.

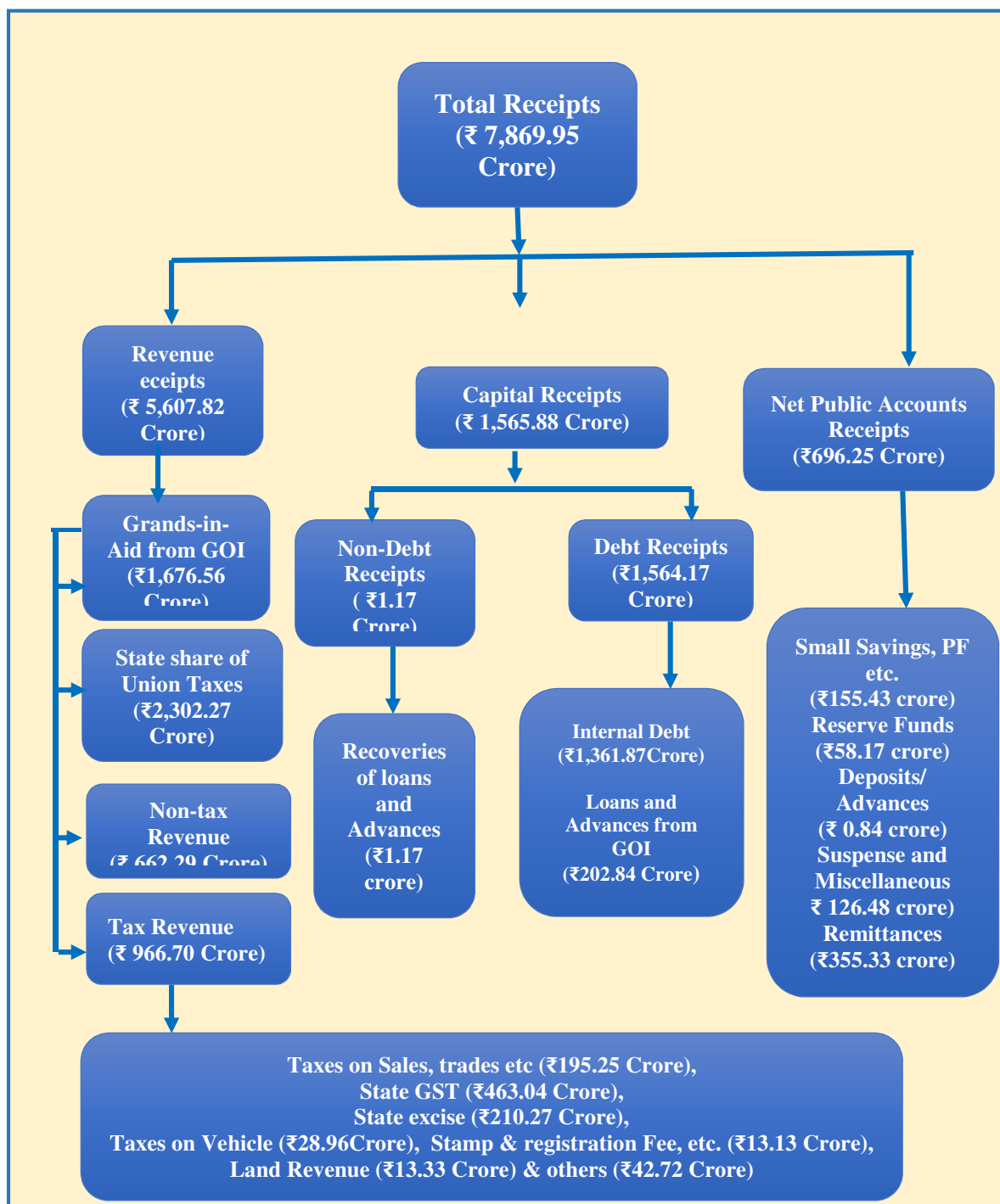
3. **Net Public Accounts receipts:** In Government accounts there are receipts and disbursements in respect of certain transactions such as Small Savings, Provident Fund, Reserve Funds, Deposits, Suspense, Remittances, etc. which do not form part of the Consolidated Fund.

These 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. Here, the Government acts as a banker. The balance after disbursements is the amount available with the Government for use.

2.3.1 Components of Receipts of the State

The **Chart 2.3** below depicts the sources of the State Government during 2020-21.

Chart 2.3: Components and sub-components of Resources



Source : Finance Account

2.3.2 State's Revenue Receipts

The Revenue Receipts of the State Government consists of Tax and Non-tax revenues raised by the State and Central Transfers, which include Grants-in-aid and share of the State in Central Taxes. The details are also shown in **Appendix 2.2**.

Table 2.3: Sources of State's Revenue

(₹ in crore)

Sources of Revenue	2016-17	2017-18	2018-19	2019-20	2020-21
State's Own Revenue	1,104.20	1,342.71	1,550.70	1,663.81	1,628.99
Grants-in-aid from GoI	1,436.91	1,235.42	1,574.99	881.90	1,676.56
Central Tax transfers	2,069.19	2,634.66	2,794.67	2,295.56	2,302.27
Total Revenue Receipt	4,610.30	5,212.79	5,920.36	4,841.27	5,607.82

Source : Finance Account of Respective Years

The State's revenues during 2020-21 were higher than previous year. This was mainly due to increase in Grants-in-aid and marginal increase in Central Tax Transfers from GoI during 2020-21 as compared to 2019-20, though the collection of State's own revenue was slightly lower in 2020-21 vis-à-vis 2019-20.

2.3.2.1 Trends and growth of Revenue Receipts

This sub para provides the trends and growth of Revenue Receipts as well as Revenue Buoyancy with respect to GSDP over the five-year period 2016-21. Further, trends in Revenue Receipts relative to GSDP and composition of Revenue Receipts are depicted in **Charts 2.4** and **2.5** respectively.

Table 2.4: Trends of growth and buoyancy of Revenue Receipts

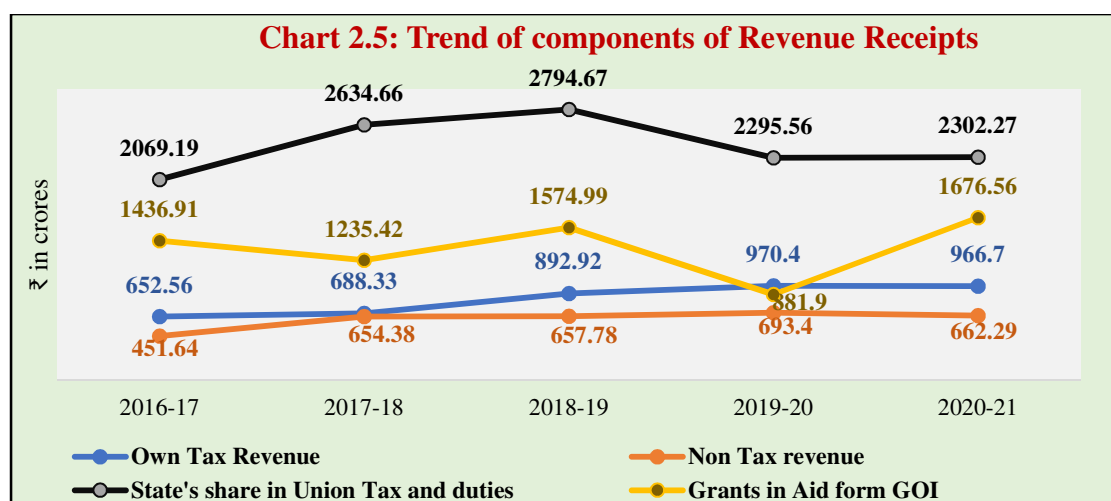
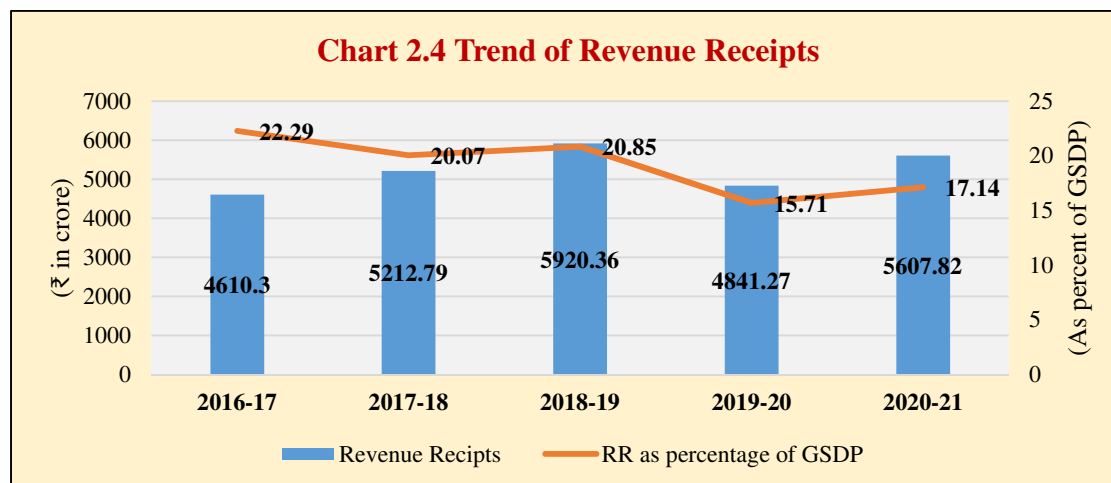
Parameters	2016-17	2017-18	2018-19	2019-20	2020-21
Revenue Receipts (RR) (₹ in crore)	4,610.30	5,212.79	5,920.36	4,841.27	5,607.82
Rate of growth of RR (<i>per cent</i>)	21.83	13.07	13.57	(-) 18.23	15.83
Own Tax Revenue (<i>per cent</i> of growth)	652.56 (15.13)	688.33 (5.48)	892.92 (29.72)	970.41 (8.68)	966.70 (-0.38)
Non-Tax Revenue (<i>per cent</i> of growth)	451.64 (9.36)	654.38 (44.89)	657.78 (0.52)	693.40 (5.42)	662.29 (-4.49)
Own Revenue Resources (Own Tax and Non-tax Revenue) (<i>per cent</i> of growth)	1,104.20 (12.70)	1,342.71 (21.60)	1,550.70 (15.49)	1,663.81 (7.29)	1,628.99 (-2.09)
Gross State Domestic Product (₹ in crore)	20,687	25,971	28,402	30,809	32,724
Rate of growth of GSDP (<i>per cent</i>)	14.71	25.54	9.36	8.47	6.22
RR/GSDP (<i>per cent</i>)	22.29	20.07	20.85	15.71	17.14
Buoyancy Ratios⁵					
Revenue Buoyancy w.r.t GSDP	1.48	0.51	1.44	(-) 2.15	2.55
State's Own Revenue Buoyancy w.r.t GSDP	0.86	0.85	1.65	0.86	(-)0.34

Source of GSDP figures: Directorate of Economics and Statistics & Finance Accounts

During the period from 2016-21, the rate of growth of Revenue Receipts declined by 18.23 *per cent* in 2019-20, while during other years it ranged between 13.07 *cent* and 21.83 *per cent*. The Revenue Receipts increased by 15.83 *per cent* in 2020-21. The Revenue Receipts of the State increased by ₹ 997.52 crore (21.64 *per cent*) from ₹ 4,610.30 crore in 2016-17 to ₹ 5,607.82 crore in 2020-21, with average annual growth

⁵ 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 with respect to GSDP at 1.85 implies that Revenue Receipts tend to increase by 1.85 percentage points, if the GSDP increases by one *per cent*.

rate of 4.33 *per cent*. There were, however, wide inter-year variations in the growth rates. The buoyancy ratio of Revenue Receipts in 2020-21 with reference to GSDP increased to 2.55 from (-) 2.15 during previous year. The buoyancy ratio of the State's Own Tax Revenue with reference to GSDP increased sharply till 2018-19. However, there was sharp decrease in this ratio during 2019-20 and further went down to (-)0.34 from 0.86 in 2020-21.



Source : Finance Account of Respective Years

General trends relating to Revenue Receipts of the State are as follows:

- Revenue Receipts increased by 21.64 *per cent* from ₹ 4,610.30 crore in 2016-17 to ₹ 5,607.82 crore in 2020-21 at an annual average growth rate of 4.33 *per cent*. During 2020-21, Revenue Receipts increased by ₹ 766.55 crore (15.83 *per cent*) as compared to previous year.
- About 29.05 *per cent* of the Revenue Receipts during 2020-21 came from the State's own resources, while Central Tax Transfers and Grants-in-aid together contributed 70.96 *per cent*. This is indicative of the small revenue base of the State and the fact that the State's fiscal position is largely dependent on Central Tax transfers and Grants-in-aid from GoI.

2.3.2.2 State's Own Resources

State's share in Central taxes is determined on the basis of recommendations of the Finance Commission; share of Grants-in-Aid is determined by the quantum of collection of Central tax receipts and anticipated Central assistance for schemes, etc. Thus, State's performance in mobilisation of additional resources in terms of its own resources comprising revenue from its own Tax and Non-tax sources is important for generation of financial resources.

The status of collection of State's own tax revenue and non-tax revenue during the period 2016-21 is given in the table below:

Table 2.5: State's own resources

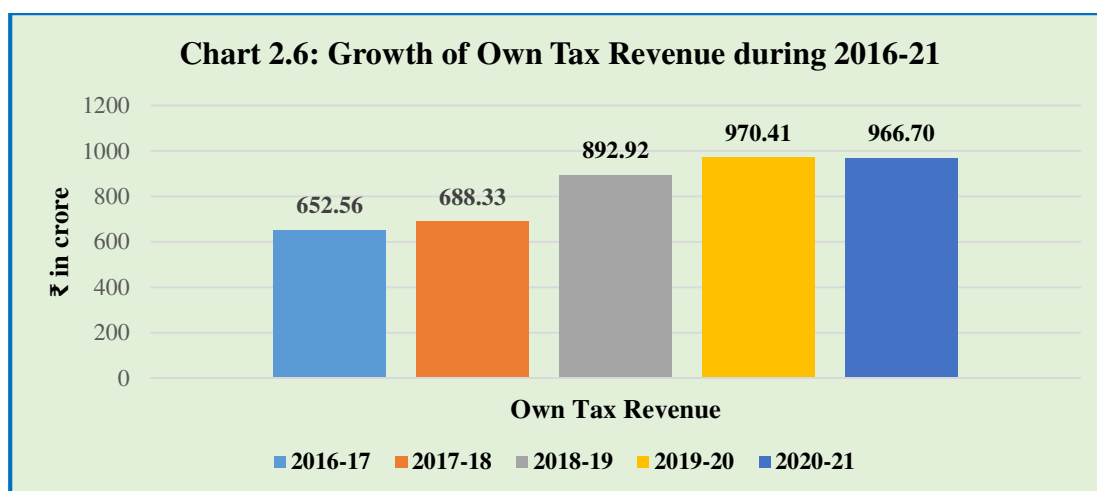
Particulars	(₹ in crore)				
	2016-17	2017-18	2018-19	2019-20	2020-21
Tax Revenue	652.56	688.33	892.92	970.41	966.70
Non-tax Revenue	451.64	654.38	657.78	693.40	662.29
Total	1,104.20	1,342.71	1,550.70	1,663.81	1,628.99

Source : Finance Account of Respective Years

The details of gross collections of Tax and Non-Tax Revenue and their relative share in GSDP during 2016-21 is given in *Appendix 2.2*.

(i) Own Tax revenue

Own Tax revenues consist of State GST, State Excise, Taxes on Vehicles, Stamp Duty and Registration Fees, Land Revenue, etc. The trend of collection of Own Tax revenues during the five-year period 2016-21 is depicted in the Chart below:



The component-wise details of Own Tax Revenue collected during the period 2016-21 as well as trend of growth of individual components of revenues is depicted in the following table.

Table 2.6: Components and growth of State's Own Tax revenue

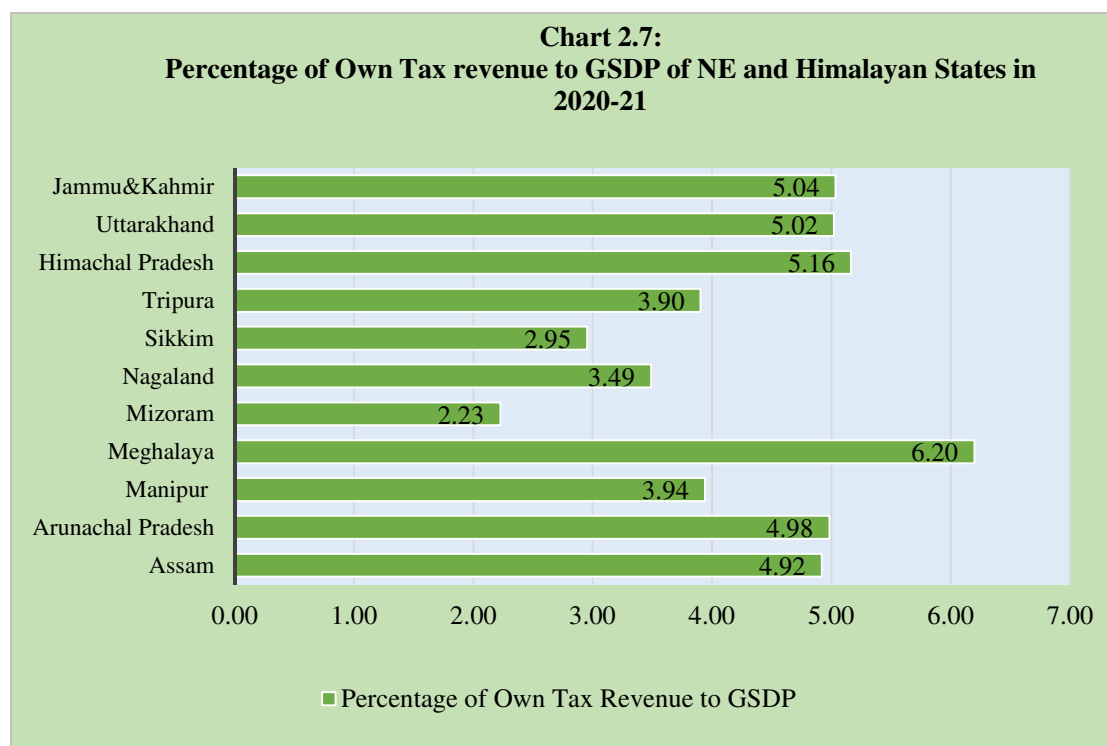
(₹ in crore)

Revenue Head	2016-17	2017-18	2018-19	2019-20	2020-21	
					Budget Estimates	Actuals
Sales Tax	364.82	249.66	188.20	197.63	220.00	195.25
SGST	NA	171.39	405.72	454.89	650.00	463.04
State Excise	156.24	150.47	183.09	207.15	248.13	210.27
Taxes on Vehicles	24.90	29.37	33.11	41.08	39.16	28.96
Stamp Duty and Registration Fee	12.57	13.57	14.95	13.30	16.44	13.13
Land Revenue	6.39	7.44	9.09	4.40	8.60	13.33
Other Taxes	87.64	66.43	58.76	51.96	59.57	42.72
Total	652.56	688.33	892.92	970.41	1,241.90	966.70
Rate of Growth	15.13	5.48	29.72	8.68	0.97	- 0.38

Source: Finance Accounts

It can be seen that the State's Own Tax Revenues increased by ₹ 314.14 crore from ₹ 652.56 crore in 2016-17 to ₹ 966.70 crore in 2020-21 at an annual average growth rate of 9.63 per cent. Own tax revenues decreased to ₹966.70 crore in 2020-21 from ₹970.41 crore in 2019-20, representing a decrease of 0.38 per cent. During the current year, major contributors of Tax Revenue were Goods and Services Tax (47.90 per cent), State Excise (21.25 per cent) and Taxes on Sales, Trades etc., (20.20 per cent).

State's Own Tax Revenue of ₹ 966.70 crore at 2.95 per cent of GSDP, was higher than that of Mizoram (2.23 per cent) during 2020-21 but lower than the other NE and Himalayan States as shown in **Chart 2.7**.



➤ **State Goods and Services Tax (SGST)**

The Sikkim Goods and Service Tax (SGST) Act 2017, came into effect from 01 July 2017. Trends in SGST collection since July 2017 is as shown in the following table.

Table 2.7: Collection of SGST

Sl. No.	Year	SGST collection (₹ in crore)
1	2017-18	171.39 ⁶
2	2018-19	405.72
3	2019-20	454.89
4	2020-21	463.04

As per the GST Act, any shortfall in revenue by the State is required to be compensated by the Central Government. Compensation under GST (Compensation to the States) Act 2017 is payable when the actual revenue collected by the State under GST and pre-GST arrears is less than the projected revenue. In Sikkim the actual revenue collected was more than the projected revenue hence compensation was not payable to Sikkim during 2017-18 to 2019-20, but during 2020-21 the SGST collection was less than projected revenue by ₹ 9.55 crores. Details are shown below:

Table 2.8: Projected revenue for compensation and actual collection of SGST

Sl. No.	Year	Projected revenue ⁷ (₹ in crore)	SGST collection along with pre-GST arrears (₹ in crore)
1	2017-18	239.22	264.76
2	2018-19	363.65	425.33
3	2019-20	414.56	457.00
4	2020-21	472.60	463.05*

* Provisional figure.

The Central Government has been releasing the State's share in IGST (transfer-in of tax, interest, and penalty component to SGST *etc.*), but in Sikkim both SGST (Tax) and IGST⁸ are being credited under the same head 0006-101. The State Government operated only two Minor Heads 101-Tax and 800-Other Receipts under Major Head 0006- State GST. The matter has been already highlighted in the State Finances Audit Report 2019-20. However, no corrective measure was taken. Thus, due to non-operation of other Minor Heads, correct picture of components of SGST like interest, penalty, fees, input tax credit cross utilisation of SGST and IGST, apportionment of IGST *etc.*, is not reflected in the accounts, which is in violation of the principles of disclosure and transparency.

➤ **Details of evasion of tax detected by Department, refund cases, etc.**

The cases of evasion of tax detected by the Excise & Commercial Taxes Department and the demands for additional tax raised are important indicators of revenue collection

⁶ The amount pertains to nine months only as GST was implemented from July 2017.

⁷ Projection = derived from annual increase of 14 per cent on previous year's revenue. (E.g. ₹414.56+ 14 per cent increase= ₹472.60)

⁸ As per the instruction of Controller General of Accounts, Ministry of Finance SGST is to be credited under 0006-101 and IGST is credited under the head 0006-106

efforts of the State Government. Promptness in disposal of refund cases is important indicator of performance of the Department.

Table 2.9: Evasion of Tax Detected

Sl. No.	Head of Revenue	Cases pending as on 31 March 2020	Cases detected\ during 2020-21	Total	No. of cases in which assessment / investigation completed and additional demand with penalty etc. raised		No. of cases pending for finalization as on 31 March 2021
					No. of cases	Amount of demand (in crore)	
1.	0006	1	0	1	1*	-	0

Source: Departmental figure. *Status of the case was not provided by the Department

Table 2.10: Details of refund cases

(₹ in crore)

Sl. No.	Particulars	GST		State Excise	
		No. of cases	Amount	No. of cases	Amount
1.	Claims outstanding at the beginning of the year	19	0.07	Nil	Nil
2.	Claims received during the year	27	1.44	Nil	Nil
3.	Refunds made during the year	35	0.95	Nil	Nil
4.	Refunds rejected during the year	1	0.49	Nil	Nil
5.	Balance outstanding at the end of year	10	0.07	Nil	Nil

Source: Departmental figure

(ii) Non-Tax Revenue

The component-wise details of Non-Tax revenues consisting of Interest receipts, Dividends and Profits, Power receipts, Departmental receipts, etc. collected during the years 2016-21 were as follows.

Table 2.11: Components of State's Non-tax revenue

(₹ in crore)

Revenue Head	2016-17	2017-18	2018-19	2019-20	2020-21	
					Budget Estimates	Actuals
Interest Receipts	78.38	114.76	125.33	143.82	51.88	126.95
Dividends and Profits	2.01	2.92	4.38	3.21	1.00	2.78
Other Non-Tax Receipts	371.25	536.70	582.07	546.37	657.78	532.56
a) Minor Irrigation	0.30	0.34	0.31	0.12	0.07	0.18
b) Road Transport	48.71	52.08	53.96	57.10	62.00	47.87
c) Urban Development	1.40	2.03	5.69	4.16	2.75	2.91
d) Education	2.05	2.32	2.32	3.55	16.10	14.29
e) Non-ferrous Mining	0.13	0.18	0.22	0.19	0.08	0.16
f) Power	170.03	310.26	269.44	256.37	372.38	346.05
g) State Lotteries	45.00	55.03	57.82	40.10	31.96	22.37
h) Others ⁹	103.63	114.46	138.31	144.68	172.44	98.73
Total	451.64	654.38	657.78	693.40	710.66	662.29
Rate of Growth	9.36	44.89	0.52	5.42	--	(-) 4.49

Source: Finance Accounts

⁹ Others includes departments like Water supply & sanitation, Housing, Information & Publicity, Labour & Employment, Social security & welfare, Animal Husbandry, Food, Co-operation, Other Rural Dev Programme, Industries and Tourism

Non-Tax Revenue, which ranged between 9.80 *per cent* and 11.81 *per cent* of Revenue Receipts of the State during the five-year period from 2016-21, decreased marginally by ₹ 31.11 crore (-4.49 *per cent*) during 2020-21 over the previous year.

Major factors for the decrease in Non-Tax Revenue were Interest receipts (-₹ 16.87 crore) and state lotteries (-₹ 17.73 crore). Interest Receipts during 2020-21 have shown decrease of 11.73 *per cent* as compared to previous year and an increase of 62 *per cent* compared to 2016-17. Other Non-tax receipts also increased from ₹ 371.25 crore in 2016-17 to ₹ 532.56 crore in 2020-21, an increase of 43.45 *per cent*. Revenues from Power and Education witnessed increase of ₹ 89.68 crore (35 *per cent*) and ₹ 10.74 crore (302.54 *per cent*) respectively during 2020-21 as compared to previous year. However, Revenue from Road Transport witnessed decrease of ₹ 9.23 crore (16.16 *per cent*) during 2020-21 as compared to previous year.

(iii) Transfers from the Centre

Since transfers from Centre are dependent on Finance Commission recommendation, the trends for 10 years is given in Chart 2.8 and details of central tax transfers to the State during 2016-21 is mentioned in Table 2.12.

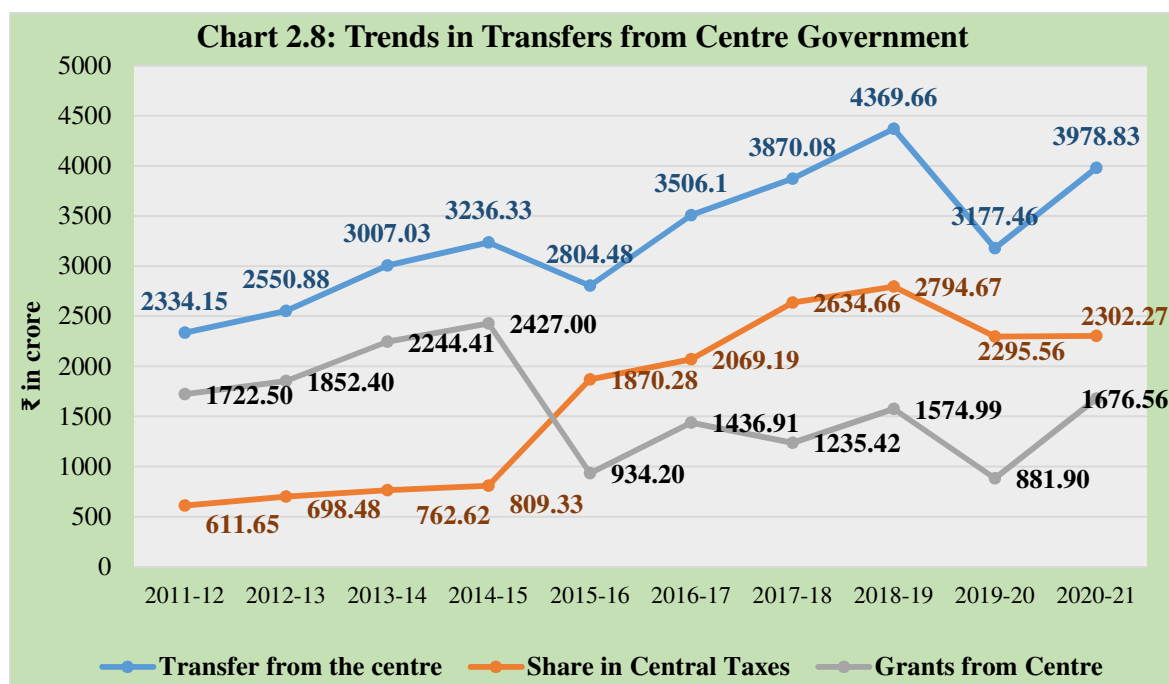


Table 2.12: Details of Central tax transfers to the State during 2016-21

(₹ in crore)

Head	2016-17	2017-18	2018-19	2019-20	2020-21	
					Budget Estimates	Actuals
Central Goods and Services Tax (CGST)	0	35.28	689.78	645.62	920.92	686.82
Integrated Goods and Services Tax (IGST)	0	249.56	55.10	0	0	0
Corporation Tax	638.61	835.64	971.97	788.90	935.90	694.10
Taxes on Income other than Corporation Tax	467.69	670.05	715.80	603.68	870.22	718.49
Other Taxes on Income and Expenditure	0	0	5.06	0	0	0
Customs	287.79	270.25	198.12	150.11	189.91	117.73
Union Excise Duties	351.79	261.34	131.66	106.08	124.08	73.44

Head	2016-17	2017-18	2018-19	2019-20	2020-21	
					Budget Estimates	Actuals
Service Tax	322.69	311.52	25.39	0	1.62	9.67
Other Taxes ¹⁰	0.62	1.02	1.79	1.17	-0.03	2.02
Central Tax transfers	2,069.19	2,634.66	2,794.67	2,295.56	3,042.62	2,302.27
Percentage of increase over previous year	10.64	27.33	6.07	- 17.86	2.46	0.29
Percentage of Central tax transfers to Revenue Receipts	44.88	50.54	47.20	47.42	54.26	41.05

Source : Finance Account

Over the five-year period 2016-21, Central tax transfers increased by ₹ 233.08 crore (11.26 per cent), from ₹ 2,069.19 crore in 2016-17 to ₹ 2,302.27 crore in 2020-21. During 2016-21, the Central tax transfers which had been increasing up to 2018-19, decreased sharply by 17.86 per cent (₹ 499.11 crore) in 2019-20 and increased marginally by 0.29 per cent (₹ 6.71 crore) in 2020-21 over the previous years. Central tax transfers constituted 41.05 per cent of the Revenue Receipts during 2020-21.

Table 2.13: State's share in Union taxes and duties: Actual devolution vis-à-vis Finance Commission projections

(₹ in crore)

Year	Finance Commission projections	Projections in FCR	Actual tax devolution	Difference
1	2	3	4	5 (4-3)
XIII Finance Commission				
2011-12	0.239 per cent of net proceeds of all sharable taxes excluding Service Tax and 0.243 per cent of net proceeds of sharable Service Tax	572.00	611.65	39.65
2012-13		674.00	698.48	24.48
2013-14		796.00	762.62	-33.38
2014-15		938.00	809.32	-128.68
XIV Finance Commission				
2015-16	0.367 per cent of net proceeds of all sharable taxes excluding Service Tax and 0.369 per cent of net proceeds of sharable Service Tax	2,129.00	1,870.28	-258.72
2016-17		2,457.00	2,069.19	-387.81
2017-18		2,839.00	2,634.66	-204.34
2018-19		3,285.00	2,789.61	-495.39
2019-20		3,804.00	2,295.56	-1,508.44
XV Finance Commission				
2020-21	0.388 per cent of net proceeds of all sharable taxes	3,318.00	2,302.27	-1,015.73

Source : Departmental Figure and Finance Commission Reports

From the table above it can be seen that the actual devolution of net proceeds of all shareable taxes including Service Tax was in excess of Finance Commission projections during the period from 2011-12 to 2012-13 (XIII FC period) and thereafter it was always less than the FC projections [(2013-14 and 2014-15 XIII FC period), (2015-16 to 2019-20 XIV FC period) and (2020-21 XV FC period)].

(iv) Grants-in-aid from GoI

Grants-in-aid (GIA) received by the State Government from GoI during 2016-21 are detailed in Table below.

¹⁰ Include Taxes on Wealth, Other Taxes on Income and Expenditure, Other Taxes and Duties on commodities and Services

Table 2.14: Grants-in-aid (GIA) received by the State Government from GoI*(₹ in crore)*

Head	2016-17	2017-18	2018-19	2019-20	2020-21	
					Budget Estimates	Actuals
Non-Plan Grants	64.72	--	--	--	--	--
Grants for State Plan Schemes	684.64	6.26	--	--	5.00	--
Grants for Central Plan Schemes	--	--	--	--	--	--
Grants for Centrally Sponsored Plan Schemes	658.75	39.50	4.19	(-) 0.48	0.82	0.30
Grants for Special Plan Schemes	22.09	0.52	--	--	--	--
Grants for Centrally Sponsored Schemes (CSS)	0.31	919.17	1,147.81	609.52	2,045.03	878.22
Finance Commission (FC) Grants		70.52	125.86	76.50	560.00	635.84
Other transfers	6.40	199.45	297.13	196.36	367.21	162.20
Total	1,436.91	1,235.42	1,574.99	881.90	2,978.06	16,76.56
<i>Percentage of increase over the previous year</i>	<i>53.81</i>	<i>-14.02</i>	<i>27.49</i>	<i>-44.01</i>	<i>18.83</i>	<i>90.11</i>
<i>Percentage of GIA to Revenue Receipts</i>	<i>31.17</i>	<i>23.70</i>	<i>26.60</i>	<i>18.22</i>	<i>53.11</i>	<i>29.90</i>

There are no figures since the nomenclature of plan and non-plan grants was removed with effect from the year 2017-18 and replaced by Grants for CSS, Finance Commission Grants and Other Grants to States.

Source: Finance Accounts

The flow of Grants-in-aid from GoI depicted fluctuating trend during 2016-21. During the five year period, the transfers on this account were the highest in 2020-21. The Grants-in-aid from GoI increased by ₹ 794.66 crore (90.11 per cent) during the current year compared to the previous year. There was substantial increase in FC Grants during 2020-21 as compared to previous year. The increase was on account of Post Devolution Revenue Deficit Grant of ₹ 448.00 crore received by the State Government during the year. The CSS grants had increased, and other grants had decreased during the year, as compared to the previous year. The Grants-in-aid constituted 29.90 per cent of Revenue Receipts during the year 2020-21.

The grants for CSS constituted major portion (52.38 per cent) of total Grants-in-aid received during the year. The grants for CSS increased to ₹878.22 crore in 2020-21 from ₹609.52 crore in 2019-20 witnessing increase of ₹268.70 crore (44.08 per cent).

➤ *Fifteenth Finance Commission Grants*

The core mandate of the Finance Commission, as laid out in Article 280 of the Constitution, is to make recommendations on the distribution between the Union and the States of the Net Proceeds of Taxes and the principles which should govern the Grants-in-aid of the revenue to the States out of the Consolidated Fund of India. The Fifteenth Finance Commission (XV FC) was constituted on 27 November 2017, whose major recommendations were: decrease in States' share in the Net Proceeds of Union Tax revenues to 41 per cent from 42 per cent earlier; 4.31 per cent of divisible pool to be given as grants to States for local bodies, grants for post devolution revenue deficit,

grants for disaster risk management based on capacity, risk exposure and proneness to hazard and vulnerability. Comparative statement of transfers to the State on account of awards of XIV FC and XV FC during 2019-20 and 2020-21 respectively is given in **Table 2.15**.

Table 2.15: Grants-in-aid released by GoI as per recommendation of FC

(₹ in crore)

Department	Sectors	2019-20	2020-21	Increase (+)/ Decrease (-)
Panchayat and Rural Development	Panchayati Raj Institutions (PRIs)	40.09	42.00	1.91
Urban Development	Urban Local Bodies (ULBs)	2.21	21.98	19.77
Revenue and Disaster Management	State Disaster Response Fund (SDRF)	34.20	123.86	89.66
Finance	Post Devolution Revenue Deficit Grant	0	448.00	448.00
Total		76.50	635.84	559.34

Source of data: Finance Accounts (ST 14 – 1601 MH)

As can be seen from above table that there was substantial (731.16 per cent) increase in FC grants during 2020-21 as compared to previous year.

Based upon the projected tax revenue of the Union Government and the shares derived from the horizontal devolution formula, the share of each State is derived in absolute numbers by the Finance commission. This has been used to derive the post-devolution revenue deficit/surplus for States. Accordingly, Sikkim was recommended for release of revenue deficit grant and ₹448.00 crore was released to Sikkim for the year 2020-21.

2.3.3 Capital receipts

Capital Receipts consist of public debt receipts, non-debt receipts like proceeds from disinvestments (under miscellaneous capital receipts), and recoveries of loans and advances. The net public debt receipts after discharging of public debt plus other capital receipts, is the net Capital Receipts.

The following table shows the trends in growth and composition of net Capital Receipts.

Table 2.16: Capital receipts of the State

(₹ in crore)

Sources of State's Receipts	2016-17	2017-18	2018-19	2019-20	2020-21
Capital Receipts	784.71	1,054.37	1,146.98	833.51	1,565.88
Miscellaneous Capital Receipts	0	0	0	0	0
Recovery of Loans and Advances	1.37	0.91	1.77	0.30	1.17
Public Debt Receipts	783.34	1,053.46	1,145.21	833.21	1,564.71
Internal Debt	776.61	1,050.93	1,140.09	819.36	1,361.87
Growth rate of Internal Debt (in per cent)	19.10	35.32	8.50	-28.13	66.21
Loans and advances from GoI	6.73	2.53	5.12	13.85	202.84
Growth rate of loans and advances from GoI (in per cent)	137.81	-62.41	102.37	170.51	1,364.55
Growth rate of debt Capital Receipts (in per cent)	19.62	34.48	8.71	-27.24	87.79

Sources of State's Receipts	2016-17	2017-18	2018-19	2019-20	2020-21
Growth rate of non-debt capital receipts (in per cent)	-0.72	-33.58	94.51	-83.05	290
Rate of growth of GSDP (in per cent)	14.71	25.54	9.36	8.47	6.22
Rate of growth of Capital Receipts (in per cent)	19.57	34.36	8.78	-27.33	87.87

Source: Finance Accounts and for GSDP– Source: Economic & Statistical Organization

During last five-year period, Capital Receipts increased by 99.17 per cent (₹ 781.17 crore) from ₹ 784.71 crore in 2016-17 to ₹ 1,565.88 crore in 2020-21. The rate of growth of Capital Receipts which was (-) 27.33 per cent in 2019-20 increased to 87.87 per cent in 2020-21. Internal debts constituting 86.97 per cent of Capital Receipts during the current year increased from ₹ 819.36 crore during 2019-20 to ₹ 1,361.87 crore in 2020-21. Non-debt Capital Receipts in the form of recoveries of Loans and Advances increased by ₹ 0.87 crore (290 per cent) during 2020-21 over previous year.

Scheme for special assistance to states for Capital Expenditure: By considering the fact that State Governments are facing a difficult fiscal environment this year due to the shortfall in tax revenue arising from the COVID-19 pandemic, Government of India extended a special scheme of assistance to the State Governments for the financial year 2020-21 in respect of capital expenditure. Under the “Scheme for special assistance to states for Capital Expenditure” Sikkim state received ₹200.00 crores interest free loan which is to be repaid after 50 years.

2.3.3.1 Borrowings under Aatma Nirbhar Bharat Abhiyan

Under the Aatma Nirbhar Bharat Abhiyan package (ABA) (May 2020), States have been allowed to increase borrowing limit from 3.00 per cent to 5.00 per cent of GSDP for 2020-21 as follows:

Table 1.6

Sl. No.	Additional per cent borrowings allowed under ABA	Remarks/Conditions to be fulfilled
Unconditional increase		
1	0.50 per cent	Not applicable
Conditional increase		
2	0.25 per cent	Universalisation of ‘One Nation One Ration Card’
3	0.25 per cent	Urban local body reforms
4	0.25 per cent	Power distribution
5	0.25 per cent	Ease of doing business
6	0.50 per cent	Additional increase allowed, if undertaking for implementation of at least three milestones out of four reform areas are achieved

The State had availed the unconditional increase of 0.5 per cent during 2020-21, translating to ₹ 156 crore.

Out of the one *per cent* to be provided in four tranches, the State could avail 0.2 *per cent* under the power sector reforms (in two instalments at the rate of 0.15 *per cent* and 0.05 *per cent* translating to total of ₹ 61 crore).

In respect of other three conditions, the State Government did not get any sanction from Government of India during 2020-21. However, the Department did not mention the status of three milestones.

2.3.4 State's performance in mobilization of resources

State's performance in mobilization of resources in the form of its own sources comprising own-tax and non-tax sources can be judged against the projections of XV FC and targets of budget. The table below shows the performance of State in mobilization of resources against the projections and targets during 2020-21.

Table 2.17: Tax and non-tax receipts vis-à-vis projections

(₹ in crore)

	XV FC projections	Budget Estimates	Actual	Percentage variation of actual over	
				XV FC projections	Budget Estimates
Own Tax revenue	1,053	1,241.90	966.70	(-) 8.20	(-) 22.16
Non-tax revenue	537	710.66	662.29	23.33	(-) 6.81

Source: FC Report and Estimates of Receipts

As can be seen that the State could not mobilize resources from its own sources of Tax revenue and Non-tax revenue as per targets of budget during 2020-21.

In comparison to the assessment made by XV-FC, the Receipts under Tax Revenue was less by ₹ 86.0 crore. However, the Non-tax Revenue was higher by ₹ 125.29 crore (23.33 *per cent*). But as compared with Budget Estimates, the Tax Revenue and Non-tax Revenue fell short by 22.16 *per cent* and 6.81 *per cent* respectively indicating substantial shortfall in mobilisation of resources by the State.

2.4 Application of Resources

The State Government is vested with the responsibility of incurring expenditure within the framework of fiscal responsibility legislations, while at the same time ensuring that the ongoing fiscal correction and consolidation process of the State is not at the cost of expenditure directed towards development of capital infrastructure and social sector. This paragraph along with sub-paragraphs gives the analysis of allocation of expenditure in the State.

2.4.1 Growth and composition of expenditure

The Total Expenditure, its composition and relative share in GSDP during the years 2016-17 to 2020-21 is presented in Table below.

Table 2.18: Total expenditure and its composition(*₹ in crore*)

Parameters	2016-17	2017-18	2018-19	2019-20	2020-21
Total Expenditure (TE)	4,525.37	5,675.58	6,564.45	6,922.75	7,882.53
Revenue Expenditure (RE)	3,788.08	4,151.85	5,226.57	6,185.08	6,368.65
Capital Expenditure (CE)	720.29	1,506.78	1,291.31	720.61	1,513.88
Loans and Advances	17	16.95	46.57	17.06	0
GSDP	20,687	25,971	28,402	30,809	32,724
As a percentage of GSDP					
TE/GSDP	21.88	21.85	23.11	22.47	24.09
RE/GSDP	18.31	15.99	18.40	20.08	19.46
CE/GSDP	3.48	5.80	4.55	2.34	4.63
Loans and Advances/ GSDP	0.08	0.07	0.16	0.05	0

Source : Finance Account

During the period 2016-21, Total Expenditure of the State increased by 74.19 per cent (₹3,357.16 crore) from ₹ 4,525.37 crore in 2016-17 to ₹ 7,882.53 crore in 2020-21. During the current year, it increased by 13.86 per cent over the previous year.

The ratio of Total Expenditure of the State to GSDP fluctuated between 21.85 per cent and 24.09 per cent during 2016-21. During 2020-21 it increased to 24.09 per cent from 22.47 per cent in previous year. This fluctuation was mainly on account of fluctuations in Capital Expenditure during entire five-year period.

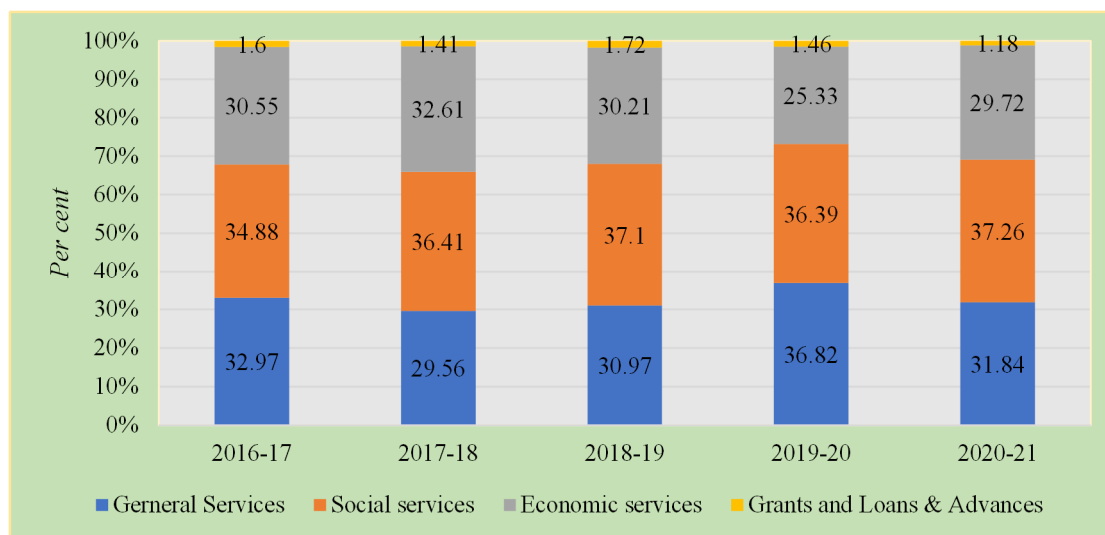
Table 2.19: Relative share of various Sectors in Total Expenditure(*₹ in crore*)

Sectors	2016-17	2017-18	2018-19	2019-20	2020-21
General Services	1,491.95	1,677.89	2,032.95	2,548.62	2,509.30
Social Services	1,578.28	2,066.68	2,435.22	2,519.45	2,936.99
Economic Services	1382.5	1,850.74	1,983.31	1,753.76	2,342.92
Others (Grants to Local Bodies and Loans and Advances)	72.63	80.27	112.97	100.92	93.32
Total Expenditure	4,525.37	5,675.58	6,564.45	6,922.75	7,882.53
Sectoral share in Total Expenditure (in per cent)					
General Services	32.97	29.56	30.97	36.82	31.84
Social Services	34.88	36.41	37.10	36.39	37.26
Economic Services	30.55	32.61	30.21	25.33	29.72
Others (Grants to Local Bodies and Loans and Advances)	1.60	1.41	1.72	1.46	1.18
Total	100.00	100.00	100.00	100.00	100.00

Source : Finance Account

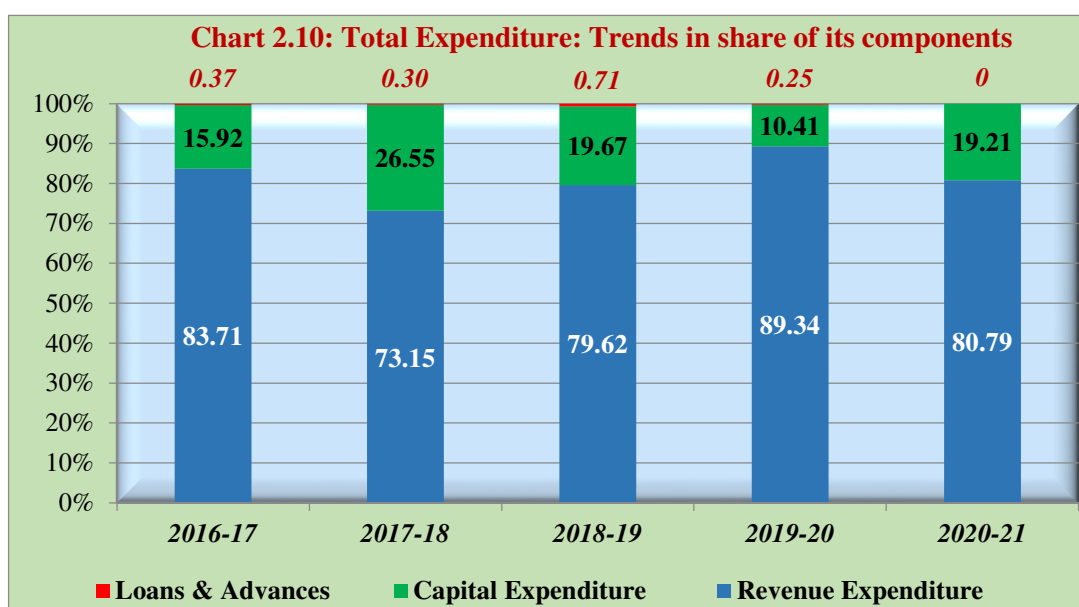
The relative share of the above components of expenditure indicates that the share of Social Services and Economic Services increased by 0.87 per cent and 4.39 per cent respectively during 2020-21 over the previous year, while relative share of General Services decreased by 4.98 per cent.

Chart 2.9: Total Expenditure - share by activities

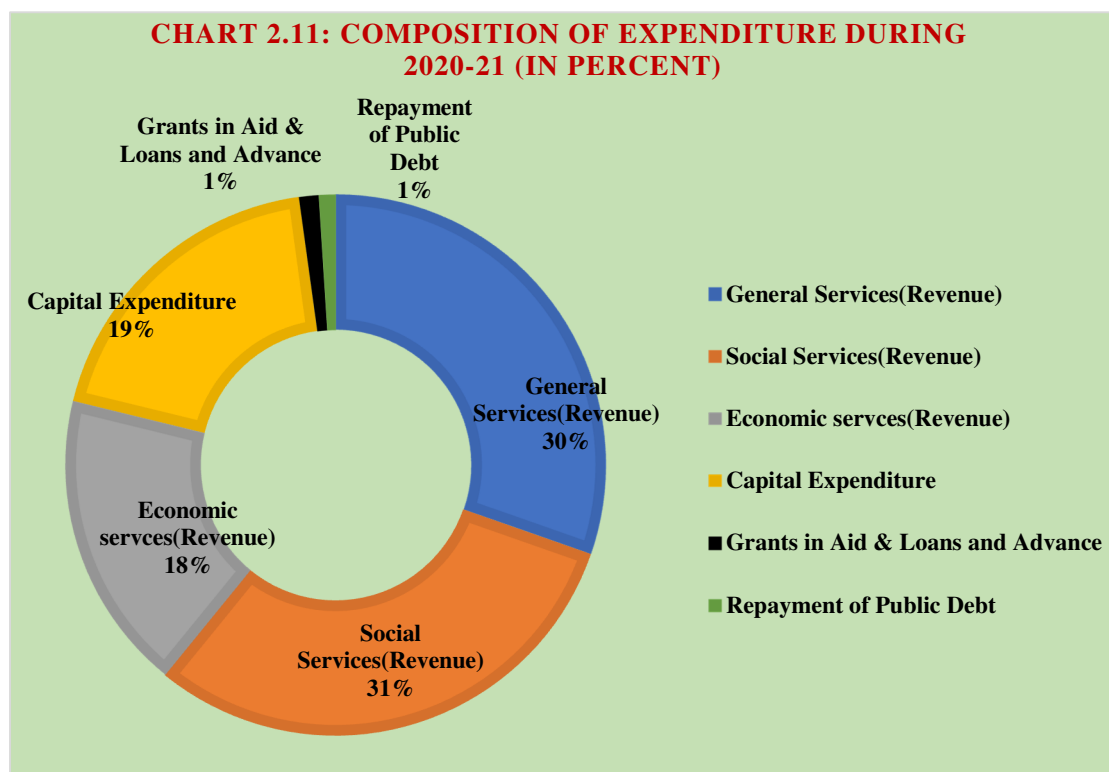


Trend of Expenditure: Revenue, Capital and Loans & Advances

In the context of State Finances, the quality of expenditure has always been an important issue. Revenue Expenditure, which is in the nature of current consumption, accounted for 80.79 per cent of the State’s aggregate expenditure, whereas Capital Expenditure, which is in the nature of asset creation, was 19.21 per cent in 2020-21. During the period 2016-21, Revenue Expenditure ranged between 73.15 to 89.34 per cent, while Capital Expenditure has remained within the range of 10.41 to 26.55 per cent.



The chart given below depicts the breakup of Total Expenditure incurred on various components during 2020-21.



2.4.2 Revenue Expenditure

Revenue Expenditure is incurred to maintain the current level of services and payment for the past obligations. As such, it does not result in any addition to the State's infrastructure and service network.

Revenue Expenditure on an average constituted 81.32 per cent (ranging between 73.15 per cent in 2017-18 and 89.34 per cent in 2019-20) of the Total Expenditure during the period 2016-21. Rate of growth of Revenue Expenditure displayed wide fluctuations during the five-year period 2016-21 as during 2018-19 and 2019-20 it grew by 25.89 per cent and 18.34 per cent respectively and during 2020-21 its growth was only 2.97 per cent. The overall Revenue Expenditure, its rate of growth, its ratio to Total Expenditure and buoyancy vis-à-vis GSDP and Revenue Receipts are indicated in **Table 2.20** and the sectoral distribution of Revenue Expenditure pertaining to 2020-21 is given in **Chart 2.12**.

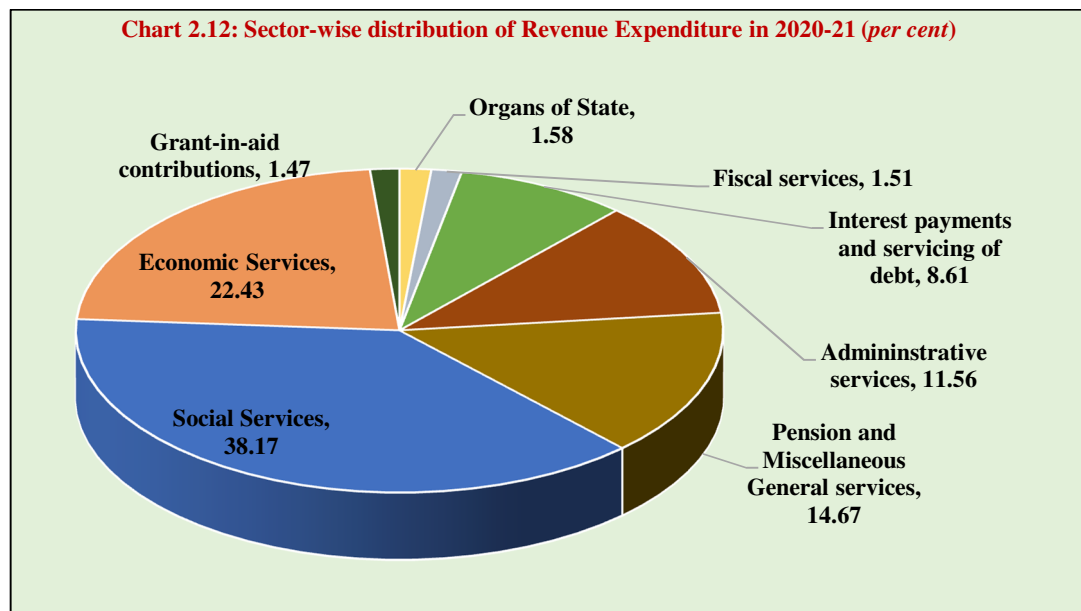
Table 2.20: Revenue Expenditure – Basic Parameters

Parameters	2016-17	2017-18	2018-19	2019-20	2020-21
Total Expenditure (TE)	4,525.37	5,675.58	6,564.45	6,922.75	7,882.53
Revenue Expenditure (RE)	3,788.08	4,151.85	5,226.57	6,185.08	6,368.65
Rate of Growth of RE (<i>per cent</i>)	3.94	9.6	25.89	18.34	2.97
Revenue Expenditure as percentage of TE	83.71	73.15	79.62	89.34	80.79
RE/GSDP (<i>per cent</i>)	18.31	15.99	18.40	20.08	19.46

(₹ in crore)

Parameters	2016-17	2017-18	2018-19	2019-20	2020-21
RE as percentage of RR	82.17	79.65	88.28	127.76	113.57
Buoyancy of Revenue Expenditure with					
GSDP (ratio)	0.27	0.38	1.01	2.16	0.48
Revenue Receipts (ratio)	0.18	0.73	1.91	-1.01	0.19

Source: Finance Accounts



The Revenue Expenditure as a percentage of GSDP has been fluctuating during the entire period from 2016-17 to 2020-21.

2.4.2.1 Major changes in Revenue Expenditure

Table 2.21 below details significant variations under various Heads of Account with regard to Revenue Expenditure of the State during the current year and the previous year.

Table 2.21: Variation in Revenue Expenditure during 2020-21 compared to 2019-20

(₹ in crore)

Major Heads of Account	2019-20	2020-21	Increase (+)/ Decrease (-)
2245-Relief on Account of Natural Calamities	41.14	141.71	100.57
2216-Housing	22.83	77.85	55.02
2801-Power	282.32	310.84	28.52
2711-Flood Control and Drainage	0.07	29.37	29.30
2045-Other Taxes and Duties on Commodities and Services	30.82	46.34	15.52
2236-Nutrition	18.3	7.99	-10.31
2014-Administration of Justice	53.85	43.02	-10.83
2702-Minor Irrigation	40.87	27.69	-13.18
2250-Other Social Services	23.56	9.44	-14.12
3055-Road Transport	78.13	63.84	-14.29

Source : Finance Account

Above table indicates that Revenue Expenditure under Relief on account of Natural Calamities, Housing, Power and Flood Control and Drainage increased significantly during the year over previous year. However, Revenue Expenditure on Road Transport, Other Social Services and Minor Irrigation declined during the year as compared to previous year. Similarly, other significant reduction in revenue expenditure was seen in Administration of Justice and Nutrition Programme during the current year over the previous year.

(i) Committed expenditure

Committed expenditure of Government on revenue account consists mainly of expenditure on Salaries and Wages, Interest Payments and Pensions. The FRBM Act of the State requires the State to be Revenue Surplus from year 2012-13. However, the State has been running Revenue Deficit since 2019-20. The target of FRBM is challenging to achieve, given that a large proportion of Revenue Expenditure goes into committed items like Salaries and Wages, Interest Payments, and Pensions, and it is difficult to restrict these expenditures over short period of time.

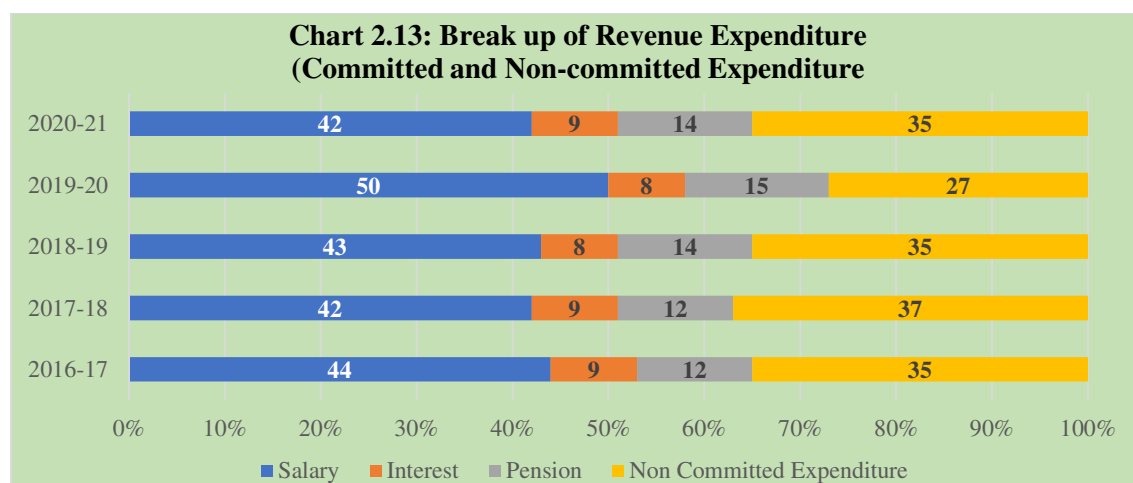
Table 2.22 presents the trends in the components of Committed expenditure, ratio of Committed expenditure to Revenue Receipt and Revenue Expenditure during 2016-21.

Table 2.22: Components of Committed Expenditure

(₹ in crore)					
Components of Committed Expenditure	2016-17	2017-18	2018-19	2019-20	2020-21
Salaries & Wages	1,423.47	1,478.98	1,944.32	2,932.74	2,630.82
Salaries paid through GIAs	256.90	278.80	322.14	184.13	37.77
Expenditure on Pensions	446.43	505.18	737.24	910.58	908.13
Interest Payments	324.39	362.17	433.05	509.68	548.41
Total	2,451.19	2,625.13	3,436.75	4,537.13	4,125.13
As a percentage of Revenue Receipts (RR)					
Salaries & Wages	30.88	28.37	32.84	60.58	46.91
Salaries paid through GIAs	5.57	5.35	5.44	3.80	0.67
Expenditure on Pensions	9.68	9.69	12.45	18.81	16.19
Interest Payments	7.04	6.95	7.31	10.53	9.78
Total	53.17	50.36	58.04	93.72	73.55
As a percentage of Revenue Expenditure (RE)					
Salaries & Wages	37.58	35.62	37.20	47.42	41.31
Salaries paid through GIAs	6.78	6.72	6.16	2.98	0.59
Expenditure on Pensions	11.79	12.17	14.11	14.72	14.26
Interest Payments	8.56	8.72	8.29	8.24	8.61
Total	64.71	63.23	65.76	73.36	64.77

Source : Finance Account

Further, **Chart 2.13** depicts percentage of Committed expenditure to Revenue Expenditure during 2016-21.



As can be seen from the details tabulated above, on an average the Committed expenditure constituted 65.77 per cent of Revenue Expenditure and 66.36 per cent of the Revenue Receipts of the State during the five-year period 2016-21. The Committed expenditures which were 93.72 per cent of Revenue Receipts in 2019-20, decreased to 73.55 per cent in 2020-21 (decrease of 20.17 per cent). Similarly, the percentage of Committed expenditure to Revenue Expenditure decreased from 73.36 per cent in 2019-20 to 64.77 per cent in 2020-21.

2.4.2.2 Undischarged liabilities in National Pension System

State Government employees recruited on and after 01 April 2006 are eligible for the National Pension System, which is a Defined Contributory Pension Scheme. In terms of the Scheme, the employee contributes 10 per cent of Basic Pay and Dearness Allowance, with a matching contribution by the State Government. The entire amount is to be transferred to the designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank.

As on 31 March 2021, the State had 23,958 eligible employees under NPS, out of them valid Permanent Retirement Account Number (PRAN) (Unique Number) were allotted to 22,409 employees, whereas 1549 employees were awaiting allotment of PRAN. The details of employee's share, Government contribution, interest accrued thereon and transfer to the trustee Bank/NSDL during the period from 2016-17 to 2020-21 are given in **Table 2.23**.

Table 2.23: Details of Contribution and Transfers to NSDL under NPS

(₹ in crore)

Year	Opening Balance	Details of contribution by		Total contribution	Transfer to NSDL	Short transfer/ Closing Balance	Rate of Interest	Interest due on Opening Balance**
		Employees	Government					
2016-17	23.44	33.10	33.07	66.17	61.10	28.51	8.00	1.88
2017-18	28.51	38.09	40.70	78.79	79.63	27.67	7.60	2.17
2018-19	27.67	46.94	49.48	96.42	94.54	29.55	7.60	2.10
2019-20	29.55	73.90	77.42	151.32	114.74	66.13	7.60	2.25
2020-21	66.13	87.99	88.89	176.88	159.89	83.12	7.10	4.70
Total		280.02	289.56	569.58	509.90			13.10

Source: Notes to Accounts (Finance Account Vol-I). ** Interest (GPF Rate) has been calculated on the estimation that the Opening Balance was not transferred during the year

Audit analysed the overall functioning of NPS which revealed the following.

During 2020-21, the total deposit under Major Head 8342-117 Defined Contribution Pension Scheme was ₹ 176.88 crore (Employees' contribution ₹ 87.99 crore and Government contribution ₹ 88.89 crore including ₹0.90 crore pertaining to previous years). However, out of the total available fund of ₹243.01 crore under National Pension System (NPS) up to 2020-21, State Government transferred an amount of ₹ 159.89 crore to the NSDL, leaving a balance of ₹ 83.12 crore in the accounts as on 31 March 2021. Thus, there was an un-transferred amount of ₹ 83.12 crore to the NSDL and the current liability stands deferred to future year(s). Uncollected, unmatched and un-transferred amounts, with accrued interest, represent outstanding liabilities of the Government under the Scheme.

Further, delays in investment of NPS contributions with Fund Managers creates an atmosphere of uncertainty about the return to accrue to the employees concerned for such periods on the investment of their NPS contribution and affects accuracy and transparency of accounts.

From the state government accounts, it was observed that the Government has not transferred its contribution towards the individual subscriber on monthly basis but mostly transferred at last month of the year. There was inconsistency in transferring of NPS fund to NSDL which subsequently affects the interest of the subscribers.

While accepting the audit observation in Exit conference (December 2021) the Finance Department stated that the delay in transfer of fund to NSDL was mainly due to the non-submission of Common Subscriber Registration Form (CSRF) by the subscribers and delay in allotment of PRAN. The Department was making full efforts to sensitize subscribers by conducting regular workshops in all districts emphasizing the importance of PRAN and other nomination/registration forms. As soon as the PRAN are allotted/ generated, the un-transferred funds will be transferred to the NSDL.

During the meeting with the Finance Department regarding contribution and short transfers to NSDL under NPS, Director of Pension informed that some of the subscribers were not submitting the required documents for allotment of PRAN despite repeated request to do so. He further said that efforts would be continued, to spread awareness on NPS amongst the government employees.

2.4.2.3 Subsidies

There was no booking of expenditure on subsidies during the year 2019-20, but during the year 2020-21, ₹2.86 crore was booked under expenditure on Subsidy, as can be seen from the details given in **Table 2.24**.

Table 2.24: Booking of Expenditure on subsidies during 2016-21

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Subsidies (₹ in crore)	2.24	2.21	2.67	0.00	2.86
Subsidies as a percentage of Revenue Receipts	0.05	0.04	0.05	0.00	0.05
Subsidies as a percentage of Revenue Expenditure	0.06	0.05	0.05	0.00	0.04

(₹ in crore)

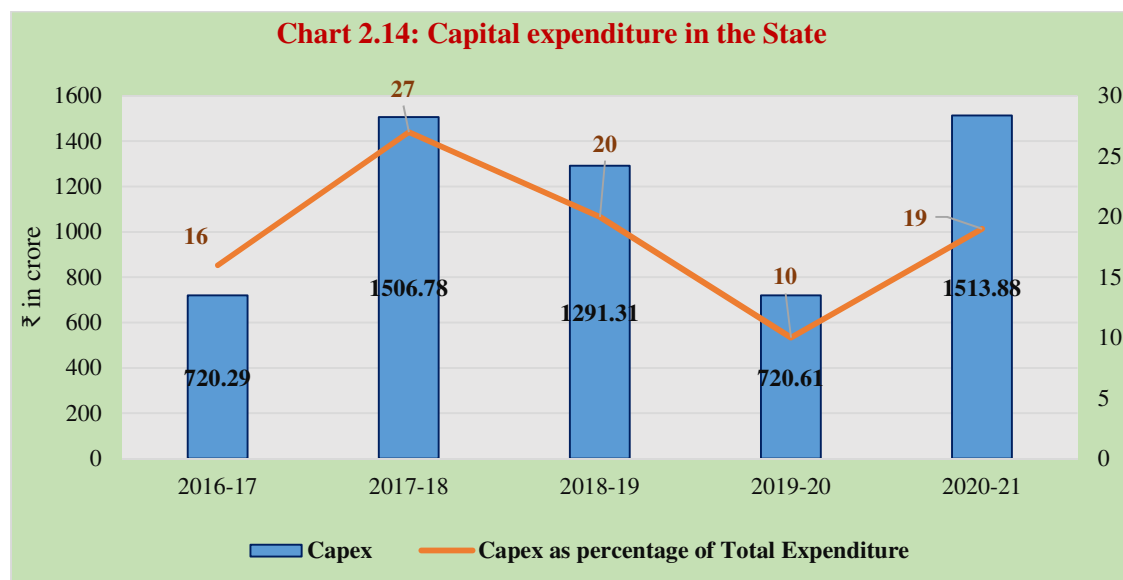
Source : Finance Account

The biggest component of the subsidy outgo of the Government of Sikkim was the subsidy to Food, Civil Supplies and Consumer affairs Department, which accounted for 97.20 percent (₹ 2.78 crore) of the total subsidy.

2.4.3 Capital Expenditure

Capital Expenditure includes primarily expenditure on creation of fixed infrastructure assets, such as buildings, roads, bridges etc.

Capital Expenditure of the State had decreased from ₹ 1,506.78 crore in 2017-18 to ₹ 720.61 crore in 2019-20, but it increased to ₹ 1513.88 crore in 2020-21, registering an increase of 110.08 per cent as compared to 2019-20.



2.4.3.1 Major changes in Capital Expenditure

Table 2.25 highlights the cases of significant increase or decrease of Capital Expenditure in various Heads of Account during 2020-21 vis-à-vis the previous year.

Table 2.25: Capital expenditure during 2020-21 compared to 2019-20

(₹ in crore)

Major Heads of Accounts	2019-20	2020-21	Increase (+)/ Decrease (-)
4202-Capital outlay on Education, Sports, Art and Culture	41.54	150.90	109.36
4210- Capital outlay on Medical and Public Health	39.07	179.40	140.33
4215- Capital outlay on Water Supply and Sanitation	82.58	109.13	26.55
4801- Capital outlay on Power Projects	20.41	161.90	141.49
5054- Capital outlay on Roads and Bridges	239.29	529.85	290.56

Major Heads of Accounts	2019-20	2020-21	Increase (+)/ Decrease (-)
5452- Capital outlay on Tourism	29.81	97.01	67.20
4711- Capital outlay on Flood Control Projects	0.82	41.35	40.53
4575- Capital outlay on other Special Area Programme	21.73	57.05	35.32
4059- Capital outlay on Public Works	128.85	89.79	-39.06
4216- Capital outlay on Housing	71.69	15.00	-56.69

Source : Finance Account

During 2020-21, 35 per cent of total Capital Expenditure was incurred on Roads and Bridges, followed by Medical and Public Health (12 per cent), Power Projects (11 per cent), Education, Sports, Art and Culture (10 per cent). Capital Expenditure on Roads & Bridges increased by 121 per cent in 2020-21 as compared to previous year, due to increase in implementation of Road Works (Permanent restoration works and surface strengthening CRF schemes). Similarly, under Power Sector there was 693 per cent increase due to increase in expenditure on transmission & distribution under NLCPR Schemes. The reason for increase in capital outlay for Medical & Public Health, which also increased by 359 per cent as compared to previous year was construction of Namchi Hospital and Drug Testing laboratory.

Housing and Public Works showed decrease of 79 per cent and 30 per cent respectively in Capital Expenditure during current year as compared to previous year, due to decrease in expenditure under constructions works.

2.4.3.2 Quality of Capital Expenditure

This Section presents an analysis of investments and other Capital Expenditure undertaken by the Government during current year.

(i) Investment and Returns

As of March 2021, Government had invested ₹ 106.68 crore in Statutory Corporations, Banks, Joint Stock Companies and Co-operatives as detailed in succeeding paragraphs. The return during 2020-21 was 2.61 per cent as detailed in **Table 2.26** below.

Table 2.26: Return on Investment

Investment/return/ cost of borrowings	2016-17	2017-18	2018-19	2019-20	2020-21
Investment at the end of the year (₹ in crore)	97.42	102.43	105.46	104.18	106.68
Return (₹ in crore)	2.01	2.92	4.38	3.06	2.78
Return (per cent)	2.06	2.85	4.15	2.94	2.61
Average rate of interest on Government Borrowings (per cent) ¹¹	7.52	7.16	7.35	7.42	6.66
Difference between interest rate and return (per cent)	5.46	4.31	3.20	4.48	4.05

¹¹ Example for 2020-21 Average interest rate calculation=
 Total O/s debt ₹ 7400.67 cr (2019-20)
 Plus Total O/s debt ₹ 9,058.84 cr (2020-21)
 Average O/s Debt = ₹16,459.51 cr/ 2= ₹8,229.76 cr
 Interest paid during 2020-21=₹ 548.41 cr
 Average interest rate in per cent =₹548.41/₹8,229.76= 6.66 per cent

Investment/return/ cost of borrowings	2016-17	2017-18	2018-19	2019-20	2020-21
Difference between interest on Government borrowings and return on investment (₹ in crore) ^{#12}	5.32	4.41	3.37	4.67	4.32

Source: Finance Accounts# Investment at the end of the year*Difference between interest rate and return

The Returns on investment during the current year were on account of dividend receipts from State Bank of Sikkim: ₹1.33 crore, and Sikkim Distilleries Limited: ₹1.45 crore.

The details of investment of ₹ 106.68 crore up to the end of 2020-21 by the State Government in Statutory Corporations (three), Joint Stock Companies (25) and Banks and Co-operative Societies (9) are detailed in **Appendix 2.3**.

The State Government may seriously review the functioning of its Corporations, Companies and Societies, in view of the meagre returns on their investments. They may also ensure finalisation of financial statements of these PSUs in time and consider closure of non-functional units.

(ii) Investment in Incomplete Projects

An assessment of trends in capital blocked in incomplete capital works indicates quality of capital expenditure. Blocking of funds on incomplete projects/ works impinges negatively on the quality of expenditure and deprives the State of the intended benefits for prolonged periods. Further, the funds borrowed for implementation of these projects during the respective years leads to the extra burden in terms of servicing of debt and interest liabilities.

Projects remaining incomplete indicate that the benefits as envisaged in project proposals have not fructified and scarce resources remain locked without any return.

According to the information available in Appendix IX and Statement 16 of the Finance Accounts for the year 2020-21, as on 31 March 2021 (details given in **Appendix 2.4 A & B**), wherein out of 19 works executing Departments, only eight departments furnished the details of works executed and remaining 11 departments did not furnish any details to Audit.

Eight departments had 251 ongoing projects *i.e.* projects due to be completed on or before March 2021. The remaining departments did not furnish the details of incomplete projects, and thus actual number of incomplete projects could not be ascertained. The department-wise and age-wise information pertaining to incomplete projects of these eight departments as on 31 March 2021 is given in **Table 2.27** and **2.28**.

¹² Calculation on difference between interest on government borrowings for 2020-21
Percentage of 4.05 on investment at the end of year – ₹ 106.68 crore
 $₹106.68 \text{ cr} \times 4.05 / 100 = 4.32$

Table 2.27 <i>Age profile of incomplete projects as on 31 March 2021 (₹ in crore)</i>				Table 2.28 <i>Department-wise profile of incomplete projects as on 31 March 2021 (₹ in crore)</i>			
Year	No. of incomplete projects	Estimated cost	Expenditure	Department	No. of incomplete projects	Estimated cost	Expenditure
Prior to 2011-12	2	18.39	17.55	Education	100	191.54	122.62
2011-12	8	13.35	6.76	Urban Dev	52	392.42	201.40
2012-13	3	15.56	5.60	Animal Husbandry	5	7.40	2.06
2013-14	6	48.25	38.86	Sports	74	92.70	28.38
2014-15	1	2.39	2.15	Food	14	28.17	6.82
2015-16	9	40.96	28.00	Police	3	23.63	17.57
2016-17	19	28.22	23.39	Agriculture	1	0.35	0.08
2017-18	17	86.64	64.27	Power	2	42.13	30.51
2018-19	20	59.56	37.17	Total	251	778.34	409.44
2019-20	57	198.93	95.26				
2020-21	109	266.09	90.43				
Total	251	778.34	409.44				

Source: Finance Accounts Vol-II, Appendix IX

Out of these 251 projects, 60 projects (with sanctioned cost of ₹ 337.40 crore) for which the State had spent ₹ 233.26 crore were as of 31 March 2021, were pending for five years or more.

Further, department-wise analysis revealed that out of these 251 incomplete projects, which were scheduled to be completed by 31 March 2021, the Education Department had the highest number of incomplete projects (100) followed by Sports (74); Urban Development (52) and Food & Civil Supplies (14).

Blocking of funds on incomplete projects/ works impinges negatively on the quality of expenditure and deprives the State of the intended benefits for prolonged periods. Further, the funds borrowed for implementation of these projects during the respective years were also not utilized effectively and the State had to share the extra burden in terms of servicing of debt and interest liabilities. Effective steps need to be taken and closely monitored at the highest levels in Government, to complete all these above projects without further delay to avoid cost and time run inefficiencies.

2.4.4 Expenditure priorities

Enhancing human development levels requires the States to step up their expenditure on key Social Services like Education, Health etc. Low fiscal priority (ratio of expenditure under a category to aggregate expenditure) is attached to a particular sector if the allocation is below the respective national average. The higher the ratio of these components to total expenditure, the quality of expenditure is better.

Table 2.29 presents analysis of the fiscal priority of the State Government with regard to, Capital Expenditure, Expenditure on Education Sector and Health Sector with their comparison to North Eastern and Himalayan States in 2016-17 and the current year 2020-21 against Aggregate Expenditure.

Table 2.29: Expenditure priority of the State with regards to Health, Education and Capital expenditure

<i>(In per cent)</i>					
Year	Particulars	AE/GSDP	CE/AE	Education/AE	Health/AE
2016-17	NE and Himalayan States Average	28.50	15.97	16.67	5.67
	Sikkim	24.00	15.92	18.06	6.23
2020-21	NE and Himalayan States Average	26.92	15.67	15.22	6.15
	Sikkim	24.09	19.21	17.25	8.08

AE: Aggregate Expenditure, CE: Capital Expenditure.,
GSDP: Figures furnished by Department of Economics, Statistics, Monitoring and Evaluation (DESME), Government of Sikkim

The ratios of Education and Health to Aggregate Expenditure in Sikkim was higher than the ratios of NE and Himalayan States in 2016-17 and in 2020-21. However, the ratio of Capital Expenditure to Aggregate Expenditure in Sikkim was slightly lower than the ratios of NE and Himalayan States in 2016-17, but it was higher in 2020-21. Further, the ratio of the Aggregate Expenditure to GSDP in Sikkim was lower than NE and Himalayan States during 2016-17 and 2020-21.

2.5 Public Account

Receipts and disbursements 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 accounted in the Public Account set up under Article 266(2) of the Constitution and are not subject to vote by the State Legislature. The Government acts as a banker in respect of these transactions. The balance after disbursements during the year is the fund available with the Government for use for various purposes.

2.5.1 Net Public Account Balances

The net balance in Public Account for a year is arrived by adding opening balance with fresh addition during the year and subtracting the disbursement therefrom. The sector-wise and sub-sector-wise net balances in Public Account of the State is given in this sub-para.

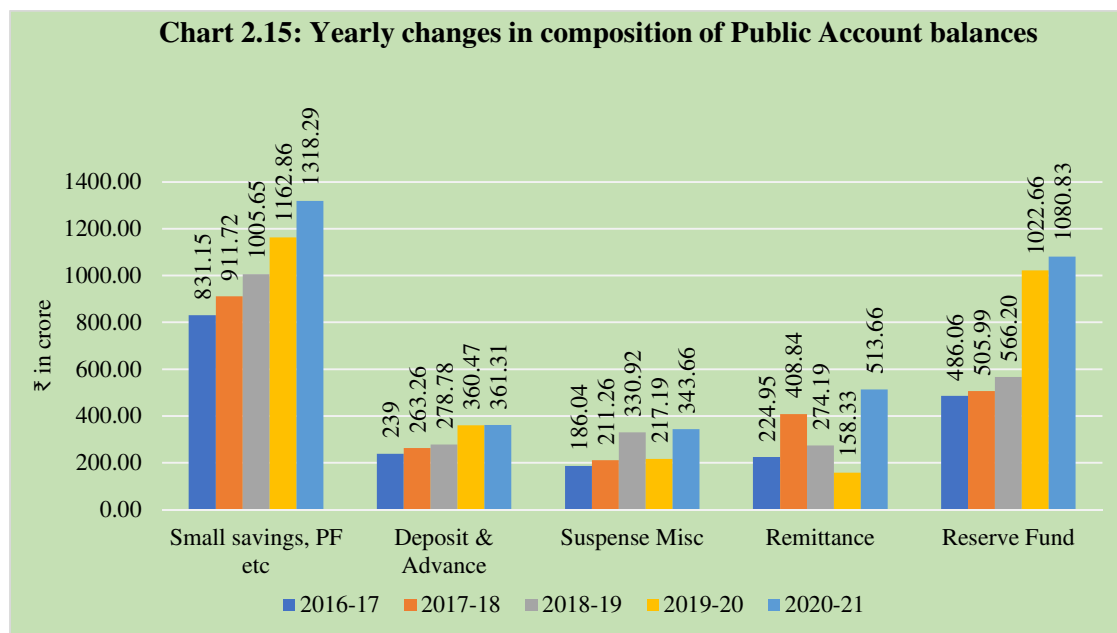
Table 2.30: Component-wise net balances in Public Account as of 31 March of the year

<i>(₹ in crore)</i>						
Sector	Sub Sector	2016-17	2017-18	2018-19	2019-20	2020-21
I. Small Savings, Provident Funds, etc.	Small Savings, Provident Funds, etc.	831.15	911.72	1,005.65	1,162.86	1,318.29
J. Reserve Funds	(a) Reserve Funds bearing Interest	3.95	13.82	23.08	391.31	376.29
	(b) Reserve Funds not bearing Interest	482.11	492.17	543.12	631.35	704.54
	Sub total	486.06	505.99	566.2	1,022.66	1,080.83
K. Deposits and Advances	(a) Deposits bearing Interest	28.51	27.67	29.54	66.12	83.15
	(b) Deposits not bearing Interest	211.61	236.62	250.27	295.38	279.19
	(c) Advances	-1.03	-1.03	-1.03	-1.03	-1.03
	Sub total	239.09	263.26	278.78	360.47	361.31
	(a) Suspense	2.69	1.97	6.58	4.56	5.20

Sector	Sub Sector	2016-17	2017-18	2018-19	2019-20	2020-21
L. Suspense and Miscellaneous	(b) Other Accounts	183.35	209.29	324.34	212.63	338.46
	(c) Accounts with Governments of Foreign Countries	0	0	0	0	0
	(d) Miscellaneous	0	0	0	0	0
	Sub total	186.04	211.26	330.92	217.19	343.66
M. Remittances	(a) Money Orders, and other Remittances	224.95		274.19	158.33	513.66
	(a) Inter- Governmental Adjustment Account	0	0	0	0	0
	Sub total	224.95	404.84	274.19	158.33	513.66
TOTAL		1,967.29	2,297.07	2,455.74	2,921.51	3,617.75

Source : Finance Account, Note: +ve denotes debit balance and -ve denotes credit balances

The yearly changes in composition of balances in Public Account over the five-year period 2016-21 are given in **Chart 2.15**.



Source: Finance Accounts of respective years

2.5.2 Reserve Funds

Reserve Funds are created for specific and well-defined purposes in the accounts of Government. These funds are fed by contributions or grants from the Consolidated Fund or from outside agencies.

Analysis of transactions of Reserve Funds is presented in the subsequent paragraphs.

2.5.2.1 Consolidated Sinking Fund

The State Government constituted a Consolidated Sinking Fund for redemption of the open market loans of the Government commencing from 2004-05. As per guidelines of the Fund, the Government is required to contribute to the fund at the rate of one to three *per cent* of the outstanding open market loans as at the end of the previous year. The scope of this fund has been extended to cover all outstanding liabilities of the Government through a notification by the State issued on 18 August 2007 based on

recommendations of the XII FC. For the year 2020-21, the flow of Consolidated Sinking Fund is detailed below.

Table 2.31: Flow of Consolidated Sinking Fund during 2016-21

(₹ in crore)

Year	Opening balance (01 April 2019)	Additions to the Fund (contribution and interest)			Payments out of the Fund	Closing balance (31 March, 2021)	Amount invested by SBS in Deposit
		Required contribution (one per cent of outstanding open market loans as on 31 March 2020) as per guidelines of the State Government	Actual contribution made	Interest accrued			
2016-17	309.92	23.00	12.00	28.64	Nil	350.56	350.56
2017-18	350.56	28.74	12.00	24.23	Nil	386.79	386.79
2018-19	386.79	36.21	12.00	29.96	Nil	428.75	428.75
2019-20	428.75	44.16	12.00	36.17	Nil	476.92	476.92
2020-21	476.92	48.95	12.00	29.23	Nil	518.15	518.15
Total				148.23			

Source: Finance Accounts - Vol I (Notes to Account)

The State Government had invested entire available fund in State Bank of Sikkim as per the guidelines. The investment under CSF increased from ₹ 350.56 crore in 2016-17 to ₹ 518.15 crore in 2020-21. The State Government was required to make annual contribution of ₹ 48.95 crore (at one *per cent* of outstanding open market loans of ₹ 4895 crore) to the fund for the year 2020-21 in terms of its own guidelines. However, the Government transferred only ₹ 12.00 crore to the fund leading to short contribution of ₹ 36.95 crore. This would have an effect of understatement of Revenue Deficit and Fiscal Deficit during the year. As on 31 March 2021, the fund had a balance of ₹ 518.15 crore, which had been invested in fixed deposits in banks.

2.5.2.2 State Disaster Response Fund

Government of India (GoI) replaced the erstwhile Calamity Relief Fund with the State Disaster Response Fund (SDRF) with effect from 1 April 2010 as per the recommendations of the XII FC. In terms of the guidelines of the Fund, the Centre and States are required to contribute to the Fund in the certain proportion. The contributions are to be transferred to Major Head – 8121 under Public Account. Expenditure is incurred by operating Major Head – 2245. The balance in the Fund would be invested as per provisions stipulated in the guidelines in Central Government dated securities, auctioned treasury bills and interest-bearing deposits and certificates of deposit with scheduled commercial banks.

In terms of the guidelines of the Fund, the Centre and Sikkim Government (NE and Himalayan States) are required to contribute to the Fund in the proportion of 90:10. Further, if the State does not have adequate balance under SDRF, the Union Government provides additional assistance from the National Disaster Response Fund (NDRF). The flow of the Fund, during the last five-year period is given below.

Table 2.32: Flow of State Disaster Response Fund during the year 2016-21

(₹ in crore)

Year	Opening balance (01 April)	Contribution by Centre	State's Share	Additional assistance from NDRF	Accrued interest (on investment of Fund)	Total availability during the year	Amount spent (MH 2245-05)	Closing balance	Investment During the year
1	2	3	4	5	6	7=(1 to 6)	8	9=7-8	10
2016-17	17.26	29.70	3.30	-	2.20	52.46	27.51	24.95	21.00
2017-18	24.95	30.60	3.40	-	1.27	60.22	46.90	13.32	12.00
2018-19	13.32	32.40	3.60	54.93	2.23	106.48	83.89	22.59	22.50
2019-20	22.59	34.20	3.80	-	2.19	62.78	34.81	27.96	17.50
2020-21	27.96	50.00	6.00	73.86	2.57	160.39	116.85	43.54	0.00

Source: Finance Accounts

During the year 2020-21, the State Government transferred aggregate funds of ₹ 132.43 crore to the SDRF (Central share: ₹ 50 crore, State share of ₹ 6.00 crore, and interest of ₹ 2.57 crore on investment and NDRF assistance ₹ 73.86 crore) and incurred an expenditure of ₹ 116.85 crore on natural calamities under Head 2245-05. As on 31 March 2021, the Fund had a closing balance of ₹43.54 crore.

Table 2.33: Details of expenditure charged to SDRF

(₹ in crore)

Major Head of Account	Minor Head of Account	Expenditure during 2020-21
2245- Relief on Account of Natural Calamities 02- Floods, Cyclones etc.	101-Gratuitous Relief	11.00
	106-Repairs and Restoration of Damaged Roads and Bridges	2.57
	109-Repairs and Restoration of Damaged Water supply, drainage and sewerage works	1.58
	122-Repairs and Restoration of Damaged Irrigation and Flood Control Works	--
	193-Assistance to Local Bodies and Other Non-Government Bodies/ Institutions	--
	911- Deduct recoveries of overpayments	0
	Sub Total	15.15
2245- Relief on Account of Natural Calamities 80-General	800-Other Expenditure ¹³	101.70
	911- Deduct recoveries of overpayments	0
	Sub Total	101.70
Grand Total		116.85
05-Calamity relief Fund	901- Deduct - Amount met from State Disaster Response Fund	(-) 116.85

Source: Finance Accounts

¹³ The minor head 800- other expenditure includes expenditure on ACA for CRF to calamity relief works executed under the detail head -74 for ₹49.77 crore and on other works relief on account of natural calamities for ₹50.75 crore executed under Head 73.

2.5.2.3 State Disaster Mitigation Fund

The State Government had established the Sikkim State Disaster Mitigation Fund (SDMF) vide Notification No.05/Adm/LRDMD dated 4th February 2018. This Fund is to be utilised for prevention and mitigation of various hazards that may turn into disaster. During 2020-21 the fund had an opening balance of ₹0.92 crore and State Government did not transfer any amount to the fund and also it did not book any expenditure also.

2.5.2.4 Guarantee Redemption Fund

The State Government constituted Guarantee Redemption Fund in the year 2005 for meeting payment obligations arising out of the guarantees issued by the Government in respect of bonds issued and borrowings by the State Undertakings or other bodies, in case the same are revoked. The Government is required to contribute an amount equal to at least one-fifth of the outstanding invoked guarantees plus an amount likely to be invoked as a result of the incremental guarantees issued during the year. However, it is open to the Government to increase contribution to the fund at its discretion. The detailed account of the Fund as on 31 March 2021 is given in following table.

Table 2.34: Guarantee Redemption Fund

(₹ in crore)

Particulars	Amount
Opening Balance	58.37
Addition	2.00
Interest	3.50
Total	63.87
Amount expended from the Fund	Nil
Closing Balance	63.87
Amount invested	60.41
Amount not invested	3.46

Source: Finance Accounts

During 2020-21, the State Government transferred ₹ two crore to the Guarantee Redemption Fund along with accrued interest of ₹ 3.50 crore. No guarantees were invoked during the year. The fund had a corpus of ₹ 63.87 crore at the end of the year out of which ₹ 60.41 crore stood invested. Thus, there was an un-invested amount of ₹ 3.46 crore.

2.5.2.5 Educational Cess Fund

As per the Sikkim Educational Cess on Alcoholic Beverages Act, 2007 (Act No.9 of 2007) for the purpose of promoting education in the State of Sikkim, Government is levying and collecting Educational Cess on alcoholic beverages manufactured in Sikkim as well as imported from other states for consumption in Sikkim. However, the State Government has not formed any rule for creation of Educational Cess Fund. Therefore, the utilisation of Cess was not readily ascertainable. The details of Educational Cess collected for the period 2016-21 is given in the table below.

Table – 2.35: Position of Educational Cess Fund during 2016-21*(₹ in crore)*

Year	Total educational cess collected	Deposited into the Revenue Head 0045-112-03	Transferred to educational cess fund	Remarks
2016-17	4.78	4.78	Nil	Fund yet to be created
2017-18	4.45	4.45	Nil	
2018-19	7.37	7.37	Nil	
2019-20	7.21	7.21	Nil	
2020-21	6.10	6.10	Nil	

Source : NTA- Finance Account-1

The total Educational Cess amounting to ₹ 29.91 crore during the period 2016-21 was collected by the Excise Department. But, neither the EC collected by the Excise Department, was transferred to the Education Department, nor did the Education Department initiate any action to draft rules to prescribe the modalities for utilisation of EC so collected, as required under Section 7 of the Act.

The Department assured during the Exit conference (December 2021) that the Fund would be created expeditiously. In response to similar observation in the SFAR (2019-20), Finance Department had accepted the observation and acceded to PAG's suggestion for early settlement of the matter.

2.5.2.6 Cess under Sikkim Transport Infrastructure Development Fund (STIDF)

The “Sikkim Transport Infrastructure Development Fund” was established to develop, maintain or improve transport infrastructure in Sikkim and for such purpose, it was decided to levy and collect cess on sale of motor spirit commonly known as petrol and high speed diesel and to provide for matters connected therewith or incidental thereto. The Act came into force since August 2004. During the year 2020-21, the total collections and transfers of the Fund is given in the table below:

Table: 2.36 – Details of Cess under STIDF*(₹ in crore)*

Collections under 'MH 0045-112-01'	Amount transferred to 'Sikkim Transport Infrastructure Development Fund'	Amount yet to be transferred to 'Sikkim Transport Infrastructure Development Fund'
21.36	36.00*	Nil

Source : Finance Accounts Vol-1 (NTA)

*The state Government transferred more amount to Fund than its cess collection. The reason for more transfer has not been provided by the Government.

During the year, the State Government incurred an expenditure of ₹ 25 crore on road works by booking under M.H. 5054-05-337-61 and debiting the Fund. As on March 31, 2021, the fund has closing balance of ₹ 32.28 crores.

2.5.2.7 Cess under Sikkim Ecology and Environment Fund

To protect and improve environment in Sikkim, Government of Sikkim established a fund known as “Sikkim Ecology and Environment Fund” in 2007 and the cess is levied on every dealer, manufacturer, Government department, PSU, Autonomous Body or

other organisation who bring non-bio-degradable materials (as specified) from outside the State for selling, business, manufacturing, producing any products or use for whatsoever purpose in the State.

As per Section 14 of the Sikkim Ecology Fund and Environmental Cess, Act 2005, the cess levied shall first be credited to the Consolidated Fund of Sikkim and the State Legislature may by appropriation made by law in this behalf credit the proceeds of this collection to this fund from time to time, for being utilized exclusively for the purpose of this Act. This Cess is being levied since April 2007.

It was seen that the above-mentioned cess collected during the year was not transferred to the fund by the State Government, it had also not utilised the fund under M.H. 3435-03-101-61. The cess collected during 2018-19 and 2019-20 amounting ₹ 7.95 crore was transferred to fund during this year only. During the year 2020-21 total cess collection was ₹0.21 crore (M.H. 0045-112-02).

The details of Sikkim Ecology Fund and Environmental Cess collected and expenditure made thereof for the last five years is given in the table below:

Table 2.37: Details of Sikkim Ecology Fund and Environmental Cess

(₹ in crore)

Year	Receipts of CESS	Expenditure	Percentage of Expenditure
2016-17	49.09	31.15	63.45
2017-18	31.10	58.88	189.32
2018-19	6.77	1.10	16.25
2019-20	1.18	Nil	0.00
2020-21	0.21	Nil	0.00

Source: VLC data and Finance Accounts Volume I –NTA

From the table above it can be seen that the State has not spent the Cess so collected under the Ecology & Environment during 2019-20 and 2020-21.

The State Government may increase its spending out of the Cess collected.

2.5.2.8 Sikkim Compensatory Afforestation Fund

In compliance with the instructions issued by the Ministry of Environment and Forests, Government of India, vide their letter No.5-1/2009-FC dated 28 April, 2009 and guidelines of 2 July 2009, the State Governments are required to establish the State Compensatory Afforestation Fund Management and Planning Authority (State CAMPA) which will administer the amount received and utilisation of the monies collected for undertaking compensatory afforestation, assisted natural regeneration, conservation and protection of forests, infrastructure development, wildlife conservation and protection and other related activities and matters connected therewith or incidental thereto. Accordingly, the State Government constituted State CAMPA vide notification no. 107/Home/2009 dated 12 August 2009.

During the year 2020-21, the State Government received ₹ 5.71 crore through the user agencies on account of Net Present Value of Forest Land, Compensatory Afforestation, Dwarf species for credit to the CAMPA Fund, out of which ₹ 0.57crore (10 per cent)

crore has been transferred to the National Fund and ₹ 5.10 crore to Major Head 8121, leaving ₹ 0.04 crore in the Deposit head 8336. The State Government credited total interest of ₹ 12.01 crore (under Major Head 8121) during the year.

In terms of the provisions contained in the Compensatory Afforestation Fund Act (Section 4, Central Act 38 of 2016), the State Government established “State Compensatory Afforestation Fund” under Public Accounts of the State Government *vide* Notification No. 03/Home/2019 dated 16 January 2019 and subsequent Notification No. Bud/Fin/13 dated 26 March 2019 and is managed by State CAMPA. The status of receipts and disbursements under the Fund as on 31 March 2021 was as follows:

Table 2.38: Status of the State Compensatory Afforestation Fund

(₹ in crore)

Opening Balance as on 01 April 2020	Receipt during the year	Disbursement during the year	Closing balance as on 31 March 2021
362.43	17.12	47.72	331.83

Source : Finance Accounts (Statement 21) and Notes to Account (Finance Accounts Vol-I)

The State received ₹17.12 crore during the year 2020-21 towards State Compensatory Fund. Out of total fund, only ₹47.72 crore was spent and there was an unspent balance of ₹ 331.83 crore.

The State Government may review the status of the Fund for appropriate action.

2.5.3 Position of loans and advances and interest received/ paid by the State Government

In addition to investments in Corporations, Companies and Co-operative societies, State Government also provided loans and advances to many institutions/ organisations. **Table 2.39** presents the outstanding loans and advances as on 31 March 2021 along with interest receipts vis-à-vis interest rates of long term loans borrowed by government during the five-year period from 2016-21.

Table 2.39: Details of Loans advanced by State Government and interest received

(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Opening balance	160.83	176.46	192.49	237.30	254.06
Amount advanced during the year	17.00	16.95	46.57	17.06	0.00
Amount repaid during the year	1.37	0.92	1.77	0.30	1.17
Closing balance	176.46	192.49	237.29	254.06	252.89
Net addition	(+)15.63	(+) 16.03	(+) 44.80	(+) 16.76	(-)1.17
Interest receipts	*00	*0.00	0.00	0.00	0.00
Interest receipts as <i>per cent</i> to outstanding loans and advances	*00	*0.00	0.00	0.00	0.00
Interest payments as <i>per cent</i> to outstanding fiscal liabilities of the State Government	6.94	6.64	6.84	6.89	6.18
Net outgo on Interest Payments as proportion of outstanding fiscal liabilities (<i>per cent</i>).	6.94	6.64	6.84	6.89	6.18

Source: Finance Accounts. *No interest on loans & advances was received.

Though the Government had not given any Loans and Advance to PSUs, but it had paid ₹140.85 crore to three PSUs (SHDB, STCS and SIDICO) towards repayment of principal and interest against the loans taken by the Government through these PSUs from Financial Institutions (HUDCO, Central Bank of India and NABARD).

No interest on loans and advances was received by the Government during the financial year 2020-21.

2.6 Components of Fiscal Deficit and its financing pattern

The financing pattern of Fiscal Deficit has undergone a compositional shift as reflected in **Table 2.40**. Decomposition of Fiscal Deficit reveals the extent of various borrowings resorted to by the State to meet its requirement of funds over and above Revenue and Non-Debt Receipts.

Table 2.40: Fiscal Surplus/Deficit and its financing pattern

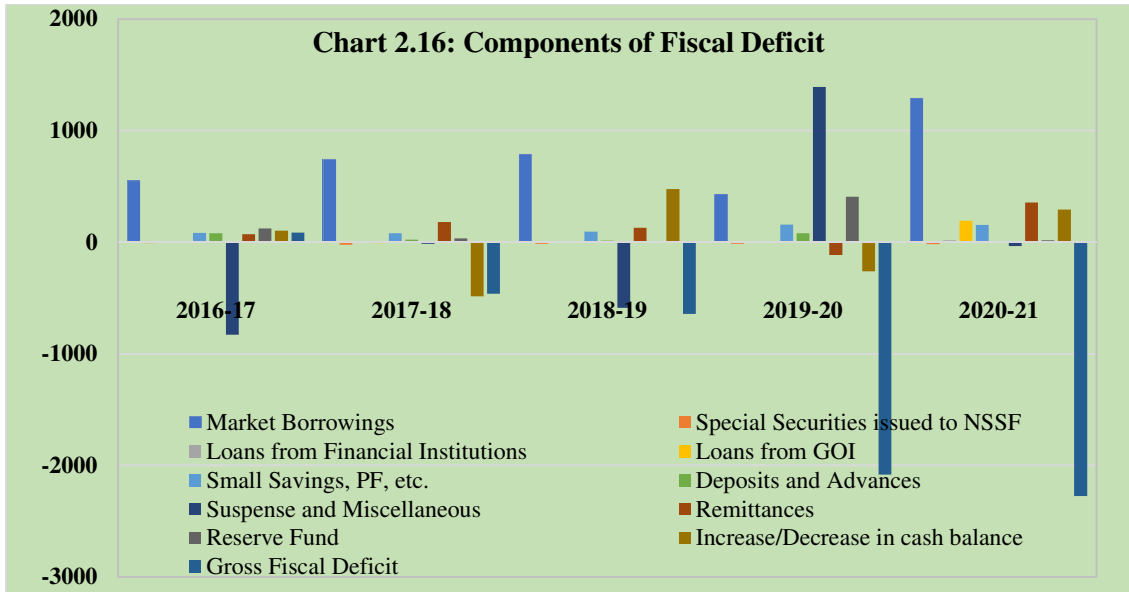
(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Fiscal Surplus (+)/ Deficit (-)	+86.30	-461.88	-642.32	-2,081.18	-2,273.54
Composition of Fiscal Deficit					
1 Revenue Surplus (+)/Deficit (-)	+822.22	+1,060.94	+ 693.79	-1,343.81	-760.83
2 Net Capital Expenditure	-720.29	-1,506.78	-1,291.31	-720.61	-1,513.88
3 Net Loans and Advances	-15.63	-16.04	- 44.80	-16.76	1.17
Financing Pattern of Fiscal Deficit					
1 Market Borrowings	550.41	744.13	790.29	432.07	1,292.00
2 Special Securities issued to NSSF	-7.72	-23.61	-15.05	-13.46	-16.10
3 Loans from Financial Institutions	-2.12	-2.1	-0.6	-2.39	17.20
4 Loans from GOI	-3.48	-7.6	-5.33	3.21	191.86
5 Small Savings, PF, etc.	+83.30	+ 80.57	+93.93	157.21	155.43
6 Deposits and Advances	80.11	24.17	15.53	81.69	0.84
7 Suspense and Miscellaneous	-827.7	-13.18	-587.95	1392.35	-33.19
8 Remittances	70.96	179.89	130.65	-115.86	355.33
9 Reserve Fund	124.82	35.72	5.25	407.27	16.93
10 Overall Deficit					
11 Increase/Decrease in cash balance	+102.63	- 484.99	+ 476.90	- 260.91	-293.24
12 Gross Fiscal Surplus (+)/ Deficit (-)	86.30	-461.88	-642.32	-2,081.18	-2,273.54

Source: Finance Accounts*All these figures are net of disbursements/outflows during the year;

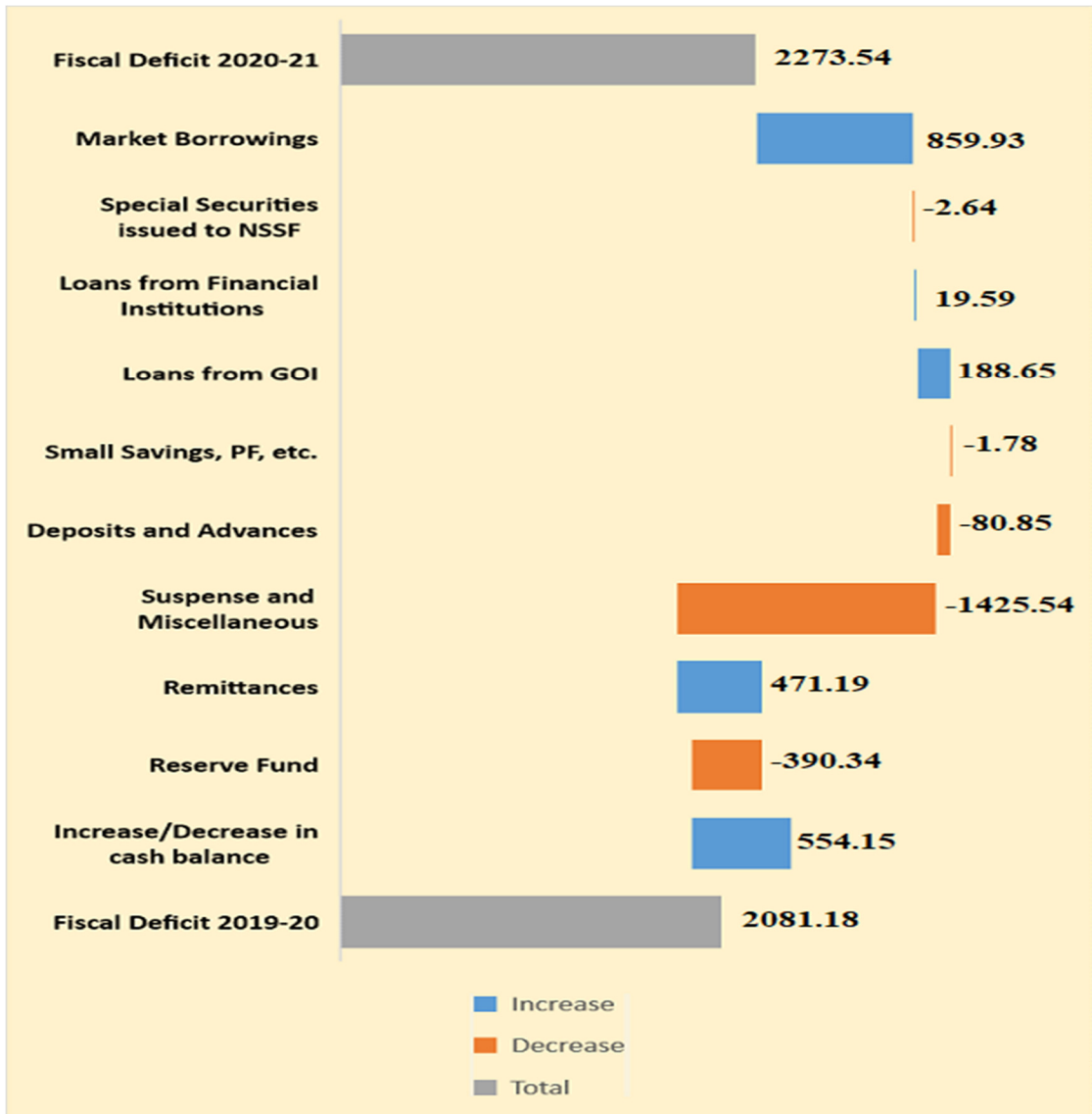
Composition of Fiscal Deficit reveals the extent of various borrowings resorted to by the State to meet its requirement of funds over and above Revenue and Non-Debt Receipts. Market Borrowings continued to finance a major portion of Fiscal Deficit. Its share in financing Fiscal Deficit increased from 20.75 per cent in 2019-20 to 56.82 per cent in 2020- 21. During 2020-21, the Fiscal Deficit of ₹ 2,273.54 crore was mainly met from Market Borrowings (₹ 1,292 crore).

The State enjoyed Revenue Surplus from 2015-16 to 2018-19, but during the years 2019-20 and 2020-21 the State had Revenue Deficit of ₹1343.81 crore and ₹ 760.83 crore respectively. The State had Fiscal Surplus last in 2016-17 of ₹ 86.30 crore and thereafter it had Fiscal Deficit continuously. During 2020-21 the State had Fiscal Deficit of ₹ 2,273.54 crore.



Source: Finance Accounts

Chart 2.17: Financing of Fiscal Deficit expressed through a water fall chart



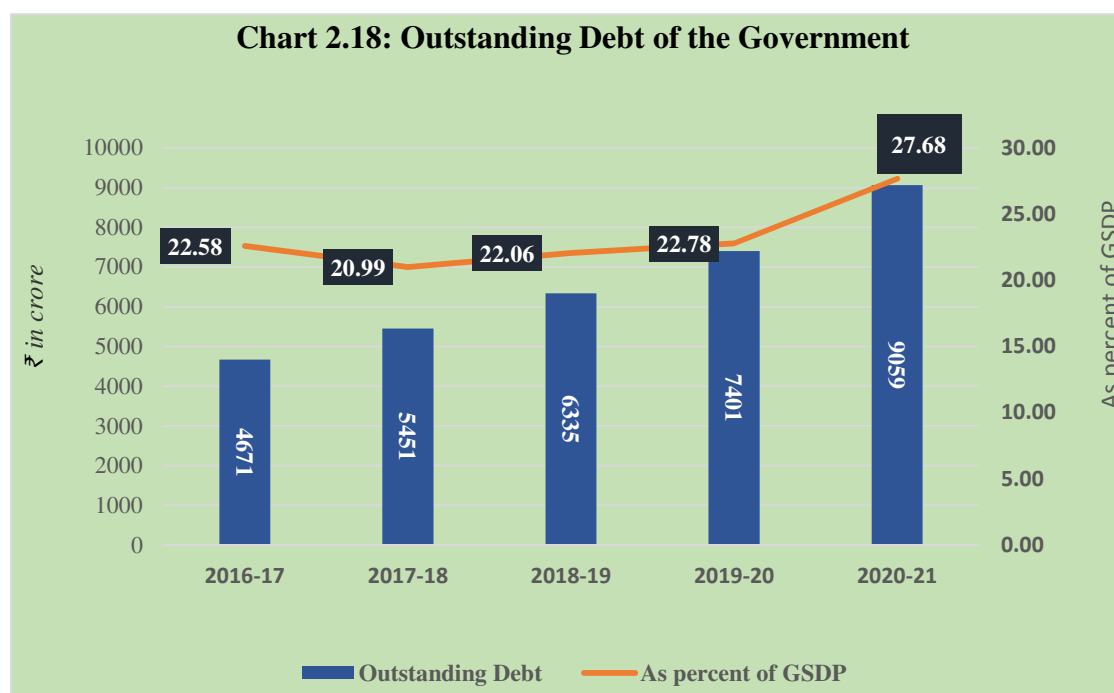
2.7 Debt management

Debt management is the process of establishing and executing a strategy for managing the Government's debt in order to raise the required amount of funding, achieve its risk and cost objectives, and to meet any other sovereign debt management goals that the Government may have set through enactment or any other annual budget announcements.

Table 2.41 Total Outstanding debt during 2016-21

	2016-17	2017-18	2018-19	2019-20	2020-21
Outstanding overall Debt	4,671.00	5,451.00	6,335.00	7,401.00	9,059.00
Rate of growth of outstanding debt (Percentage)	17.92	16.69	16.22	16.84	22.40
Gross State Domestic product	20,687.19	25,970.82	28,402.43	30,808.99	32,724.47
Debt/ GSDP (per cent)	22.58	20.99	22.30	24.02	27.68

(₹ in crore)



The total debt of the State government increased from ₹4,671 crore in 2016-17 to ₹ 9,059 crore in 2020-21. During 2020-21, it increased by 27.68 per cent over previous year.

2.7.1 Debt profile: Components

Total debt of the State Government constitutes of Internal Debt (Market Loans, Special Securities issued to National Small Savings Fund and Loans from Financial Institutions, etc.), and Loans and Advances from the Central Government and Public Account liabilities. The status of outstanding Debt, Public Account liabilities, growth rate of debt, repayment of debt, ratio of debt to GSDP and the actual quantum of debt available to the State during the five-year period 2016-21 is given in **Table 2.42**, as also in **Chart 2.19**.

Table 2.42: Component wise debt trends

(*₹ in crore*)

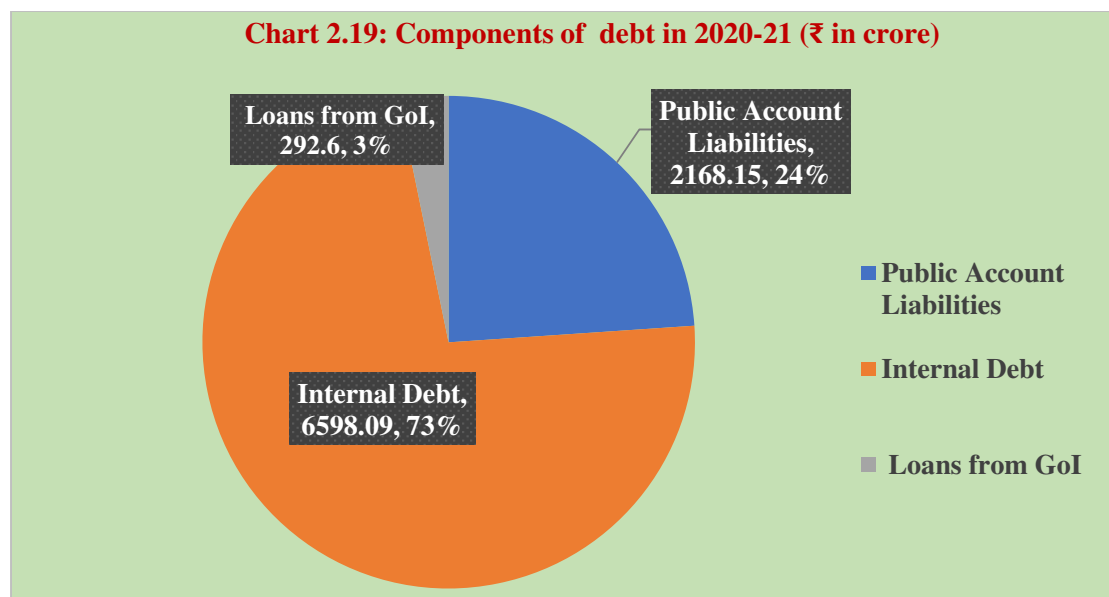
Particulars	2016-17	2017-18	2018-19	2019-20	2020-21	
Outstanding Debt	4,671.18	5,451.03	6,335.05	7,400.66	9,058.84	
Public Debt	Internal Debt	3,395.68	4,114.12	4,888.77	5,304.99	6,598.09
	Loans from GoI	110.45	102.85	97.52	100.72	292.60
Public Account Liabilities	1,165.05	1,234.07	1,348.77	1,994.95	2,168.15	
Rate of growth of outstanding Debt (in <i>per cent</i>)	17.92	16.69	16.22	16.84	22.40	
GSDP	20,687	25,971	28,402	30,809	32,724	
Debt/GSDP (in <i>per cent</i>)	22.58	20.99	22.30	24.02	27.68	
Percentage of Interest payment to Revenue Receipt	7.04	6.95	7.31	10.53	9.78	
Total Debt Receipts	2,038.98	2,016.99	2,007.04	2,294.67	2,765.71	
Total Debt Repayment	1,328.94	1,237.13	1,123.01	1,229.06	1,107.54	
Total Debt available	710.04	779.86	884.03	1,065.61	1,658.17	
Debt Repayment /Debt Receipts (in <i>per cent</i>)	65.18	61.34	55.95	53.54	40.04	

Source: Finance Accounts

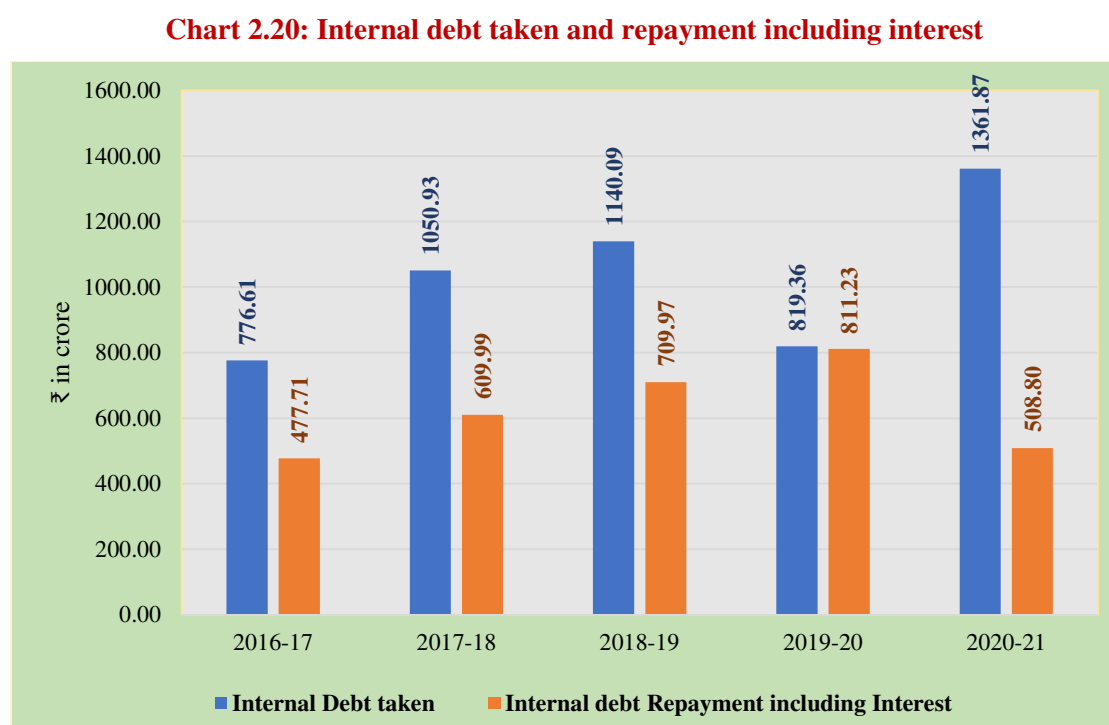
During the period 2016-21, total Outstanding Debt of the State increased by 93.93 *per cent* (₹ 4,87.66 crore) from ₹ 4,671.18 crore in 2016-17 to ₹9,058.84 crore in 2020-21. During the current year, it increased by 22.40 *per cent* over the previous year. The reasons for increase in Outstanding Debt were mainly due to increase in Market Loans (Internal Debt) and Loans and Advances from Central Government for State Plan Schemes under Public Debt. Further, there was a sharp increase in outstanding Public Account Liabilities during last two years. This was mainly due to increase in outstanding balances under Small savings, Provident Funds, etc., Reserve Funds and Deposits.

During the current year, against total debt receipts of ₹ 2,765.71 crore, the Government repaid ₹ 1107.54 crore. As a result, a total debt of ₹ 1,658.17 crore was available to Government during the year. The debt receipts of the State increased from ₹ 2,038.98 crore in 2016-17 to ₹ 2,765.71 crore in 2020-21. The debt receipts increased during the current year by ₹ 471.04 crore (20.53 *per cent*) over previous year. Similarly, the debt repayment of the State showed a decreasing trend from ₹ 1,328.94 crore in 2016-17 to ₹ 1,107.54 crore in 2020-21.

The ratio of Debt- GSDP ratio ranged between 20.99 *per cent* in 2017-18 to 27.38 *per cent* in 2020-21 which is above the target fixed by SFRBM Act (24.64 *per cent* for 2020-21) and target fixed by XV Finance Commission (24.60 *per cent* for 2020-21). Further, during 2016-21, Public Debt constituted on an average 76 *per cent* of total debt and the growth rate of Outstanding Debt outpaced the growth rate of GSDP (except 2017-18). These all indicate that there would be increased pressure of debt repayment including interest on Public Debt in forthcoming years.



The receipts and payments of internal debt as per the Finance Accounts during the period 2016-21 is elaborated in **Chart 2.20**.



Source: Finance Accounts

Internal debt of the Government, which had grown persistently during the period 2016-19, decreased by ₹ 320.73 crore in 2019-20 witnessing decrease of 28.13 per cent over previous year. There was sharp increase of ₹ 542.51 crore (66.21 per cent) during 2020-21 over previous year. The repayment of internal debt including interest increased persistently during the 2016-20, but decreased in 2020-21 by 37.28 per cent over previous year. Further, the Government had taken internal debt of ₹ 1,361.87 crore and repaid internal debt and interest amounting to ₹ 508.80 crore during 2020-21, thus net internal debt of ₹ 853.07 crore was available for the Government.

2.7.2 Debt profile: Maturity and Repayment

Debt maturity and repayment profile indicates commitment on the part of the Government for debt repayment or debt servicing.

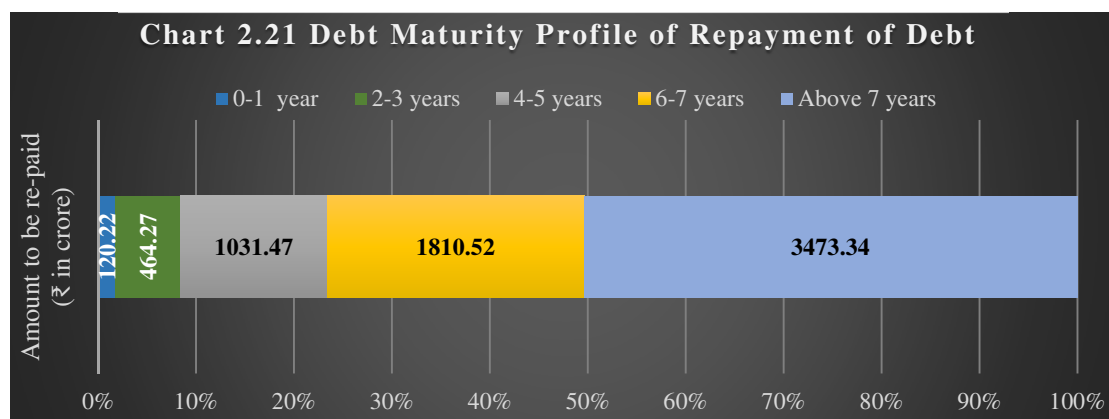
Table 2.43: Debt Maturity profile of repayment of State Debt

Period of Repayment (Years)	Amount (₹ in crore)	Percentage (w.r.t. Public Debt)
0 – 1	120.22	1.74
2 – 3	464.27	6.74
4 – 5	1,031.47	14.97
6 – 7	1,810.52	26.27
7 and above	3,473.34 ¹⁴	44.61
Total	6,899.82¹⁵	100.00

Source: Finance Accounts Vol-II, Annexure (b) (i) & (ii) (Maturity Profile) of Statement No. 17

Of the total outstanding Public Debt, Internal Debt consisting of market borrowings, loans from NABARD and Special Securities issued to NSSF constituted 95.75 per cent (₹ 6,598.09 crore). The maturity profile of outstanding stock of Public Debt as on 31 March 2021 indicates that out of total outstanding public debt of ₹6,899.82 crore, 49.66 per cent (₹ 3,426.48 crore) debt is payable within the next seven years which creates extra burden on the finances of the State. Considering the future financial constraint, GoS is required to augment its resources to meet the increasing debt repayment burden over the next seven years.

The year-wise maturity profile of repayment of debt is reflected in **Chart 2.21**.

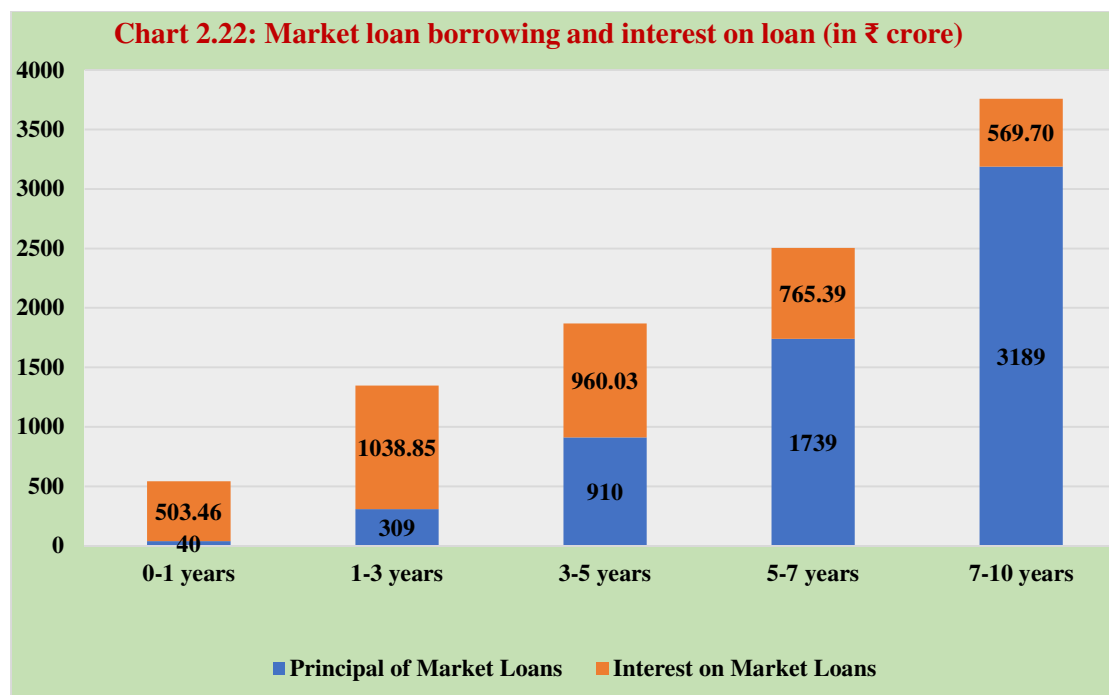


Repayment schedule of Market Loans

Debt maturity and repayment profile indicate commitment on the part of the Government for debt repayment or debt servicing. The details of maturity profile of Principal due on Market Loans and interest thereon is given in the **Chart 2.22**.

¹⁴ Scheme for Special Assistance as Loans to State for Capital Expenditure of ₹ 200 crore (interest free).

¹⁵ Difference of ₹9.13 crore is under reconciliation with Finance Department.



Source: Finance Accounts and Departmental figure

From the Chart above it could be seen that the maximum burden on State finances on account of repayment of principal and interest falls in 7 to 10 years range when principal of ₹3,189 crore and interest of ₹ 569.70 crore is payable.

2.8 Debt Sustainability Analysis (DSA)

Debt sustainability is defined as the ability of the State to service its debt now and in future. However, higher the level of public debt, the more likely it is that fiscal policy and public debt are unsustainable, as a higher debt requires a higher primary surplus to sustain it. A high level of debt raises a number of challenges:

- large primary fiscal surpluses are needed to service a high level of debt; such surpluses may be difficult to sustain, both economically and politically.
- a high level of debt heightens an economy's vulnerability to interest rate and growth shocks.
- a high debt level is generally associated with higher borrowing requirements, and therefore a higher risk of a rollover crisis (i.e., being unable to fulfill borrowing requirements from private sources or being able to do so only at very high interest rates).
- high levels of debt may be detrimental to economic growth; while lower growth is a concern in itself, it also has a direct impact on debt dynamics and debt sustainability in the long term.

Debt vulnerability is also associated with its profile. A high share of short-term debt at original maturity, increases vulnerability to rollover (re-financing risk) and interest rate risks. Sustainability of Public debt ensures that it does not explode and governments are not forced to increase taxes, or decrease spending.

❖ Debt Sustainability Indicators

Ratio of total outstanding debt to GSDP (in per cent)	The debt-to-GDP ratio is the metric comparing a state's public debt to its gross domestic product (GSDP). By comparing what a State owes with what it produces, the debt-to-GDP ratio reliably indicates that particular State's ability to pay back its debts. A falling debt/GSDP ratio can be considered as leading towards stability. If Debt/GSDP ratio is increasing rapidly and goes above a threshold, we can say that current level of the primary balance is not sufficient to stabilise the debt-to-GDP ratio, which is on an explosive path. Sufficient fiscal adjustment should be made by reducing the Fiscal Deficit (primary balance) to a level necessary to make public debt sustainable.
Ratio of revenue receipts to total outstanding debt	If the ratio is increasing, it would be easy for the government to repay its debt using revenue receipts only without resorting to additional debt.
Ratio of State's own resources to total outstanding debt	If the ratio is increasing, it would be easier for the government to repay its debt using its own resources.
Rate of Growth of Outstanding Public Debt vis-à-vis Rate of Growth of GSDP	If the growth rate of public debt is higher than the GSDP growth rate, it will lead to higher debt to GSDP ratio.
Average interest Rate of Outstanding Debt (Interest paid/OB of Public Debt + CB of Public Debt/2)	Higher interest rate means that there is scope for restructuring of debt.
Percentage of Interest payments to Revenue Receipt	Higher percentage of interest payments leaves less funds for priority areas. It measures the margin of safety a government has for paying interest on its debt during a given period. Governments need to have more than enough revenues to cover interest payments in order to survive future (and perhaps unforeseeable) financial hardships that may arise. If significant portion of borrowed funds are used for repayment of borrowings and interest thereon, the net debt available with State for development activities is curtailed.
Percentage of Public Debt Repayment to Public Debt Receipt	Higher the percentage, the greater the proportion of debt utilised for debt servicing rather than productively.
Net Debt available to the State	It is the excess of Public Debt Receipts over Public Debt repayment and Interest payment of Public Debt.
Debt Maturity profile of repayment of State debt – including default history, if any	A high share of short-term debt at original maturity, increases vulnerability to rollover (re-financing risk) and interest rate risks. The past record of repayments as per schedule in conjunction with the proportion of debt repayable in the forthcoming seven years, is indicative of debt servicing position.

Table 2.44 shows the debt sustainability of the State according to these indicators for the five-year period beginning from 2016-17.

Table 2.44: Trends in debt Sustainability indicators

(₹ in crore)

Debt Sustainability Indicators	2016-17	2017-18	2018-19	2019-20	2020-21
Outstanding Public Debt*	3,506.13	4,216.97	4,986.29	5,405.72	6,890.69
Rate of Growth of Outstanding Public Debt	18.09	20.27	18.24	8.41	27.47
Rate of Growth of Revenue receipts	21.83	13.07	13.57	-18.23	15.83
GSDP	20,687	25,971	28,402	30,809	32,724
Rate of Growth of GSDP	14.71	25.54	9.36	8.47	6.22
Public Debt/GSDP(percentage)	16.95	16.24	17.56	17.55	21.06
Debt Maturity profile of repayment of State debt – including default history, if any	246.26	342.63	375.88	413.78	79.75
Public Debt Receipts	783.34	1053.46	1145.21	833.21	1564.71
Public Debt Repayment	246.26	342.63	375.88	413.78	79.75
Interest paid on outstanding Public debt	253.14	287.51	353.93	417.06	450.05
¹⁶ Average interest Rate of Outstanding Public Debt (per cent)	7.82	7.45	7.69	8.03	7.16
Percentage of Interest payment (Public Debt) to Revenue Receipt	5.49	5.52	5.98	8.61	8.03
Percentage of Public Debt Repayment to Public Debt Receipt	31.43	32.52	32.82	49.66	5.10
Net Public Debt available to the State [#]	283.94	423.32	415.4	2.37	1034.91
Net Debt available as per cent to Debt Receipts	13.93	20.99	20.70	0.10	66.14
¹⁷ Debt Stabilization (Quantum spread + Primary Deficit)	652.26	158.37	105.86	-1295.27	-1789.90
Total o/s Debt/Liabilities at the end of year	4,671.18	5,451.04	6,335.06	7,400.67	9,058.84
Total Debt Receipts	2,038.98	2,016.99	2,007.04	2,294.67	2,765.71
Primary Deficit(-)/Surplus(+)	410.69	-99.71	-209.27	-1,571.5	-1,725.13

Source: Finance Accounts of the State and GSDP by DESME/Economic Advisor;

*Outstanding Public Debt is the sum of outstanding balances under the heads 6003-Internal Debt and 6004- Loans and Advances from the Central Government.

[#]Net debt available to the State Government is calculated as excess of Public debt receipts over Public debt repayment and interest payment on Public Debt.

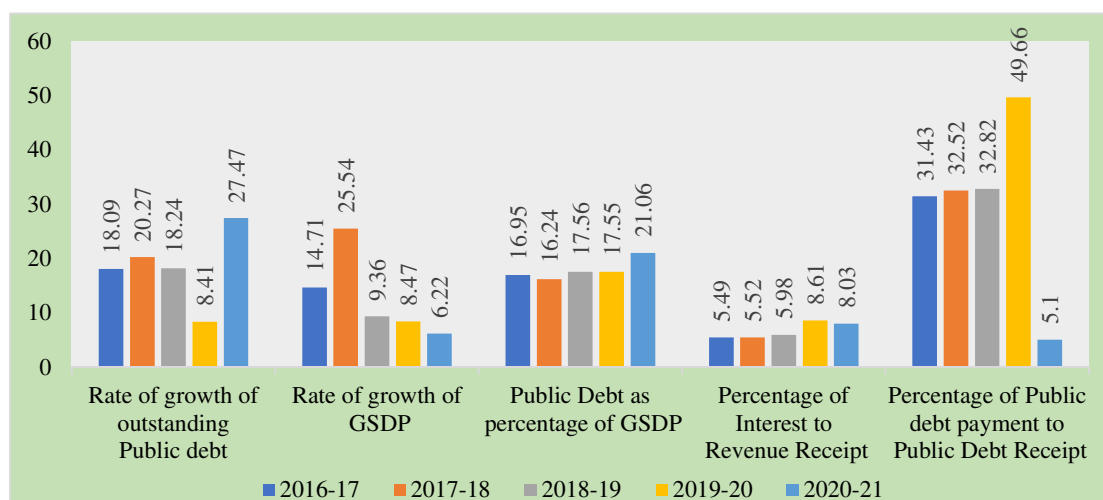
The growth rate of revenue receipts has generally been lower than the growth rate of debt during the last five years, except during 2016-17, where the debt decreased at a significantly lower rate than the Revenue Receipts. The burden of interest payment ranged from 5.49 per cent to 8.03 per cent of the Revenue Receipts during 2016-21. The Public Debt- GSDP ratio ranged between 16.95 per cent in 2016-17 to 21.06 per cent in 2020-21. Net Public Debt available to the State was positive during the five years' period ending 2020-21. Net Public Debt available sharply increased from ₹ 2.37 crore in 2019-20 to ₹1,034.91 crore in 2020-21 registering an increase of 43,567 per cent. This was mainly due to decrease in public debt repayment by 80.72 per cent and increase in Public debt receipts by 87.79 per cent during 2020-21 as

¹⁶ Example for 2020-21 Average interest rate calculation= Total O/s debt ₹ 5405.72cr (2019-20)
Plus Total O/s debt ₹6890.69 cr (2020-21)
Average O/s Debt = ₹12296.41 cr/ 2 = ₹ 6148.21 cr
Interest paid during 2020-21=₹ 440.03 cr
Average interest rate in per cent =₹ 440.03/ ₹ 6148.21 x 100= 7.16 per cent

¹⁷ Example for 2020-21[{(Rate of growth of GSDP – Average Interest rate on O/s Pub Debt)/100} * O/s Public Debt] + Primary Deficit or Surplus

compared to previous year. The Debt-repayment/ Debt receipts ratio sharply decreased to 5.10 per cent in 2020-21 from 49.66 per cent in 2019-20.

Chart 2.23: Trends of Debt Sustainability indicators



2.8.1 Utilisation of borrowed funds

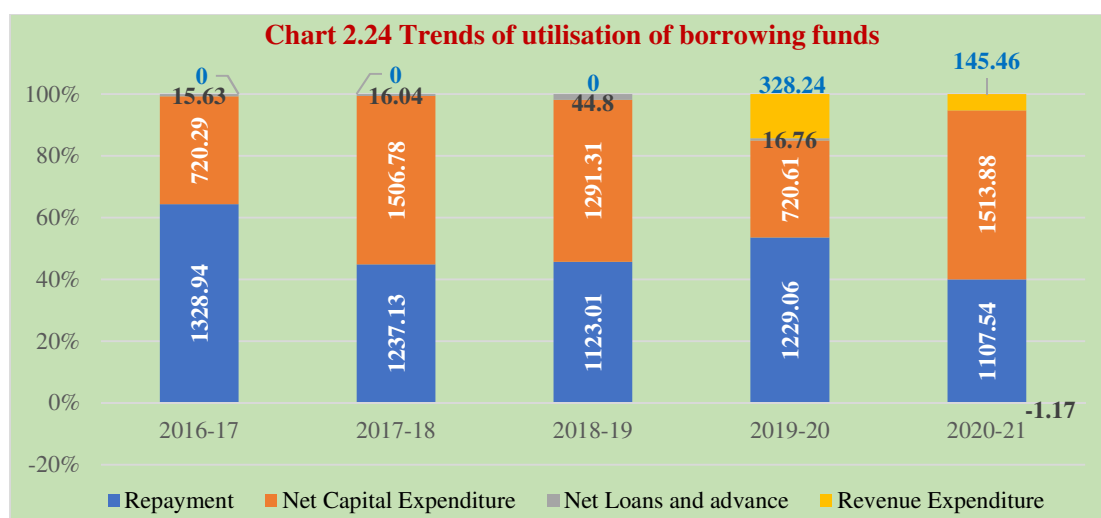
The table below shows the utilization of borrowed funds by the State.

Table 2.45: Utilisation of borrowed funds

(₹ in crore)

1	Year	2016-17	2017-18	2018-19	2019-20	2020-21
2	Total Borrowings	2,038.98	2,016.99	2,007.04	2,294.67	2,765.71
3	Repayment of earlier borrowings (Principal)	1,328.94	1,237.13	1,123.01	1,229.06	1,107.54
	(Percentage)	65.18	61.34	55.95	53.54	40.05
4	Net capital expenditure	720.29	1,506.78	1,291.31	720.61	1,513.88
	(Percentage)	35.33	74.70	64.34	31.39	54.74
5	Net loans and advances	15.63	16.04	44.80	16.76	(-)1.17
	(percentage)	0.77	0.80	2.23	0.73	-0.04
6	Portion of Revenue expenditure met out of net available borrowings	0	0	0	328.24	145.46
(2-3-4-5)	(percentage)	--	--	--	5.31	2.28

Source: Finance Accounts



During the period 2016-21, the total borrowings of the State have increased from ₹ 2,038.98 crore in 2016-17 to ₹ 2,765.71 crore in 2020-21, with an increase of ₹ 726.73 crore (36 per cent). However, the repayments of earlier borrowings had decreased from ₹ 1,328.94 crore in 2016-17 to ₹ 1,107.54 crore in 2020-21. There was a fluctuating trend in net capital expenditure. Though the net capital expenditure of the State dropped to ₹ 720.60 crore during 2019-20 as compared to 2018-19, but it sharply rose to ₹ 1,513.88 crore in 2020-21 (54.74 per cent of the total borrowings).

2.8.2 Status of Guarantees – Contingent Liabilities

Guarantees are contingent liabilities on the Consolidated Fund of the State in case of default by the borrower for whom the guarantees are extended. The Sikkim Government Guarantees Act, 2000, stipulates that the total outstanding Government guarantee as on the 1st day of April of any year shall not exceed thrice the Tax receipts of the second preceding year and that the State Government shall charge guarantee commission of minimum one per cent which shall not be waived under any circumstances. The details of outstanding guarantees given by the State Government including interest liability during the five-year period 2016-21 are shown in **Table 2.46**.

Table 2.46: Guarantees given by the State Government

Guarantees	(₹ in crore)				
	2016-17	2017-18	2018-19	2019-20	2020-21
Maximum amount Guaranteed	517.90	648.71	3,849.19	3,941.97	4,527.71
Ceiling applicable to the outstanding amount of guarantees including interest (Criteria)	1,582.62	1,700.46	1,957.68	2,064.99	2,678.76
Outstanding amount of guarantees including interest at the beginning of the year	89.17	441.49	425.45	3,455.04	3,749.32

Source: Finance Accounts

The total guarantees (principal plus interest) outstanding as on 1 April 2020 was ₹ 3,455.04 crore, which exceeded the prescribed limit of thrice the total Tax Receipts (₹ 892.92 crore) of 2018-19.

During 2020-21, State Government has issued two fresh guarantees to SIDICO (Bank of Maharashtra and HUDCO) amounting to ₹ 584.70 crore. During this financial year, guarantee commission of ₹ 5.85 crore was receivable and ₹ 1.04 crore was received, resulting in short-receipt of ₹ 4.81 crore. The position of guarantees reported in Statement 9 and 20 of the Finance Accounts is based on information received from the State Government and annexure to Budget document and has been prepared as per the IGAS 1 notified by the GoI.

2.8.3 Cash Balances

Under a resolution passed by the State Government in the year 1968-69, the State Bank of Sikkim (SBS) is vested with the responsibility of receiving money on behalf of State Government and making all Government payments and keeping custody of the cash balances of the Government. The arrangement continued after merger of Sikkim into the Indian Union.

Position of cash balances and investments of cash balances of the State Government at the end of 2019-20 and 2020-21 is shown in **Table 2.47**.

Table 2.47: Cash Balances and their investments

(₹ in crore)

Particulars	Opening balance on 1 April 2020	Closing balance on 31 March 2021
A. General Cash Balance		
Cash in treasuries	--	--
Deposits with State Bank of Sikkim	299.96	34.99
Deposits with other Banks	81.22	52.95
Remittances in transit – Local	0.00	0.00
Total	381.18	87.94
Investments held in Cash Balance investment account	1,149.90	1,309.56
Total (A)	1,531.08	1,397.50
B. Other Cash Balances and Investments		
Cash with departmental officers viz., Public Works, Forest Officers	0.95	0.95
Permanent advances for contingent expenditure with department officers	0.46	0.48
Investment in earmarked funds	552.08	593.31
Total (B)	553.49	594.74
Total (A + B)	2,084.57	1992.24
Interest realized	130.50	117.46

Source: Finance Accounts

There was a decrease of ₹ 92.33 crore (4.30 per cent) in cash balance of Government as on 31 March 2021 as compared to previous years balance.

As per the Finance Accounts of 2020-21, as on 31 March 2021, Government's cash balance with banks was ₹ 87.94 crore. Out of this, balance of ₹ 34.99 crore and ₹ 52.95 crore were with SBS and other banks respectively. However, as per the records of the SBS, the Cash Balance of the Government stood at ₹ 0.28 crore, leaving an un-reconciled balance of ₹ 34.71 crore.

During the current year, *i.e.*, 2020-21, the cash balance stood at 19.08 per cent of the budget of the State (₹ 10,440.51 crore).

The trend analysis of the cash balance investment of the State during 2016-21 revealed that investment was growing significantly till 2018-19, but during 2019-20, the cash balance investment dipped enormously by ₹ 1,506 crore (57 per cent) as compared to previous year. In 2020-21, it was again increased by ₹160 crore. The status of cash balance investment for period 2016-21 is shown in **Table 2.48**.

Table 2.48: Cash Balance Investment Account (Major Head-8673)

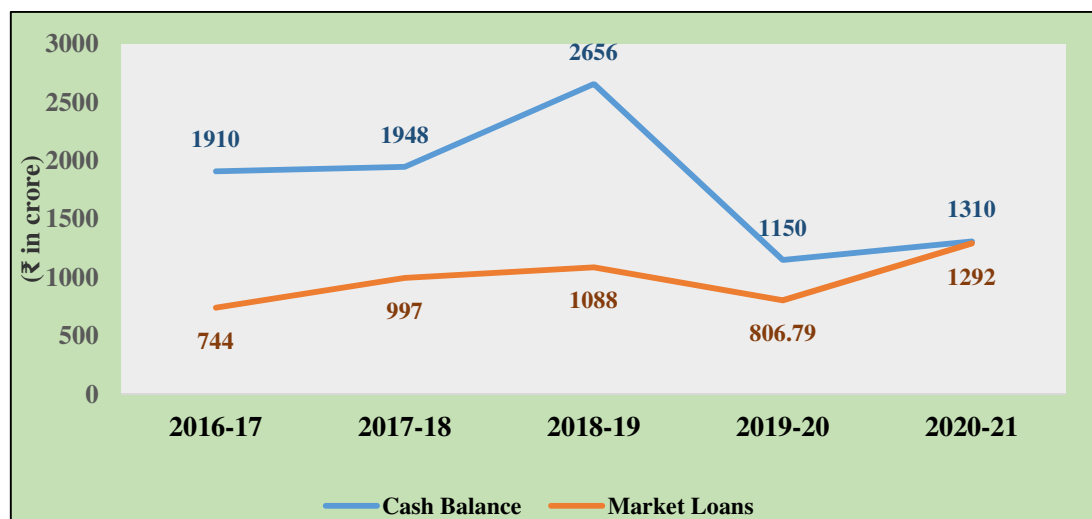
(₹ in crore)

Year	Opening Balance	Closing Balance	Increase (+) / decrease (-)	Interest earned
2016-17	1,151	1,910	759	68.79
2017-18	1,910	1,948	38	110.68
2018-19	1,948	2,656	708	116.69
2019-20	2,656	1,150	-1,506	130.50
2020-21	1,150	1,310	160	117.46

Source: St. 21 and St 14 of Finance Accounts.

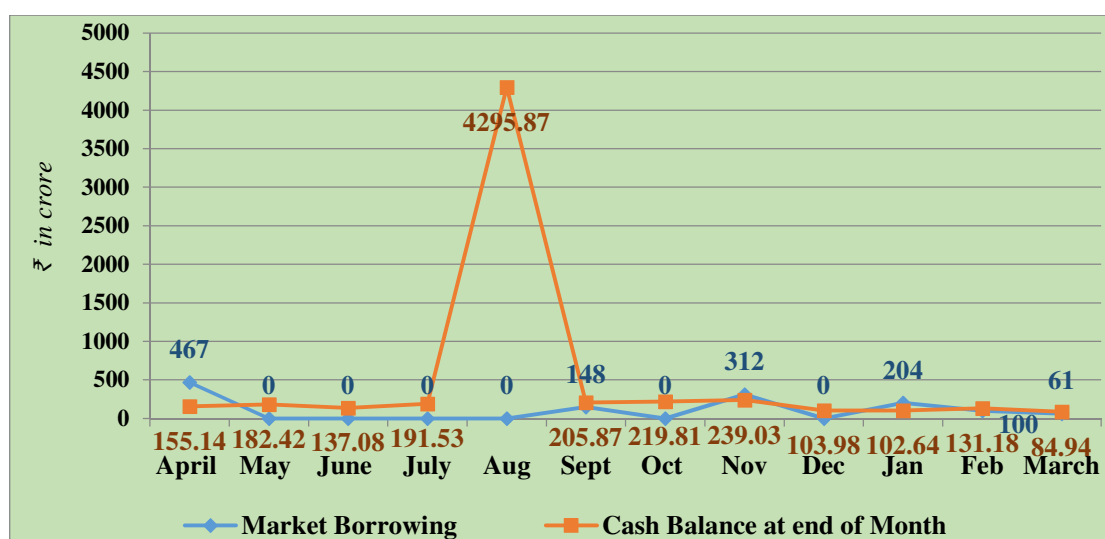
Chart 2.25 compares the Cash Balance and the Market Loans taken by the State during the period 2016-21. Market Loans were taken at higher interest rates whereas investment in Bank yielded interest at lower rates.

Chart 2.25: Market loans vis-à-vis Cash Balance



Source: Finance Accounts

Chart 2.26: Month wise movement of Market Loan and Cash Balance during the year 2020-21



Source: VLC Data of 2020-21

2.9 Conclusion

- During the five-year period of 2016-21, State had maintained Revenue Surplus till 2018-19, but had huge Revenue Deficit of ₹ 1,343.81 crore during 2019-20, though it was able to reduce the deficit to ₹ 760.83 crore during 2020-21.
- Similarly, after successfully containing the Fiscal Deficit below three *per cent* of GSDP during 2016-19, the State's Fiscal Deficit was 6.95 *per cent* of GSDP during 2020-21. Thus, the State failed to achieve targets of SFRBM Act, in respect of these two parameters during 2020-21.
- Revenue Receipts during the year 2020-21 increased (by ₹766.55 crore) from ₹4,841.27 crore in 2019-20 to ₹5,607.82 crore in 2020-21 (by 20.81 *per cent*). State's Own Revenue (₹ 1,663.81 crore) decreased by ₹ 34.82 crore (2.09 *per cent*) compared to the previous year (₹ 1,628.99 crore), while Grants-in-Aid from GoI increased by ₹ 794.66 crore (90.11 *per cent*) and State's Share of Union taxes and Duties increased by ₹ 6.71 crore (0.29 *per cent*) during 2020-21 as compared to the previous year.
- About 29.05 *per cent* of the Revenue Receipts during 2020-21 came from the State's own resources, while Central Tax Transfers and Grants-in-aid together contributed 70.96 *per cent*. This is indicative of the fact that the State's fiscal position is largely dependent on Central Tax transfers and Grants-in-aid from GoI.
- During the period 2016-21, Total Expenditure of the State increased by 74.19 *per cent* (₹3,357.16 crore) from ₹ 4,525.37 crore in 2016-17 to ₹ 7,882.53 crore in 2020-21. During the current year, it increased by 13.86 *per cent* over the previous year. The ratio of Total Expenditure of the State to GSDP fluctuated between 21.85 *per cent* and 24.09 *per cent* during 2016-21.
- Revenue Expenditure during the year 2020-21 was ₹ 6,368.65 crore (80.79 *per cent*) against the Total Expenditure of ₹ 7,882.53 crore. During the year, Committed Expenditure like salary & wages, pension, interest payments decreased by ₹ 412 crore (9.98 *per cent*) from ₹ 4,537.13 crore during 2019-20 to ₹ 4,125.13 crore during 2020-21. The Committed Expenditure during 2020-21 was 73.55 *per cent* of the total Revenue Receipts (₹ 12,982.65 crore) and 64.77 *per cent* of the total Revenue Expenditure (₹ 12,428.47 crore) .
- Capital Expenditure is the expenditure incurred for creation of fixed infrastructure assets such as roads, building, *etc*. It is noticed that Capital Expenditure of the State had decreased from ₹ 1,506.78 crore in 2017-18 to ₹ 720.61 crore in 2019-20, but it increased to ₹ 1,513.88 crore in 2020-21, registering an increase of 110.08 *per cent* as compared to 2019-20.
- Fiscal Liabilities of the State increased by 22.41 *per cent* from ₹ 7,400.67 crore in 2019-20 to ₹ 9,058.84 crore in 2020-21. During 2020-21, total Public debt receipts was of ₹ 1,564.72 crore and the Government repaid ₹ 79.75 crore. There was an addition of ₹ 1,292 crore of Market Loans in 2020-21. The Public debt receipts of the State increased by ₹ 731.51 crore (87.79 *per cent*) over previous year.

- Out of total outstanding Public Debt, 49.72 *per cent* (₹ 3,426.48 crore) of Public debt is payable within the next seven years. Of the total outstanding Public Debt, internal debt consisting of market borrowings, loans from NABARD and Special Securities issued to NSSF constituted 95.75 *per cent* (₹ 6,598.09 crore).
- The growth rate of Revenue Receipts has generally been lower than the growth rate of debt during the 2016-21 (except 2016-17). The burden of interest payment was 8.03 *per cent* of the Revenue Receipts during 2020-21. Though Net Debt available to the State was positive during the five years period ending 2020-21, there was a sharp increase in Net Debt available, from ₹ 2.37 crore in 2019-20 to ₹ 1,034.91 crore in 2020-21.
- The Government had not transferred ₹ 83.12 crore under National Pension System to the NSDL as on 31 March 2021. Thus, current liability stood deferred to future year(s) and State had created an interest liability on un-transferred funds.
- The return from investments made in State Public Sector Undertakings (SPSUs) was only 2.61 *per cent* during 2020-21 and some of the PSUs were incurring recurring losses.
- Out of 251 incomplete projects, 60 projects for which the State had spent ₹ 233.26 crore were as of 31 March 2021, were pending for five years or more.
- During 2020-21, the State Government received ₹17.12 crore towards State Compensatory Afforestation Fund, out of total fund only ₹47.72 crore was spent and there was an unspent balance of ₹ 331.83 crore. The State Government may review the status of the Fund for appropriate action.
- Out of ₹0.21 crore cess collected under the Ecology & Environment Fund during 2020-21 the State Government has not transferred to the Fund. Also the State Government had not utilized the Cess for last two years. The State Government may increase its spending out of the Cess collected.
- There was un-reconciled cash balance of ₹ 34.71 crore as per accounts of the Government and the records of State Bank of Sikkim.
- Huge cash balances (Month-wise) ranging between ₹34.90 crore and ₹4,207.96 crore, were maintained in Government account with SBS during 2020-21. No minimum cash limit had been prescribed by the Government.

2.10 Recommendations

- *The State Government may make concrete efforts to augment own resources of revenue to bridge the mismatch between revenue receipts and expenditure and reduce its fiscal deficit.*
- *Considering the increasing outstanding debt of the State, the Government may take appropriate steps to rationalise its committed revenue expenditure.*

- *To avoid liabilities under NPS, the State Government needs to transfer the outstanding funds already accumulated to NSDL, for management of the NPS. They may strictly monitor the allotment of PRAN to the employees.*
- *The State Government needs to prioritise completion of incomplete projects in a planned manner with periodical review and monitoring mechanism at the highest level of administration so as to avoid time and cost inefficiencies. They need to specifically monitor those projects, which are being executed out of borrowed funds and pose a consequential extra financial burden on the Government.*
- *Increasing trend of debt maturity profile vis-à-vis the level of borrowings needs to be reviewed so as to ensure that mobilised financial resources are used adequately for incurring capital expenditure for creation of assets. The increasing trends of Revenue Expenditure be corrected by identifying potential wasteful expenditure and adopting economy measures across departments.*
- *The Government should frame a policy on prudent cash balance management and ensure reconciliation with State Bank of Sikkim.*

**CHAPTER-III:
BUDGETARY MANAGMENT**

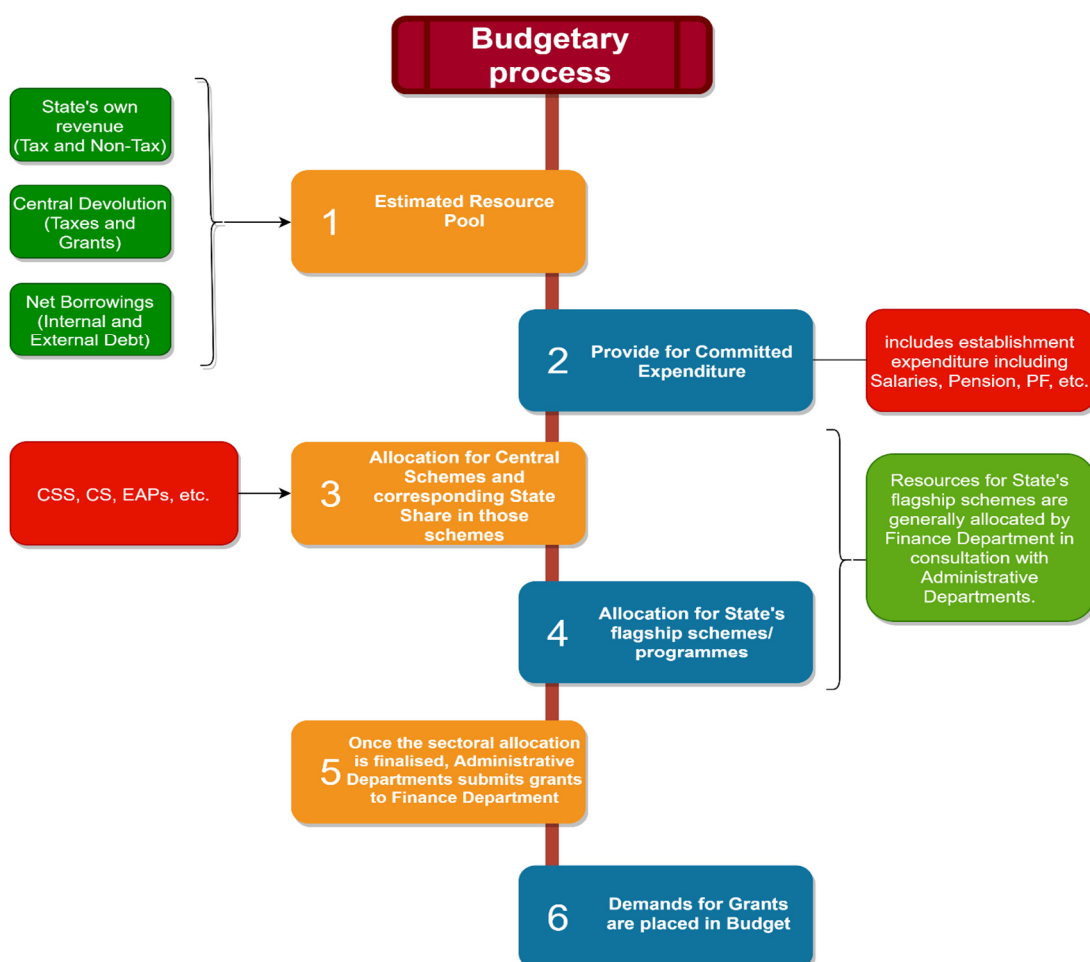
Chapter III: Budgetary Management

This chapter is based on the Appropriation Accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management

3.1 Budget Process

The annual exercise of budgeting is a means for detailing the roadmap for efficient use of public resources. The Budget process commences with the issue of the Budget Circular, normally in August each year, providing guidance to the departments in framing their estimates, for the next financial year. A typical budget preparation process in a State is given in **Chart-3.1**.

Chart -3.1



CSS: Centrally Sponsored Schemes; CS: Central Schemes

The Finance Bill, Annual Financial Statement (Budget), and Demands for Grants are mandated by Article 199, 202 and 203 of the Constitution of India respectively.

Article 202 of Constitution of India requires laying of a statement of, estimated receipts and expenditure of the State for that year, as the "Annual Financial Statement" before

the House or Houses of the Legislature of the State. The Annual Financial Statement should show expenditure charged on Consolidated Fund and other expenditure separately. It shall also distinguish expenditure on revenue account from other expenditure.

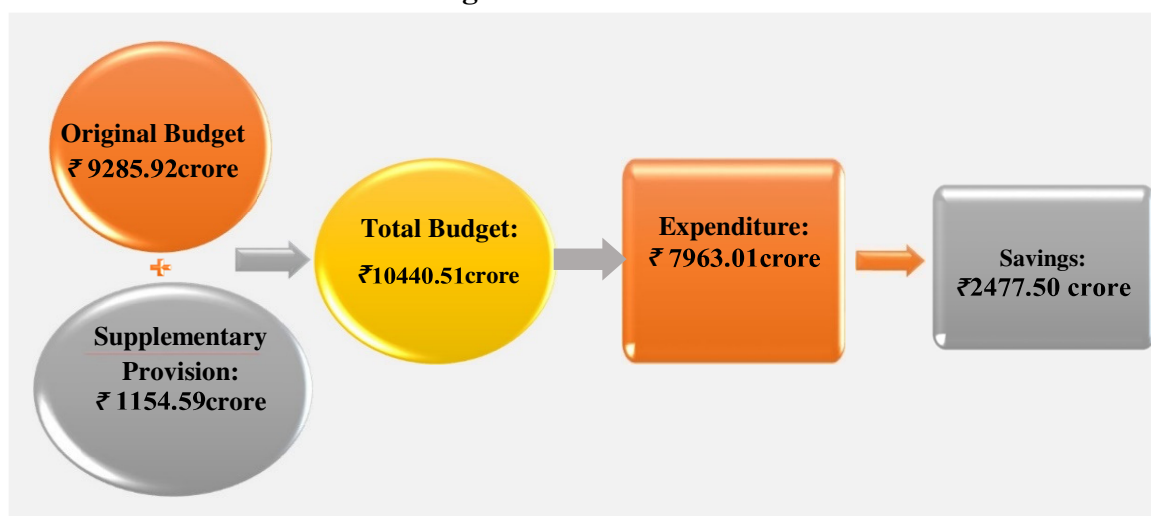
The Annual Financial Statement, also called general budget is placed prior to the commencement of the financial year in the State Legislature, in accordance with Article 202 of the Constitution. The estimates of receipts and disbursements in the Annual Financial Statement and of expenditure in the Demand for Grants are shown according to the accounting classification under Article 150 of the Constitution.

No money shall be withdrawn from the Consolidated Fund of the State except under appropriation made by law passed in accordance with provisions of Article 204 of the Constitution. Supplementary or Additional Grant or Appropriation is provided during the course of a financial year, in accordance with Article 205 of the Constitution. It is the provision for meeting expenditure in excess of the budgeted amount.

Legislative authorisation is the *sine qua non* for incurrence of all expenditure by the State Government. To guide individual Government Departments, the State Governments frame financial rules and provide for delegation of financial powers. These delegations establish limits for incurrence of expenditure and the levels authorised to sanction such expenditure together with restrictions on appropriation and re-appropriations.

Apart from supplementary grant, Re-appropriation can also be used to re-allocate funds within a Grant. Re-appropriation is the transfer, by competent authority, of savings from one unit of appropriation to meet additional expenditure under another unit within the same section (Revenue-Voted, Revenue-Charged, Capital-Voted, Capital-Charged) of the Grant or Charged Appropriation. The budget of Government of Sikkim for the year 2020-21 consisted of 47 Demand for Grants/ Appropriations. The various components of budget are depicted in the **Chart 3.2**.

Chart 3.2: Budget and its utilisation in 2020-21



Source: Appropriation Accounts-2020-21

The above chart indicates that three Supplementary Demands for Grants (September 2020, January 2021 and March 2021) of ₹1,154.59 crores was not required as the gross expenditure (₹7,963.01 crore) was less than the Original Provisions (₹9285.92 crore) by ₹1,322.91 crore (14.25 per cent). It is pertinent to mention that total expenditure as on 28 February 2021 was only ₹6,216.95 crore (as per data made available/ submitted by the Treasuries), which is 59.55 per cent of Total Budget Estimates. This was indicative of over estimation and poor financial management.

3.1.1 Summary of total provisions, actual disbursements and savings

A summarised position of total budget provision, disbursement and savings/ excess with its further bifurcation into Voted/Charged is given as under:

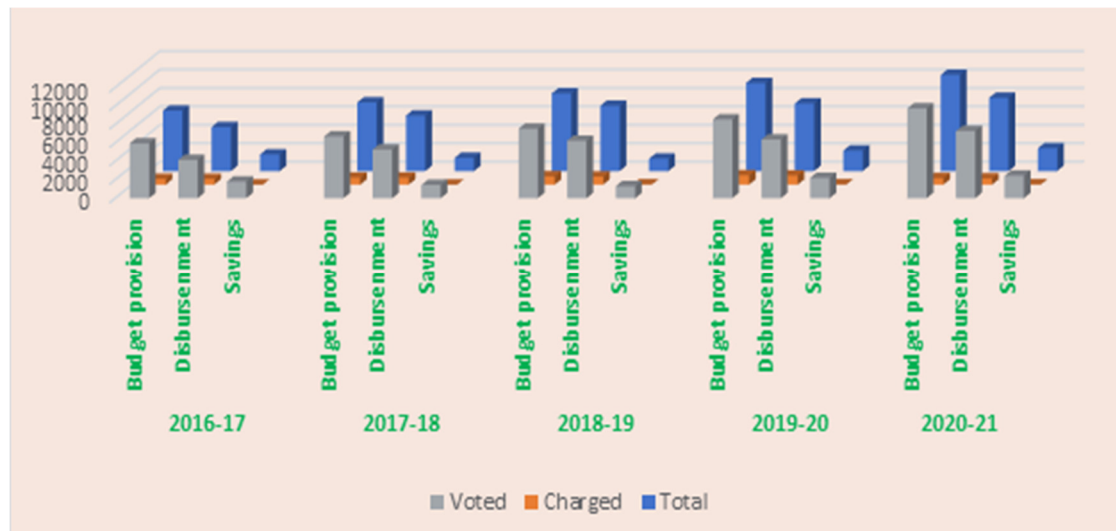
Table 3.1: Budget provision, disbursement and savings during 2016-21

(₹ in crore)

Year	Total Budget provision			Disbursements			Savings (Net)		
	Voted	Charged	Total	Voted	Charged	Total	Voted	Charged	Total
2016-17	5957.34	611.75	6569.09	4164.04	608.11	4772.15	1793.30	3.64	1796.94
2017-18	6707.65	756.13	7463.78	5273.05	746.02	6019.07	1435.37	10.11	1445.48
2018-19	7534.24	893.71	8427.95	6222.87	860.54	7083.41	1311.49	33.17	1344.66
2019-20	8554.34	1008.46	9562.80	6359.04	977.99	7337.03	2195.30	30.47	2225.77
2020-21	9737.12	703.39	10440.51	7283.93	679.08	7963.01	2453.19	24.31	2477.50

Source: Appropriation Accounts

Chart 3.3: Budget Provision, Disbursement and Savings during 2016-21 (₹ in crore)



3.2 Appropriation Accounts

Appropriation Accounts provide details of expenditure of the Government for the financial year, compared with the amounts of the Voted Grants and Charged Appropriations for various purposes specified in the schedules appended to the Appropriation Act passed by the Legislature. These Accounts depict the original budget provision, supplementary grants, savings, surrenders and re-appropriations distinctly and indicate actual Capital and Revenue expenditure on various specified services

vis-à-vis those authorised by the Appropriation Act. Appropriation Accounts are therefore, complementary to Finance Accounts. Details of the original and supplementary budget allocation, expenditure and savings as per the Appropriation Accounts of the State for the year 2020-21 are depicted in **Chart 3.2**.

Audit of appropriations by the CAG seeks to ascertain whether the expenditure actually incurred under various grants is in accordance with the authorisation given under the Appropriation Act and that the expenditure required to be charged under the provisions of the Constitution (Article 202) is so charged. It also ascertains whether the expenditure incurred is in conformity with the laws, relevant rules, regulations and instructions.

3.3 Comments on integrity of budgetary and accounting process

3.3.1 Unnecessary or excessive supplementary grants

As per Rule 86 of Sikkim Financial Rule (SFR), 1979, as amended in 2013, Supplementary Grants are provided if the sanctioned budget for any service in a financial year is found to be insufficient in that year or when a need has arisen during that year for supplementary or additional expenditure not contemplated in the original budget for that year. The Head of the Department concerned shall arrange to obtain the necessary supplementary grants or appropriations in accordance with the provisions of Article 205 (1) of the Constitution.

Supplementary provision aggregating ₹ 432.54 crore obtained in September 2020, January 2021 and March 2021 (₹ 50.00 lakh or more in each case) pertaining to 29 cases (21 Revenue Grants and eight Capital Grants) proved unnecessary as the total expenditure did not come up to the level of original provision. Details relating to the actual expenditure incurred against the original budget allocation and supplementary provision are given in **Appendix 3.1**.

3.3.2 Unnecessary or excessive re-appropriation

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. As per the Appropriation Accounts, re-appropriations under 29 Heads of Account proved either excessive or insufficient and resulted in savings/ excess of over ₹ 10.00 lakh in each case, as detailed in **Table 3.2**.

Table 3.2: Statement showing excessive/ unnecessary/insufficient Re-appropriation (savings/excess of over ₹ 10 lakh) of funds

(₹ in lakh)

Sl. No.	Number and name of Grant	Head of Account	Provisions				Actual Expd	Excess (+) Saving (-)
			Original	Supplementary	Re-appropriation	Total		
1	2-Animal Husbandry	4405-101-72	20.00	11.14	(-)10.00	21.14	10.00	- 11.14
2	6-Ecclesiastical	2250-103-60	1117.30	-	(-)954.24	163.06	100.09	- 62.97
3	7- Education	2202-01-101-63	40870.97	-	(-)6427.31	34443.66	34509.99	+66.33

Sl. No.	Number and name of Grant	Head of Account	Provisions				Actual Expd	Excess (+) Saving (-)
			Original	Supplementary	Re-appropriation	Total		
4	7- Education	4202-01-203-70	976.13	7230.27	(-)177.82	8028.58	7546.39	-482.19
5	10- Finance	2043-101	920.16	-	(-)93.81.00	826.35	715.60	-110.75
6	10- Finance	2075-797-61	1500.00	-	(-)750.00	750.00	-	- 750.00
7	10- Finance	2071-01-104-60	11700.00	-	(+)1961.88	13661.88	13747.44	+85.56
8	12-Forest	3435-03-101-12	548.40	0.01	(-)329.40	219.01	162.78	-56.23
9	13- Health	2210-01-001-60	2923.97	-	(-)364.57	2559.40	2596.37	+ 36.97
10	13- Health	2210-01-800	6516.00	338.00	(-)57.62	6796.38	6756.87	-39.51
11	13- Health	2210-03-101	3236.06	-	(-)1474.19	1761.87	2253.53	+491.66
12	13- Health	2210-01-103	3881.47	-	(-)296.23	3585.24	3079.02	-506.22
13	13- Health	4210-01-110-60	1226.51	3930.00	(-)680.95	4475.56	4378.57	-96.99
14	14- Home	2013-106-60	331.00	-	(+)87.24	418.24	356.55	- 61.69
15	14- Home	2052-090-44	293.56	-	(+)92.86	386.42	350.86	- 35.56
16	14- Home	4059-01-051	1826.97	218.00	(-)399.83	1645.14	1381.48	- 263.66
17	19-Water	2702-01-103-62	100.00	2725.00	(-)100.00	2725.00	-	-2725.00
18	Resources	2711-01-103-60	1000.00	2000.00	(-)200.00	2800.00	2413.80	-386.20
19	26-Motor Vehicles	2052-090-27	1203.48	33.58	(-)674.77	562.29	511.88	-50.41
20	29-Planning Development	4575-06-101	4380.00	1626.00	(-)0.29	6005.71	5705.13	-300.58
21		2055-003-62	333.25	-	(-)3.05	330.20	265.10	-65.10
22	30- Police	2055-101-63	1364.90	82.00	(-)391.15	1055.75	979.84	- 75.91
23		2055-115-19	722.20	500.00	(-)530.60	691.60	640.79	- 50.81
24	33-PHE	4215-01-101-72	1408.83	-	(-)42.75	1366.08	206.87	-1159.21
25	35- Rural Dev	3054-04-799-36	50.00	-	(-)45.93	4.07	31.66	+35.73
26	38-Social	2235-03-101-60	6112.00	33.86	(-)40.00	6105.86	5857.87	-247.99
27	Justice	2236-02-101	1624.83	-	(-)963.90	660.93	419.58	- 241.35
28	40-Tourism	3452-01-101-60	2351.27	50.00	(-)192.88	2208.39	2137.71	-70.68
29	41-Urban Dev	4217-03-051-62	324.65	-	(-)204.19	120.46	188.92	+68.46

Source: Appropriation Accounts

From the table above, it can be seen that the re-appropriations proved unnecessary in 23 cases, as the re-appropriated amount ultimately resulted in savings of ₹ 10 lakh or more in each case. Similarly, in six cases, there was excess of more than ₹ 10 lakh in each case.

Substantial savings/ excesses in respect of Heads of Account where re-appropriation was resorted to, reflects poorly on planning and monitoring of budget allocation and its utilisation by the State Government.

3.3.3 Unspent and surrendered appropriations and/ or large savings/ surrenders

Complete accuracy of estimates may not always be possible; but where the omission or inaccuracy is the result of lack of forethought, neglect of the obvious or slipshod estimating, it is not readily excusable. The golden rule for all Estimating Officers should be to provide in the budget for everything that can be foreseen and to provide only as much as is necessary. The Administrative and Finance Departments should, in checking the estimates, apply unrelentingly the proven and well-tried check of average of previous actuals with known or reasonably foreseeable facts which may modify that

average. When the need for surrender manifests itself, the Controlling Officers should carefully estimate the amounts that they can surrender. The aim should be to surrender as much as they can so as to keep the expenditure within the modified Grant.

Audit analysed the instances of savings of more than ₹ one crore and surrenders more than ₹ 50 lakh to assess utilisation of budget allocation, the quantum of savings, percentage of surrenders as compared to total savings. The details are given in **Appendix 3.2**.

It was observed that in 39 Grants, there were substantial savings of ₹ 2,373.08 crore that ranged from ₹ 1.03 crore to ₹ 221.82 crore under Revenue Section and from ₹ 1.11 crore to ₹ 526.45 crore under Capital Section. The percentage of utilisation of total provision in Revenue Section ranged between 39.19 per cent and 97.23 per cent and in Capital Section between zero per cent and 93.75 per cent. It was seen that against total savings of ₹ 2,373.08 crore, an amount of ₹ 2,002.39 crore was surrendered and thus ₹ 373.43 crore was not surrendered.

It was observed that in seven Grants there were excess surrenders. Out of these, four cases with significant amounts are mentioned below:

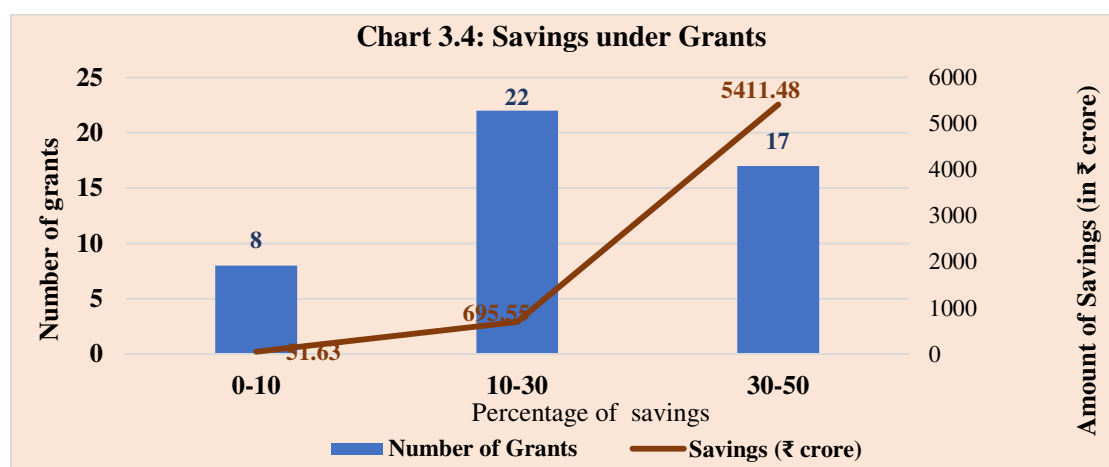
Table 3.3: Excess surrenders

(₹ in lakh)

Grant	Capital/Revenue	Voted/Charged	Savings	Surrender
3 - Buildings & Housing	Revenue	voted	4.64	4.75
7 - Education	Revenue	voted	221.82	221.99
41 - Urban Development	Revenue	voted	91.24	91.74
41 - Urban Development	Capital	voted	28.71	29.19
Total			346.41	347.67

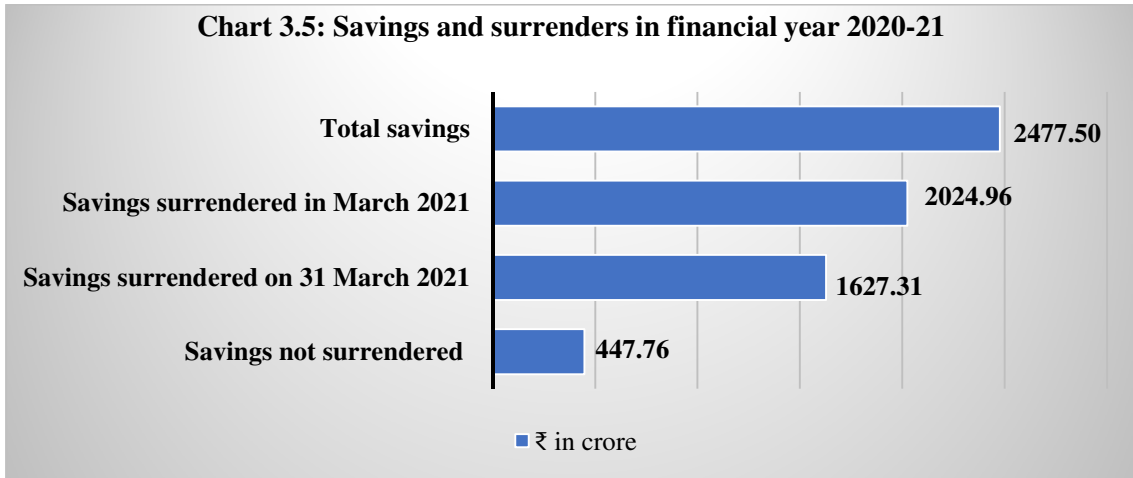
Thus, it is observed that the State's Budgetary allocations were based on unrealistic proposals as there were huge savings which indicated poor expenditure monitoring mechanism and weak scheme implementation capacities.

The distribution of the number of Grants grouped by the percentage of savings along with total savings in each group is explained in the **Chart 3.4**:



Source: VLC data and Appropriation Accounts

The details of savings surrendered during 2020-21 and on 31 March 2021 is given in the chart below:



Source: VLC data and Appropriation Accounts

From the chart above, it can be seen that State Government departments surrendered ₹ 2,024.96 crore during March 2021 out of which, ₹ 1,627.31 crore (80.36 per cent) was surrendered on 31 March 2021.

The percentage of surrenders on 31st March to total surrenders has come down from 99.97 per cent in 2019-20 to 80.36 per cent in 2020-21.

3.3.3.1 Budget utilisation

Budget utilisation during the last five years is given in **Table 3.4** and **Chart 3.6**.

Table 3.4: Budget Utilisation during 2016-17 to 2020-21

Year	Total Budget provision			Disbursements			Gross Saving			% of savings
	Voted	Charged	Total	Voted	Charged	Total	Voted	Charged	Total	
2016-17	5957.34	611.75	6569.09	4164.04	608.11	4772.15	1793.31	3.64	1796.95	27.35
2017-18	6707.65	756.13	7463.78	5273.05	746.02	6019.07	1435.37	10.11	1445.48	19.37
2018-19	7534.24	893.71	8427.95	6222.87	860.54	7083.41	1310.87	33.36	1344.04	15.95
2019-20	8554.34	1008.46	9562.80	6359.04	977.99	7337.03	2195.30	30.47	2225.77	23.27
2020-21	9737.12	703.39	10440.51	7283.93	679.08	7963.01	2453.19	24.31	2477.50	23.73

Source: Appropriation Accounts

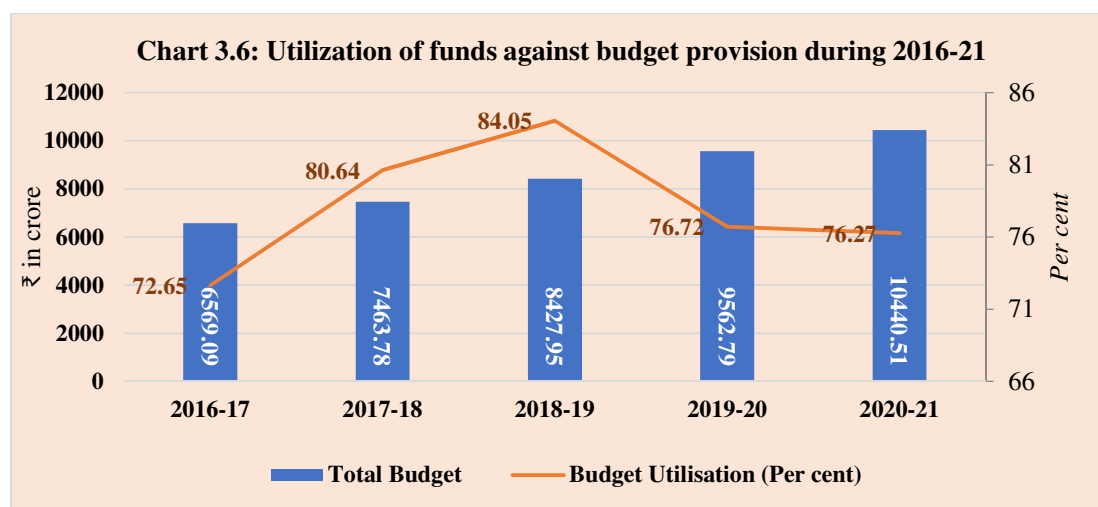
Review of overall utilisation of budget provisions relating to the period 2016-21 revealed that the Government had substantial savings ranging between 15.95 per cent and 27.35 per cent of total budget allocation and could utilise only 72.65 per cent to 84.05 per cent of total allocation during this period. The details are shown in **Appendix 3.3**. Large amount of savings in allocated funds indicated inaccurate assessment of Receipts.

The savings are to be seen in the context of poor estimation of receipts in the Consolidated Fund of the State. As against the projected receipts of ₹ 7,973.32 crore during the year, the actual receipts of the State was only ₹ 5,608.99 crore

(70.35 per cent). This resulted in the Total Expenditure of the State being restricted to ₹ 7,963.01 crore (76.27 per cent) as against the budgeted provision of ₹ 10,440.51 crore as the money was not actually available.

Recommendation: Although the issue of persistent savings is being highlighted in the Reports of the CAG on State Finances every year, no corrective measure has been taken by the departments. This shows that there is inadequate monitoring, especially as the savings are taking place year after year. The Finance Department should take proactive measures to eliminate persistent savings.

The **Chart 3.6** also depicts the utilisation of funds against the total budget provision during 2016-21.



Source: Appropriation Accounts

The utilisation of budget after improving from 2016-17 to 2018-19 again fell sharply during 2019-20 and 2020-21. It was mainly due to large percentage of savings under Education and Water Resources grants.

3.3.3.2 Surrenders of allocations up to 100 per cent

Substantial surrenders of budgetary allocations (cases where more than 50 per cent of total provision were surrendered) were made in respect of 74 sub-heads. Out of the total provisions amounting to ₹ 710.53 crore in those 74 sub-heads, ₹ 580.94 crore constituting 81.76 per cent of total budget provision were surrendered, which included 22 sub-heads under which 100 per cent allocations (₹ 47.06 crore) were surrendered. The details of such cases as well as reasons thereof are given in **Appendix 3.4**.

It was found that, out of 74 sub-heads, 18 sub-heads (24 per cent) pertained to developmental works, which got hampered due to non-utilisation of budgetary allocation.

3.3.3.3 Anticipated savings not surrendered

As per Rule 84 of SFR, the departments of Government shall surrender to the Finance Department, before the close of the financial year, all the anticipated savings noticed in the Grants / Appropriations controlled by them.

Against the overall savings of ₹ 2,477.50 crore, an amount of ₹ 2,024.96 crore (81.73 per cent) was surrendered during 2020-21, of which, ₹ 1,627.31 crore (80.17 per cent) was surrendered on the last day of the year i.e. 31 March 2021. The total surrenders during 2020-21 (in excess of one crore or more), under Revenue Head was ₹ 1,242.33 crore whereas under Capital Head it was ₹ 757.58 crore. The details are given in the **Appendix 3.5**. Thus, these surrendered amounts were not available for other departments who could have used it.

Non-surrender and surrender of savings on the last day of the financial year shows lax financial control.

3.3.4 Excess expenditure and its regularisation

No case of excess under Grants/ Appropriation was noticed during the year 2020-21

3.3.4.1 Detail Head wise excess disbursement over Total Provision of Fund during the financial year

The Grant-wise and Detailed Head wise expenditure in excess of total provisions (Original Provision, Supplementary Provision, Re-appropriation and Surrender) which had taken place during the year 2020-21 are enumerated in **Table 3.5**.

Table 3.5: Detailed Head wise excess disbursement

(₹ in lakh)

Sl. No.	Grant No.	Major Head	Accounting Head Description	Total provision after re-appropriation and surrender	Expenditure	Excess	In per cent	Reasons for excess
1	2	3	4	5		7=5-6		8
1	7	2059	60-053-60	103.56	110.52	6.96	6.72	Reasons for the excess is yet to be received from Finance Department as on October 2021.
2	10	2043	101-44	0	107.02	107.02	100	
3	11	3475	106-60	2.52	2.93	0.41	16.27	
4	13	2210	03-101	1,761.87	2253.53	491.66	27.91	
5	14	2013	105.61	4.50	5.21	0.71	15.78	
6	41	2217	01-800-62	50.88	103.22	52.34	103	
7	41	4217	03-051-62	120.46	188.92	68.46	56.83	
Total				4,840.05	5,606.2	766.15		

Source: Appropriation Accounts

Thus, it can be seen that excess expenditure of ₹ 7.66 crore had taken place under seven detailed heads of accounts. The excess expenditure under these heads ranged between 1.12 per cent to 103 per cent.

3.3.4.2 Regularisation of excess expenditure of previous financial years

Excess expenditure remaining unregularised for extended periods dilutes Legislative control over the Executive. Though no excess expenditure had taken place during 2020-21, but excess expenditure of previous years were pending for regularisation.

The Public Accounts Committee (PAC) had discussed the Appropriation Accounts up to the year 2013-14. It was observed that excess expenditure amounting to ₹ 90.69 crore pertaining to 43 grants and two appropriations for the years 2012-13 to 2019-20 are yet to be discussed by the PAC for their regularisation. The details of excess expenditure over the budget provision pending regularisation are given in **Table 3.6**.

Table 3.6: Excess over Provision Requiring Regularisation(*₹ in crore*)

Year	Number of Grants	Appropriations	Amount of excess over provision	Status of Regularisation
2012-13	17 Grants and 1 Appropriation- Grant Nos. 3, 5, 9, 16, 17, 24, 25, 26, 27, 31, 32, 33,34,35,36,40,42	Governor	22.10	Under examination by PAC
2013-14	15 Grants - Grant Nos. 3, 5, 7, 8, 9, 10, 16, 24, 26, 30, 31, 32, 34, 35, 42	-	55.77	-do-
2014-15	05 Grants-Grant Nos 3, 8, 31, 33, 42	-	4.28	-do-
2015-16	01 Grant - Grant No 36	-	0.05	-do-
2017-18	01 Grant - Grant No 34	-	0.76	-do-
2018-19	01 Grant - Grant no 39 01 Appropriation	Governor	0.32	-do-
2019-20	03 Grants – Grant No 21,28,31	-	7.41	-do-
TOTAL			90.69	

Source: Appropriation Accounts

The Department assured that the excess expenditure against demands for grant would be regularised as per PAC recommendation.

3.4 Comments on effectiveness of budgetary and accounting process

3.4.1 Budget projection and gap between expectation and actual

Budgetary allocations based on unrealistic proposals, poor expenditure monitoring mechanism, weak scheme implementation capacities/ weak internal controls lead to sub-optimal allocation among various developmental needs. Excessive savings in some departments deprive other departments of the funds which they could have utilised.

The position of total budget allocation, utilisation of allocation and surrender under Revenue, Capital, Loans and Advances Sections of Voted and Charged expenditures in 2020-21 is shown in **Table 3.7**.

Table 3.7: Summarised position of Actual Expenditure vis-à-vis Budget (Original/ Supplementary) provisions during 2020-21(*₹ in crore*)

1		2	3	4	5	6	7	8	9
		Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Gross Saving (-) / Excess (+)	Amount surrendered	Amount surrendered on 31 March	Percentage of savings surrendered (Col. 7/6)
Voted	I Revenue	6,851.83	451.94	7,303.77	5,770.05	(-) 1,533.72	1,245.97	869.39	81.24
	II Capital	1,729.35	702.65	2,432.00	1,513.88	(-) 918.12	758.14	732.81	82.57
	III Loans/ advances	1.35	0	1.35	0	(-) 1.35	1.35	1.35	100
Total Voted		8,582.53	1,154.59	9,737.12	7,283.93	(-) 2,453.19	2,005.46	1,603.55	81.75
Charged	I Revenue	622.69	0	622.69	599.33	(-) 23.36	23.33	22.80	99.87
	II Capital	80.70	0	80.70	79.75	(-) 0.95	0.95	0.95	100
	III Public Debt- Repayment	0	0	0	0	0	0	0	0
Total Charged		703.39	0	703.39	679.08	(-) 24.30	24.28	23.75	99.92
Grant Total		9,285.92	1,154.59	10,440.51	7,963.01	(-) 2,477.50	2,029.74	1,627.30	81.93

Source: Appropriation Accounts.

During the year 2020-21, savings increased to 23.73 *per cent* of total budget allocation as compared to 23.35 *per cent* during the previous year.

The overall savings of ₹ 2,477.50 crore was net result of total savings of ₹ 1,557.08 crore in 45 Grants and two Appropriations under Revenue Section and ₹ 920.42 crore in 28 Grants under Capital Section.

Against the savings of ₹ 2,477.50 crore, an amount of ₹ 2,024.96 crore (81.73 *per cent*) was surrendered during March 2021, of which, ₹ 1,627.31 crore (65.68 *per cent*) was surrendered on the last day of the year *i.e.*, 31 March 2021. The savings of ₹ 447.76 crore (18.07 *per cent*) was not surrendered at all.

The details of Original Budget, Revised Estimate and Actual Expenditure during 2016-21 is given in **Table 3.8**.

Table 3.8: Original Budget, Revised Estimate and Actual Expenditure during 2016-21

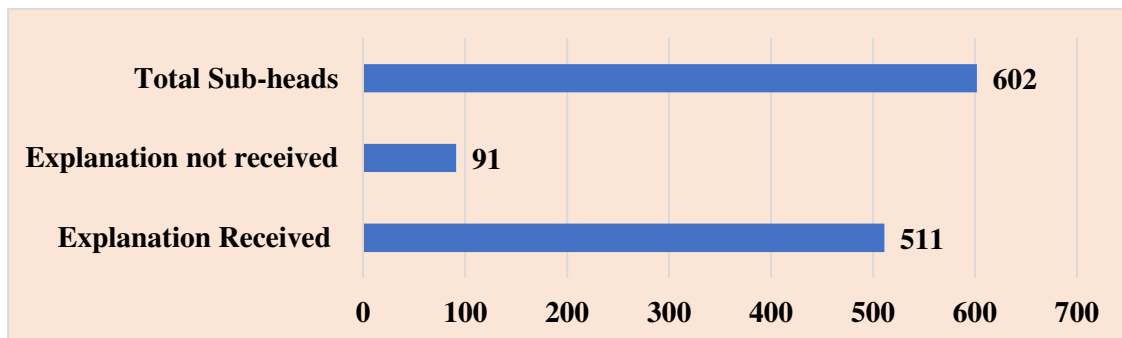
(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Original Budget	5,884.43	6,364.02	7,133.82	8,887.99	9,285.92
Supplementary Budget	684.66	1,099.75	1,294.13	674.79	1,154.59
Revised Estimate	6,569.09	7,463.77	8,427.95	9,562.80	10,440.51
Actual Expenditure	4,772.15	6,019.07	7,083.41	7,337.03	7,963.01
Gross Savings	1,796.95	1,445.48	1,344.85	2,233.18	2,477.50
Percentage of saving	27.35	19.37	15.96	23.35	23.73

Source: Appropriation Accounts

The savings/excess were intimated (07 July 2021) to the Controlling Officers by office of Sr. DAG (A&E), Sikkim requesting them to explain the significant variations. Out of 602 sub-heads (561 savings and 41 excess), explanations for variations in respect of 511 sub-heads (492 savings and 19 excess) were received up to 21 September 2021. Thus, explanations in respect of 91 sub-heads (15.12 *per cent*) had not been received. The status is depicted in **Chart 3.7**:

Chart 3.7: Summary of explanation for variation in Appropriation Accounts



Source: A&E Office

3.4.2 Supplementary budget and opportunity cost

At times, while obtaining supplementary provision, the departments report to Legislature large additional requirements for different purposes under various schemes/activities, but fail to utilise the budget allocation.

The result of review of Grants and Appropriations under Capital Section with savings of more than ₹ 50 lakh and where supplementary allocations were sought is shown in **Table 3.9**.

Table 3.9: Grants and Appropriations under Capital Section with savings of more than ₹ 50 lakh
(₹ in crore)

Sl. No.	Grant No.	Name of Grant/ Appropriation	Original	Supplementary	Total	Actual Expenditure	Unutilised fund
CAPITAL (Voted)							
1	1	Agriculture	1.18	0.53	1.71	1.04	0.67
2	2	AH&VS	4.65	0.51	5.16	2.39	2.77
3	3	BHD	22.99	14.02	37.01	23.94	13.07
4	5	Culture	18.83	1.50	20.33	14.63	5.70
5	7	Education	24.92	93.67	118.59	101.21	17.38
6	13	Health & FW	48.01	166.50	214.51	179.40	35.11
7	14	Home	18.27	2.18	20.45	13.81	6.63
8	22	LR & DM	5.00	43.00	48.00	45.00	3.00
9	29	Planning & Dev	43.80	16.26	60.06	57.05	3.01
10	30	Police	2.50	1.13	3.63	2.74	0.89
11	31	Power	83.10	95.83	178.92	161.90	17.02
12	33	PHE	107.53	2.25	109.78	44.80	64.98
13	34	Roads & Bridges	281.71	123.68	405.39	303.51	101.88
14	35	RDD	819.64	21.68	841.32	314.87	526.45
15	38	Social Justice & W	31.22	2.59	33.81	15.93	17.88
16	39	Sports & Youth	24.19	15.92	40.11	34.30	5.81
17	40	Tourism	74.75	51.07	125.82	97.01	28.81
18	41	Urban Dev	59.24	6.00	65.24	36.53	28.71
19	47	Skill Dev	11.47	3.76	15.23	6.13	9.10

Source: Appropriation Accounts

It is seen that there was substantial savings of more than ₹ 50 lakh in 19 cases under the Capital Section. As can be seen from the table above, nine departments were unable to spend the entire supplementary provision as the expenditure was less than the original budget provision. At the same time, some of the schemes remained incomplete due to want of funds. Thus, the intended benefit of the unfinished schemes could not be extended to the public at large in such cases and also might have led to escalation of project cost.

There were 251 incomplete projects at the end of 2020-21 (Reference **Appendix 2.4**). Out of these, there were 19 incomplete projects with project cost of ₹ 10 crore or more. The details of projects lying incomplete with estimated cost of ₹ 10 crore and above are given in **Appendix 3.6**.

Several schemes/programmes declared by the Government do not typically get operationalised and run beyond the target schedule dates due to lack of preparatory work and lack of adequate allocation of budget.

3.4.3 Schemes on which no expenditure was made

Several policy initiatives taken up by Government are partially or not fully executed due to non-approval of scheme guidelines/ modalities, non-commencement of works for want of administrative sanction, non-release of budget, etc. This deprives the beneficiaries of intended benefits. Savings in such schemes deprives other Departments of the funds which they could have utilised. The details are given in **Table 3.10**.

Table 3.10: Details of the schemes with Nil expenditure for which allocations of ₹ 10 lakh and above were made

(₹ in lakh)

Sl. No.	Grant No. & Department	Accounting Head	Scheme Name	Approved outlay	Revised outlay
1	5- Culture	4202-04-800-60-00-51	Ramanuj Vedic Gurukulam, Neopanay	300.00	300.00
2	5- Culture	4202-04-800-60-00-54	Construction of Nepali Bhawan, Jorethang	100.00	100.00
3	5- Culture	4202-04-800-60-00-65	Construction of Sherpa Bhawan	100.00	100.00
4	5- Culture	4202-04-800-60-70	Construction of New Community Centre, Gyalshing	200.00	200.00
5	19- Water Resources	2702-01-103-62-45-75	Surface Minor Irrigation (East)	0	678.00
6		2702-01-103-62-46-75	Surface Minor Irrigation (West)	0	576.00
7		2702-01-103-62-47-75	Surface Minor Irrigation (North)	0	336.00
8		2702-01-103-62-48-75	Surface Minor Irrigation (South)	0	1,144.00
9	33- PHE	4215-01-101-60-00--85	Reliable and futuristic water supply through tunnel at Gangtok and nearby areas	0	25.00
Total					3,459.00

Source: Detailed Appropriation Accounts

The Audit analysed schemes for which allocation of ₹ 10.00 lakh and above had been made, but no expenditure had been incurred on them during 2020-21. It was noticed that in respect of 19 schemes for which budget allocation of ₹ 34.59 crore was made, not a single rupee was spent. Reasons for non-utilisation were not on record.

3.4.4 Mis-classification of establishment expenditure under Capital Heads

As per Rule 84 of GFR 2017, significant expenditure incurred with the object of acquiring tangible assets of a permanent nature (for use in the organisation and not for sale in the ordinary course of business) or enhancing the utility of existing assets, shall broadly be defined as Capital Expenditure. Subsequent charges on maintenance, repair, upkeep and working expenses, which are required to maintain the assets in a running order as also all other expenses incurred for the day to day running of the organisation, including establishment and administrative expenses shall be classified as Revenue expenditure. Capital and Revenue expenditure shall be shown separately in Accounts. However, it was observed that, during the year 2020-21, an amount of ₹ 12.08 crore

expended for construction works was incorrectly booked under Revenue account. Booking of this expenditure to Revenue account not only inflated the Revenue expenditure but also suppressed the expenditure on Capital account. The details are given below:

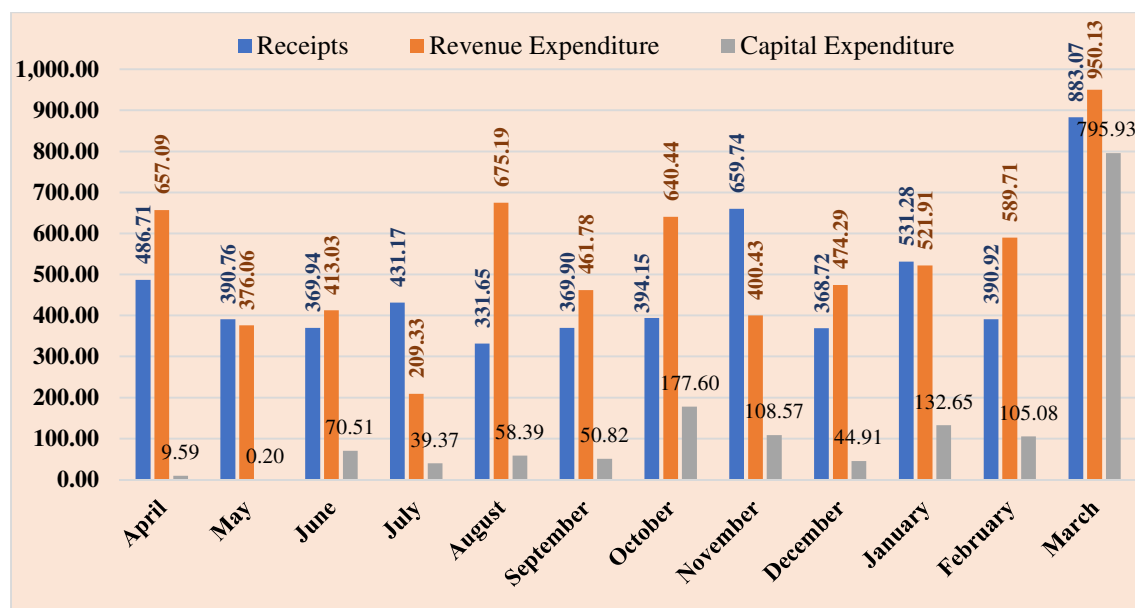
Table 3.11: Details of mis-classification of expenditure

Major Head	Major Head Description	Detailed Head	Detail Head Description	Amount (₹ in crore)
2711	Flood Control and Drainage	76	Construction of Mini Jhora Training Works	12.08

3.4.5 Rush of Expenditure

Government funds should be evenly spent throughout the year. Note 3 below Rule 84 of Sikkim Financial states that the rush of expenditure towards the end of the financial year is regarded as a breach of financial propriety. Maintaining a steady pace of expenditure is a crucial component of sound public financial management, as it obviates fiscal imbalance and temporary cash crunches due to mismatch of revenue expenditure during a particular month arising out of unanticipated heavy expenditure in that particular month. Rush of expenditure particularly in the closing month of the financial year should be avoided as per Financial Rules.

Chart 3.8: Monthly receipts and expenditure during 2020-21



As can be seen from the chart above, the receipts were paced more or less evenly across all the months during the financial year 2020-21. However, the pattern of expenditure during 2020-21 revealed that the State Government incurred Revenue expenditure of ₹ 950.13 crore, constituting about 14.92 per cent of the total Revenue Expenditure of ₹ 6,369.38 crore in March. The Capital expenditure showed a sharp rise of ₹ 795.93 crore constituting about 50 per cent of the total Capital expenditure of ₹ 1,593.63 crore, in March 2021. The Capital expenditure spread from less than one per cent to 11 per cent during the other months of the financial year 2020-21.

However, out of the Revenue expenditure of ₹ 950.13 crore incurred in March 2021, ₹ 310.76 crore (32.71 per cent of the total expenditure of March 2021) was spent on the last day of the financial year *i.e.*, 31 March 2021.

While analysing further, it is revealed that a sizable amount of Receipts was received for Centrally Sponsored Schemes during last month of the year. The details are given in **Table 3.12** below:

Table 3.12: Details of fund released in the month of March 2021

(₹ in crore)

Sl. No.		Receipts	Expenditure
1	Actuals in March	883.07	950.13
2	CSS (March)	117.30	129.36 (₹ 92.96 crore on last day)
3	Percentage	13.28	13.61
4	Percentage to Total CSS amount of 2020-21	13.36 (₹ 878.22 crore)	17.29 (₹ 748.28 crore)

Source: NTA and VLC data

From the above Table, it is observed that out of receipts during last month of year, 13.28 per cent were received from various ministries of GoI for Centrally Sponsored Schemes in the last month of the year. The State Government released 13.61 per cent of March month Expenditure to various implementing agencies of CSS. Out of CSS fund released during March month, 72 per cent of expenditure was released on the last day of the year.

Out of total expenditure booked under CSS in the State Finance Account 2020-21, 17.29 per cent of expenditure was booked during last month of the year. The State Government received 13.36 per cent of GOI share of Centrally Sponsored Schemes on last month of the year.

It was observed that three departments had spent about 53 per cent to 71 per cent of their expenditure in March 2021. Details are given below:

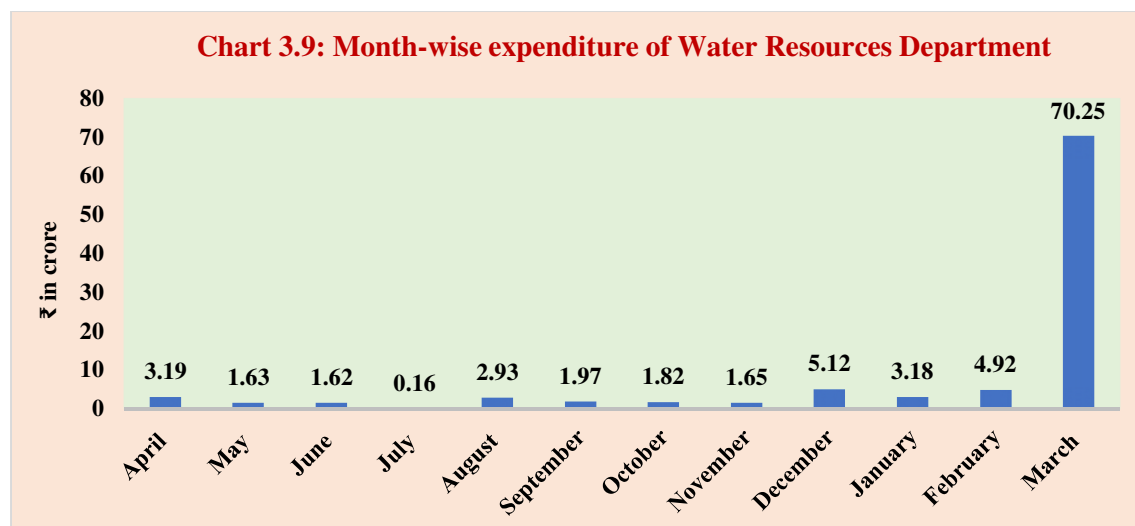
Table 3.13: Grants with more than 50 per cent of expenditure in March alone

(₹ in crore)

Sl. No.	Grant No.	Department	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total	Expend - iture in March	Expenditure in March as percentage of total expenditure
1	5	Culture	3.42	3.03	3.48	26.64	36.57	22.83	62.43
2	19	Water Resources	6.44	5.07	8.59	78.35	98.45	70.25	71.36
3	39	Sports & Youth Affairs	5.07	3.92	8.15	35.84	52.99	28.11	53.05

Source: VLC data

The Water Resources Department (Grant– 19) had incurred about 71 per cent of its annual expenditure in March 2021. The details of month-wise expenditure of this department expenditure during the year 2020-21 is depicted in the **Chart** below:



Source: VLC data

Thus, contrary to the spirit of financial regulations, several departments of the Government incurred substantial quantum of expenditure at the fag end of the year indicating inadequate control over the expenditure and poor budgetary management.

3.4.6 Review of selected grants

Grant No. 01 – Agriculture Department (AD), was selected for detailed scrutiny in audit to assess the compliance with prescribed budgetary procedures, monitoring of expenditure, control mechanisms and implementation of schemes within the grant. Outcome of the audit is discussed in the succeeding paragraphs. The audit examination of the budgetary procedure and control over expenditure for the period 2016-17 to 2020-21 of AD was conducted during October-November 2021.

3.4.6.1 Budgetary control/ monitoring system

Financial management involves efficient and effective use of financial resources to achieve the objectives of the organisation. Agriculture Department is the Government agency responsible for the promotion of agricultural development in the State. Agriculture is the mainstay of majority rural populace of Sikkim. The economy of the State is linked with agriculture that serves as the source of livelihood and economic security of sizeable native population.

In the context, ensuring timely availability of funds to fulfil contractual commitments, optimising cost, allocating resources in a fair and transparent manner, timely utilisation of funds and proper record keeping are essential to achieve its objectives.

Review by Audit showed that authorities of Agriculture Department bypassed the mandatory provisions of Financial Rules etc., resulting in persistent savings under grant, surrender of funds less than actual *saving*, unnecessary/ excessive re-appropriation of funds as discussed in the following paragraphs:

The summarised position of actual expenditure against grants during 2016-17 to 2020-21 in respect of Grant No. 01 – Agriculture Department is given below:

Table 3.14: Summarised position of actual expenditure*(₹ in crore)*

Year	Section	Original grant	Supplementary	Total	Actual Expenditure	Excess + savings -	Surrender	Remained to be surrendered
2016-17	Capital	2.81	0	2.81	1.00	1.81	1.81	0
	Revenue	77.39	3.13	80.53	52.37	28.16	27.77	0.39
2017-18	Capital	4.67	0.30	4.97	1.65	3.32	2.73	0.59
	Revenue	94.21	0.46	94.67	48.01	46.66	43.64	3.02
2018-19	Capital	2.20	0	2.20	1.82	0.39	0.36	0.03
	Revenue	99.34	4.60	103.94	90.19	13.74	11.11	2.63
2019-20	Capital	1.58	0	1.58	1.05	0.53	0.53	0
	Revenue	221.56	1.97	223.53	138.67	84.86	78.34	6.52
2020-21	Capital	1.18	0.53	1.71	1.04	0.67	0.67	0
	Revenue	175.19	0	175.19	95.95	79.24	79.00	0.24
Total	Capital	12.44	0.83	13.27	6.56	6.72	6.10	0.62
	Revenue	667.69	10.16	677.86	425.19	252.66	239.86	12.80
	Grand Total	680.13	10.99	691.13	431.75	259.38	245.96	13.42

Source: Appropriation Accounts.

3.4.6.2 Unnecessary/excessive supplementary provision

Rule-86 of SFR requires obtaining supplementary provision if the sanctioned budget is found to be insufficient or to meet additional expenditure upon new services not contemplated in the original budget. Audit observed that AD obtained supplementary provision of ₹ 10.99 crore (Capital ₹ 0.83 crore and Revenue ₹ 10.16 crore) during 2016-17 to 2020-21 (*Reference: Table 3.14*).

It was seen that during 2016-17 and 2020-21, the supplementary provisions of ₹ 0.83 crore and ₹ 10.16 crore under both the Capital and Revenue Heads respectively were not required as the Department could not utilise even the original budget provision. The unnecessary obtaining of supplementary provision without utilisation resulted in non-adherence to State Financial Rules.

3.4.6.3 Persistent savings

Persistent savings in the Grants is indicative of inaccurate budget estimation and tendency of the Department to over-estimate the requirement of funds. In AD, persistent and substantial savings during 2016-17 to 2020-21 ranged between 13.83 per cent and 49.53 per cent of the provision under Revenue Heads. Similarly, there were persistent savings under Capital Heads which ranged between 17.73 per cent and 64.41 per cent during the entire review period from 2016-17 to 2020-21. The details are given in **Table 3.14** above. Thus, inaccurate estimation by the AD of required funds led to persistent savings under both Capital as well as Revenue Head.

3.4.6.4 Surrender of funds less than actual savings

According to Rule-84 of SFR, all the anticipated savings should be surrendered to the Finance Department before the close of the financial year. During 2016-17 to 2020-21, against the saving of ₹ 259.38 crore, AD surrendered ₹ 245.96 crore (94.83 per cent) leading to non-surrender of saving of ₹ 13.42 crore (5.17 per cent). The details are shown below:

Table 3.15: Surrender of funds less than actual savings

(₹ in crore)

Year	Section	Savings	Surrendered	Saving not surrendered
2016-17	Capital	1.81	1.81	0
	Revenue	28.16	27.77	0.39
2017-18	Capital	3.32	2.73	0.59
	Revenue	46.66	43.64	3.02
2018-19	Capital	0.39	0.36	0.03
	Revenue	13.74	11.11	2.63
2019-20	Capital	0.53	0.53	0
	Revenue	84.86	78.34	6.52
2020-21	Capital	0.67	0.67	0
	Revenue	79.24	79.00	0.24
Total	Capital	6.72	6.10	0.62
	Revenue	252.66	239.86	12.80
Grand Total		259.38	245.96	13.42

Source: Appropriation Accounts

Audit observed that surrender of funds was less than the actual savings during the entire review period (2016-17 to 2020-21) except in Capital Sector during 2016-17, 2019-20 and 2020-21 under this Grant.

Against aggregate savings of ₹ 6.72 crore under Capital Head during 2016-21, ₹ 6.10 crore (91 per cent) was surrendered and ₹ 0.62 crore (nine per cent) was not surrendered. Similarly, under Revenue Head, against the total savings of ₹ 252.66 crore, only ₹ 239.86 crore (95 per cent) was surrendered leaving an amount of ₹ 12.80 crore (five per cent) un-surrendered. Failure to surrender the amount of ₹ 13.42 crore (Revenue ₹ 12.80 + Capital ₹ 0.62 crore) was indicative of violation of SFR and surrender of fund less than the actual savings and availing of unnecessary supplementary provision indicated inadequate budgetary controls.

3.4.6.5 Anticipated savings not surrendered

In terms of Rule 84 of Sikkim Financial Rules, 1979, the spending departments are required to surrender the grants/appropriation or portion thereof to the Finance Department as and when the savings are anticipated. However, the AD had not surrendered the savings as shown below:

Table 3.16: Funds not surrendered

(₹ in lakh)

Year	Name of the scheme	Head	Total grant	Actual expenditure	Savings
2016-17	Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) (State Share)	2401-00-107-03-00-94	30.00	15.00	15.00
2017-18	Support to State Extension Programmes for Extension Reform Schemes (State Share)	2401-00-109-05-00-91	104.18	88.59	15.59
2018-19	PMKSY (State Share)	2401-00-107-03-00-94	70.00	52.25	17.75
2018-19	Pradhan Mantri Fasal Bima Yojana (PMFBY) (State Share)	2435-60-800-02-00-93	63.38	0.10	63.28
2018-19	Soil Health Card Scheme (50 per cent CSS)	2401-00-107-03-00-85	124.87	108.60	16.27
2018-19	Paramparagat Krishi Vikas Yojana (50 per cent CSS)	2401-00-107-03-00-86	664.98	647.79	17.18
Total			1057.41	912.33	145.07

Source: Detailed Appropriation Accounts

Audit analysis of surrender under Grant No- 01 revealed that despite savings, no funds were surrendered in case of two schemes.

3.4.6.6 Substantial savings

Budget is prepared based on the activities to be undertaken for a year and the provision of funds is made to discharge the payment required for them. Analysis of budget provision and actual expenditure for the period 2016-17 to 2020-21 covered under review revealed that in two Major Heads, there were substantial savings as detailed below:

Table 3.17: Substantial savings during 2016-21

(₹ in crore)

Year	Name of the scheme	Total Grant	Actual expenditure	Savings	% of Saving
2017-18	2401-109-05-National Mission on Agriculture Extension and Technology	5.66	4.75	0.91	16.08
2018-19	2401-104-01-Agriculture Department	19.85	18.66	1.19	5.99
2018-19	2435-60-800-02-Agriculture Department	13.77	12.93	0.84	6.10
2019-20	2401-104-01-Agriculture Department	44.04	37.67	6.37	14.46
Total		83.32	74.01	9.31	

Source: Appropriation Accounts

The reasons for the savings were due to transfer of One Family One Job employees, retirement of employees, non-receipt of bills etc.

3.4.6.7 Rush of expenditure

As per Note 3 under Rule 84 of SFR, 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, rush of expenditure during the closing month of

the financial year was noticed under review. The expenditure ranged from 35 to 48 per cent of the total expenditure as shown below:

Table 3.18: Rush of Expenditure during 2016-21

Particular	(₹ in crore)				
	2016-17	2017-18	2018-19	2019-20	2020-21
Expenditure during April to December	24.36	23.78	40.47	45.76	40.02
Expenditure during January to February	8.00	8.41	16.38	27.49	9.81
Expenditure during March	21.00	17.47	35.16	66.46	47.17
Total	53.36	49.66	92.01	139.71	97.18
(Percentage of Expenditure during March)	39.36	35.18	38.21	47.57	48.63

Source: VLC figures

During the month of March, the expenditure incurred by the Department ranged from 35 per cent in 2017-18 to 49 per cent in 2020-21. It was observed that proportion of expenditure incurred in month of March was increasing persistently since 2017-18. The Department had made the payment to clear the previous month's liabilities during March *i.e.* at the verge of closing of a financial year, which generally indicated tendency to utilise the unspent budget.

Hence, the budgetary management and control over expenditure for the period 2016-17 to 2020-21 in respect of Grant No. 01 Agriculture Department revealed that against total provision of ₹ 691.13 crore, expenditure of ₹ 431.75 crore was incurred, resulting in unspent provision of ₹ 259.38 crore (38 per cent), cases of unnecessary supplementary provision (₹ 10.99 crore), surrender of funds less than actual savings (₹ 245.96 crore) and anticipated savings of ₹ 13.42 crore not surrendered. There were cases of persistent and substantial savings, non-utilisation of funds, rush of expenditure during the month of March during 2020-21 (48.63 per cent).

3.5 Conclusion

Budgetary assumptions of the State Government were not very realistic during 2020-21 and despite carrying out an elaborate pre-budget exercise to bring about efficiency and transparency in budget formulation and execution, budgetary estimates were off the mark to a considerable extent, and control over the execution and monitoring of budget was inadequate.

Savings during the year was ₹ 2,477.50 crore which was 23.73 per cent of the budget provision of ₹ 10,440.51 crore. However, the Controlling Officers surrendered savings of ₹ 2,024.96 crore, during last month of the year, with major portion of savings (₹ 1,627.31 crore) being surrendered on the last day of the financial year 2020-21.

During 2020-21, no excess expenditure had taken place. However, an excess expenditure of ₹ 90.69 crore in respect of previous years (from 2012-13 to 2019-20) was pending for regularisation by the PAC/State Legislature.

During 2020-21, State Government incurred an expenditure of ₹ 950.13 crore, constituting about 11.93 per cent of the total Revenue Expenditure of ₹ 7,963.01 crore, in March 2021. However out of ₹ 950.13 crore incurred in March 2021, ₹ 310.76

crore (32.71 per cent of the total Revenue expenditure of March 2021) was spent on the last day of the financial year i.e., 31 March 2021.

The explanations for variations in expenditure vis-à-vis allocations were not provided in respect of 91 sub-heads (15.12 per cent) out of 602 sub-heads to the office of Sr. DAG (A&E).

During the period 2016-21, the Government had substantial savings ranging between 15.95 per cent and 27.35 per cent of total budget allocation and could utilise between 72.65 per cent and 84.05 per cent of total allocation. Although the issue of persistent savings is being highlighted in the Reports of the CAG on State Finances every year, Departments had not taken any perceptible action in this regard.

Supplementary Grants/ Appropriations were obtained without adequate justification. During 2020-21, Supplementary provision aggregating ₹ 366.33 crore obtained in 28 cases (with ₹ 50.00 lakh or more), proved unnecessary as the total expenditure did not come up to the level of original provision and re-appropriations under 29 Heads of Account proved excessive or insufficient and resulted in saving/ excess of over ₹ 10.00 lakh. Despite flagging this issue every year over the last several years, the State Government had failed to take corrective measures in this regard.

3.6 Recommendations

- *State Government needs to formulate a realistic budget based on reliable estimates of the needs of the Departments and their capacity to utilise the allocated resources;*
- *An appropriate control mechanism needs to be instituted by the Government to enforce proper implementation and monitoring of budget to ensure that savings are curtailed, large savings within the Grant/ Appropriation are controlled, and anticipated savings are identified and surrendered within the specified time frame;*
- *Controlling Officers need to be made aware of their responsibility to explain the variation in expenditure from the allocation to facilitate proper analysis of budget and preparation of meaningful Appropriation Accounts;*
- *Excess expenditure over grants approved by the Legislature needs to be viewed seriously and got regularised at the earliest;*
- *The Agriculture Department may strengthen its budgetary management on basis of realistic estimates so that financial resources can be allocated/ utilised efficiently and effectively to achieve the desired objectives.*

**CHAPTER-IV:
QUALITY OF ACCOUNTS AND
FINANCIAL REPORTING
PRACTICES**

CHAPTER IV: QUALITY OF ACCOUNTS AND FINANCIAL REPORTING PRACTICES

A sound internal financial reporting system 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. Reports on compliance and controls, if effective and operational, assist the Government in meeting its basic stewardship responsibilities, including strategic planning and decision-making.

4.1 Funds outside Consolidated Fund or Public Account of the State

Article 266 (1) subject to the provisions of Article 267, provides that all revenues received by the Government of a State, all loans raised by that Government by the issue of treasury bills, loans or ways and means advances and all moneys received by that Government in repayment of loans shall form one consolidated fund to be entitled the 'Consolidated Fund of the State'. Article 266 (2) provides that all other public moneys received by or on behalf of the Government of a State shall be credited to the public account of the State, as the case may be.

It has been observed that funds meant to be credited to Consolidated Fund or Public Account are credited to bank accounts as detailed in the succeeding paragraphs.

4.1.1 Unaccounted Revenue and Expenditure transactions

The Sikkim Financial Rules (SFR) stipulates that all monies received by or on behalf of Government should be brought into Government account without delay; and "the head of every department/ office shall be responsible to ensure that all revenue, receipts or other sums due to Government are regularly and promptly assessed, realised and credited to Government account under the relevant head of account". Further, as per the provisions of Articles 266(3), 267(2) and 283(2) of the Constitution of India, no authority may incur any expenditure or enter into any liability involving expenditure or transfer of money for investment or deposit from Government account unless such expenditure or transfer, as the case may be, has been sanctioned by general or special orders of Government or by any authority to which power has been duly delegated in this behalf. The Power Department of Sikkim (PDS) is entrusted with management of electricity operations in the State. The activities of PDS include generation of electricity, supply of electricity, create, operate and maintain infrastructure required for distribution of electricity within the State. In addition, the PDS also conducts trading *i.e.*, selling and purchasing of electricity outside the State. As PDS is a Government Department, it is required to follow Government Accounting Rules for accounting of receipts and expenditure.

Table 4.1 shows the details of irregularities w.r.t accounting of receipts¹⁸ and expenditure during 2020-21 during audit of PDS.

Table 4.1: Irregularities w.r.t accounting of receipts and expenditure by PDS

(₹ in crore)

Particulars	Amount Involved	Audit Observations
Receipts		
Sale proceeds of electricity sold outside the State (Surplus Power)	136.58	Out of ₹ 170.89 crore received by the PDS during the year, an amount of ₹ 34.31 crore only was deposited into the Government Account and the remaining funds were credited into the bank account.
Royalty receipts from the HEPs located in the State	204.61	Royalty amounting to ₹ 204.61 crore from two HEPs ¹⁹ had not been credited into Government Account and was lying in the Bank Accounts maintained by the PDS. Out of the royalty receipts from two HEPs ²⁰ , ₹ 178.33 crore was utilised for repayment of loans availed by Sikkim Power Investment Corporation Limited (SPICL, a State PSU) from Power Finance Corporation (PFC).
Total	341.19	
Expenditure		
Purchase of electricity	206.70	During the winter season, the State experiences shortage in electricity. The PDS purchases electricity from the revenue earned by selling the surplus electricity and the expenditure was incurred from the same bank account in which the receipts from the sale of electricity outside the State are credited (Sl. No. 1). As such, the expenditures were being incurred without approval of Legislature and were not reflected in Government Accounts.
Repayment of Loans	198.33 ²¹	The SPICL had borrowed funds from PFC on the guarantee of GoS. The servicing of the loans availed by the SPICL from PFC was done from the royalty money received from two HEPs (Sl. No. 2). Therefore, these expenses were also not included in Government Account.
Total	405.03	

As can be seen from the above, Revenue Receipts of ₹ 341.19 crore earned from sale proceeds of electricity sold outside the State and royalty receipts from the HEPs located in the State, were not deposited in the Consolidated Fund of State by PDS. This led to understatement of Government Revenue Receipts by ₹ 341.19 crore and overstatement of Revenue Deficit and Fiscal Deficit to that extent. Further, an expenditure of

¹⁸ The PDS has three main sources of revenue (i) .sale proceeds of electricity sold to outside the State, (ii) Royalty receipts from the Hydro-electric Projects (HEPs) located in the State and (iii) sale proceeds of electricity within the state.

¹⁹ i). Chuzachen (GATI), ii) Teesta Stage III (Teesta Urja Ltd)

²⁰ i). Chuzachen (GATI): Out of royalty amounting to ₹ 31.32 crore, ₹ 16.04 crore was used by SPICL for servicing loan from PFC. The balance amount of ₹ 15.28 crore was with SPICL. ii) Teesta Stage III (Teesta Urja Ltd) royalty amounting to ₹ 173.29 crore was directly paid by this HEP to PFC for repayment of loans availed by SPICL.

²¹ Total Repayment through SPICL during the year was ₹ 198.33 crores (₹ 178.33 crore from two HEPs and ₹20 crore of SBS loan).

₹ 405.03 crore had been incurred without routing it through Government Accounts resulting in understatement of Government expenditure by ₹ 405.03 crore with consequential understatement of Revenue Deficit and Fiscal Deficit. This led to an overall understatement of Revenue Deficit and Fiscal Deficit by ₹ 63.84 crore during 2020-21.

It is pertinent to mention here that despite being pointed out in the previous Audit Report, no corrective measures to route the receipts and expenditure through the Government Account was taken by the State Government.

As per information received from the Power Department, royalty receipts of ₹ 34.31 crore received from three HEPs²² during the year were transferred to Government Account based on observation in previous year's Audit Report (State Finances Audit Report (Report No. 3 of 2021) for year ending March 2020).

Recommendation: Departments should adhere to the Government Accounting Rules and all the transactions of financial assistance to Departments and State Bodies should be routed through Government Accounts to reflect actual financial position of the State.

4.1.2 Sikkim State Electricity Regulatory Commission- Non creation of fund in Public Account

Government of Sikkim constituted (November 2003) 'Sikkim State Electricity Regulatory Commission' (SSERC) in terms with Section 82 (1) of the Electricity Act, 2003. Further, the State Government notified (October 2017) Sikkim Electricity Regulatory Commission (Fund, Annual Accounts, Audit and Budget) Rules, 2016 in exercise of power conferred by Sub section (2) of Section 180 read with Section 103, 104 and 106 of the Electricity Act, 2003.

Rule 3 (2) of the "Sikkim Electricity Regulatory Commission (Fund, Annual Accounts, Audit and Budget) Rules, 2016" provided for opening of a Fund under the Major Head 8235- General and Other Reserve Fund- 200- Other Fund -04- Sikkim Electricity Regulatory Commission and this shall be a non-lapsable and non-interest-bearing account. As per Rule 3 (5), all receipts of the SSERC were to be credited to the Fund.

However, the said fund was not created by the State Government as of March 2021. Thus, due to non-creation of the State Electricity Regulatory Commission Fund, the grants, fee and other receipts collected by the SSERC were being kept in a bank account. As on 31 March 2021, the SSERC Bank Account had a balance of ₹ 67.69 Lakh.

During the exit conference, the Finance Department stated that the Fund have been created under the Reserve Fund and Grants-in-Aid to the SSERC are being transferred to the Fund.

²² i) JorethangLopp (DANS Energy): ₹14.07 crore, ii) Dikchu (Sneha Kinetic): ₹ 12.35 crore and iii) Tashiding (Shiga Energy). ₹ 10.89 crore

4.1.3 Funds lying unutilised in the Bank Accounts of the Departments

Rule 28 of Sikkim Financial Rules, provides that no money shall be drawn from the treasury unless it is required for immediate disbursement. It is not permissible to draw money from the treasury in anticipation of demand or to prevent the lapse of budgetary grants.

As per information furnished by 12 CCOs (out of 47 CCOs in the State) to the office of Sr. Deputy Accountant General (A&E) Sikkim, an amount of ₹ 199.14 crore was lying in the Savings/ Current Accounts of these CCOs as on 31 March 2021 (Details are given in **Appendix 4.1**), outside the Government Account.

Even though this amount had already been accounted for as expenditure, it was lying un-utilised outside the Government Accounts. Thus, to the extent of amount kept lying in the bank accounts of the CCOs, the expenditure shown in the Annual Accounts cannot be asserted as correct or final. Moreover, the closing balance in the bank accounts results in overstatement of the Government expenditure. The unspent money lying as closing balances in the bank accounts at the end of year should be refunded into the Government account.

4.2 Off-Budget Borrowing

Off-budget borrowings or off-budget financing generally refer to use of those financial resources by the Government for meeting expenditure requirements in a particular year or years, which are not reflected in the budget for that year/ those years for seeking grant/ appropriation, hence remaining outside legislative control. They are financed through Government owned or controlled public sector enterprises or departmental commercial undertakings, which raise the resources through market borrowings on behalf of the Government. However, the Government has to repay such debt and/ or service the same from its budget. Therefore, off-budget borrowings/ financing involve *one*, payment of interest on recurrent basis and *second* repayment of the borrowings from budget as and when it is due.

Further, the Sikkim Fiscal Responsibility & Budget Management (SFRBM) Act, 2010 provides for prudent and sustainable debt management consistent with fiscal stability through limits on State Government's borrowings, including off-budget and achieving greater transparency in fiscal operation of the Government and conduct of fiscal policy in a medium-term fiscal framework²³ known as Medium-Term Fiscal Plan (MTFP) and for matters connected therewith or incidental thereto.

In line with SFRBM, the MTFP contains medium term fiscal objectives of the Government, evaluation of performance of the prescribed fiscal indicators in the previous year and the likely performance during the current year. Further, the MTFP also contains the policies of the State Government for the ensuing financial year relating to taxation, expenditure, borrowings and other liabilities, subsidies, lending and

²³ As per Section 3 of the SFRBM Act, the State Government has to lay before the State Legislature, a Medium-Term Fiscal Plan along with Budget. The Medium-Term Fiscal Plan (MTFP) sets forth a year rolling target for the prescribed fiscal indicators.

investments, guarantees, off-budget borrowings and activities of Public Sector Undertakings that have potential budgetary implication.

During the year 2020-21, the State Government repaid ₹ 140.85 crore worth of loans availed by three financial institutions²⁴ for implementation of various Government projects, and interest accrued thereupon. The borrowings by these Institutions had not formed part of the outstanding liabilities of the State Government during the respective years. Further, out of the total repayments made during the year, ₹ 109.26 crore worth of loans and interests were serviced directly by the State Government by debiting Minor Head 800-Other Expenditure under the respective Revenue Major Head and the remaining amount of ₹ 31.59 crore was repaid by debiting other regular heads of accounts (other charges). The details of loans availed by these Institutions, purpose of the loans and repayment made during the year are given in Table 4.2:

Table 4.2 Repayment of Off-Budget Borrowing through Budget during 2020-21

(₹ in crore)

Name of the Institution	Heads of Account	Bank/ Financial Institution	Loan Borrowed	Period of Loan	Purpose of Loan	Repayment during the year		Repayment by (Principal & Interest)
						Principal	Interest	
SHDB	2216-03-800-35-00-82	HUDCO	361.00	27.03.2017	Chief Minister Rural Housing Scheme-3000 houses	24.06	35.51	Rural Development Department
STCS	2210-01-800-00-44-91	CBI	300.00	2018-2019	Multi-speciality Hospital at Accheygang	21.50	28.19	Health and Family welfare Department
Total²⁵						45.56	63.70	
SIDICO ²⁶	Other Charges	HUDCO	200.00	2018-2019	Upgradation and improvement of existing roads in different districts with in State of Sikkim	11.69		Roads and Bridge Department
		NABARD	130.81	2018-2019	Strengthening and improvement of existing Highways in the State of Sikkim	13.07		
SIDICO	Other Charges	HUDCO	113.35	2013	Development of Pakyong Township	6.83		Commerce and Industry Department
Total Repayment by State Government						140.85		

²⁴ Sikkim Housing Development Board (SHDB), State Trading Corporation of Sikkim (STCS) and Sikkim Industrial Development and Investment Corporation Limited (SIDICO)

²⁵ The State Government has opened separate object heads for booking the repayment of loan raised by these two departments. The Institutions have given the details of Principal and interest repaid during the year.

²⁶ The repayment of loan (Principal + Interest) is booked as 'Other Charges' by Roads and Bridge Department (3054.80.001.35.44.50) and Commerce Department (2851.00.001.60.00.50). They didn't provide the details of principal and interest paid during the year.

Payment of interest worth ₹ 63.70 crore by debiting regular Major Head understated the interest payment head (Major Head 2049) which forms part of the committed liability of the State Government. Further, classifying the expenditure on repayment of loan (Principal) as Revenue Expenditure overstated the Revenue Expenditure to that extent. The repayment of Off-budget borrowings was 8.65 per cent of own resources (OTR and NTR) of the State (₹ 1,628.99 crore) and 2.21 per cent of Revenue Expenditure during the year 2020-21.

In addition, one SPSUs raised loans amounting to ₹ 278.64 crore during 2020-21 for implementation of various State Government Schemes/ Programmes, as detailed in Table 4.3:

Table 4.3: Off-Budget Borrowings during 2020-21

(₹ in crore)

Name of the Institution	Bank/ Financial Institution	Total Loan Amount (Rate of Interest)	Period of Repayment	Borrowings of the Institution during 2020-21	Maximum amount Guaranteed/ LOC issued	Purpose of Loan	Source of Repayment (Principal & Interest)
Sikkim Industrial Development and Investment Corporation Limited	HUDCO	200.00 (10%)	17 years	83.04	200.00	Up gradation & improvement of existing roads in different districts	Budgetary support (Roads & Bridges Department, GoS)
	NABARD	83.50 (10%)	14 years	83.50	92.78	-do- of existing Highways	
	Bank of Maharashtra	481.00 (7.5%)	17 years	112.10	481.00	Implementation of Sikkim Garib Awas Yojana	Budgetary Support (Rural Development Department, GoS)
Total				278.64			

Although, the repayment of above loans has not commenced as yet (October 2021), the purpose for which these loans have been raised is indicative of off-budget borrowings. Moreover, none of these loans amounting to ₹ 278.64 crore formed part of the outstanding liabilities of the State Government as of March 2021, which was violative of the FRBM Act. As such, these borrowings led to understatement of fiscal liabilities by ₹278.64 crore and fiscal deficit as well to that extent.

Controller (Accounts), Finance Department (FD) stated that the borrowings were made by the PSUs for funding the capital nature of work of the departments concerned. The Controller further stated that the State Government did not make these borrowings and the State Government had only stood as a guarantor for which, details are shown in Statement 9 of the Finance Accounts.

The contention of the Controller (Accounts) is not based on facts as the loans raised by SHDB and STCS and interest accrued thereupon were serviced by the State Government through Major Head 2216 and 2210 during the year 2020-21. Further the fact that the PSUs had borrowed funds for implementation of Government projects/ schemes, and the State Government was repaying these loans by providing budget annually, makes it amply clear these funds were borrowed to meet Government expenditure. These loans were availed through SPU's to keep the State's borrowings within the ceilings prescribed under FRBM Act.

Recommendation: *The Government may enhance the scope and coverage of budget provision by including the extra budgetary resources given to various State Government PSUS/entities for implementation of various State Government Schemes/ Programmes etc.*

4.3 Funds transferred directly to State Implementing Agencies

As per GoI decision (08 July 2015), all assistance to Centrally Sponsored Schemes (CSS) and Additional Central Assistance (ACA) under the various schemes would be released directly to the State Government and not to the Implementing Agencies (IA) in the State and hence these funds would be routed through the State Budget from 2015-16 onwards. However, during 2020-21, the GoI transferred ₹ 201.99 crore directly to IAs in the state (Details in **Appendix 4.2**). The amount of such funds transferred by GoI to IAs during 2020-21, had increased as compared to the previous year's amount which stood at ₹ 161.86 crore.

Out of ₹ 201.99 crore, major portion *i.e.* ₹ 82.14 crore (40.66 *per cent*) was transferred for Mahatma Gandhi National Rural Guarantee Program, and other schemes were: Swadesh Darshan Scheme- ₹ 24.43 crore (12.09 *per cent*), Organic Value Chain Development of NE Region- ₹ 12.44 crore (6.16 *per cent*), National Programme for Dairy Development - ₹ 10.47 crore (5.18 *per cent*), Special Accelerated Road Development Programme (SARDP) for NER financed by National Investment Fund (NIF)- ₹ 8.14 crore (4.03 *per cent*), MPLAD (Member of Parliament Local Area Development) Scheme - ₹ 7.74 crore (3.83 *per cent*), and Sikkim State AIDS Control Society - ₹ 7.74 crore (3.83 *per cent*).

As the funds were not routed through the State Budget/ State treasury system, the Annual Finance Accounts did not capture these funds and to that extent, the State's receipts and expenditure as well as other fiscal variables/ parameters derived from them did not represent the complete picture. Further, direct transfers from the GoI to the SIAs run the risk of poor oversight.

4.4 Non transfer of Education Cess to Public Account led to overstatement of Revenue Receipts

The State Government enacted (26 April 2007) the Sikkim Educational Cess on Alcoholic Beverages Act (Act), 2007 to provide for levy of Educational Cess (EC) on India Made Foreign Liquor (IMFL) and Beer in the State of Sikkim. Section 4 of the Act stipulates that the EC is to be levied, assessed and recovered along with Excise duties. As per Section 7 of the Act, the State Government was required to make rules for carrying out the purposes of this Act.

We noticed that despite a lapse of 14 years from the passage of the Act for levying the Educational Cess, rules for carrying out the purposes of this Act have not been made (March 2021) and the cess collected between 2007-08 and 2020-21 amounting to ₹ 64.35 crore was credited to the Consolidated Fund of the State. Since the Educational Cess levied by the State Government was meant for a specific purpose, ideally a separate Fund should have been created by the State Government.

The Department, while accepting the fact that the rules have not been framed, assured (April 2021) that appropriate rules would be framed expeditiously.

4.5 Utilisation Certificates

4.5.1 Delay in submission of Utilisation Certificates of Grants-in-Aid

Rule 115 of SFR states that in the case in which conditions are attached with the utilisation of a grant in the form of specification or particular objects or expenditure or the time within which the money must be spent, or otherwise, the sanctioning authority shall be primarily responsible for certifying to the Accountant General, where necessary, the fulfilment of conditions attached to grant, unless there is any special rule or order to the contrary. Further, Rule 116 (1) of the SFR stipulates that every grant made for a specific object is subject to implied conditions: (i) that the grant shall be spent upon the object within a reasonable time of one year from the date of issue of the letter sanctioning grant and (ii) that any portion of the amount which is not ultimately required for expenditure upon that object shall be duly surrendered to Government.

Utilisation Certificates (UCs) outstanding beyond the specified periods indicate absence of assurance on utilisation of the grants for intended purposes and the expenditure shown in the accounts to that extent cannot be treated as final.

Grantor obtains assurance through means of UCs about proper utilisation of the funds placed at the disposal of the Grantee for the sanctioned purpose. Any delay in furnishing UCs to the Grantor or an inaccuracy in such reporting essentially undermines the control mechanism designed to prevent the diversion from the intended purposes as well as timely utilisation of grants. To the extent of non-receipt of UCs, the expenditure shown in accounts cannot be treated as final nor can it be confirmed that the amount has been expended for the purpose sanctioned.

Department-wise status of outstanding UCs as per the records of the office of the Sr. Deputy Accountant General (Accounts & Entitlement) {(Sr. DAG) (A&E)} Sikkim is given at **Appendix-4.3**.

Table 4.5: Age-wise arrears in submission of Utilisation Certificates

(₹ in crore)

Year	Opening Balance		Additions*		Clearance		Closing Balance	
	Nos.	Amount	Nos.	Amount	Nos.	Amount	Nos.	Amount
Up to 2018-19	1533	193.71	230	87.06	459	108.56	1304	172.21
2019-20	1304	172.21	306	65.96	174	34.18	1436	203.99
2020-21**	1436	203.99	279	56.46	323	68.17	1392	192.28

Source: Finance Accounts and VLC data

*This column represents UCs due to be submitted during the year. ** Except sanction orders state otherwise, Utilization Certificates for grants disbursed during 2019-2020 become due during 2020-2021.

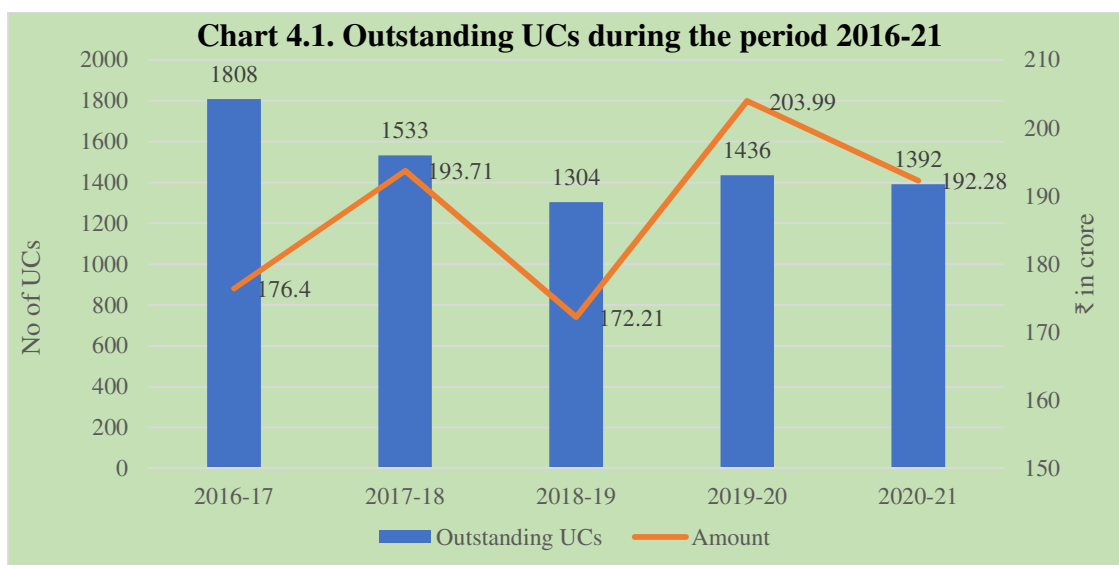
Year-wise break-up of outstanding UCs for the period 2003-21 is given in **Table 4.6**.

Table 4.6: Year wise break up of outstanding UCs

Year due for Submission	Number of UCs	Amount (₹ in crore)
2003-04	213	1.24
2004-05	47	1.35
2005-06	55	0.92
2006-07	38	1.13
2007-08	22	1.40
2008-09	98	4.88
2009-10	109	6.44
2010-11	93	4.85
2011-12	30	0.48
2012-13	28	1.43
2013-14	22	5.69
2014-15	17	3.66
2015-16	15	0.29
2016-17	37	1.84
2017-18	64	12.17
2018-19	89	43.89
2019-20	136	44.16
2020-21	279	56.46
Total	1,392	192.28

As can be seen from the table above, out of 1,392 outstanding UCs involving ₹ 192.28 crore, 213 outstanding UCs amounting to ₹ 1.24 crore which were due for submission in 2003-04, were still awaited as on 31 March 2021.

High pendency of UCs was fraught with the risk of mis-appropriation, thus it is imperative that the State Government should monitor this aspect closely and hold the concerned persons accountable for submission of UCs in a timely manner.

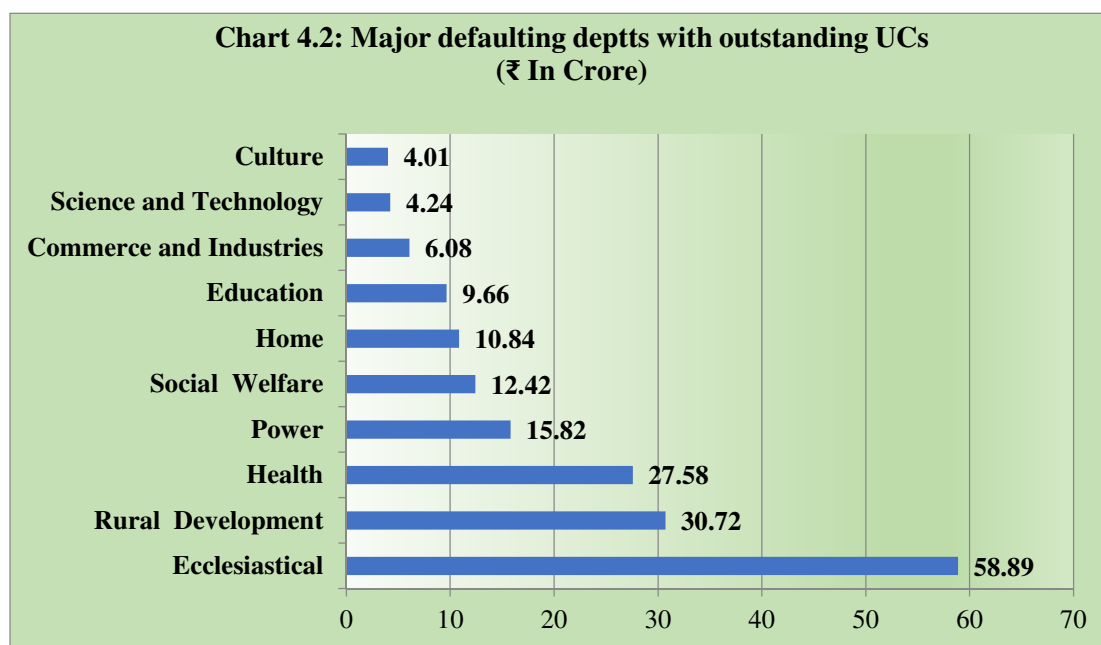


As can be seen from the Chart above, the State has managed to reduce its number of outstanding UCs from 1,808 in 2016-17 to 1,392 in 2020-21.

The major defaulting departments are listed in **Table 4.7**.

Table 4.7: Major defaulting departments who had not submitted UCs

Major Defaulting Department	Number	Amount (₹ in crore)	Percentage of outstanding UCs
Ecclesiastical	116	58.89	30.63
Rural Development	91	30.72	15.98
Health	26	27.58	14.34
Power	20	15.82	8.22
Social Welfare	336	12.42	6.45
Home	16	10.84	5.64
Education	15	9.66	5.02
Commerce and Industries	20	6.08	3.16
Science and Technology	20	4.24	2.20
Culture	141	4.01	2.08



The major defaulting department which failed to submit utilisation certificates with ten per cent or more of the total outstanding UCs were Ecclesiastical with ₹ 58.89 crore (30.63 per cent), Rural Development ₹ 30.71 crore (15.98 per cent), Health ₹ 27.58 crore (14.34 per cent) and Social Welfare – 20.18 crore (10 per cent).

4.5.2 Outcome of review on pendency in submission of UCs in Department of Health and Family Welfare

A review of pending UCs in respect of Grants-in-aid sanctioned by Health and Family Welfare Department (HFWD) to various bodies and authorities as recorded in the VLC data of the office of Sr. Deputy Accountant General (A&E) Sikkim was conducted in September 2021.

The HFWD had sanctioned Grants-in-aid to various organisations from time to time for activities relating to the Health Sector. The names of these bodies are given as below:

- i) State Health Society for implementing the National Health Mission.
- ii) State Medical Council
- iii) State Pharmacy Council
- iv) State Nursing Council
- v) State Dental Registration Tribunal
- vi) State Appropriate Authority (PC&PNDT)
- vii) Sikkim Blood Transfusion Council
- viii) Sowa Rigpa

4.5.2.1 Pendency of Utilisation Certificates

Age-wise break-up of pending UCs in respect of Grants-in-aid sanctioned by the HFWD to various organisations, as per the VLC data is depicted in the **Table 4.8**.

Table 4.8: Age-wise break up of pending UCs

Year	No. of Grants-in-aid for which UCs not received	Amount of Grant (₹ in crore)
2014-15	1	3.25
2017-18	2	3.00
2018-19	10	11.04
2019-20*	9	5.29
2020-21	4	5.00
Total	26	27.58

*Grants of ₹ 20 lakh was paid to five organisations though a single voucher in March 2020 (Vr. No. 5718) and shown as a single case of grant in the Books of Deputy Accountant General.

Out of total 26 cases for which UCs were pending, major share (13 cases) of the pending UCs involving Grants-in-aid of ₹ 21.50 crore (77.96 per cent) pertained to the State Health Society implementing the NHM Programme (earlier NRHM).

Table 4.9: Grantee-wise break up of pending UCs

Sl. No.	Name of Grantee Organisation	No. of UCs pending	Value of Grant for which UCs pending (₹ in crore)
1	State Health Society	13	21.50
2	Sikkim Blood Transfusion Council	02	0.14
3	Sikkim Manipal University	01	5.00
4	Sikkim Medical Council	03	0.20
5	Sikkim Nursing Council	01	0.20
6	Sikkim Pharmacy Council	02	0.09
7	Sikkim Dental Registration Tribunal	03	0.15
8	Sowa Rigpa	01	0.30
Total		26	27.58

4.5.2.2 Audit Observation

➤ **Non-reconciliation of receipt of UCs with Sr. Deputy Accountant General**

Audit verification of the grants released by the HFWD up to March 2021 vis-à-vis the UCs shown pending in the books of Sr. DAG (A&E) revealed that seven UCs for grants valuing ₹ 8.73 crore had been received by the HFWD. However, the status of receipt of these UCs had not been reconciled by the HFWD with the office of Sr. Deputy Accountant General (A&E). Details of the UCs received but not reconciled are depicted in the Table 4.10:

Table 4.10: Unreconciled UCs with A & E office

Sl. No.	Name of Grantee Organisation	Year of Grant	No. of UCs	Value of Grant for which UCs received but not reconciled (₹)
1	State Health Society	2013-14	01	3.25
2	Sikkim Manipal University	2017-18	01	5.00
3	Sikkim Medical Council	2019-20	01	0.05
4	Sikkim Nursing Council	2017-18 (2); 2019-20 (1)	03	0.13
5	Sowa Rigpa	2019-20	01	0.30
	Total		07	8.73

The HFWD Department had not maintained any Register to record and monitor the payment of Grants-in-aid to the grantee organisations and the receipt of the UCs against each GIA.

➤ **Non-adherence of regulations while sanctioning Grants-in-aid**

Eight organisations had regularly received Grants-in-aid from the HFWD. It was seen that the HFWD did not adhere to even the basic provisions of SFR while sanctioning Grants-in-aid to these organisations, as elucidated below:

- The HFWD had not indicated in the sanction orders whether the Grants-in-aid were recurring or non-recurring in nature. The sanction orders neither specified the objectives for which the Grants-in-aid were given, nor the conditions attached to the Grants-in-aid. The sanction orders also did not specify the time limit within which the grants or each instalment of the same were to be spent.
- No certificates to the effect that the unspent balance of the previous grant had either been surrendered to Government or taken into account while sanctioning the subsequent grants to the same organisations for the same purposes, were incorporated in the sanction letters of recurring Grants-in-aid.
- Whether organisations receiving grants exceeding ₹1 lakh per annum of recurring nature or ₹ 5 lakh non-recurring of nature had maintained subsidiary accounts of such grants, could not be ascertained from the records in the HFWD.
- No records were available in the HFWD to show whether the sanctioning authority had certified to the Sr. DAG (A&E), the fulfilment of the conditions attached to the grants, in the cases where conditions were attached to the

utilisation of a grant in the form of specification of particular objects or expenditure or the time within which the money must be spent, or otherwise.

➤ ***Absence of system for one-to-one mapping of grants with submission of UCs by the State Health Society***

The NHM implemented by the State Health Society (SHS) is an ongoing scheme of the GoI since 2005, which is funded in the ratio 90:10 between the Centre and the State. Scrutiny of records relating to the payment of grants by the HFWD to the SHS for implementing the NHM and the submission of UCs by the SHS revealed the following:

- The HFWD regularly released Central share and the State share to the SHS for NHM as Grants-in-aid in several tranches every year. While submitting UCs, the SHS indicated the amounts of Grants-in-aid received during the year, amount of outstanding balance of Grants-in-aid of previous years' grants, interest earned during the year, total amount utilised during the year and the closing balance at the end of the year.
- There was no system of mapping one-to-one utilisation of the individual Grants-in-aid sanctioned by the HFWD to the SHS with individual components of the NHM. Hence it was not possible to determine the actual status of utilisation of each tranche of Grants-in-aid paid to the SHS during a particular year. To this extent, the status of pendency of UCs shown against each grant in the VLC data also did not reflect true picture of the state of affairs of utilisation of the Grants-in-aid paid to the SHS by the HFWD for implementation of the NHM. The HFWD therefore needs to devise a suitable methodology to track the utilisation of the grants released to the SHS in consultation with the office of the DAG (A&E).

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

The drawal of contingent charges on items of expenditure by a State Government, for which final classification and supporting vouchers is not available at the time of drawal are made on 'Abstract Contingent' (AC) Bills. Initially made as advance, its subsequent adjustments are ensured through submission of Detailed Contingent (DC) bills within a stipulated period of drawal of AC bill. DC bill consists of abstract of expenditure along with sub-vouchers for amount drawn through AC bill. Drawing and Disbursing Officers (DDOs) are required to present DC bills duly countersigned by the Controlling Officer in all these cases within period prescribed in the State Treasury Rules.

Circular No. 168/Fin (Accts) dated 27 December 1983 issued by Finance Department GoS, states that DDOs are required to present DC Bills containing vouchers in support of final expenditure within three months of the withdrawal of AC Bills. Besides, the DDOs should not make payments through AC Bills unless DC Bills for previous month have been submitted to the Controlling Officers. Non-submission of DC Bills renders the expenditure under AC Bills opaque. Details of AC Bills outstanding as on 31 March 2021 are given below.

Table 4.11: Details of AC Bills

Year	AC Bills Drawn		DC Bills submitted		Unadjusted AC Bills	
	No.	Amount (₹ in crore)	No.	Amount (₹ in crore)	No.	Amount (₹ in crore)
Upto 2018-19	19065	573.89	16704	523.24	2361	50.65
2019-20	754	15.16	403	9.48	351	5.68
2020-21	521	20.82	100	1.97	421	18.85
Total	20340	609.87	17207	534.69	3133	75.18

Source: NTA and VLC data of office of the Sr. DAG (A&E).

It was seen that out of ₹20.82 crore drawn through 521 AC Bills during 2020-21, ₹11.19 crore (54 per cent) was drawn through 151 AC Bills in March 2021 and of this, ₹ 9.05 crore (80.88 per cent) was drawn through 49 AC Bills on the last day of the financial year. Significant expenditure against AC Bills in the last month of the financial indicates that the draws were made primarily to exhaust the budget provisions and points to inadequate budgetary planning.

Year-wise trend of Unadjusted AC bills for the period 2001-2021 is given below.

Table 4.12: Year-wise break-up of Unadjusted AC bills

Year	AC Bills Drawn		DC Bills Submitted		Unadjusted AC Bills	
	No.	Amount (₹ in Crore)	No.	Amount (₹ in Crore)	No.	Amount (₹ in Crore)
2001-2002	731	10.26	675	10.08	56	0.18
2002-2003	1,215	22.70	1080	21.04	135	1.66
2003-2004	1,427	18.10	1235	16.68	192	1.42
2004-2005	1,135	16.46	1013	15.13	122	1.33
2005-2006	989	17.77	890	16.66	99	1.11
2006-2007	1,147	21.85	1039	19.43	108	2.42
2007-2008	1,143	41.39	1031	40.46	112	0.93
2008-2009	1,137	35.38	1031	32.33	106	3.05
2009-2010	1,048	36.30	947	34.29	101	2.01
2010-2011	890	29.85	826	29.36	64	0.49
2011-2012	1,002	45.04	926	43.72	76	1.32
2012-2013	854	50.11	747	47.79	107	2.32
2013-2014	824	42.78	734	41.99	90	0.79
2014-2015	876	28.15	803	23.12	73	5.03
2015-2016	940	15.52	839	13.63	101	1.89
2016-2017	1,263	26.05	1042	23.32	221	2.73
2017-2018	1,312	38.39	1063	28.54	249	9.85
2018-2019	1,131	77.78	782	65.66	349	12.12
2019-2020	754	15.16	403	9.48	351	5.68
2020-2021	521	20.82	100	1.97	421	18.85
Total	20,340	609.87	17,207	534.69	3,133	75.18

Source: VLC Data

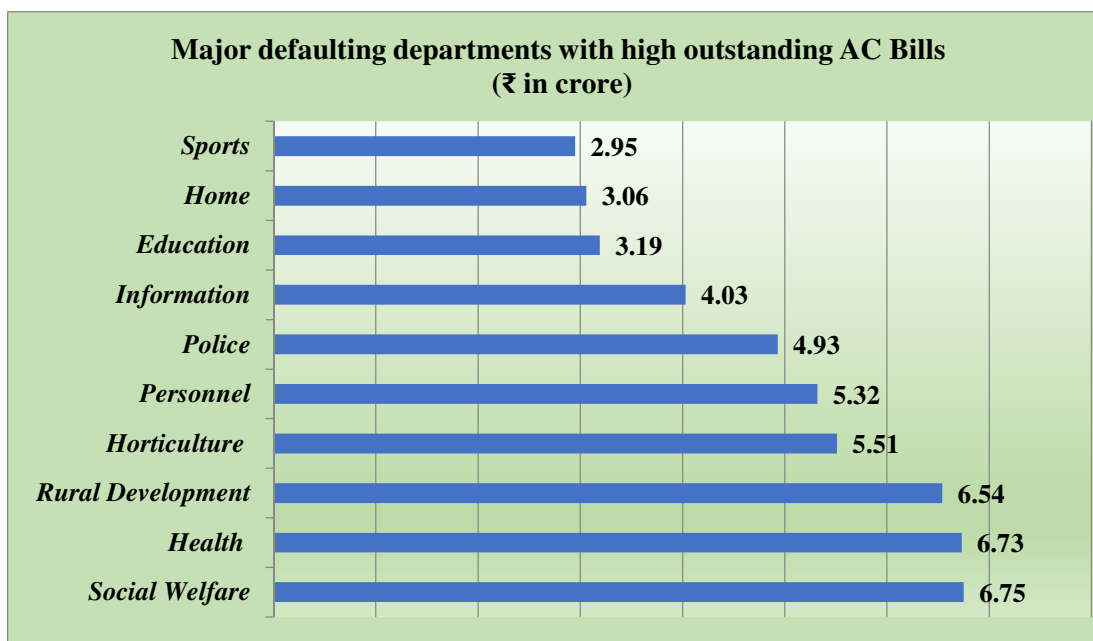
Out of 3,133 unadjusted AC bills involving ₹75.18 crore, 56 oldest outstanding AC Bills amounting to ₹ 0.18 crore pertaining to 2001-02, department-wise details are given in **Appendix-4.4**.

The major defaulting departments with high outstanding AC Bills as on 31 March 2021 are given in the chart below:

Table 4.13: Major defaulting departments who had not submitted AC bills

Sl. No.	Departments	No.	Amount (₹ in crore)	Percentage of outstanding AC Bills
1	Social Welfare	202	6.75	8.98
2	Health	184	6.73	8.94
3	Rural Development	197	6.54	8.72
4	Horticulture	154	5.51	7.33
5	Personnel	107	5.32	7.08
6	Police	404	4.93	6.56
7	Information	23	4.03	5.36
8	Education	129	3.19	4.24
9	Home	298	3.06	4.07
10	Sports	113	2.95	3.92

Chart-4.3: Departments with high outstanding AC Bills as on 31 March 2021



As can be seen from the Chart 4.3 and Table 4.12 above, Social Welfare Department was at the top with ₹ 6.75 crore (8.98 *per cent* of total outstanding AC bills) worth of outstanding AC bills. In terms of number of outstanding AC bills, Police Department with 404 numbers and Home Department with 298 numbers of outstanding AC bills were the top defaulters.

The office of Sr. DAG (A&E) has been highlighting the status of outstanding DC bills to the Finance Department on monthly basis, however the outstanding balances persisted. Due to the non-submission of DC bills, there was no assurance that

expenditure has actually been incurred before the close of the financial year, for the stated purpose. Department-wise pending DC bills for the years up to 2020-21 are detailed in **Appendix 4.5**.

Expenditure against AC bills at the end of the year indicates poor public expenditure management and may point to the drawal being done primarily to exhaust the budget provision. Non-adjustment of advances for long periods is fraught with the risk of misappropriation and therefore, requires close monitoring by the respective DDOs for ensuring submission of DC bills. Further, to the extent of non-receipt of DCC bills, the expenditure shown in the Finance Accounts cannot be asserted as correct or final.

4.7 Indiscriminate use of Minor head 800

The omnibus Minor Head 800 relating to Other Receipts/ Other Expenditure is to be operated only in cases where the appropriate Minor Head has not been provided under a Major Head in the accounts. If such instances occur on a regular basis, it is the responsibility of the State Government to discuss with the Sr. Deputy Accountant General (A&E) and obtain approval to open appropriate Minor Heads.

During the year 2020-21, the State Government booked ₹ 435.11 crore (7.76 per cent of total revenue receipts) under 800-Other Receipts under 31 Revenue Receipts Heads and ₹ 867.14 crore (11 per cent of the Revenue and Capital expenditure) under 800-Other Expenditure under 31 Expenditure Heads.

Instances where a substantial proportion (50 per cent or more) of the receipts and expenditure were classified under the Minor Head 800-Other Receipts/ Other Expenditure during 2020-21 are given in the tables below:

Table 4.14: Significant expenditure booked under Minor Head 800 – Other Expenditure during financial year (50 per cent or more)

(₹ in crore)				
Major Head	Major Head Description	Total Expenditure	Expenditure under Minor Head 800	Per cent
4216	Capital Outlay on Housing	15.00	15.00	100
4225	Welfare of SC/ST/OBC	6.19	6.19	100
2852	Industries	6.15	6.15	100
2810	Non-Conventional Sources of Energy	1.94	1.94	100
2435	Other Agricultural Programmes	15.86	15.86	100
2407	Plantations	6.51	6.51	100
4801	Capital Outlay on Power Projects	161.90	159.40	98
2216	Housing	77.85	72.27	93
2217	Urban Development	178.98	157.61	88
2245	Relief on Account of Natural Calamities	141.71	101.70	72
2075	Miscellaneous General Services	26.43	14.65	55.43

Table 4.15: Significant receipts booked under Minor Head 800 – Other Receipts during financial year (50 per cent or more)

(₹ in crore)

Major Head	Major Head Description	Total Receipts	Receipt under Minor Head 800	Per cent
0217	Urban Development	2.91	2.91	100
0801	Power	346.05	346.05	100
0515	Other Rural Development	1.09	1.09	100
0853	Non-ferrous Mining and Metallurgical Industries	0.16	0.16	100
0235	Social Security and Welfare	0.47	0.47	100
0702	Minor Irrigation	0.18	0.18	100
0220	Information and Publicity	0.13	0.13	100
0056	Jails	0.01	0.01	100
0070	Other Administrative Services	12.00	11.37	95
0059	Public Works	14.24	12.89	91
0406	Forestry and Wild Life	14.88	12.11	81
1452	Tourism	3.44	2.57	75
0071	Pension and other retirement benefit	4.43	3.30	75
0425	Co-operation	0.04	0.02	65
0403	Animal Husbandry	1.24	0.72	58
0029	Land Revenue	13.33	7.52	56

Classification of large amounts under the omnibus Minor Head 800 affects transparency in financial reporting and distorts proper analysis of allocative priorities and quality of expenditure.

4.8 Suspense and Remittances

The Finance Accounts reflect the net balances under Suspense and Remittance Heads. The outstanding balances under these heads are worked out by aggregating the outstanding debit and credit balances separately under various heads. The position of gross figures under major suspense heads for the last three years is given in Table 4.16.

Table 4.16: Outstanding Balances under Suspense and Remittance Heads

(₹ in crore)

Particulars	2018-19		2019-20		2020-21	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
<i>(I) Major Head (MH) 8658- Suspense</i>						
Minor Head	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101-PAO - Suspense	21.48	20.57	5.20	1.05	8.35	5.43
Net	Dr 0.91		Dr 4.15		Dr.2.92	
102-Suspense Account (Civil)	28.66	29.56	2.46	2.98	14.46	13.83
Net	Cr 0.90		Cr 0.52		Dr 0.63	
112 – Tax Deducted at Source	50.82	57.17	8.83	16.91	11.31	20.40
Net	Cr 6.35		Cr 8.08		Cr 9.09	
123-AIS Suspense	0.01	0.33	0.01	0.33	0.01	0.34
Net	Cr 0.32		Cr 0.32		Cr 0.33	

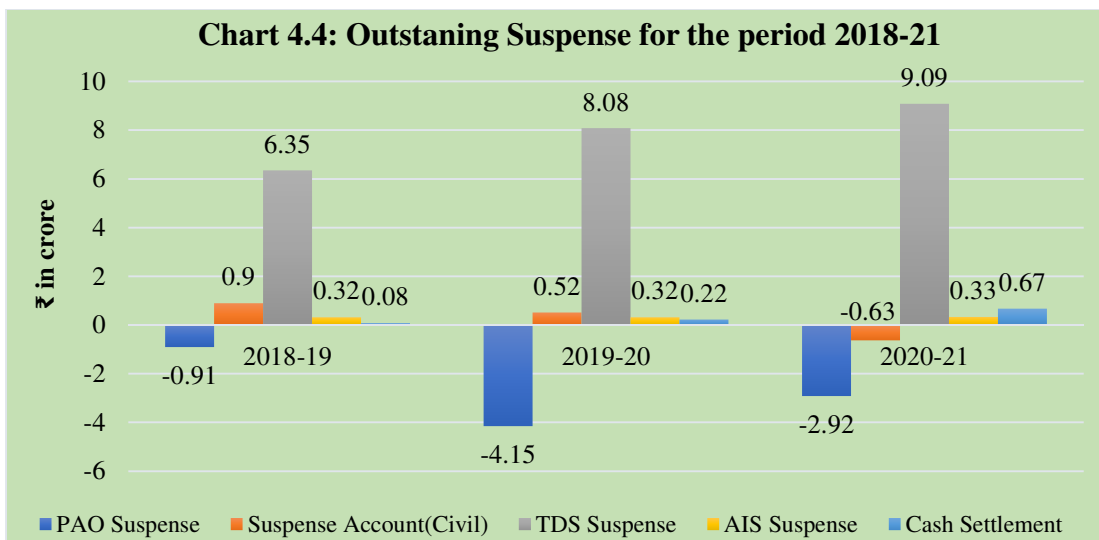
Particulars	2018-19		2019-20		2020-21	
	135-Cash Settlement between Sikkim and other States	2.83	2.75	0.31	0.09	0.86	0.19
Net	Dr 0.08		Dr 0.22		Dr 0.67	
(II) MH 8658- Cash Remittance and adjustment between officers rendering accounts to same Accounts Officers						
102-Public Works Remittances	2162.11	2416.17	3473.54	3622.89	1768.08	2282.71
Net	Cr 254.06		Cr 49.35		Cr 514.63	
103-Forest Remittances	33.22	49.90	120.38	130.61	47.47	48.80
Net	Cr 16.68		Cr 10.23		Cr 1.33	
108-Other Remittances	121.05	124.50	233.23	231.99	82.29	79.99
Net	Cr 3.45		Dr 1.24		Dr 2.30	

Source: Finance Account

Outstanding debit balance under 101-PAO Suspense head would mean that payments have been made by the State on behalf of PAOs of Central Government, which were yet to be recovered. Outstanding credit balance would mean that payments have been received by the State on behalf of a PAO, which were yet to be paid.

The variation in net balance of the components under Suspense is given below:

- The net debit balance under the PAO suspense head decreased from ₹ 4.15 crore in 2019-20 to ₹ 2.92 crore in 2020-21. On clearance/ settlement of this, the cash balance of the State Government will increase.
- The Civil Account suspense head became Dr balance from ₹ 0.52 crore (Cr) in 2019-20 to ₹0.63 crore (Dr) in 2020-21.
- Receipts on account of TDS are credited to TDS suspense and the balances under this suspense head are to be cleared when the receipts of TDS are transferred to the Income Tax Department. There was outstanding credit balance of ₹ 9.09 crore under this head as on 31 March 2021.
- The net AIS suspense balance during all three years remained almost same at ₹ 0.32 crore to ₹ 0.33 crore.
- The Cash Settlement balance between Sikkim and other states increased to ₹ 0.67 crore in 2020-21 as against previous year's balance of ₹ 0.22 crore.



4.9 Reconciliation of Receipts and Expenditure between CCOs and Sr. Deputy Accountant General (A&E):

To exercise effective control of expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, all Chief Controlling Officers (CCOs) are required to reconcile the Receipts and Expenditure recorded in their books every month during the financial year with the figures accounted for in the office of the Senior Deputy Accountant General (A&E). For the financial year 2020-21 all the CCOs, completed reconciliation for all Revenue and Capital expenditure of ₹ 7,882.53 crore; and Revenue Receipt of ₹ 5607.82 crore respectively.

Table 4.17: Status of reconciliation during the three years 2018-19 to 2020-21

Year	Total No. of Controlling Officers	Fully Reconciled	Partially Reconciled	Not reconciled at all
Receipts				
2018-19	38	38	Nil	Nil
2019-20	38	38	Nil	Nil
2020-21	38	38	Nil	Nil
Expenditure				
2018-19	47	47	Nil	Nil
2019-20	47	47	Nil	Nil
2020-21	47	47	Nil	Nil

As per the records of office of Sr. DAG (A&E), the State Government had reconciled 100 *per cent* of all their Receipts and Expenditure through CCOs and DDOs with the figures booked in the accounts of the Sr. DAG (A&E).

4.10 Reconciliation of Cash Balances

Under a resolution passed in the year 1968-69, the State Bank of Sikkim (SBS) has been vested with the responsibility by the GoS of receiving money on behalf of Government and making all Government payments and keeping custody of the balances of government. It was seen that there were differences in cash balances as per the records of Sr. DAG (A&E) and SBS each year. As per records of Sr. DAG (A&E), the

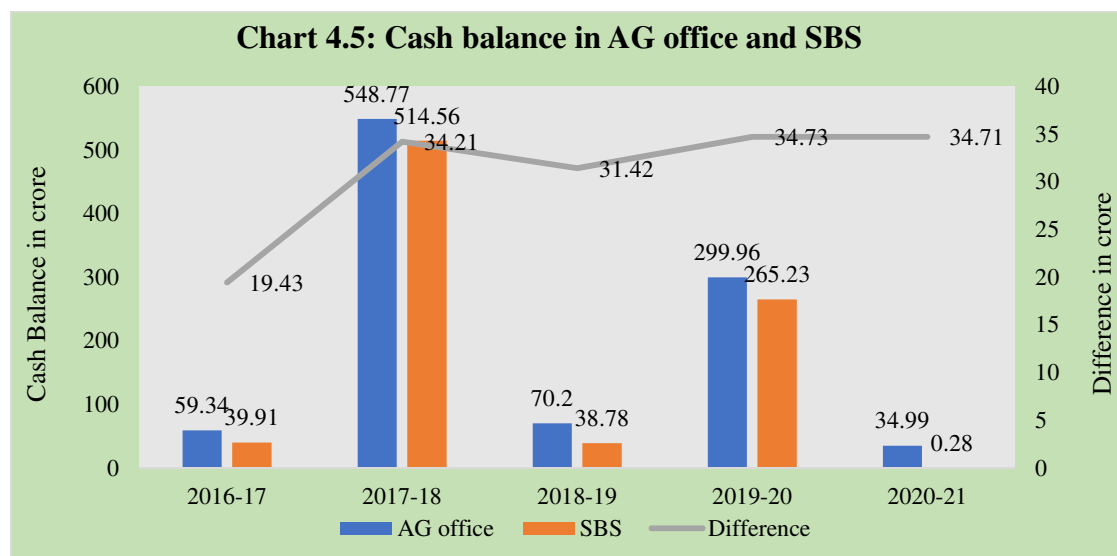
cash balance of Government with the State Bank of Sikkim as on 31 March 2021 was ₹ 34.99 crore. But as per the record of the State Bank of Sikkim, the cash balance stood at ₹ 0.28 crore leaving behind an unreconciled balance of ₹ 34.71 crore.

The difference in cash balance between the figures of Sr. DAG (A&E) and SBS for the last five years is shown below:

Table 4.18: Differences in cash balances

Financial Year	As per records of office of Sr. DAG (A&E)	As per records of State Bank of Sikkim (SBS)	Difference
2016-17	59.34	39.91	19.43
2017-18	548.77	514.56	34.21
2018-19	70.20	38.78	31.42
2019-20	299.96	265.23	34.73
2020-21	34.99	0.28	34.71

The difference was mainly due to non-reconciliation of figures by the State Treasuries with the SBS.



4.11 Compliance with Accounting Standards

Three Indian Government Accounting Standards (IGASs) have been notified by the Ministry of Finance, GoI viz., IGAS 1- Guarantees given by the Government, IGAS 2- Accounting and classification of Grants-in-aid and IGAS 3- Loans and Advances made by Government. These three Accounting Standards describe the disclosure norms for Guarantees, Principles for Accounting and Classification of Grants-in-aid and disclosure norms for Loans and Advances made by Government in the Financial Statements of Government respectively.

The disclosure requirements as per IGAS -1, IGAS 2 and IGAS-3 have been complied with in the Finance Accounts of Government of Sikkim.

4.12 Non-submission of Accounts of Autonomous Bodies

The audit of accounts of 14 Autonomous Bodies (ABs) of State Government has been entrusted to the CAG under Section 20(1) of the C&AG (DPC) Act, 1971 in the State.

Sixty-three accounts of above 14 ABs were pending for submission to Audit with pendency ranging between one and 13 years. Sikkim Khadi and Village Industries Board had highest pendency as it had not submitted accounts of 12 years. The AB-wise details of pendency are given in **Appendix 4.6**.

4.13 Non-submission of information on financial assistance given to Autonomous Bodies/ Authorities

In order to identify new institutions which, attract audit under Sections 14 and 15 of the CAG's (DPC) Act, 1971, the State Government/ Heads of the Departments are required to furnish to Audit every year detailed information about the financial assistance given to various institutions, the purpose of assistance granted and the total expenditure of the institutions. None of the departments had submitted this information though specifically called for.

The substantially funded Autonomous Bodies/ Authorities are required to submit their annual accounts for audit by the CAG under the provision *ibid*. A total of 53 annual accounts of 24 Autonomous Bodies/ Authorities for the period from 2014-15 to 2020-21 had not been received in the office of Principal Accountant General till October 2021 as detailed in **Appendix 4.7**. The age-wise delay in submission of accounts is detailed in the table below.

Table 4.19: Statement Showing Age-wise Non-furnishing of Accounts

Sl. No.	Range of delays in number of years	Total number of accounts
1	Five years and above	5
2	Three and four years	14
3	Two years and below	34
	Total	53

Due to non-finalisation of accounts, the same could not be audited. Thus, it could not be ensured whether the grants and expenditure had properly been accounted for and whether the purpose for which the grants were provided had actually been achieved.

Due to non-finalisation of accounts, the stakeholders were not able to assess financial status of these bodies. Besides, delay in finalisation of accounts carries the risk of financial irregularities remaining undetected apart from violation of the provision of the respective legislations under which these bodies were constituted.

Thus, there is a need for the Autonomous Bodies/ Authorities to submit their accounts to Audit in a timely manner.

4.14 Misappropriations, losses, thefts, etc.

State Financial Rules lay down detailed instructions regarding responsibility for losses sustained through fraud or negligence of individuals, loss or destruction of Government property and report thereof to the Police/ Accountant General.

There were six cases of misappropriation involving Government money amounting to ₹ 264 lakh {RDD (₹ 97.40 lakh), Transport Department (₹ 8.78 lakh), Building & Housing (₹ 157.56 lakh) and Finance Department (₹ 0.26 lakh)} out of which an amount

of ₹ 1.78 lakh was recovered from the SNT driver in February 2020. The unrecovered amount of ₹ 262.22 lakh is lying pending at the end of 2019-20 where the final action was still pending. The department-wise break-up of pending cases and age-wise analysis of misappropriation cases are as following.

Table 4.20: Profile of pending cases of misappropriation, loss, defalcation, etc.

Age-profile of the pending cases				Nature of the cases	Action taken by the Department	Amount Received
Range in years	Number of cases	Name of the Department	Amount involved ₹ in lakh			
0-5	02	RDD	7.99	Cash transaction was not recorded in the cash book	Action yet to be taken by the Department	Nil
			89.41	Short supply of stock materials by Block Office to the Beneficiaries	Enquiry conducted by the O/o the ADC (Dev), Rabongla, South Sikkim	Nil
	01	BHD	157.56	Misappropriation	Case under investigation by Vigilance dept	Nil
	01	Food & Supplies	2.24	Misappropriation	Case has been registered by the Vigilance dept and under investigation	
5-10	02	Finance	00.26	Cash embezzlement by staff	The person involved in the case is still untraceable. The proposal for write-off Government money involved is under process	Nil
		Transport	01.78	Shortage of POL during transportation in SNT tanker	Driver of the SNT tanker involved. Departmental enquiry under process	₹1.78 lakh deposited vide bank receipt no. 19205-1100/529 dated 20.02.2020
15-20	01	Transport	07.00	Shortage of POL during transportation in SNT tanker	Case referred to Vigilance Department for investigation	Nil
Total	06		264.00			1.78

Source: Departmental and audited figures

4.15 Follow up action on State Finances Audit Report

The preparation of Report on State Finances started in 2008-09 and the Reports for the years 2009-10 and 2012-13 had been discussed by the Public Accounts Committee (PAC). PAC recommended compliance with the recommendations as contained in the Report of the Comptroller and Auditor General of India on State Finances for 2009-10. In respect of the Report for the year 2010-11, the PAC stated that it would appreciate the setting up of a prudent financial management mechanism and that persistent planning may be required wherever there is need to do so. Reports on State Finances upto 2012-13 have been discussed in the PAC and 2013-14 to 2018-19 have not been

discussed by the PAC and report of 2019-20 yet to be placed in the Legislative Assembly.

4.16 Conclusion

During the year 2020-21, all the Controlling Officers reconciled the Government receipts and expenditure with the figures in the books of the Sr. DAG (A&E).

Audit noticed that Revenue Receipts of ₹ 341.19 crore earned from sale proceeds of electricity sold outside the State and royalty receipts from the HEPs located in the State, were not deposited in the Consolidated Fund of State by PDS. This led to understatement of Government Revenue Receipts by ₹ 341.19 crore and overstatement of Revenue Deficit and Fiscal Deficit to that extent. Further, an expenditure of ₹ 405.03 crore had been incurred without routing it through Government Accounts resulting in understatement of Government expenditure by ₹ 405.03 crore with consequential understatement of Revenue Deficit and Fiscal Deficit. This led to an overall understatement of Revenue Deficit and Fiscal Deficit by ₹ 63.84 crore during 2020-21.

As on 31 March 2021, the SSERC Bank Account had a balance of ₹ 67.69 Lakh and due to non-creation of the State Electricity Regulatory Commission Fund, the grants, fee and other receipts collected by the SSERC were being kept in a bank account.

As informed by 12 CCOs to the office of Sr. Deputy Accountant General (A&E) Sikkim, an amount of ₹ 199.14 crore was lying in the Savings/ Current Accounts of these CCOs as on 31 March 2021.

During the year 2020-21, the State Government repaid ₹ 140.85 crore worth of loans availed by three financial institutions for implementation of various Government projects, and interest accrued thereupon. The borrowings by these Institutions had not formed part of the outstanding liabilities of the State Government during the respective years.

The GoI transferred ₹ 201.99 crore directly to Implementing Agencies (IAs) in the state, during 2020-21. The amount of such funds transferred by GoI to IAs during 2020-21, had increased as compared to the previous year's amount (₹ 161.86 crore).

The Educational Cess levied by the State Government was meant for a specific purpose, ideally a separate Fund should have been created by the State Government. However, despite a lapse of 14 years from the passage of the Act for levying the Educational Cess, rules for carrying out the purposes of this Act have not been made (March 2021) and the cess collected between 2007-08 and 2020-21 amounting to ₹ 64.35 crore was credited to the Consolidated Fund of the State.

The practice of not furnishing UCs in a timely manner resulted in pendency of large number of UCs. At the end of March 2021, 1392 UCs involving an aggregate amount of ₹ 192.28 crore were pending for submission even after a lapse of one to seventeen years by various departments.

Out of 521 AC bills amounting to ₹20.82 crore drawn during the year 2020-21, 151 AC bills amounting to ₹11.19 crore (54 per cent) were drawn in March 2021. DC Bills in respect of a total of 3133 AC bills amounting to ₹75.18 crore as on 31 March 2021 were not received.

During year 2020-21, the State government booked 7.76 per cent of total revenue receipts and 11 per cent of total expenditure under Minor Head 800- Other Receipts and Minor Head 800-Other Expenditure.

Non-furnishing of detailed information about financial assistance given to various institutions and non-submission of accounts by 14 Autonomous Bodies/ Authorities as per timelines led to non-compliance with Financial Rules. There were also delays in placement of SARs to Legislature.

There were six cases of misappropriation involving Government money in respect of four Departments with the money value of ₹2.64 crore at the end of 2020-21 where final action was pending.

4.17 Recommendations

- *Departments should adhere to the Government Accounting Rules and all the financial transactions, should be routed through Government Accounts, to reflect actual financial position of the State.*
- *The Government may enhance the scope and coverage of budget provision by including the extra budgetary resources given to various State Government PSUs/ entities for implementation of various State Government Schemes/ Programmes etc.*
- *Finance Department may draw up an action plan for monitoring and ensuring submission of all pending UCs especially keeping in view that UCs from 2003-04 onwards are still due for submission. Release of subsequent grants should be linked with submission of outstanding UCs.*
- *Finance Department may make special efforts to settle old outstanding AC bills specially keeping in view that submission of DC bills from 2001-02 onwards are still pending for submission. At the same time, the DDOs should be asked to ensure that the DC bills are submitted within prescribed time, in order to stem the accretion of unadjusted AC bills. Advances should be monitored closely for effective control and old outstanding AC bills should be adjusted by making special efforts in a time bound manner.*
- *Timely reconciliation may be done with figures of the PAO and AG's office to avoid discrepancies in Accounts. The special efforts to be taken for reconciliation of State Bank of Sikkim and PAO figures.*
- *In order to make accounts transparent, the Government should operate appropriate Minor Heads instead of booking under Minor Head 800.*

- *Finance Department should consider evolving a system to expedite the process of compilation and submission of annual accounts by autonomous bodies in order to assess their financial position.*
- *The Government may take appropriate measures to get the unspent money lying in the bank accounts, refunded into the Government account and may also frame suitable orders to this effect.*
- *The Government should prepare a time bound framework for taking prompt action in cases of misappropriation, loss, theft, etc. and strengthening the internal control system in Departments to prevent recurrence of such cases.*

**CHAPTER-V:
FUNCTIONING OF STATE
PUBLIC SECTOR ENTERPRISES
(SPSEs)**

Chapter V: Functioning of State Public Sector Enterprises

This Chapter provides an overall picture on the functioning of the State Public Sector Enterprises (SPSEs). The term State Public Sector Enterprises (SPSEs) encompasses the State Government owned/controlled Government Companies set up under the Companies Act, 2013/ Sikkim Registration of Companies Act 1961 and Statutory Corporations established under the proclamations of the erstwhile Chogyal (King) of Sikkim.

SUMMARY OF FINANCIAL PERFORMANCE OF STATE PUBLIC SECTOR ENTERPRISES

5.1 Introduction

This Chapter presents the financial performance of 'State Public Sector Enterprises'. The term State Public Sector Enterprises (SPSEs) encompasses the State Government owned companies set up under the Companies Act, 2013, Sikkim Registration of Companies Act, 1961 and Statutory Corporations set up under the statutes enacted by the Parliament and State legislature.

A Government Company is defined in Section 2 (45) of the Companies Act, 2013 as a company in which not less than 51 *per cent* of the paid-up share capital is held by Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments, and includes a company which is a subsidiary of a Government Company.

Besides, any other company owned or controlled, directly or indirectly, by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments are referred to in this Report as Government controlled other Companies.

5.2 Mandate

Audit of 'Government Companies' and 'Government Controlled Other Companies' is conducted by the Comptroller & Auditor General (CAG) of India under the provisions of Section 143(5) to 143(7) of the Companies Act, 2013 read with Section 19 of the CAG's (Duties, Powers and Conditions of Service) Act, 1971 and the Regulations made thereunder. Under the Companies Act, 2013, the CAG appoints the Chartered Accountants as Statutory Auditors for Government companies and gives directions on the manner in which the accounts are to be audited. In addition, CAG has the right to conduct the supplementary audit of the financial statements of such companies.

The Companies Act, 2013 and the erstwhile Companies Act, 1956 had not been extended to the State of Sikkim. Out of 13 Government Companies existing in the State

of Sikkim, four²⁷ companies were registered under the Companies Act, 1956/2013 while remaining nine²⁸ were registered under the ‘Registration of Companies Act, Sikkim, 1961’.

The Companies registered under Registration of Companies Act, Sikkim 1961 are audited on entrustment basis, under the provisions of Section 20 (1) of the CAG’s (Duties, Powers and Conditions of Service) Act, 1971. The statutes governing some Statutory Corporations require their accounts to be audited only by CAG.

5.3 Working and non-working SPSEs

As on 31 March 2021, there were 23 SPSEs (17 working and six non-working) in Sikkim and only 17 working SPSEs were under the audit jurisdiction of the CAG in Sikkim. The State Government did not entrust the audit of six non-working SPSEs²⁹ to CAG. Therefore, the observations included in this Chapter relate to 17 SPSEs being audited by the CAG. The 17 working SPSEs audited by CAG included 13 Government Companies, and four Statutory Corporations as shown in **Table 5.1**.

Table 5.1: Details of working and non-working SPSEs

Type of SPSEs	SPSEs (all working)	Audit mandate
Government Companies registered under the Sikkim Registration of Companies Act,1961	9	Audited by CAG on entrustment basis under section 20(1) of CAG(DPC)’s Act 1971
Government Companies registered under the Companies Act,2013	4	Supplementary audit by CAG as per the provisions of the Companies Act, 2013
Statutory Corporations established under the proclamations of the erstwhile Chogyal (King) of Sikkim	4	Audited by CAG under Section 19 (3) of the CAG’s (DPC) Act,1971
Total	17	

Table 5.2 below provides the comparative details of working SPSEs turnover and State GSDP for a period of three years ending 2020-21.

Table 5.2: Contribution of SPSEs-turnover to GSDP

(₹ in crore)

Particulars	2018-19	2019-20	2020-21
SPSEs-Turnover ³⁰	2,119.51	2,518.51	2,758.84
GSDP	28,402	30,809	32,724
Percentage of Turnover to GSDP	7.38	7.75	8.43

Source: As per latest finalised accounts of SPSEs.

²⁷ Teesta Urja Limited, Teestavelley Power Transmission Limited, Namchi Smart City Limited and Gangtok Smart City Development Corporation Limited

²⁸ Including one Company (Sikkim Handicraft and Handloom Development Corporation Limited) audit of which was entrusted (August 2020) to CAG during 2020-21.

²⁹ 1. Sikkim Floor Mills Limited, 2. Chandmari Workshop and Automobiles Ltd, 3. Sikkim Jewels Limited, 4. Sikkim Times Corporation, 5. Sikkim Precision Industries Limited, 6. Sikkim Mining Corporation

³⁰ As per the latest finalised accounts of working SPSEs as on 30th September of respective years.

As could be noticed from the **Table** above, the contribution of SPSEs-turnover to GSDP over the past three years from 2018-19 to 2020-21 has shown an increase from 7.46 per cent to 8.43 per cent. The major contributors to SPSEs-turnover during 2020-21 were Teesta Urja Limited (₹ 1,872.22 crore) and Teestavalley Power Transmission Limited (₹ 298.39 crore).

5.4 Investment in SPSEs

State Government's investment in SPSEs

The State's investment in the SPSEs was by way of Equity Share Capital and Long Term Loans. The figures of State investment towards Equity Capital and Loans of SPSEs as per the records of the SPSEs should agree with the corresponding figures appearing in the Finance Accounts of the State. In case of differences in the figures, the SPSEs concerned, and the Finance Department should carry out reconciliation of differences. The position in this regard for last three years is given in **Table 5.3**.

Table 5.3: Equity and Loans outstanding as per the State Finance Accounts vis-à-vis records of SPSEs for last three years

(₹ in crore)

Year	2018-19			2019-20			2020-21		
	Amount as per Finance Accounts	Amount as per records of SPSEs	Difference	Amount as per Finance Accounts	Amount as per records of SPSEs	Difference	Amount as per Finance Accounts	Amount as per records of SPSEs	Difference
Equity	50.19	45.40	4.79	43.70	47.90	4.20	51.58	48.82	2.76
Loans	37.03	2.03	35.00	37.03	2.03	35.00	37.03	2.03	35.00

(Source: As per State Finance Accounts and as per records of SPSEs.)

Note: The figure of equity and loans (as per SPSEs records) having arrears of accounts are provisional and as provided by these SPSEs.

It can be noticed from **Table 5.3** above that, as on 31 March 2021, as per records of SPSEs, the Equity investment made by Government of Sikkim (GoS) increased by ₹ 3.42 crore from ₹ 45.40 crore (2018-19) to ₹ 48.82 crore (2020-21), an increase of 7.53 per cent. The GoS had not extended any loans to the SPSEs during the said period (2018-19 to 2020-21). However, there were differences in the figures of Equity (₹ 2.76 crore) and Loan (₹ 35.00 crore) as on 31 March 2021, as per two sets of records. Out of total 10 SPSEs where State Government had made direct investment, the difference occurred in respect of eight³¹ SPSEs.

The State Government and the SPSEs concerned should take concrete steps to reconcile the differences in a time-bound manner. The Government should correct the system of financing the SPSEs and the Finance Accounts may be updated.

³¹ 1. Sikkim SC ST OBC Development Corporation, 2. Sikkim Industrial Development and Investment Corporation, 3. Sikkim Power Investment Corporation Limited, 4. Sikkim Power Development Corporation Limited, 5. Sikkim Tourism Development Corporation Limited, 6. Sikkim Handicraft and Handloom Development Corporation Limited, 7. Namchi Smart City Limited and 8. Sikkim Trading Corporation of Sikkim

5.5 Budgetary assistance to SPSEs

The State Government provides financial support to SPSEs in various forms through annual budgetary allocations. The summarised details of budgetary support towards Equity, Loans and Grants/subsidies extended to the SPSEs during past three years are given in **Table 5.4**.

Table 5.4: Details regarding annual budgetary support to SPSEs

(₹ in crore)

Particulars	2018-19		2019-20		2020-21	
	No. of SPSEs	Amount	No. of SPSEs	Amount	No. of SPSEs	Amount
Equity capital outgo from budget	2	6.02	1	2.50	0	0
Loans given from budget	0	0	0	0	0	0
Grants/subsidy from budget	2	10.79	1	6.50	1	6.50
Total Outgo	4	16.81	2	9.00	1	6.50

Source: As per SPSEs records

It can be noticed from **Table 5.4** that the budgetary support provided by State Government to SPSEs during 2020-21 (₹ 6.50 crore) was significantly lower as compared to 2018-19 (₹ 16.81 crore). Temi Tea Estates was the only SPSE, which received budgetary support during all three years by way of Grant of ₹ 8.80 crore (2018 -19) and ₹ 6.50 crore (2019-20 and 2020-21).

5.6 Returns from Government Companies and Corporations

Profit earned and Dividend paid by SPSEs

The position of aggregate profit earned and dividend paid by profit earning SPSEs during the past three years as per their latest finalised accounts as on 30 September of respective year is given in **Table 5.5**.

Table 5.5: Details of profits earned and dividend paid by working SPSEs

Year	2018-19	2019-20	2020-21
Number of profit earning working SPSEs	07	07	09
Aggregate profit earned (₹ in crore)	15.75	59.28	75.25
Dividend paid (₹ in crore)	1.33	1.33	1.33

As can be noticed from **Table 5.5** above, during last three years seven to nine working SPSEs earned profits ranging from ₹ 15.75 crore (2018-19) to ₹ 75.25 crore (2020-21). Only one SPSE (State Bank of Sikkim) had declared dividend during the past three years. There was no recorded information about the existence of any specific policy of the State Government regarding payment of minimum dividend by the SPSEs.

During 2020-21, out of total 17 working SPSEs, nine SPSEs (five companies and four statutory corporations) earned aggregate profits of ₹ 75.25 crore as per their latest finalised accounts. Analysis of the working results of the SPSEs revealed that more than 92 *per cent* (₹ 69.34 crore) of the SPSEs aggregate profits (₹ 75.25 crore) were contributed by two SPSEs (Teestavalley Power Transmission Limited (₹ 46.10 crore) and State Bank of Sikkim (₹ 23.24 crore) as per its latest finalised accounts³² as on 30 September 2021. This indicated that the other SPSEs had contributed marginally towards the profits of the public sector enterprises.

5.7 Long Term Debt of SPSEs

The position of outstanding Long Term Debts of the SPSEs during the last three years as per their latest finalised accounts is given in **Table 5.6**.

Table 5.6: Position of Outstanding loans of the SPSEs

Particulars	(₹ in crore)		
	2018-19	2019-20	2020-21
Total Loans outstanding (State Government and Others)	13,284.89	13,468.47	14,858.77
State Government Loans outstanding	2.03	2.03	2.03
Interest on Total Loans	1,533.88	1,725.66	1,644.28
Interest on State Loan ³³	0	0	0

It can be noticed from **Table 5.6** above that during 2020-21, the total long term borrowings of the SPSEs (Companies and Corporations) from all sources registered an increase of ₹ 1,390.30 crore (10.32 *per cent*) as compared to previous year (2019-20). This was mainly due to increase of ₹ 1,238.86 crore in loans of one power sector SPSE (Teesta Urja Limited) during 2020-21 from ₹ 8,830.60 crore (2019-20) to ₹ 10,069.46 crore (2020-21). The State Government loans to SPSEs during the last three years remained constant at ₹ 2.03 crore as per their latest finalised account. There were, however, no outstanding long term loans in respect of eight out of 17 working SPSEs as per their latest finalised accounts.

5.8 Operating Efficiency of SPSEs

Key parameters

Some of the key parameters of the operational efficiency of working SPSEs for last three years as per their latest finalized accounts as on 30 September of the respective year are given in **Table 5.7** below:

³² Teestavalley Power Transmission Limited (2020-21) and State Bank of Sikkim (2018-19)

³³ Interest figures as available in the latest finalised accounts of respective SPSEs.

Table 5.7: Key parameters of operational efficiency of working SPSEs

(₹ in crore)

Year	No. of working SPSEs	Paid up capital	Net overall Accumulated profits (+)/ losses(-)	Net overall profits (+)/ losses(-)	EBIT	Capital Employed ³⁴
2018-19	16	3,693.83	-2,089.94	-567.36	1,201.19	15,006.94
2019-20	16	3,713.39	-2,266.61	-438.76	1,534.38	15,054.90
2020-21	17 ³⁵	3,716.81	-2,753.39	-349.43	1,386.56	15,961.89

From the **Table** above, it can be seen that, over the last three years the position of the Net overall losses has constantly improved and PSE losses reduced by ₹ 217.93 crore from ₹ 567.36 crore (2018-19) to ₹ 349.43 crore (2020-21). The ‘Earnings before Interest and Tax’ (EBIT) during the said three years has also registered an overall increase of ₹ 185.37 crore from ₹ 1201.19 crore (2018-19) to ₹ 1386.56 crore (2020-21) although the EBIT was lower by ₹ 147.82 crore during 2020-21 as compared to that during 2019-20. The Capital Employed of SPSEs during last three years has also appreciated mainly due to increase in the long term borrowings of the SPSEs from ₹ 13,284.89 crore (2018-19) to ₹ 14,858.77 crore (2020-21).

The net overall accumulated losses of SPSEs during last three years have shown an increasing trend and were recorded at ₹ 2,753.39 crore as on 31 March 2021. More than 98 *per cent* (₹ 2,709.24 crore) of the accumulated losses of SPSEs (₹ 2,753.39 crore) during 2020-21 were contributed by Teesta Urja Limited (₹ 1,498.26 crore) and Sikkim Power Investment Corporation Limited (₹ 1,210.98 crore). The accumulated losses of above mentioned SPSEs were set off marginally, by the accumulated profits of Teestavalley Power Transmission Limited (₹ 64.32 crore) and Sikkim Industrial Development and Investment Corporation Limited (₹ 14.17 crore).

5.9 Return on Capital Employed

Return on Capital Employed (ROCE) is a profitability metric that measures the long term profitability and efficiency of the total capital employed by a company. Companies create value when they generate returns on the capital employed in excess of the cost of capital. ROCE is an important metric for long term lenders. ROCE is calculated by dividing a company’s Earnings Before Interest and Taxes (EBIT) by the Capital Employed.

³⁴ **Capital Employed**= Paid up share capital plus Long Term Loans, Accumulated profits and Free reserves minus Accumulated losses and Deferred revenue expenditure.

³⁵ Including Sikkim Handloom and Handicrafts Development Corporation Limited audit of which was entrusted (August 2020) to CAG during the year 2020-21.

During 2020-21, the overall capital employed in respect of 17 working SPSEs as per their latest finalised accounts was ₹ 15,961.89 crore. Further, out of 17 working SPSEs, 11 SPSEs³⁶ had positive ROCE.

In comparison, however, the overall capital employed in respect of working SPSEs during the previous two years (2018-19 and 2019-20) was ₹ 15,006.94 crore and ₹ 15,054.90 crore respectively. Further, out of 16 working SPSEs covered under the audit preview of CAG, 9 and 10 SPSEs had positive ROCE during last two years (2018-19 and 2019-20) respectively.

5.10 Return on Equity (ROE)

Return on Equity³⁷ (ROE) is a measure of financial performance of companies calculated by dividing the 'net income earned' by the Equity. During 2020-21, nine working SPSEs had earned profits of ₹ 75.25 crore, as per their latest finalised accounts as on 30 September 2021. However, one³⁸ SPSE, which earned profit during 2020-21 had negative ROE.

The ROE of remaining eight SPSEs, which earned profit ranged from 1 to 69 per cent as detailed in **Table 5.8** below.

Table 5.8: Return on Equity

Sl. No.	Name of the Company	Year of Accounts	ROE* (in per cent)
1.	Government Fruit Preservation Factory	2018-19	69
2.	State Bank of Sikkim	2018-19	30
3.	Sikkim Handloom and Handicrafts Development Corporation	2014-15	29
4.	Sikkim Power Development Corporation Limited	2020-21	15
5.	Teestavalley Power Transmission Limited	2020-21	10
6.	State Trading Corporation of Sikkim	2018-19	2
7	Sikkim Industrial Development and Investment Corporation	2018-19	2
8	Sikkim Tourism Development Corporation	2016-17	1

*ROE rounded off to nearest absolute figures.

³⁶ Sikkim SC ST & OBC Development Corporation, Sikkim Industrial Development and Investment Corporation, Teesta Urja Limited, Teestavalley Power Transmission Limited, Sikkim Power Investment Corporation Limited, Sikkim Power Development Corporation Limited, Sikkim Tourism Development Corporation, State Bank of Sikkim, State Trading Corporation of Sikkim, Government Fruit Preservation Factory and Sikkim Handloom and Handicrafts Corporation Limited.

³⁷ **Return on Equity** = (Net Profit after Tax and preference Dividend ÷ Equity) x 100, where **Equity** = Paid up Capital plus (Free Reserves and Accumulated profits) minus (Accumulated Loss and Deferred Revenue Expenditure).

³⁸ Temi Tea Estates

5.11 SPSEs incurring Losses

The position of aggregate losses incurred by loss making working SPSEs during the past three years as per their latest finalised accounts is given **Table 5.9**.

Table 5.9: Details of loss making working SPSEs

Year	2018-19	2019-20	2020-21
Total Number of working SPSEs	16	16	17
Number of loss making working SPSEs	10	9	8
Aggregate losses (₹ in crore)	583.18	498.04	424.68

The details of major contributors to losses of working SPSEs (₹ 424.68 crore) incurred during 2020-21 are given in **Table 5.10** below:

Table 5.10: Major contributors to losses of working SPSEs during 2020-21

Sl. No.	Name of the Company	Latest finalised accounts	Net Loss
1	Teesta Urja Limited	2020-21	212.29
2.	Sikkim Power Investment Corporation Limited	2020-21	210.69

It can be noticed that more than 99 *per cent* (₹ 422.98 crore) of the losses incurred by working SPSEs (₹ 424.68 crore) during 2020-21 were contributed by the above mentioned two SPSEs.

5.12 SPSEs having complete erosion of capital

The aggregate paid-up capital and accumulated losses of 17 working SPSEs as per their latest finalised accounts as on 30 September 2021 were ₹ 3,716.81 crore and (-) ₹ 2,753.39 crore respectively. Analysis of investment and accumulated losses of these SPSEs revealed that the accumulated losses of four working SPSEs (₹ 1,322.37 crore) had completely eroded their paid-up capital (₹ 76.00 crore) as detailed in **Table 5.11**.

Table 5.11: Erosion of Capital of SPSEs

Name of SPSE	Latest finalised accounts	Paid up capital	Accumulated losses
Sikkim Hatcheries Limited	2017-18	0.46	(-) 2.71
Sikkim Livestock Processing and Development Corporation Limited	2013-14	0.69	(-) 1.04
Sikkim Power Investment Corporation Limited	2020-21	0.01	(-) 1,210.98
Sikkim Power Development Corporation	2020-21	74.84	(-) 107.64
Total		76.00	(-) 1,322.37

Recommendations: Accumulation of huge losses by above four SPSEs had eroded public wealth, which is a cause of serious concern and the State Government needs to review the working of these SPSEs for continuing their operations.

OVERSIGHT ROLE OF COMPTROLLER & AUDITOR GENERAL OF INDIA

5.13 Audit of State Public Sector Enterprises (SPSEs)

The CAG of India appoints the Statutory Auditors of a Government Company and Government Controlled Other Company under Section 139 (5) and (7) of the Companies Act, 2013. For Companies registered under Sikkim Registration of Companies Act 1961, the Board of Directors of the respective companies appoints the Statutory Auditors. The CAG has a right to conduct a supplementary audit and supplement or comment upon the Audit Report of the Statutory Auditor in respect of companies registered under the Companies Act 2013. Besides, Supplementary Audit of the accounts of the Companies registered under Sikkim Registration of Companies Act, 1961 as well as the Corporations established under the proclamations of the erstwhile Chogyal (King) of Sikkim, has been entrusted to the CAG and Audit Reports of these audits are submitted to the State Legislature.

5.14 Appointment of statutory auditors of SPSEs

Sections 139 (5) of the Companies Act, 2013 provides that the Statutory Auditor in case of a Government Company or Government Controlled Other Company is to be appointed by the CAG within a period of 180 days from the commencement of the financial year. The Statutory Auditors of four SPSEs³⁹ registered under Companies Act, 2013 and the erstwhile Companies Act, 1956, are appointed by the CAG. In respect of nine Companies registered under Sikkim Registration of Companies Act 1961 and four Corporations, the Statutory Auditors are to be appointed by the Board of Directors of the SPSEs concerned.

5.15 Submission of accounts by SPSEs

Need for timely submission

According to Section 394 of the Companies Act 2013, Annual Report on the working and affairs of a Government Company is to be prepared within three months of its Annual General Meeting (AGM) and as soon as may be after such preparation, laid before the State Legislature together with a copy of the Audit Report and any comments upon or supplement to the Audit Report, made by the CAG. This mechanism provides the necessary Legislative control over the utilization of public funds invested from the State budget in the four working companies, registered under the Companies Act, 2013. However, similar provisions do not exist in the Sikkim Registration of Companies Act 1961 regulating the remaining nine working Companies and, in the Acts, regulating the four working Statutory Corporations. The Separate Audit Report along with the

³⁹ *Companies Act, 1956: Teesta Urja Limited (TUL) and Teestavalley Power Transmission Limited (TPTL) and Companies Act, 2013: Namchi Smart City Limited (NSCL) and Gangtok Smart City Development Limited (GSCDL).*

Accounts of these 13 SPSEs are laid before the State Legislature under Section 20(1)/19A (3) of the C&AG's (DPC) Act 1971.

Section 96 of the Companies Act, 2013 requires every company to hold AGM of the shareholders once in every calendar year. It is also stated that not more than 15 months shall elapse between the date of one AGM and that of the next. Further, Section 129 of the Companies Act, 2013 stipulates that the audited Financial Statement for the financial year has to be placed in the said AGM for their consideration. Section 129 (7) of the Companies Act, 2013 also provides for levy of penalty like fine and imprisonment on the persons including directors of the company responsible for non-compliance with the provisions of Section 129 of the Companies Act, 2013.

No such provisions exist either in the Sikkim Registration of Companies Act 1961 or in the Acts regulating the Statutory Corporations, under which the nine Companies and four Statutory Corporations have been incorporated respectively.

The details of annual accounts of various SPSEs pending finalisation as on 30 September 2021 are discussed in the succeeding paragraphs

5.16 Timeliness in preparation of accounts by SPSEs

The details relating to finalisation of accounts by 17 working SPSEs (13 working Government Companies and four Statutory Corporations) during the last three years as of 30 September of respective year are given **Table 5.12**.

Table 5.12: Position relating to finalisation of Accounts of working SPSEs

Sl. No.	Particulars	2018-19	2019-20	2020-21
1.	Number of working SPSEs	16	16	17
2.	Number of Accounts finalised during the year	39	11	09
3.	Number of Accounts in arrears	22	27	40 ⁴⁰
4.	Number of Working SPSEs with arrears in Accounts	12	14	12
5.	Extent of arrears (number in years)	1 to 6	1 to 6	1 to 7

The accounts of only five⁴¹ out of 17 working SPSEs were up-to-date as on 30 September 2021. Remaining 12 working SPSEs had a backlog of 40 accounts for periods ranging from one to seven years (**Appendix 5.1**). The highest number of seven accounts were pending finalisation in respect of Sikkim Livestock Processing and Development Corporation, which finalised its accounts upto 2013-14 as on 30 September 2021.

⁴⁰ Including six Accounts (2015-16 to 2020-21) of one Company (Sikkim Handicraft and Handloom Development Corporation Limited) added under the audit purview of CAG during 2020-21.

⁴¹ Sikkim Power Development Corporation Limited, Sikkim Power Investment Corporation Limited, Teesta Urja Limited, Teestavalley Power Transmission Corporation Limited and Gangtok Smart City Development Limited

The Administrative Departments concerned have the responsibility to oversee the activities of these entities and to ensure that the accounts of SPSEs under their control are finalised and adopted by the SPSEs within the stipulated/reasonable period. In view of the position of arrears of accounts indicated above, the actual contribution of SPSEs to the GSDP for the year 2020-21 could not be ascertained and their contribution to State exchequer could not be reported to the State Legislature.

The Principal Accountant General (Audit), Sikkim had been regularly pursuing with the Administrative Departments and concerned SPSEs for liquidating the arrears of accounts of SPSEs. However, the Departments and the SPSEs concerned could not address the issue to clear pendency of accounts of the SPSEs in a time bound manner.

5.17 CAG's oversight - Audit of accounts and supplementary audit

Financial reporting framework

Companies are required to prepare the financial statements in the format laid down in Schedule III to the Companies Act, 2013 and in adherence to the mandatory Accounting Standards prescribed by the Central Government, in consultation with National Advisory Committee on Accounting Standards. However, there is no such prescribed framework under the Sikkim Registration of Companies Act 1961. The Statutory Corporations are required to prepare their accounts in the format prescribed under the rules, framed in consultation with the CAG and any other specific provision relating to accounts as stipulated under the Acts governing such corporations.

5.18 Audit of accounts of Government Companies by Statutory Auditors

The Statutory Auditors appointed by the CAG under Section 139 of the Companies Act 2013, conduct audit of accounts of the Government Companies and submit their report thereon in accordance with Section 143 of the Companies Act, 2013.

The CAG provides oversight by monitoring the performance of the Statutory Auditors in audit of the PSEs with the overall objective that the Statutory Auditors discharge the functions assigned to them properly and effectively.

This function is discharged by exercising the power:

- to issue directions to the Statutory Auditors under Section 143 (5) of the Companies Act, 2013
- to supplement or comment upon the Statutory Auditor's report under Section 143 (6) of the Companies Act, 2013 and
- to supplement or comment upon the Statutory Auditor's report under Section 20 (1) and 19 (3) of the CAG DPC Act 1971.

5.19 Supplementary Audit of accounts of Government Companies

The prime responsibility for preparation of Financial Statements in accordance with the financial reporting framework prescribed under the Companies Act, 2013 or other relevant Acts is of the Management of an entity.

The Statutory Auditors appointed by the CAG under Section 139 of the Companies Act, 2013 are responsible for expressing an opinion on the Financial Statements under Section 143 of the Companies Act, 2013 based on independent audit in accordance with the Standard Auditing Practices of Institute of Chartered Accountants of India (ICAI) and directions given by the CAG. The Statutory Auditors are required to submit the Audit Report to the CAG under Section 143 of the Companies Act, 2013.

The certified accounts of selected Government Companies along with the report of the Statutory Auditors are reviewed by CAG by carrying out a supplementary audit. Based on such review, significant audit observations, if any, are reported under Section 143 (6) of the Companies Act, 2013 to be placed before the Annual General Meeting. The Separate Audit Report, containing the supplementary audit findings of the CAG, of companies registered under Sikkim Registration of Companies Act, 1961 may be placed before the State Legislature at the discretion of the CAG⁴². In respect of the Statutory Corporation, Section 19 A (3) of the CAG DPC Act 1971 stipulates that the Separate Audit Report should be placed before the State Legislature.

5.20 Result of CAG's oversight role

❖ Audit of accounts of SPSEs

Government Companies/ Government Controlled Other Companies

During 2020-21 (October 2020-September 2021), seven working companies forwarded total nine accounts to the Principal Accountant General (Audit), Sikkim for audit. During the year 2020-21, supplementary audit of six Accounts out of these nine Accounts was taken up and completed while, 'Non-Review Certificate' was issued against one year Accounts. The supplementary audit of remaining two Accounts was pending and same would be completed during 2021-22.

❖ Statutory Corporation

The Principal Accountant General (Audit), Sikkim has four Statutory Corporations under his audit purview for which the supplementary audit is conducted. However, none of these Corporations submitted any Accounts during 2020-21 to Principal Accountant General (Audit) Sikkim for audit.

The audit reports of Statutory Auditors appointed by the C&AG and the supplementary audit conducted by the C&AG indicated that the quality of maintenance of SPSEs' accounts needs to be improved substantially. The results of the review are detailed as follows:

Significant comments of the CAG issued as supplement to the statutory auditors' reports on Government Companies/Government Controlled Other Companies

⁴² As per Clause 7 of Standard Terms and Conditions for entrustment of audit to CAG under section 20(1) of the CAG(DPC) Act, 1971

Some of the significant comments issued on the financial statements of the SPSEs are detailed in **Table 5.13**.

Table 5.13: Gist of significant comments on the accounts of the SPSEs

Sl. No.	Name of the Company	Comments
1	Gangtok Smart City Development Corporation (Year of Accounts 2019-20)	<p>1. Balance Sheet</p> <p>Other Current Financial Liabilities (Note 9)</p> <p>Provision for expenses ₹ 1.41 lakh</p> <p>Non-accounting of 'Consultancy Fee' (₹ 30.02 lakh) for March 2020 resulted in understatement of 'Other Current Financial Liabilities' and 'Loss for the year' by ₹ 30.02 lakh each.</p> <p>2. Non-Current Assets</p> <p>Capital Works in Progress (Note 10C): ₹ 64.56 crore</p> <p>This is understated by ₹ 8.92 crore due to non-accounting of the 'security deposit' amount retained by the Company from the Running Account (RA) bills of two Contractors (Bharat Electronics Limited: ₹ 8.86 crore and Ashwath Infratech Private Limited: ₹ 0.06 crore) against the capital works executed. This has correspondingly resulted in understatement of 'Other Current Liabilities - Security Deposits' (Note 6) to the same extent.</p>
2	Namchi Smart City Limited (Year of Accounts: 2019-20)	<p>1. Current Assets (Note 7)</p> <p>Bharat Electronics Limited- Mobilisation Advance ₹ 9.98 crore (credit)</p> <p>During last year (2018-19), the Company had treated the entire Mobilisation Advance (₹ 16.44 crore) paid to the Contractor (Bharat Electronics Limited) as 'Project Expenses' and adjusted against 'Project Grant Fund' (Note - 3B). During current year, the Company again debited the 'Project Expenses' for the cost of works (₹ 9.98 crore) actually executed by the Contractor as on 31 March 2020 and credited the above head by an equal amount.</p> <p>Thus, double accounting of the works cost (₹ 9.98 crore) during current year (2019-20) has resulted in overstatement of 'Project Expenses' by ₹ 9.98 crore and also led to negative balance (₹ 9.98 crore) under 'Current Assets-Mobilisation Advance'. This requires rectification.</p>

5.21 Conclusion

As on 31 March 2021, the State of Sikkim had 23 SPSEs (17 working and six non-working) and only 17 working SPSEs were under the audit jurisdiction of the CAG. The State Government did not extend the audit entrustment of six non-working SPSEs to CAG. The 17 working SPSEs audited by CAG included 13 Government Companies, and four Statutory Corporations. The CAG conducts supplementary audit of four SPSEs (all companies registered under the Companies Act, 2013) as per the provisions of the Companies Act, 2013 while the audit of remaining 13 SPSEs (nine companies registered under the Sikkim Registration of Companies Act 1961 and four Corporations established under the proclamations of the erstwhile Chogyal (King) of Sikkim) is conducted by CAG on entrustment basis under Section 20 (1) or Section 19 (3) of CAG's (DPC) Act, 1971.

As on 31 March 2021, there was a difference of ₹ 37.76 crore in the investment figures of the State Government (Equity: ₹ 2.76 crore; Long-term Loans: ₹ 35.00 crore) as per State Finance Accounts vis-à-vis records of SPSEs. The differences in investment figures existed in respect of eight SPSEs.

During 2020-21 the State Government has provided budgetary support of ₹ 6.50 crore to one SPSEs (Temi Tea Estates) in the form of Grants/ Subsidy.

During 2020-21, out of total 17 working SPSEs, nine SPSEs earned profits (₹ 75.25 crore) as per their latest finalised accounts. However, more than 92 per cent (₹ 69.34 crore) of the profits (₹ 75.25 crore) earned by nine SPSEs was contributed by two SPSEs, namely, Teestavalley Power Transmission Limited (₹ 46.10 crore) and State Bank of Sikkim (₹ 23.24 crore). Further, the accumulated losses (₹ 1,322.38 crore) of four out of 17 working SPSEs had completely eroded their paid-up capital (₹ 76.00 crore) as per their latest finalised accounts.

As on 30 September 2021, 12 out of 17 SPSEs had a total arrear of 40 accounts ranging from one to seven years. The highest number of accounts pending finalisation pertained to Sikkim Livestock Processing and Development Corporation (seven accounts).

5.22 Recommendations

- *The State Government and the SPSEs concerned should take concrete steps to reconcile the differences in the investment figures (Equity and Long term Loans) of the State Government as appearing in the State Finance Accounts vis-à-vis SPSE records in a time-bound manner.*
- *Accumulation of huge losses by above four SPSEs had eroded public wealth, which is a cause of serious concern and the State Government needs to review the working of these SPSEs for continuing their operations.*

- *The Administrative Departments overseeing the SPSEs having backlog of Accounts need to ensure that these SPSEs finalise and adopt their Accounts within the stipulated period, failing which financial support to them be reviewed.*



Gangtok (K. S. GOPINATH NARAYAN)
The: 01 September 2022 Principal Accountant General (Audit), Sikkim

Countersigned



New Delhi (GIRISH CHANDRA MURMU)
The: 20 September 2022 Comptroller and Auditor General of India

APPENDICES

Appendix 1.1: Part A: State Profile
(Reference: Paragraph 1.1)

General Data			
Sl. No.	Particulars	Sikkim	All India
1	Area in sq. Km	7096	31,87,240
2	Population in lakh (As per 2011 Census)	6.11	12108.55
3	Density of Population (2011 Census) (persons per sq.km)	86	382
4	Population below poverty line ((MoSPI data)	0.51	21.92
5	Literacy rate (percentage) (2011 Census)	81.4	73
6	Infant Mortality Rate (per 1,000 live births) ((SRS Bulletin Oct. 2021)	5	30
7	Human Development Index (All India) (UNDP Report Human Development Report 2020)		
	a. 2018	0.642	
	b. 2019	0.645	
8	Gross State Domestic Product (GSDP) 2020-21 at current prices As per Ministry of Statics and Programme Implementation, GOI (₹in crore)	32,724	1,97,45,670
9	Per capita GDP 2020-21 (in ₹)	4,86,248	1,45,680
10	Decadal Population Growth (2011-21) in percentage	10.75	12.30

Financial Data comparison of Sikkim with the other states of North Eastern Region
(₹ in crore)

Sl. No.	Particulars	Assam	Nagaland	Meghalaya	Arunachal Pradesh	Manipur	Mizoram	Tripura	Sikkim
a.	Revenue Expenditure	64519.59	11052.06	11498.62	13087.50	12428.47	8514.80	14367.82	6368.65
b.	Capital Expenditure	12399.39	1671.93	1734.05	5123.35	2439.18	1125.97	832.08	1513.88
c.	Loans & Advances	87.80	5.61	81.90	4.80	10.20	2.90	2.89	0.00
d.	Expenditure on Education (Revenue)	16338.00	1714.31	1900.84	1500.22	1491.09	1470.87	2386.70	1208.84
	Expenditure on Education (Capital)	72.39	64.38	4.67	65.11	40.54	39.90	19.00	150.90
e.	Expenditure on Health (Revenue)	5728.28	683.82	1164.61	928.95	802.97	549.78	874.55	457.53
	Expenditure on Health (Capital)	521.32	27.25	47.21	10.61	134.11	24.75	25.08	179.41
f.	Salary and Wages	27227.09	5495.56	3383.67	5576.30	4307.99	3320.51	5240.57	2630.82
g.	Pension	10329.01	1752.48	1193.61	1085.32	1737.73	1482.55	2324.38	908.13
h.	GSDP at current rates	348277.17	29312.83	33436.00	28721.36	32852.46	29076.42	58,879.53	32724.47
i.	Capital expenditure ratio with GSDP	3.56	5.70	5.19	17.84	7.42	3.87	1.41	4.63
j.	Revenue Expenditure ratio with GSDP	18.53	37.70	34.39	45.57	37.83	29.28	24.40	19.46

**Appendix 1.1 Part B: Layout of Finance Accounts
(Reference: Paragraph 1.4)**

Finance Accounts is prepared in two volumes with volume I presenting the summarised financial statements of Government and volume II presenting the detailed statements. The layout is detailed below. Further, volume II contains details such as comparative expenditure on salaries and subsidies by major head, Grants-in-aid and assistance given by the State Government, externally aided projects, expenditure on plan scheme, direct transfer of Central scheme funds to implementing agencies, summary of balances, financial results of irrigation schemes, commitments on incomplete public works contracts and maintenance expenditure which are bought out in various appendices.

Statement	Layout
Volume-I	
1	Statement of Financial position
2	Statement of Receipts and Disbursement
3	Statement of Receipts (Consolidated Fund)
4	Statement of Expenditure (Consolidated Fund)
5	Statement of Progressive Capital expenditure
6	Statement of Borrowing and Other liabilities
7	Statement of Loans and Advances given by the State Government
8	Statement of Investments of the Government
9	Statement of Guarantees given by the Government
10	Statement of Grants-in-aid given by Government
11	Statement of Voted and Charged Expenditure.
12	Statement on Source and Application of Funds for Expenditure other than on Revenue Account
13	Summary of balances under Consolidated Fund, Contingency Fund and Public Accounts
Volume-II Part-I	
14	Detailed Statement of Revenue and Capital Receipts by Minor Heads
15	Detailed Statement of Revenue Expenditure by Minor Heads
16	Detailed Statements of Capital Expenditure by Minor Heads and Sub-Heads
17	Detailed Statement of Borrowings and Other Liabilities
18	Detailed Statement on Loans and Advances given by the Government of Sikkim
19	Detailed Statement of Investments of the Government
20	Detailed Statement of Guarantees given by the Government
21	Detailed Statement on Contingency Fund and Other Public Account transactions
22	Detailed Statement on Investment from Earmarked Balances
Volume-II Part-II Appendices	
I	Comparative Expenditure in Salary
II	Comparative Expenditure in Subsidy
III	Grants-in-aid/ Assistance given by the State Government (Institution wise and Scheme-wise)
IV	Details of Externally Aided Projects

Statement	Layout
V	Plan Scheme Expenditure-A. Central Schemes (Centrally Sponsored Schemes and Central Plan Schemes), B. State Plan Schemes
VI	Direct Transfer of Central Scheme funds to Implementing Agencies in the State (Funds routed outside State Budgets) (Unaudited figures)
VII	Acceptance and Reconciliation of Balances (As depicted in Statements 18 and 21)
VIII	Financial Results of Irrigation Schemes
IX	Commitments of the Government – List of Incomplete Capital Works
X	Maintenance Expenditure with segregation of Salary and Non-Salary portion
XI	Major Policy Decisions of the Government during the year or new schemes proposed in the Budget

Appendix 1.1: Part C
Structure of Government Accounts
(Reference: Paragraph 1.4)

The accounts of the State Government are kept in three parts viz., Consolidated Fund, Contingency Fund and Public Account

Part I: Consolidated Fund: All revenues received by the State Government, all loans raised by issue of treasury bills, internal loans and all moneys received by the Government in repayment of loans shall form one Consolidated Fund entitled the Consolidated Fund of the State established under Article 266 (1) of the Constitution of India.

Part II: Contingency Fund: Contingency Fund of the State established under Article 267(2) of the Constitution is in the nature of an imprest placed at the disposal of the Governor to enable him to make advances to meet urgent unforeseen expenditure, pending authorisation by the 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 disbursements 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.

List of Terms used in 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)	$(\text{Current year Amount}/\text{Previous year Amount} - 1) * 100.$
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
Interest received as per cent to loans outstanding	$\text{Interest received}/[(\text{opening balance} + \text{closing balance of loans and advances})/2] * 100.$
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.

Terms	Basis of Calculation
Compound Annual Growth Rate (CAGR)	The compound annual growth rate is calculated by taking the nth 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
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 percent.
Core Public and Merit Goods	Core public goods are those 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.
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.

Terms	Basis of Calculation
Net Availability of Borrowed Funds	Defined as the ratio of the debt redemption (principal+ interest payments) to total debt receipts indicates the extent to which the debt receipts are used in debt redemption and gives the net availability of borrowed funds.

Appendix 1.2
Time Series Data on the State Government Finances
(Reference: Paragraph 1.4)

(₹ in crore)

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Part A. Receipts					
1. Revenue Receipts	4,610.30 (99.97)	5,212.79 (99.98)	5,920.36 (99.97)	4,841.27 (99.99)	5,607.82 (99.98)
(i) Tax Revenue	652.56	688.33	892.92	970.41	966.70
Taxes on Sales, Trade, etc.	364.82 (55.91)	249.66 (31.57)	188.20 (21.08)	197.63 (20.37)	195.25 (19.73)
State Goods & Service Tax (SGST)	-	171.39 (100.00)	405.72 (45.44)	454.89 (46.88)	463.04 (46.80)
State Excise	156.24 (23.94)	150.47 (21.86)	183.09 (20.50)	207.15 (21.35)	210.27 (21.25)
Taxes on Vehicles	24.90 (3.82)	29.37 (4.27)	33.11 (3.71)	41.08 (4.23)	28.96 (2.93)
Stamps and Registration fees	12.57 (1.93)	13.57 (1.97)	14.95 (1.67)	13.30 (1.37)	13.13 (1.33)
Land Revenue	6.39 (0.98)	7.44 (1.08)	9.09 (1.02)	4.40 (0.45)	13.33 (1.35)
Other Taxes on Income and Expenditure	7.82 (1.20)	8.04 (1.17)	15.63 (1.75)	-	-
Other Taxes	79.82 (12.23)	58.40 (8.48)	43.13 (4.83)	51.96 (5.35)	42.72 (4.32)
(ii) Non Tax Revenue	451.64 (9.80)	654.38 (12.55)	657.78 (11.11)	693.40 (14.32)	662.29 (11.81)
(iii) State's share of Union taxes and duties	2,069.19 (44.88)	2,634.66 (50.54)	2,794.67 (47.20)	2,295.56 (47.42)	2,302.27 (41.05)
(iv) Grants in aid from Government of India	1,436.91 (31.17)	1,235.42 (23.70)	1,574.99 (26.60)	881.90 (18.22)	1,676.56 (29.48)
2. Miscellaneous Capital Receipts				-	-
3. Recoveries of Loans and Advances	1.37 (0.03)	0.91 (0.02)	1.77 (0.03)	0.30 (0.01)	1.17 (0.02)
4. Total Revenue and Non debt Capital Receipts (1+2+3)	4,611.67 (85.48)	5,213.70 (83.19)	5,922.13 (83.80)	4,841.57 (85.32)	5,608.99 (78.19)
5. Public Debt Receipts	783.34 (14.52)	1,053.46 (16.81)	1,145.21 (16.20)	833.21 (14.68)	1,564.71 (21.81)
Internal Debt (excluding Ways and Means Advances and Overdrafts)	776.61 (99.14)	1,050.93 (99.76)	1,140.09 (99.55)	819.36 (98.34)	1,361.87 (87.04)
Net transactions under Ways and Means Advances and Overdrafts	-	-	-	-	-
Loans and Advances from Government of India	6.73 (0.86)	2.53 (0.24)	5.12 (0.45)	13.85 (1.66)	202.84 (12.96)
6. Total Receipts in the Consolidated Fund (4+5)	5,395.01 (45.99)	6,267.16 (45.76)	7,067.34 (46.84)	5,674.78 (38.70)	7,173.70 (43.59)
7. Contingency Fund Receipts	0.00(0.00)	0.00(0.00)	0.00(0.00)	-	-
8. Public Account Receipts(Gross)	6,335.06 (54.01)	7,429.63 (54.24)	8,022.31 (53.16)	8,987.23 (61.30)	9,282.40 (56.41)
8A. Public Account Receipts(Net)(8-19)	89.19	308.77	183.66	465.77	696.25
9. Total Receipts of the State (6+7+8)	11,730.08	13,696.79	15,089.70	14,662.01	16,456.10
9A. Total Receipts of the State (net)(6+7+8A)	5,484.20	6,575.93	7,251.00	6,140.55	7,869.95
Part B. Expenditure/ Disbursement					
10. Revenue Expenditure	3,788.08 (83.71)	4,151.85 (73.15)	5,226.57 (79.62)	6,185.08 (89.34)	6,368.65 (80.79)
Plan	1,250.98 (33.02)	Not Applicable			

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
Non Plan	2,537.10 (66.98)				
General Services (including interest payments)	1,420.77 (37.51)	1,528.13 (36.81)	1,960.24 (37.51)	2,419.77 (39.12)	2,416.08 (37.94)
Social Services	1,335.07 (35.24)	1,532.15 (36.90)	2,071.77 (39.64)	2,253.69 (36.44)	2,430.85 (38.17)
Economic Services	976.61 (25.78)	1,028.25 (24.77)	1,128.16 (21.59)	1,427.76 (23.08)	1,428.40 (22.43)
Grants-in-aid and contributions	55.63 (1.47)	63.32 (1.53)	66.40 (1.27)	83.86 (1.36)	93.32 (1.47)
11. Capital Expenditure	720.29 (15.92)	1,506.78 (26.55)	1,291.31 (19.67)	720.61 (10.41)	1,513.88 (19.21)
Plan	720.29 (100.00)	Not Applicable			
Non Plan	-				
General Services	71.18 (9.88)	149.76 (9.94)	72.71 (5.63)	128.85 (17.88)	93.22 (6.16)
Social Services	243.21 (33.77)	534.53 (35.47)	363.45 (28.15)	265.76 (36.88)	506.14 (33.43)
Economic Services	405.89 (56.35)	822.49 (54.59)	855.15 (66.22)	326.00 (45.24)	914.52 (60.41)
12. Disbursement of Loans and Advances	17.00 (0.38)	16.95 (0.30)	46.57 (0.71)	17.06 (0.25)	- -
13. Total (10+11+12)	4,525.37 (94.84)	5,675.58 (94.31)	6,564.45 (94.58)	6,922.75 (94.36)	7,882.53 (99.00)
14. Repayments of Public Debt	246.26 (5.16)	342.63 (5.69)	375.88 (5.42)	413.78 (5.64)	79.75 (1.00)
Internal Debt (excluding Ways and Means Advances and Overdrafts)	236.05 (95.85)	332.49 (97.04)	365.44 (97.22)	403.13 (97.43)	68.77 (86.23)
Net Transactions under Ways and Means Advances and Overdraft	-	-			
Loans and Advances from Government of India	10.21 (4.15)	10.14 (2.96)	10.44 (2.78)	10.65 (2.57)	10.98 (13.77)
15. Appropriation to Contingency Fund	-	-	-	-	
16. Gross Expenditure on Lotteries	-	-	-	-	
17. Total disbursement out of Consolidated Fund (13+14+15 +16)	4,771.63 (43.31)	6,018.21 (45.81)	6,940.33 (46.96)	7,336.53 (46.26)	7,962.28 (48.12)
18. Contingency Fund disbursements	0.31 -	(-) 0.31 -	- -	- -	- -
19. Public Account disbursements	6,245.87 (56.69)	7,120.86 (54.19)	7,838.63 (53.04)	8,521.46 (53.74)	8,586.15 (51.88)
20. Total disbursement by the State (17+18+19)	11,017.81	13,138.76	14,779.00	15,857.99	16,548.43
Part C: Deficits					
21. Revenue Deficit (-)/Revenue Surplus (+) (1-10)	822.22	1,060.94	693.79	-1,343.81	-760.83
22. Fiscal Deficit (-)/Fiscal Surplus (+) (4-13)	86.30	-461.88	-642.32	-2,081.18	-2,273.54
23. Primary Deficit (-)/ Primary Surplus (+)(22-24)	410.69	-99.71	-209.27	-1,571.50	-1,725.13
Part D: Other data					
24. Interest Payments (included in revenue expenditure)	324.39	362.17	433.05	509.68	548.41
25. Financial Assistance to Local Bodies etc.	304.90	369.27	411.39	184.83	37.76
26. Ways and Means Advances/Overdraft availed (days)	-	-	-	-	-

Particulars	2016-17	2017-18	2018-19	2019-20	2020-21
27. Interest on Ways and Means Advances/ Overdraft	-	-	-	-	-
28 Gross State Domestic Product	20,687	25,971	28,402	30,809	32,724
29. Outstanding Fiscal Liabilities (year end)	4,671.18	5,451.04	6,335.06	7,400.66	9,058.83
30. Outstanding Guarantees (beginning of year) (including interest)	89.17	441.49	425.45	3,455.04	3,749.32
31. Maximum amount Guaranteed (year end)	517.90	648.71	3,849.19	3,941.97	4,527.47
32. Number of Incomplete Projects	413	146	201	233	171
33. Capital blocked in Incomplete Projects	717.78	302.96	666.41	644.37	396.16
Part E: Fiscal Health Indicators					
I Resource Mobilisation					
Revenue Receipts/GSDP	0.22	0.20	0.21	0.15	0.17
Own Tax Revenue/GSDP	0.03	0.03	0.03	0.03	0.03
Own Non-Tax Revenue/GSDP	0.02	0.03	0.02	0.02	0.02
State's share in Central taxes and Duties/GSDP	0.10	0.10	0.10	0.07	0.07
II Expenditure Management					
Total Expenditure/GSDP	0.22	0.22	0.23	0.21	0.24
Total Expenditure/Revenue Receipts	0.98	1.09	1.11	1.43	1.41
Revenue Expenditure/Total Expenditure	0.84	0.73	0.80	0.89	0.81
Expenditure on Social Services/Total Expenditure	0.35	0.36	0.37	0.36	0.37
Expenditure on Economic Services/Total Expenditure	0.31	0.33	0.30	0.25	0.30
Capital Expenditure/Total Expenditure	0.16	0.27	0.20	0.10	0.19
Capital Expenditure on Social and Economic Services/Total Expenditure.	0.14	0.24	0.19	0.09	0.18
III Management of Fiscal Imbalances (in per cent)					
Revenue deficit (surplus)/GSDP	3.97	4.09	2.44	-4.36	-2.32
Fiscal deficit/GSDP	0.42	-1.78	-2.26	-6.76	-6.95
Primary Deficit (surplus) /GSDP	1.99	-0.38	-0.74	-5.10	-5.27
Revenue Deficit(surplus) /Fiscal Deficit	952.75	-229.70	-108.01	64.57	33.46
IV Management of Fiscal Liabilities					
Fiscal Liabilities/GSDP	0.23	0.21	0.22	0.24	0.28
Fiscal Liabilities/RR	1.01	1.05	1.07	1.53	1.62
V Other Fiscal Health Indicators					
Return on Investment(₹ in crore)	2.01	2.92	4.38	3.06	2.78
Balance from Current Revenue (₹in crore)	713.01	NA**	--	--	--
Assets/Fiscal Liabilities	2.63	2.64	2.53	2.10	1.87

Appendix – 2.1A
Abstract of Receipts & Disbursement

(Reference: Paragraph 2.2)

Receipts				Disbursements			
2019-20		2020-21		2019-20		2020-21	
Section A: Revenue							
4841.27	I-Revenue Receipts		5607.82	6185.08	I-Revenue Expenditure		6368.65
970.41	Tax revenue	966.70		2419.77	General Services	2416.08	
693.40	Non-tax revenue	662.29		2253.69	Social Services	2430.85	
2295.56	State's share of Union Taxes	2302.27		1326.98	Education, Sports, Art and Culture.	1251.19	
881.90	Grants-in-aid	1676.56		386.12	Health and Family Welfare	457.53	
0	Non-Plan Grants	0		258.8	Water Supply, Sanitation, Housing and Urban Development	319.58	
0	Grants for State Plan Schemes	0		11.52	Information and Broadcasting	14.55	
-0.48	Grants for Centrally Sponsored Plan Schemes	0.30		58.89	Welfare of Scheduled Caste, Scheduled tribes and Other Backward Classes	73.28	
0	Grants for Special Plan Schemes			11.22	Labour and Labour Welfare	10.65	
609.52	Grants for Centrally Sponsored Schemes	878.22	St. 3	175.9	Social Welfare and Nutrition	293.83	
76.5	Grants from Finance Commission	635.84		24.26	Others	10.24	
196.36	Other Grants	162.20		1427.76	Economic Services	1428.40	
				489.36	Agriculture and Allied Activities	467.16	
				181.53	Rural Development	194.92	
				0.74	Special Areas Programmes	1.33	
				40.94	Irrigation and Flood Control	57.07	
				285.17	Energy	312.78	
				47.6	Industry and Minerals	47.37	
				320.11	Transport	288.86	
				9.35	Science Technology and Environment	9.47	
				52.94	General Economic Services	49.44	
				83.86	Grants in Aid and Contribution	93.32	
1343.81	II-Revenue deficit carried over to Section- B		760.83		II-Revenue surplus carried over to Section-B		
6185.08			6368.65	6185.08			6368.65
Section-B-CAPITAL & PUBLIC ACCOUNT							
3280.56	III-Opening Cash balance including Permanent Advances and		2084.57	720.61	III-Capital Outlay		1513.88

Receipts				Disbursements			
2019-20		2020-21		2019-20		2020-21	
Section A: Revenue							
	Cash Balance Investment						
0	IV-Miscellaneous Capital receipts		0	128.85	General services	93.22	
				265.76	Social Services	506.14	
				41.54	Education, Sports, Art and Culture	150.90	
				39.07	Health and Family Welfare	179.41	
				174.16	Water Supply, Sanitation, Housing and Urban Development	160.81	
				0	Information & Broadcasting	0	
				5.22	Welfare of Scheduled Caste, Scheduled Tribes and Other Backward Classes	6.19	
				5.77	Social Welfare	8.83	
				0	Others		
				326	Economic Services	914.52	
				5.04	Agriculture and Allied Activities	12.08	
				0.42	Rural Development	9.20	
				21.73	Special Areas Programmes	57.05	
				0.82	Irrigation and Flood Control	41.36	
				20.41	Energy	161.90	
				7.47	Industry and Minerals	0.47	
				240.3	Transport	534.83	
				0	Science and Environment	0	
				29.81	General Economic Services	97.63	
0.30	V-Recoveries of Loans and Advances	1.17	1.17	17.06	IV- Loans and Advances Disbursements	0	
	VI-Revenue Surplus brought down			1343.81	V-Revenue deficit brought down	760.83	760.83
833.21	VII-Public Debt Receipts		1564.71	413.78	VI-Repayment of Public Debt		79.75
0	External debt				External debt		
819.36	Internal Debt other than Ways and Means Advances and Overdraft	1361.87		403.13	Internal Debt other than Ways and Means Advances and Overdraft	68.77	
0	Net transaction under Ways and Means Advances including Overdraft	0		0	Net transaction under Ways and Means Advances including Overdraft		
13.85	Loans and Advances from	202.84		10.65	Repayment of Loans and	10.98	

Receipts				Disbursements			
2019-20		2020-21		2019-20		2020-21	
Section A: Revenue							
	Central Government				Advances to Central Government		
0	VIII-Amount transferred to Contingency Fund		0	0	VII-Expenditure from Contingency Fund		0
8987.23	IX-Public Account Receipts		9282.40	8521.46	VIII-Public Account Disbursements		8586.15
391.67	Small Savings and Provident fund	427.50		234.46	Small Savings and Provident Funds	272.07	
540.81	Reserve Funds	247.74		84.35	Reserve Funds	189.57	
6135.86	Suspense and Miscellaneous	5833.72		6249.59	Suspense and Miscellaneous	5707.24	
1394.92	Remittance	2253.17		1510.78	Remittances	1897.84	
523.97	Deposits and Advances	520.27		442.28	Deposits and Advances	519.43	
				2084.57	IX- Cash balance at the end		1992.24
				-	Cash in Treasuries and Local Remittances	0	
				381.18	Deposits with Reserve Bank/other Bank	87.94	
				1.41	Departmental Cash Balance including permanent Advances	1.43	
				1701.98	Cash Balance Investment and Investment from Earmarked Funds.	1902.87	
13101.29	Total		12932.85	13101.29	Total		12932.85

Appendix 2.1B
Summarised Financial Position of the Government of Sikkim as on 31 March 2021
(Reference: Paragraph 2.2)

(₹ in crore)

As on 31.03.2020	Liabilities		As on 31.03.2021
5305.00	Internal Debt		6598.09
4895.00	Market Loans bearing Interest	6187.00	
0.00	Market Loans not bearing Interest	0.00	
62.95	Loans from Life Insurance Corporation of India	52.76	
347.05	Loans from other Institutions	358.33	
0.00	Overdrafts from Reserve Bank of India	0.00	
100.73	Loans and Advances from Central Government		292.59
0.30	Non-Plan Loans	0.18	
98.30	Loans for State Plan Schemes	290.41	
0.66	Loans for Centrally Sponsored Plan Schemes	0.55	
1.02	Other Loans	0.80	
0.45	Centrally Sponsored Scheme	0.65	
1.00	Contingency Fund		1.00
1162.86	Small Savings, Provident Funds, etc.		1318.29
361.50	Deposits		362.34
1022.66	Reserve Funds		1080.83
217.19	Suspense and Miscellaneous Balances		513.66
158.33	Remittance Balances		343.66
7210.61	Surplus on Government Accounts Last year balance		6449.80
	Add Revenue Surplus		
15539.88	Total		16960.26
	Assets		
13200.22	Gross Capital Outlay on Fixed Assets		14714.10
104.16	Investments in shares of Companies, Corporations, etc.	106.68	
13096.06	Other Capital Outlay	14607.42	
254.06	Loans and Advances -		252.89
1.03	Advances		1.03
2084.57	Cash		1992.24
381.18	Deposits with other Bank	87.94	
0	Cash in Treasuries and Local Remittances	0	
0	Deposits with Reserve Bank	0	
0.95	Departmental Cash Balance	0.95	
0.46	Permanent Advances	0.48	
1149.90	Cash Balance Investments	1309.56	
552.08	Earmarked funds Investment	593.31	
15539.88	Total		16960.26

Appendix – 2.2
Tax and Non-Tax Revenue Collected during 2016-2021
(Reference: Paragraph 2.3.2)

(₹ in crore)

Sl. No.	Head of Revenue	2016-17		2017-18		2018-19		2019-20		2020-21		Percentage of increase (+) or decrease (-) in 2020-21 over 2019-20	
		BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual
Tax Revenue													
1	Sales Tax/Value Added Tax	361	364.82	388.26	249.66	154	188.2	200	197.6	220.00	195.25	10	-1.19
2	Sikkim Goods & Services Tax	-	-	0	171.39	363.65	405.72	660	454.9	650.00	463.04	-1.52	6.79
3	Taxes on Income and Expenditure other than Corporation Tax	9	7.82	10	8.04	10	15.63	15	15.17	15.00	14.29	0	-5.80
4	State Excise	144.45	156.24	155	150.47	158.54	183.09	237	207.2	248.13	210.27	4.70	1.48
5	Stamps and Registration Fees	7.64	12.57	7.82	13.58	13.34	14.95	16.14	13.3	16.44	13.13	1.86	-1.28
6	Taxes on Vehicles	24	24.9	28.5	29.37	31.05	33.11	49.16	41.08	39.16	28.96	-20.34	-29.50
7	Other Taxes and Duties on Comm and Services	93.07	79.82	72.84	58.4	32.63	43.13	44.32	36.79	44.57	28.43	0.56	-22.72
8	Land Revenue	6.89	6.39	7.09	7.44	7.1	9.09	8.6	4.4	8.60	13.33	0	202.95
	Total	646.05	652.56	669.51	688.33	770.31	892.92	1230	970.4	1241.90	966.70	0.97	-0.38
Non-tax Revenue													
1	Power	140.1	170.04	160.1	310.26	190.1	269.44	320.1	256.4	372.38	346.05	16.33	34.96
2	Interest Receipts	37.21	78.38	50.41	114.76	50.41	125.33	96.99	143.8	52.88	126.95	-45.48	-11.72
3	Police	52.42	41.43	52.74	45.39	57.11	46.64	88.12	86.77	78.71	26.17	-10.68	-69.84
4	Road Transport	47	48.71	55	52.08	59	53.96	65	57.1	62.00	47.87	-4.62	-16.16
5	Forestry and Wild Life	12.06	16.02	13.5	14.21	13.5	17.53	18.5	15.78	18.70	14.88	1.08	-5.70
6	Other Adm Services	2.38	9.32	4.83	5.3	7.79	5.04	23.23	12.65	21.84	12.00	-5.98	-5.14
7	Public Works	4.22	8.65	4.37	15.38	4.59	28.01	21.75	23.13	15.38	14.24	-29.29	-38.43
8	Plantations	5.18	5.21	5.18	2.19	7	2.41	2.5	2	2.50	0	0.00	-100
9	Water Supply and Sanitation	4.26	4.04	5	4.88	10	4.23	8	4.92	5.61	5.52	-29.88	12.20

Sl. No.	Head of Revenue	2016-17		2017-18		2018-19		2019-20		2020-21		Percentage of increase (+) or decrease (-) in 2020-21 over 2019-20	
		BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual	BE	Actual
10	Tourism	3.8	5.42	4.5	5.14	4.64	6.16	10	11.67	8.50	3.44	-15.00	-70.52
11	Medical and Public Health	2.5	2.59	2.5	2.11	2.5	2.37	5.75	2.48	6.04	2.83	5.04	14.11
12	Other Rural Development Programmes	1.5	0.51	1.5	0.91	1.5	0.98	1.65	0.31	1.73	1.09	4.85	251.61
13	Stationery and Printing	1.81	2.16	1.85	3.08	1.95	1.52	3.1	2.6	3.52	2.78	13.55	6.92
14	Crop Husbandry	0.91	0.57	0.91	0.34	0.63	0.37	0.69	0.68	0.73	0.48	5.80	-29.41
15	Education,	1.12	2.05	1.15	2.32	1.17	2.32	1.32	3.55	1.61	14.29	21.97	302.54
16	State Lotteries	Gross	-	-	-	-	-	-	-	-	-	-	-
		Net	33.55	45	50	55.03	55	-10	40	40.1	31.96	22.37	-20.10	-44.22
17	Others	12.24	11.54	12.92	21	15.03	33.65	27.85	29.47	55.34	21.33	98.71	-27.62
	Total	362.26	451.64	426.46	654.38	481.92	657.78	734.6	693.4	710.66	662.29	-3.26	-4.49
	Grand Total	1,008.31	1,104.20	1,095.97	1,342.71	1252.23	1550.7	1965	1664	1952.56	1628.99	-0.63	-2.10

Appendix 2.3
Statement showing Investment at the end of 2020-21
(Reference: Paragraph 2.4.3.2)

(₹ in lakh)

Sl. No.	Name of the Companies/Corporations	Amount
Statutory Corporations		
1	State Bank of Sikkim	53.38
2	Sikkim Mining Corporation	611.50
3	State Trading Corporation of Sikkim	148.88
Companies		
4	Sikkim Time Corporation	1371.54
5	Sikkim Industrial Development and Investment Corporation	1582.50
6	Sikkim Livestock Development Corporation	22.00
7	Sikkim Livestock Development and Processing Corporation	35.00
8	Sikkim Tourism Development Corporation	704.87
9	Sikkim Power Development Corporation	2036.16
10	Sikkim SC/ST/OBC Finance Development Corporation	495.59
11	Sikkim Jewels Ltd.	1154.03
12	Sikkim Distilleries Ltd.	243.34
13	Star Cinema	1.75
14	Denzong Cinema	1.75
15	Sikkim Flour Mills Limited	265.09
16	Cold Storage	27.90
17	Indian Telephone Industries	25.94
18	Ginger Processing Plant	1.00
19	Investment in B.O.G.Ltd.	14.03
20	Chanmari Workshop and Automobiles Ltd.	30.00
21	M/S Sikkim Precision Industries Ltd	430.00
22	Sikkim Himalayan Orchid Ltd.	16.00
23	Sikkim Flora Ltd.	15.00
24	Sikkim Handloom & Handicrafts	102.40
25	Joint Ventures	42.92
26	Wood Working Centre, Singtam	1.02
27	Food Security & Agri. Dev. Deptt. and Indian Farmers Fertilizer Co-operative Ltd. IFFCO	12.25
28	Sikkim SC/ST/OBC Development Corporation (SABCCO)	59.00
Bank and Co-operative Societies		
29	State Bank of India	0.26
30	Sikkim Marketing Federation (SIMFED)	93.83
31	Sikkim Consumer's Co-operative Society	5.00
32	Multipurpose Co-operative Society	60.00
33	Denzong Agricultural cooperative society ltd(DACS)	50.00
34	Nayuma Women's cooperative society Ltd	15.00
35	Investment in Sikkim State Co-operative Bank (SISCO)	935.60
36	Sikkim Dairy Co-operative Society (Sikkim Milk Union)	2.00
37	Sang Martam Tea growers C S Ltd	1.00
Total		10667.53

Appendix 2.4A
Statement Showing Details of Year-Wise Incomplete Works as on 31 March 2021
(Reference: Paragraph 2.4.3.2)

(₹ in lakh)

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
Prior to 2011-12								
1	Education	Establishment of Govt. Degree College at Rungdung, Rhenock, East	1594.96	2009	2009	15.02.11	85	1550.59
2	Education	Const. of MPH cum 12RSB at Mangalbaria SSS, West	243.60	2009	2009	31.03.2011	97	204.07
			1838.56					1754.66
2011-12								
1	Urban Development	Construction of State of Art Entry Gate @ Rangpo	610.24	2011	2011	17.01.12	20	99.32
2	Urban Development	Improvement work at Mintogang and construction of RCC retaining wall along JN Road {Phase-II}	375.51	2010	2010	31.03.2012	70	248.09
3	Education	6RSB at Samlik-Marchak JHS	66.70	2011-12	...	...	...	63.59
4	Education	Const. Of 6RSB at Nazar Berfok	61.24	2011-12	...	...	...	53.68
5	Education	Const. Of 4RSB at Anitang PS	45.05	2011-12	...	...	...	42.92
6	Education	Const. Of 4RSB at Mangalbaria	45.65	2011-12	...	...	...	41.24
7	Education	Const. Of 12RSB at Makha SSS	111.58	2011-12	...	...	...	109.30
8	Education	Major repair of Lingzey PS	19.16	2011-12	...	...	...	18.32
			1335.13					676.46
2012-13								
1	Education	Construction of Clsaa - III Staff qtr at Hee-Gyatthang SSS, North	76.05	2012	2012	19.02.13	62	29.70
2	Education	Const. of MPH cum Classrooms at Lachung SS, North	250.47	2011	2011	31.03.2013	92	67.62
3	Education	Establishment of Polytechnic College at Yangthang West	1230.00	2011	2011	31.03.2013	60	463.15
			1556.52					560.47

State Finances Audit Report for the year ended 31 March 2021

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
2013-14								
1	Education	Construction of 4RSB at Jholungay PS South	32.71	2012	2012	19.04.13	82	28.07
2	Education	Construction of MPH at Rateypani South	51.78	2012	2012	19.04.13	45	31.79
3	Education	Construction of Auditorium at Rangpo Mining SS, East	53.84	2012	2012	23.09.13	70	49.00
4	Urban Development	Improvement & Modification of Inner Road at Gangtok	4344.44	2011	2011	11.12.13	80	3642.54
5	Education	Construction of 4RSB at L/Assangthang, South	33.66	2013	2013	03.03.14	80	24.05
6	Education	Construction of MPH cum 12 RSB at Sadam SSS, South	308.51	2012	2012	31.03.2014	50	110.95
			4824.94					3886.40
2014-15								
1	Education	Construction of MPH cum 12 RSB at Assamlingzey SSS, East	239.11	2012	2012	30.09.14	88	215.35
			239.11					215.35
2015-16								
1	Education	Construction of 6RSB at TNA, GTK, East	54.22	2012	2012	30.9.2015	50	45.95
2	Education	Construction of Auditorium at Rumtak SSS East	54.59	2012	2012	30.9.2015	92	35.07
3	Urban Development	Upgradation of Melli bazar South Sikkim	3637.00	2014	2014	07.10.15	86	2490.40
4	Education	Construction of MPH at Rong SS, South	55.63	2012	2012	31.12.15	90	48.02
5	Education	Vertical Extension for MPH at Temi SSS, South	72.08	2015	2015	15.02.16	66	59.75
6	Education	Construction of 4RSB at Kateng Dingtar PS, South	45.50	2014	2014	08.03.16	60	10.72
7	Education	Construction of 4RSB at Amalay PS, South	43.99	2014	2014	05.03.16	55	24.78
8	Education	Construction of 6RSB at Kamarey JHS PS, South	59.17	2014	2014	08.03.16	90	36.60
9	Education	Construction of Class-III Quarter at Bermiok Tokal SSS, South	73.35	2014	2014	05.03.16	58	49.00
			4095.53					2800.29

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
2016-17								
1	Police	Construction of 2nd & 3rd IRBn Hq at Mangley, South Sikkim	1523.21	2014	2014	3.9.2016	96	1450.32
2	Education	Construction of 6RSB at Topung PS under Yuksam Tashiding Constituency	64.37	2017	2017	10.09.16	95	51.50
3	Education	Construction of 4RSB at Karjee PS, South	47.72	2015	2015	11.03.17	60	20.63
4	Education	Construction of 4RSB at Malling PS North	50.78	2013	2013	31.03.17	70	46.16
5	Education	Construction of 4RSB at Nampatam PS North	52.10	2013	2013	31.03.17	80	34.18
6	Education	Construction of 4RSB at Simkharka PS South	32.00	2015	2015	31.03.17	35	13.60
7	Education	Construction of 4RSB at Suntaley Makerzung PS, South	33.13	2014	2014	31.03.17	60	9.44
8	Education	Construction of 4RSB cum MPH at Chungthang SS North	94.97	2011	2011	31.03.17	93	58.13
9	Education	Construction of 6RSB at Manul JHS North	83.56	2011	2011	31.03.17	99	74.35
10	Education	Construction of 6RSB at Namphok SS, South	60.95	2015	2015	31.03.2017	86	54.84
11	Education	Construction of 8RSB at Singhik SS North	142.96	2011	2011	31.03.17	95	139.83
12	Education	Construction of Auditorium to NTL vok SS South	66.03	2013	2013	13.03.17	80	46.62
13	Education	Construction of Basketball court, vertical extension of Annex block, approach road to ground, const. of reservoir tank, upgradation of play field & const. Of car park at GDC Tadong, East	324.59	2010	2010	31.3.17	62	184.62
14	Education	Renovation & special repair of staff qtr CI-III 16 units, CI-IV 8 units at GDC Tandong, East	25.20	2010	2010	31.3.17	95	16.80
15	Education	Renovation & special repair of staff qtr3 Block 18 units at GDC Tadong, East	54.55	2010	2010	31.3.17	90	20.28

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Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
16	Education	Restoration of 4RSB at Aritar SS East	45.68	2015	2015	31.03.17	95	30.85
17	Education	Restoration of 6RSB at Jhusing PS North	52.19	2013	2013	31.03.17	98	36.47
18	Education	Restoration of 6RSB at Shipgyar, North	52.59	2015	2015	31.03.17	98	36.06
19	Education	Vertical Extension of 2RSB at Denchung JHS, South	15.49	2015	2015	31.03.2017	80	14.14
			2882.07					2338.82
2017-18								
1	Urban Development	Construction of Kissan Bazar at Namchi	2826.00	2013	2013	24.04.17	98	2454.13
2	Education	Construction of Auditorium at Turuk SS, South	69.88	2015	2015	15.06.17	92	66.80
3	Education	Construction of Auditorium at Uttarey, West	52.16	2012	2012	30.09.17	95	50.22
4	Education	Construction of MPH cum 12 RSB at Dikling SSS, East	332.99	2012	2012	30.09.17	89	221.23
5	Education	Construction of 4RSB at Leythang PS, West	31.79	2012	2012	31.12.2017	99	5.47
6	Education	Construction of 4RSB at Lower Takuthang PS, West	36.26	2012	2012	31.12.2017	55	9.82
7	Education	Construction of 4RSB at Reythang PS West	34.00	2012	2012	31.12.2017	80	27.21
8	Education	Construction of Hostel Building at Kyongsa Girls SSS West	79.51	2012	2012	31.12.2017	90	73.73
9	Education	Construction of MPH cum 12 RSB at Singtam SSS, East	379.23	2012	2012	31.12.17	84	310.31
10	Education	Constructon of 5RSB at Deythang JHS, West	38.00	2014	2014	31.12.17	70	34.74
11	Education	Construction of 4RSB at Santalay PS, West	45.78	2014	2014	31.12.2017	93	37.30
12	Urban Development	Construction of Community Hall @ Tadong	276.51	2014	2014	24.02.18	75	229.90
13	Urban Development	Construction of MPCC at Balbir Goan	201.80	2014	2014	12.02.18	65	143.52

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
14	Urban Development	Construction of Kissan Bazar at Gangtok	2374.99	2011	2011	28.03.18	90	1455.87
15	Education	Construction of Model School at Assam Lingzay, East	1187.82	2014	2014	31.03.18	82	805.95
16	Education	Construction of MPH cum 12 RSB at Pelling SSS, West	272.52	2013	2013	31.03.18	87	193.64
17	Education	Infrastructure Development at Tharpu SSS Soreng-Chaung Constituency West Sikkim	425.00	2017	2017	31.03.2018	20	307.31
			8664.24					6427.15
2018-19								
1	Education	Establishment of Polytechnic College at Mangshila, North	1230.00	2010	2010	30.06.18	78	912.37
2	Education	Const.of Toilet Block, Playground & Volleyball court at thegu	56.82	2017	2017	26.08.18	60	56.02
3	Urban Development	Construction of Townhall at Rangpo	189.61	2017	2017	09.10.18	95	126.68
4	Urban Development	Upgradation of road from Raj Gram, Opp Holu Cross School to Tiny Pearls School, Lr. Tadong	175.82	2017	2017-18	09.12.18	35	30.10
5	Education	Const. 4RSB at Linkey Secondary School	35.00	2017	2017	31.03.2019	25	11.45
6	Education	Const.of 8RSB at Govt.Senior Sec.School Mangshila in North Sikkim	145.00	2017	2017	31.03.2019	65	89.37
7	Education	Const.of State Council of Education Research and Training, Burtuk	594.21	2017	2017	31.03.2019	65	161.01
8	Education	Construction of 4RSB at Bhirkuna (CMRF)	40.00	2017	2017	31.03.2019	85	14.71
9	Education	Construction of 4RSB at Kaputhang Primary School	40.00	2017	2017	31.03.2019	70	39.99
10	Education	Construction of 4RSB at Lokdara Primary School	40.00	2017	2017	31.03.2019	50	16.83
11	Education	Construction of 4RSB at Lower Sapung PS under Maneybong Dentam Constituency West Sikkim	35.00	2017	2017	31.03.2019	25	20.00

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Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
12	Education	Construction of 4RSB at Majgaon under Gyalshing Bermiok Constituency West Sikkim	35.00	2017	2017	31.03.2019	70	20.00
13	Education	Construction of 4RSB at Taza JHS School	40.00	2017	2017	31.03.2019	70	39.99
14	Education	Construction of 4RSB at Tsong, under Yuksam Tashiding Constituency West Sikkim	35.00	2017	2017	31.03.2019	34	0.00
15	Education	Construction of 6RSB at Gtang JHS under Maneybong Dentam Constituency	80.00	2017	2017	31.03.2019	0	27.77
16	Education	Construction of 8RSB at Nima Sherpa SSS AT Ribdi Daramdin Constituency	150.00	2017	2017	31.03.2019	0	77.95
17	Education	Construction of Gallery and Drainage system at Utteray SSS under Maneybong Dentam Constituency	170.00	2017	2017	31.03.2019	0	0.00
18	Education	Construction of Science block at Government College at Yangthang	2650.71	2011	2011	31.03.2019	80	1984.37
19	Education	Reconstruction of 4RSB to Lower Jarrong PS South	39.00	2013	2013	31.03.2019	75	19.95
20	Animal Husbandry	Re-construction of Sub-Divisional AH&BVS Complex at Chungthang, North Sikkim Damaged during the earthquake of	174.94	2018	2018	31.03.2019	60	68.00
			5956.11					3716.56
2019-20								
1	Urban Development	Kisan Bazar, Mangan	488.94	2019	2019	01.05.19	...	5.00
2	Urban Development	Labdang Eco-City West Sikkim	966.99	2019	2019	01.05.19	...	49.93
3	Education	Const of 4RSB at Tsong PS	35.00	2018	2018	5.6.2019	46	8.61
4	Urban Development	Repair of Foot Bridges	45.84	2019	2019	01.05.19	80	17.96
5	Urban Development	Development of Crematorium Shed at Jalipool	650.00	2017	2017	06.06.19	80	283.80

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
6	Urban Development	Construction of Namchi Garden Centre	464.24	2017	2017	09.10.19	36	58.03
7	Education	Const.of 6RSB at Sopakha SS under Maneybong Dentam Constituency	80.00	2017	2017	01.12.19	37	56.45
8	Urban Development	Construction of Cobbler Shed cum Sweeper Quarter at Singtam	130.95	2018	2018	01.12.19	75	64.72
9	Urban Development	Constuiction of Scholar Residence at Namgyal Institute ot Tibetology, Deorali	245.89	2014	2014	31.12.19	80	215.02
10	Urban Development	Improvement & Upgradation of Rangpo Bazar	763.50	2014	2014	31.12.19	90	625.87
11	Urban Development	Pedstrain Track from upper Rabong connecting Bazar, Ravongla	754.29	2014	2014	31.12.19	87	645.29
12	Animal Husbandry	Re-construction of BOP Piggery Farm under AH & VS Department at Chungthang in North Sikkim Damaged during the Earthquake of 18.09.2011 (Phase-I & Phase-III)	188.10	2017	2017	2019	50	115.21
13	Education	Providing Fencing works to Lachen Secondary School	41.82	2018	2018	16.12.19	70	27.40
14	Urban Development	Construction of approach road from Gumpa Dara via Lkshey Colony to Bega Bazar	346.04	2018	2018	04.01.20	92	237.46
15	Urban Development	Construction of Multipurpose Hall at Hee Bazar	90.75	2018	2018-19	06.01.20	22	11.67
16	Urban Development	Beautification and upgradation of Yangyang Bazar	269.04	2017	2017-18	18.02.20	47	136.69
17	Urban Development	Construction of Link Road from Forest Bypass and upgradation of road from TNHS to Dhupidara Gangtok	1210.23	2017	2017	20.02.20	75	590.99
18	Urban Development	Intergrated slum Development Housing and Basic Amenities at Chakung	581.84	2011	2011	30.03.20	69	340.71
19	Urban Development	Basic Infrastructure Development Beautification & Construction of Public Toilet @ Sombaria	395.90	2017	2017	30.03.20	80	234.03

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
20	Urban Development	Central Park extension Namchi	2127.00	2016	2016	30.03.20	70	1271.79
21	Food	Construction of Food Godown at Kongri Naku in West Sikkim	206.00	18.02.20	2020	31.03.2020	58	36.93
22	Education	Construction of 12RSB cum MPH at Middle Gyalshing Sec.School, under Gyalshing Bermiok Constituency, West Sikkim	337.09	2018	2018	31.03.2020	26	23.86
23	Education	Construction of 4RSB at cum Multipurpose Hall at Taksang Primary School	75.80	2018	2018	31.03.2020	34	56.91
24	Education	Construction of 4RSB at Govt.JHS at Badamtam	61.86	2018	2018	31.03.2020	31	20.02
25	Education	Construction of 4RSB at Kaiyong Primary School	45.21	2018	2018	31.03.2020	25	23.08
26	Education	Construction of 6RSB at Kharpany PS Soreng-Chaung Constituency, West Sikkim	95.15	2018	2018	31.03.2020	0	90.38
27	Education	Construction of 6RSB at Mukrung JHS under Maneybong Dentam Constituency	80.00	2018	2018	31.03.2020	0	27.77
28	Education	Construction of 6RSB at Rongli JHS in East Sikkim	80.93	2018	2018	31.03.2020	85	77.41
29	Education	Construction of 7RSB at Sekrep Budhang PS Soreng-Chaung Constituency, West Sikkim	67.05	2018	2018	31.03.2020	0	0.00
30	Education	Construction of Auditorium hall at Okhrey SS Daramdin Constituency West Sikkim	50.00	2018	2018	31.03.2020	0	19.01
31	Urban Development	Construction of Cafeteria/car park and wash Room at Samkhoma, Lachen	130.09	2018	2018	15.03.20	80	50.00
32	Police	Construction of Fire Station at Soreng, West Sikkim	524.50	22.2.2018	2018	28.3.2020	59	265.44
33	Education	Construction of Food Court at Government College Kamrang	406.61	2018	2018	31.03.2020	40	88.52
34	Food	Construction of Food Godown at 13th Mile J.N. Road	175.00	21.11.17	2017-18	31.03.2020	95	27.00

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
35	Food	Construction of Food Godown at Darap in West Sikkim	206.00	18.02.19	2019-20	31.03.2020	88	79.84
36	Food	Construction of Food Godown at Dorongpani in South Sikkim	226.00	18.02.19	2019-20	31.03.2020	80	95.43
37	Food	Construction of Food Godown at Hee- Gaon in West Sikkim	190.00	18.02.19	2019-20	31.03.2020	70	30.27
38	Food	Construction of Food Godown at kaluk in West Sikkim	238.00	18.02.19	2019-20	31.03.2020	70	86.02
39	Food	Construction of Food Godown at Lachen in North Sikkim	154.00	21.11.17	2017-18	31.03.2020	85	109.70
40	Food	Construction of Food Godown at Namthang in South Sikkim	194.00	18.02.19	2019-20	31.03.2020	52	0
41	Food	Construction of Food Godown at Sardong Lunzik in West Sikkim	209.00	18.02.19	2019-20	31.03.2020	0	0.00
42	Food	Construction of Food Godown at Soreng in West Sikkim	232.00	18.02.19	2019-20	31.03.2020	10	0.00
43	Food	Construction of food Godown at Talkharka in East Sikkim	150.00	21.11.17	2017-18	31.03.2020	45	30.86
44	Food	Construction of Food Godown at Temi in South Sikkim	187.00	18.02.19	2019-20	31.03.2020	10	0
45	Food	Construction of Food Godown at Tokol Bermick in South Sikkim	210.00	18.02.20	2020	31.03.2020	50	101.86
46	Food	Construction of Food Godown at Uttarey in West Sikkim	240.00	18.02.19	2019-20	31.03.2020	60	84.25
47	Education	Construction of Multipurpose Hall with 2RSB at Singithang Primary School	73.64	2018	2018	31.03.2020	34	22.09
48	Education	Construction of Principal Quarter & Ground Upgradation at Namthang Senior Sec. School	77.03	2018	2018	31.03.2020	37	33.74
49	Education	Construction of School Play ground at Pachey Senior Sec. School	33.00	2018	2018	31.03.2020	40	10.00
50	Education	Construction of Vertical Extension of auditorium hall at Lower Ghurpisay JHS	30.00	2018	2018	31.03.2020	86	10.00
51	Agriculture	Construction of VLW Center Namthang, South Sikkim	34.78	29.09.18	2018-19	31.03.2020	25	8.35

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
52	Sports	Construction/Extension of player-ground at Bhega sec. School under Maneybong Dentam Constituency, West Sikkim (phase II)	150.00	7.8.2018	2018-19	31.03.2020	80	44.62
53	Sports	Construction/Extension of player-ground at Bhega, West Sikkim.	21.00	21.11.2017	2017-18	31.03.2020	15	0
54	Education	Construction/Upgradation of School Ground with pavillion at Padamchey SS in East Sikkim	43.32	2018	2018	31.03.2020	40	10.75
55	Energy and Power	Establishment of 11/kv, 2.5 switching s/s upgrading of 11kv T/S, augmentation and rejuention of d/s extention, phase balancing and enhancing the load carrying capacity LT d/n and improvemnt of scs under Pakyong Division East.	3074.64	2013-14	2013-14	31.03.2020	86	2751.83
56	Urban Development	Solid Waste Treatment Plant for Mangan	1599.37	2018	2018	29.03.20	...	239.91
57	Urban Development	Construction of road to Debrung	108.80	2018	2018	-	--	0.00
			19893.14					9524.70
2020-2021								
1.	Sports and Youth Affairs	Upgradation of Kyongsa playground upto international standard with track and field.	2798.00	25.12.2011	2011-18	2022	75	1376.75
2.	Sports and Youth Affairs	Construction of Approach road & parking at Soreng stadium	800.00	2014	2014	2022	65	540.94
3.	Sports and Youth Affairs	Extension of School Ground, Construction of Gallery at Government Sr.Secondary	30.00	18.02.2021	2021-22	2022	0	0.00
4.	Sports and Youth Affairs	Upgradation of Playground at Dikling Sr.Secondary School	30.00	18.02.2021	2021-22	2022	0	0.00
5.	Sports and Youth Affairs	Extension of Rorathang School Play Ground East Sikkim	30.00	18.02.2021	2021-22	2022	0	0.00
6.	Sports and Youth Affairs	Upgradation of Melaground at Rongli under Chujachen Constituency East Sikkim	40.00	18.02.2021	2021-22	2022	0	0.00

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
7.	Sports and Youth Affairs	Extension of Playground and Construction of Gallery at Government Secondary School South Regu East Sikkim	22.00	18.02.2021	2021-22	2022	0	0.00
8.	Sports and Youth Affairs	Construction of Playground at 15th Mile J.N. Road	40.00	30.03.2021	2021-22	2021-22	0	0
9.	Sports and Youth Affairs	Construction of Archery and Boxing Arena and Up-gradation of Existing Sports infrastructure at Resithang Khelgaon East Sikkim	907.64	18.01.2021	2020.21	2023	15	141.68
10.	Sports and Youth Affairs	Providing Protective Wall at Aho Yangtam School Playground East Sikkim	8.44	18.02.2021	2020-21	2021	0	0
11.	Sports and Youth Affairs	GI wirenet fencing along with angle iron around the school playground of Assam Lingzey Sr.Secondary School East Sikkim	9.65	18.02.2021	2021	2021	0	0
12.	Sports and Youth Affairs	Construction of Badminton Court at Secondary School Nandok	11.83	18.02.2021	2021	2021	0	0
13.	Sports and Youth Affairs	Extension of ground and construction of gallery at Enchey Monastic School	25.04	18.02.2021	2021	2021	0	0
14.	Sports and Youth Affairs	Extension of Playground at Sajong Tympen Primary School in East Sikkim	14.13	18.02.2021	2021	2021-22	0	0
15.	Sports and Youth Affairs	Extension of Playground at Tumin Sr. Sec.School in East Sikkim	13.88	18.02.2021	2021	2021-22	0	0
16.	Sports and Youth Affairs	Extension of Playground at Sama Lingdum Sr.Sec.School in East Sikkim	15.91	18.02.2021	2021	2021-22	0	0
17.	Sports and Youth Affairs	Renovation of Football Academy Hostel Building at Pendam	12.00	18.02.2021	2021	2021-22	0	0
18.	Sports and Youth Affairs	Extension of Playground at Singlebong JHS in East Sikkim	15.00	18.02.2021	2021	2021-22	0	0
19.	Sports and Youth Affairs	Construction of Playground at Rangpo SSS Mining East Sikkim	20.00	18.02.2021	2021	2021-22	0	0
20.	Sports and Youth Affairs	Construction of Playground & Archery ground with in allied	158.43	23.10.2020	2021-22	2021-22	25	0

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
		facilities at Phodong Monastic School North						
21.	Sports and Youth Affairs	Construction of river sports and allied facilities at Lachen	60.00	21.02.2019	2021	2022	5	0
22.	Sports and Youth Affairs	Development of Archery Ground at Gerethang Lachen	70.00	18.06.2020	2021	2022	5	0
23.	Sports and Youth Affairs	Construction of Indoor Games hall at Lachen	220.00	10.07.2018	2018	2022	45	68.00
24.	Sports and Youth Affairs	Construction of Futsal (indoor football field) Lachung	96.00	18.01.2020	2020	2022	50	0
25.	Sports and Youth Affairs	Upgradation of football stadium with other allied facilities at Mangan North Sikkim Phase II	940.00	06.12.2016	.2019	2021	45	326.56
26.	Sports and Youth Affairs	Extension of School ground at Barfok primary school under 21-Lingdong Burfok GPU	15.00	18.02.2021	2021	2021-22	0	0
27.	Sports and Youth Affairs	Construction of Galleries cum protective work at Penlong Sec.School	33.78	18.02.2021	2021	2021-22	0	0
28.	Sports and Youth Affairs	Extension of Play ground at Manul Sec. School North	20.00	18.02.2021	2021	2021-22	0	0
29.	Sports and Youth Affairs	Extension of Playground at Pakshek JHS, North	15.00	18.02.2021	2021	2021-22	0	0
30.	Sports and Youth Affairs	Extension of Playground at Pegong, LPS North	10.00	18.02.2021	2021	2021-22	0	0
31.	Sports and Youth Affairs	Construction/Upgradation of School playground at Chingthang JHS	38.00	2018	2019	2021	70	10.00
32.	Sports and Youth Affairs	Construction of Basketball court at KGV School Labing in West Sikkim	24.24	2018	2019	2021	75	9.93
33.	Sports and Youth Affairs	Extension of Public ground at Aarubotay Soreng in West Sikkim	15.00	2021	..	2021	0	0
34.	Sports and Youth Affairs	Construction of Public ground at Chota Samdong Dewantar in West Sikkim	35.72	2021	..	2021	0	0
35.	Sports and Youth Affairs	Extension of Playground at Mendogoan JHS (W) under Soreng Chakung in West Sikkim	20.00	2021	..	2021	0	0

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
36.	Sports and Youth Affairs	Construction of Public ground at Lungyam ward no.6 under Lunchok Salagdang	20.00	2021	..	2021	0	0
37.	Sports and Youth Affairs	Extension of Public ground at Oakhrey Nagi ward no.1 Daramdin West	25.00	2021	...	2021	0	0
38.	Sports and Youth Affairs	Extension of Gallery of Hee Pulic Playground in West Sikkim	30.00	2021	..	2021	0	0
39.	Sports and Youth Affairs	Construction of pavillion and Ground Development works at Reshi Sec. School, West Sikkim	60.42	2021	..	2021	0	0
40.	Sports and Youth Affairs	Construction of Public ground at Lower Chongrang in west Sikkim	15.00	2021	..	2021	0	0
41.	Sports and Youth Affairs	Playground at Tingting Primary School under Yuksom Tashiding	15.00	2021	..	2021	0	0
42.	Sports and Youth Affairs	Playground at Kongri JHS under Yuksom Tashiding	25.00	2021	..	2021	0	0
43.	Sports and Youth Affairs	Extension of Playground at Sakyong SSS West	20.00	2021	..	2021	0	0
44.	Sports and Youth Affairs	Extension of Playground at Simpheng Primary School	15.00	2021	...	2021	0	0
45.	Sports and Youth Affairs	Construction of Ground at Govt. Sec. School at Middle Geyzing	20.00	2021	...	2021	0	0
46.	Sports and Youth Affairs	Extension of Playground at Lower Bermiok	15.00	2021	..	2021	0	0
47.	Sports and Youth Affairs	Construction /Extension of Ground at Govt. Primary School at Meyong West	15.00	2021	...	2021	0	0
48.	Sports and Youth Affairs	Extension of Schoo Ground and Construction Gallery at Pema Rinzing SSS Yangsum	35.00	2021	..	2021	0	0
49.	Sports and Youth Affairs	Construction of Track and Field at Kyogsa West Sikkim	455.57	3.2021	..	2024	0	0
50.	Sports and Youth Affairs	Construction of Practice Ground at Kyongsa West Sikkim	453.55	3.2021	..	2024	0	0
51.	Sports and Youth Affairs	Construction of Indoor Gymnasium Hall at Serong West Sikkim	790.00	2019	2019	2021	35	300.00

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52.	Sports and Youth Affairs	Construction of Ground at Denchung South Sikkim	35.00	12.2.2019	2019	2021	95	7.00
53.	Sports and Youth Affairs	Construction of Ground at Tokai Bermok South Sikkim	35.00	12.2.2019	2019	2020-21	80	12.80
54.	Sports and Youth Affairs	Extension of Playground at Deythang JHS Burfung South Sikkim	15.00	18.2.2021	2021	2021-22	0	0
55.	Sports and Youth Affairs	Extension of Playground at Tingmoo Sec. School Burfung South Sikkim	20.00	18.02.2021	2021	2021-22	0	0
56.	Sports and Youth Affairs	Construction of Public ground at Mamlay Kamrang	36.00	18.2.2021	2021	2021-22	0	0
57.	Sports and Youth Affairs	Development of existing volleyball ground at Salghari Sec. School Dorop	10.00	18.2.2021	2021	2021-22	0	0
58.	Sports and Youth Affairs	Extension and Upgradation of Public ground at Assangthang South Sikkim	27.61	18.2.2021	2021	2021-22	0	0
59.	Sports and Youth Affairs	Extension of public ground at Sirisey under Poklok Denchung GOU under Poklok Kamrang South Sikkim	25.00	18.2.2021	2021	2021-22	0	0
60.	Sports and Youth Affairs	Extension of Playground at Dong JHS under Poklok Kamrang South Sikkim	20.00	18.2.2021	2021	2021-22	0	0
61.	Sports and Youth Affairs	Construction of Public ground at Rateypani Poklok Kamrang	20.00	18.2.2021	2021	2021-22	0	0
62.	Sports and Youth Affairs	Development of School ground at Bikmat SS Poklok Kamrang	15.00	18.2.2021	2021	2021-22	0	0
63.	Sports and Youth Affairs	Construction of volleyball ground at Kabrey School in Poklok Kamrang South Sikkim	25.00	18.2.2021	2021	2021-22	0	0
64.	Sports and Youth Affairs	Development of School ground at Namthang SSS South Sikkim	20.00	18.2.2021	2021	2021-22	0	0
65.	Sports and Youth Affairs	Extension and fencing of playground of Tilak Pradhan Memorial Sr.Sec.School South Sikkim	25.00	18.2.2021	2021	2021-22	0	0
66.	Sports and Youth Affairs	Upgradation of school ground and construction of galleries at Mellidara Sec. School in South Sikkim	43.71	18.2.2021	2021	2021-22	0	0

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
67.	Sports and Youth Affairs	Extension of public ground at Kamar gaon temi Namphing South Sikkim	15.00	18.2.2021	2021	2021-22	0	0
68.	Sports and Youth Affairs	Upgradation of School ground of Simkharka Primary School under Ben Namphik GPU	15.00	18.2.2021	2021	2021-22	0	0
69.	Sports and Youth Affairs	Extension and restoration works to School playground at Tarku Sec. School South Sikkim	20.28	18.2.2021	2021	2021-22	0	0
70.	Sports and Youth Affairs	Upgradation of School ground of Sr. Sec. School at Yangang South Sikkim	20.00	18.2.2021	2021	2021-22	0	0
71.	Sports and Youth Affairs	Construction and upgradation of playground of Lingee Paiyong Sec.School	20.24	18.2.2021	2021	2021-22	0	0
72.	Sports and Youth Affairs	Development of Kaizaley JH School Ground at Kaizalay South Sikkim	12.25	18.2.2021	2021	2021-22	0	0
73.	Education Department	Construction of auditorium at TNA	650.00	2018	2018	2021	25	139.00
74.	Education Department	Construction of 8/R/S/B at Kripasalayan S.S.S Daramdin Constituency, West Sikkim	150.00	2017	2017	2020	47	82.04
75.	Education Department	Construction of Science block at Government college Kamrang	1054.65	2017	2018	2021	40	807.12
76.	Education Department	Const of C.S.Rai Memorial JHS Arithang	335.79	2018-19	2018	2020-21	75	167.49
77.	Education Department	Construction of 3/RSB at Milling SS Maneybong Dentam Construction	53.41	2018-19	2018	2020-21	70	36.72
78.	Education Department	Construction of 4RSB at Langlang SSS Yangthang Construction	48.10	2018-19	2019	2021-22	80	33.08
79.	Education Department	Const of 6RSB at Kharpani PS	95.15	2018-19	2019	2020-21	85	90.38
80.	Education Department	Const of 15RSB at Upper Yangyang JHS	194.85	2018-19	2018	2020-21	71	188.71
81.	Education Department	Const of 12RSB cum Gallery at Tadong SSS	236.00	2018-19	2018-19	2020-21	65	201.73

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
82.	Power	Stengthening modernisation and improvement of transmission and distribution system of Raj Bhawan Mintokgang High Court VIP Area and surrounding areas in Gangtok East Sikkim	1139.01	2019-20	2019-20	2020-21	40	299.58
83.	Urban Development Department	Regional Facility for Solid Waster Treatment and Disposal Project at Sipsu	1749.07	2018	2018	2020-21	62	509.23
84.	Urban Development Department	Construction of approach road a Hee Bazaar	445.57	2018	2018	2020-21	52	128.71
85.	Urban Development Department	Beautification and Upgradation of Soreng Bazaar	89.49	2017	2018	30.7.2020	90	61.61
86.	Urban Development Department	Beautification and Upgradation of Chakung Bazaar	336.37	2017	2018		38	84.03
87.	Urban Development Department	Construction of road from Jorethang SSS to Ugen Choling Gumpa	644.21	2017	2018	8.4.2021	11	75.59
88.	Urban Development Department	Upgradation of Road in & around Gangtok & Namchi	734.66	2017	2017	.	60	300.00
89.	Urban Development Department	Construction of Kisan bazaar cum Car Parking at Gyalshing	535.40	2018	2019	2021	0	29.21
90.	Urban Development Department	Construction of Jorethang Cirle Office	350.44	2019	3.8.2019	3.8.2021	0	4.96
91.	Urban Development Department	Upgradation of road & side drains at Majigoan Circular Road Jorethang	151.47	2019	6.1.2020	5.4.2020	92	129.93
92.	Urban Development Department	Rural marketing Centre at Ravangla	217.18	2019	...	...	0	2.97

Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
93.	Urban Development Department	Construction of Super Market at Rhenock Bazaar	772.47	3.11.20	...	...	5	77.24
94.	Urban Development Department	Beautification of Cobbler line Jorethang	42.48	2020	2020	...	5	0.00
95.	Urban Development Department	Carpetting of Taxi parking (Soreng stand) in Jorethang	83.89	2020	2020	...	98	82.58
96.	Urban Development Department	Restoration of roadworks and construction of Stormwater drain at Soreng taxi stand at Soreng	68.81	2020	2020	...	70	41.53
97.	Urban Development Department	Construction of Public Toilet at Rinchenpong	25.00	2020	2020	...	...	8.45
98.	Urban Development Department	Beautification of Yuksom bazaar	111.32	2020	2020	...	...	0.00
99.	Urban Development Department	Carptting works from Red Panda turning to College at Gyalsing	84.52	2020	2020	...	50	0.00
100.	Urban Development Department	Carpetting of Approach Road at Lumsey Tadong	70.29	2020	2020	...	80	0.00
101.	Urban Development Department	Renovation of Toilets at Rangpo	24.70	2020	2020	...	...	23.60
102.	Urban Development Department	Restoratin of Tibetan jhora Tri-Junction at Upper Sichey Gangtokk	40.89	2020	2020	...	...	0.00
103.	Urban Development Department	Namcheybong Development works	50.55	2020	2020	...	80	0.00
104.	Urban Development Department	Construction of Parking lot @ Namthang	400.00	2018	15.3.2019	16.9.2020	65	232.44

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Sl. No.	Department	Name of the project/works	Estimated cost of work	Year of Sanction	Year of Commencement	Target of Completion	Physical progress of the work as on 31 st March 2021 (in %)	Progressive expenditure at the end of year 2020-21
105.	Urban Development Department	Beautification & Upgradation of Various Bazaar (State Share)	5831.15	2018	2018	2019	...	2348.35
106.	Police Department	Construction of Women's Barrack at PTC Yangyang/South Sikkim	315.00	...	10.2.2020	9.2.2022	36	40.00
107.	Animal Husbandry Department	Construction of Veterinery Hospital cum living Quarters under AH & VS Department at Pakyong in East Sikkim	182.53	2020	2020	2023	15	23.00
108.	Animal Husbandry Department	Construction of New SARAH Hospital at Tadong Gangtok in East Sikkim	115.18	2020	2020	2023	0	0.00
109.	Animal Husbandry Department	Construction of Frozen Semen Lab and Liquid Nitrogen Storage Building Gangtok East Sikkim	79.54	2020	2020	2023	0	0.00
		Total	26608.46					9042.94
		Grand Total	77833.81					40943.80

Appendix 2.4B
Statement Showing Department-Wise Incomplete Works as on 31st March 2021
(Reference: Paragraph 2.4.3.2)

(₹ in lakh)

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
	Agriculture						
1	Construction of VLW Center Namthang,	34.78	29.09.18	2018-19	31.03.2020	25	8.35
		34.78					8.35
	Animal Husbandry						
1	Re-construction of Sub-Divisional AH&BVS Complex at Chungthang, North Sikkim Damaged during the earthquake of	174.53	2018	2018	31.03.2019	60	68.00
2	Re-construction of BOP Piggery Farm under AH & VS Department at Chungthang in North Sikkim	188.10	2017	2017	2019	50	115.21
3	Construction of Veterinery Hospital cum living Quarters under AH & VS Department at Pakyong in East Sikkim	182.53	2020	2020	2023	15	23.00
4	Construction of New SARAH Hospital at Tadong Gangtok in East Sikkim	115.18	2020	2020	2023	0	0.00
5	Construction of Frozen Semen Lab and Liquid Nitrogen Storage Building Gangtok East Sikkim	79.54	2020	2020	2023	0	0.00
		739.88					206.21
	Power						
1	Stengthening modernisation and improvement of transmission and distribution system of Raj Bhawan Mintokgang High Court VIP Area and surrounding areas in Gangtok East Sikkim	1139.01	2019-20	2019-20	2020-21	40	299.58
2	Establishment of 11/kv, 2.5 switching s/s upgrading of 11kv T/S, augmentation and rejuention of d/s extention, phase balancing and enhancing the load carrying capacity LT d/n and improvemnt of scs under Pakyong Division East.	3074.64	2013-14	2013-14	31.03.2020	86	2751.83
		4213.65					3051.41
	Food						
1	Construction of Food Godown at Kongri Naku in	206.00	18.02.20	2020	31.03.2020	58	36.93
2	Construction of Food Godown at 13th Mile J.N. Road	175.00	21.11.17	2017-18	31.03.2020	95	27.00

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
3	Construction of Food Godown at Darap in West Sikkim	206.00	18.02.19	2019-20	31.03.2020	88	79.84
4	Construction of Food Godown at Dorongpani in South Sikkim	226.00	18.02.19	2019-20	31.03.2020	80	95.43
5	Construction of Food Godown at Hee- Gaon in West Sikkim	190.00	18.02.19	2019-20	31.03.2020	70	30.27
6	Construction of Food Godown at kaluk in West Sikkim	238.00	18.02.19	2019-20	31.03.2020	70	86.02
7	Construction of Food Godown at Lachen in North Sikkim	154.00	21.11.17	2017-18	31.03.2020	85	109.70
8	Construction of Food Godown at Namthang in South Sikkim	194.00	18.02.19	2019-20	31.03.2020	52	0
9	Construction of Food Godown at Sardong Lunzik in West Sikkim	209.00	18.02.19	2019-20	31.03.2020	0	0.00
10	Construction of Food Godown at Soreng in West Sikkim	232.00	18.02.19	2019-20	31.03.2020	10	0.00
11	Construction of food Godown at Talkharka in East Sikkim	150.00	21.11.17	2017-18	31.03.2020	45	30.86
12	Construction of Food Godown at Temi in South Sikkim	187.00	18.02.19	2019-20	31.03.2020	10	0
13	Construction of Food Godown at Tokol Bermick in South Sikkim	210.00	18.02.20	2020	31.03.2020	50	101.86
14	Construction of Food Godown at Uttarey in West Sikkim	240.00	18.02.19	2019-20	31.03.2020	60	84.25
		2817.00					682.16
	Education						
1	Establishment of Govt. Degree College at Rungdung, Rhenock, East	1594.96	2009	2009	15.02.11	85	1550.59
2	Const.of MPH cum 12RSB at Mangalbaria SSS, West	243.60	2009	2009	31.03.2011	97	204.07
3	6RSB at Samlik-Marchak JHS	66.70	2011-12	...	...	...	63.59
4	Const. Of 6RSB at Nazar Berfok	61.24	2011-12	...	...	...	53.68
5	Const. Of 4RSB at Anitang PS	45.05	2011-12	...	...	...	42.92
6	Const. Of 4RSB at Mangalbaria	45.65	2011-12	...	...	...	41.24
7	Const. Of 12RSB at Makha SSS	111.58	2011-12	...	...	...	109.30
8	Major repair of Lingzey PS	19.16	2011-12	...	...	...	18.32
9	Construcion of Clsaa - III Staff qtr at Hee-Gyatthang SSS, North	76.05	2012	2012	19.02.13	62	29.70
10	Const.of MPH cum Classrooms at Lachung SS, North	250.47	2011	2011	31.03.2013	92	67.62
11	Establishment of Polytechnic College at Yangthang West	1230.00	2011	2011	31.03.2013	60	463.15
12	Construction of 4RSB at Jholungay PS South	32.71	2012	2012	19.04.13	82	28.07
13	Construction of MPH at Rateypani South	51.78	2012	2012	19.04.13	45	31.79
14	Construction of Auditorium at Rangpo Mining SS, East	53.84	2012	2012	23.09.13	70	49.00

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
15	Construction of 4RSB at L/Assangthang, South	33.66	2013	2013	03.03.14	80	24.05
16	Construction of MPH cum 12 RSB at Sadam SSS, South	308.51	2012	2012	31.03.2014	50	110.95
17	Construction of MPH cum 12 RSB at Assamlingzey SSS, East	239.11	2012	2012	30.09.14	88	215.35
18	Construction of 6RSB at TNA, GTK, East	54.22	2012	2012	30.9.2015	50	45.95
19	Construction of Auditorium at Rumtak SSS East	54.59	2012	2012	30.9.2015	92	35.07
20	Construction of MPH at Rong SS, South	55.63	2012	2012	31.12.15	90	48.02
21	Vertical Extension for MPH at Temi SSS, South	72.08	2015	2015	15.02.16	66	59.75
22	Construction of 4RSB at Kateng Dingtar PS, South	45.50	2014	2014	08.03.16	60	10.72
23	Construction of 4RSB at Amalay PS, South	43.99	2014	2014	05.03.16	55	24.78
24	Construction of 6RSB at Kamarey JHS PS, South	59.17	2014	2014	08.03.16	90	36.60
25	Construction of Class-III Quarter at Bermiok Tokal SSS, South	73.35	2014	2014	05.03.16	58	49.00
26	Construction of 6RSB at Topung PS under Yuksam Tashiding Constituency	64.37	2017	2017	10.09.16	95	51.50
27	Construction of 4RSB at Karjee PS, South	47.72	2015	2015	11.03.17	60	20.63
28	Construction of 4RSB at Malling PS North	50.78	2013	2013	31.03.17	70	46.16
29	Construction of 4RSB at Nampatam PS North	52.10	2013	2013	31.03.17	80	34.18
30	Construction of 4RSB at Simkharka PS South	32.00	2015	2015	31.03.17	35	13.60
31	Construction of 4RSB at Suntaley Makerzung PS, South	33.13	2014	2014	31.03.17	60	9.44
32	Construction of 4RSB cum MPH at Chungthang SS North	94.97	2011	2011	31.03.17	93	58.13
33	Construction of 6RSB at Manul JHS North	83.56	2011	2011	31.03.17	99	74.35
34	Construction of 6RSB at Namphok SS, South	60.95	2015	2015	31.03.2017	86	54.84
35	Construction of 8RSB at Singhik SS North	142.96	2011	2011	31.03.17	95	139.83
36	Construction of Auditorium to NTL vok SS South	66.03	2013	2013	13.03.17	80	46.62
37	Construction of Basketball court, vertical extension of Annex block, approach road to ground, const. of reservoir tank, upgradation of play field & const. of car park at GDC Tadong, East	324.59	2010	2010	31.3.17	62	184.62
38	Renovation & special repair of staff qtr CI-III 16 units, CI-IV 8 units at GDC Tandong, East	25.20	2010	2010	31.3.17	95	16.80
39	Construction of Auditorium at Turuk SS, South	69.88	2015	2015	15.06.17	92	66.80
40	Construction of Auditorium at Uttarey, West	52.16	2012	2012	30.09.17	95	50.22

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
41	Construction of MPH cum 12 RSB at Dikling SSS, East	332.99	2012	2012	30.09.17	89	221.23
42	Construction of 4RSB at Leythang PS, West	31.79	2012	2012	31.12.2017	99	5.47
43	Construction of 4RSB at Lower Takuthang PS, West	36.26	2012	2012	31.12.2017	55	9.82
44	Construction of 4RSB at Reythang PS West	34.00	2012	2012	31.12.2017	80	27.21
45	Construction of Hostel Building at Kyongsa Girls SSS West	79.51	2012	2012	31.12.2017	90	73.73
46	Construction of MPH cum 12 RSB at Singtam SSS,East	379.23	2012	2012	31.12.17	84	310.31
47	Constructon of 5RSB at Deythang JHS, West	38.00	2014	2014	31.12.17	70	34.74
48	Construction of 4RSB at Santalay PS, West	45.78	2014	2014	31.12.2017	93	37.30
49	Construction of Model School at Assam Lingzay, East	1187.82	2014	2014	31.03.18	82	805.95
50	Vertical Extension of 2RSB at Denchung JHS South	15.49	2014			80	14.14
51	Construction of MPH cum 12 RSB at Pelling SSS,West	272.52	2013	2013	31.03.18	87	193.64
52	Infrastructure Development at Tharpu SSS Soreng-Chaung Constituency West Sikkim	425.00	2017	2017	31.03.2018	20	307.31
53	Establishment of Polytechnic College at Mangshila, North	1230.00	2010	2010	30.06.18	78	912.37
54	Const.of Toilet Block, Playground & Volleyball court at thegu	56.82	2017	2017	26.08.18	60	56.02
55	Const. 4RSB at Linkey Secondary School	35.00	2017	2017	31.03.2019	25	11.45
56	Const.of 8RSB at Govt.Senior Sec.School Mangshila in North Sikkim	145.00	2017	2017	31.03.2019	65	89.37
57	Const.of State Council of Education Research and Training, Burtuk	594.21	2017	2017	31.03.2019	65	161.01
58	Construction of 4RSB at Bhirkuna (CMRF)	40.00	2017	2017	31.03.2019	85	14.71
59	Construction of 4RSB at Kaputhang Primary School	40.00	2017	2017	31.03.2019	70	39.99
60	Construction of 4RSB at Lokdara Primary School	40.00	2017	2017	31.03.2019	50	16.83
61	Construction of 4RSB at Lower Sapung PS under Maneybong Dentam Constituency West Sikkim	35.00	2017	2017	31.03.2019	25	20.00
62	Construction of 4RSB at Majgaon under Gyalshing Bermiok Constituency West Sikkim	35.00	2017	2017	31.03.2019	70	20.00
63	Construction of 4RSB at Taza JHS School	40.00	2017	2017	31.03.2019	70	39.99
64	Construction of 4RSB at Tsong, under Yuksam Tashiding Constituency West Sikkim	35.00	2017	2017	31.03.2019	34	0.00
65	Construction of 6RSB at Gtang JHS under Maneybong Dentam Constituency	80.00	2017	2017	31.03.2019	0	0.00

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
66	Construction of 8RSB at Nima Sherpa SSS AT Ribdi Daramdin Constituency	150.00	2017	2017	31.03.2019	0	77.95
67	Construction of Gallery and Drainae system at Utteray SSS under Maneybong Dentam Constituency	170.00	2017	2017	31.03.2019	0	0.00
68	Renovation & special repair of staff qtr. 3 Block 18 units at GDC Tadong East	54.55	2010	2010	2017	90	20.28
69	Restoration of 6RSB at Shipgyar, North	52.59	2015	2015	2017	98	36.06
70	Restoration of 6RSB at Jhusing PS, North	52.19	2013	2013	2017	98	36.47
71	Restoration of 4RSB at Aritar SS, East	45.68	2015	2015	2017	95	30.85
72	Construction of Science block at Government College at Yangthang	2650.71	2011	2011	31.03.2019	80	1984.37
73	Reconstruction of 4RSB to Lower Jarrong PS South	39.00	2013	2013	31.03.2019	75	19.95
74	Const of 4RSB at Tsong PS	35.00	2018	2018	5.6.2019	46	8.61
75	Const.of 6RSB at Sopakha SS under Maneybong Dentam Constituency	80.00	2017	2017	01.12.19	37	56.45
76	Providing Fencing works to Lachen Secondary School	41.82	2018	2018	16.12.19	70	27.40
77	Construction of 12RSB cum MPH at Middle Gyalshing Sec.School, under Gyalshing Bermiok Constituency, West Sikkim	337.09	2018	2018	31.03.2020	26	23.86
78	Construction of 4RSB at cum Multipurpose Hall at Taksang Primary School	75.80	2018	2018	31.03.2020	34	56.91
79	Construction of 4RSB at Govt.JHS at Badamtam	61.86	2018	2018	31.03.2020	31	20.02
80	Construction of 4RSB at Kaiyong Primary School	45.21	2018	2018	31.03.2020	25	23.08
81	Construction of 6RSB at Kharpaney PS Soreng-Chaung Constituency, West Sikkim	95.15	2018	2018	31.03.2020	0	90.38
82	Construction of 6RSB at Mukrung JHS under Maneybong Dentam Constituency	80.00	2018	2018	31.03.2020	0	27.77
83	Construction of 6RSB at Rongli JHS in East Sikkim	80.93	2018	2018	31.03.2020	85	77.41
84	Construction of 7RSB at Sekrep Budhang PS Soreng-Chaung Constituency, West Sikkim	67.05	2018	2018	31.03.2020	0	0.00
85	Construction of Auditorium hall at Okhrey SS Daramdin Constituency West Sikkim	50.00	2018	2018	31.03.2020	0	19.01

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
86	Construction of Food Court at Government College Kamrang	406.61	2018	2018	31.03.2020	40	88.52
87	Construction of Multipurpose Hall with 2RSB at Singithang Primary School	73.64	2018	2018	31.03.2020	34	22.09
88	Construction of Principal Quarter & Ground Upgradation at Namthang Senior Sec. School	77.03	2018	2018	31.03.2020	37	33.74
89	Construction of School Play ground at Pachey Senior Sec. School	33.00	2018	2018	31.03.2020	40	10.00
90	Construction of Vertical Extension of auditorium hall at Lower Ghurpisay JHS	30.00	2018	2018	31.03.2020	86	10.00
91	Construction/Upgradation of School Ground with pavillion at Padamchey SS in East Sikkim	43.32	2018	2018	31.03.2020	40	10.75
92	Construction of auditorium at TNA	650.00	2018	2018	2021	25	139.00
93	Construction of 8/R/S/B at Kripasalayan S.S.S Daramdin Constituency, West Sikkim	150.00	2017	2017	2020	47	82.04
94	Construction of Science block at Government college Kamrang	1054.65	2017	2018	2021	40	807.12
95	Const of C.S.Rai Memorial JHS Arithang	335.79	2018-19	2018	2020-21	75	167.49
96	Construction of 3/RSB at Milling SS Maneybong Dentam Construction	53.41	2018-19	2018	2020-21	70	36.72
97	Construction of 4RSB at Langlang SSS Yangthang Construction	48.10	2018-19	2019	2021-22	80	33.08
98	Const of 6RSB at Kharpani PS	95.15	2018-19	2019	2020-21	85	90.38
99	Const of 15RSB at Upper Yangyang JHS	194.85	2018-19	2018	2020-21	71	188.71
100	Const of 12RSB cum Gallery at Tadong SSS	236.00	2018-19	2018-19	2020-21	65	201.73
		19153.60					12261.78
	Police						
1	Construction of Women's Barrack at PTC Yangyang/South Sikkim	315.00	..	10.2.2020	9.2.2022	36	40.00
2	Construction of 2nd & 3rd IRBn HQ at Mangley South Sikkim	1523.21	..	4.3.2014	31.3.2021	96	1450.32
3	Construction of Fire Stations	524.82	..	29.3.2018	28.3.2020	59	265.44
		2363.03					1755.76

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
	Sports						
1	Construction/Extension of player-ground at Bhega sec. School under Maneybong Dentam Constituency, West Sikkim (phase II)	150.00	7.8.2018	2018-19	31.03.2020	80	44.62
2	Construction/Extension of player-ground at Bhega, West Sikkim.	21.00	21.11.2017	2017-18	31.03.2020	15	0
3	Upgradation of Kyongsa playground upto international standard with track and field.	2798.00	25.12.2011	2011-18	2022	75	1376.75
4	Construction of Approach road & parking at Soreng stadium	800.00	2014	2014	2022	65	540.94
5	Extension of School Ground, Construction of Gallery at Government Sr.Secondary	30.00	18.02.2021	2021-22	2022	0	0.00
6	Upgradation of Playground at Dikling Sr.Secondary School	30.00	18.02.2021	2021-22	2022	0	0.00
7	Extension of Rorathang School Play Ground East Sikkim	30.00	18.02.2021	2021-22	2022	0	0.00
8	Upgradation of Melaground at Rongli under Chujachen Constituency East Sikkim	40.00	18.02.2021	2021-22	2022	0	0.00
9	Extension of Playground and Construction of Gallery at Government Secondary School South Regu East Sikkim	22.00	18.02.2021	2021-22	2022	0	0.00
10	Construction of Playground at 15th Mile J.N. Road	40.00	30.03.2021	2021-22	2021-22	0	0
11	Construction of Archery and Boxing Arena and Up-gradation of Existing Sports infrastructure at Resithang Khelgaon East Sikkim	907.64	18.01.2021	2020.21	2023	15	141.68
12	Providing Protective Wall at Aho Yangtam School Playground East Sikkim	8.44	18.02.2021	2020-21	2021	0	0
13	GI wirenet fencing along with angle iron around the school playground of Assam Lingzey Sr.Secondary School East Sikkim	9.65	18.02.2021	2021	2021	0	0
14	Construction of Badminton Court at Secondary School Nandok	11.83	18.02.2021	2021	2021	0	0
15	Extension of ground and construction of gallery at Enchey Monastic School	25.04	18.02.2021	2021	2021	0	0
16	Extension of Playground at Sajong Tympen Primary School in East Sikkim	14.13	18.02.2021	2021	2021-22	0	0

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
17	Extension of Playground at Tumin Sr. Sec.School in East Sikkim	13.88	18.02.2021	2021	2021-22	0	0
18	Extension of Playground at Sama Lingdum Sr.Sec.School in East Sikkim	15.91	18.02.2021	2021	2021-22	0	0
19	Renovation of Football Academy Hostel Building at Pendam	12.00	18.02.2021	2021	2021-22	0	0
20	Extension of Playground at Singlebong JHS in East Sikkim	15.00	18.02.2021	2021	2021-22	0	0
21	Construction of Playground at Rangpo SSS Mining East Sikkim	20.00	18.02.2021	2021	2021-22	0	0
22	Construction of Playground & Archery ground with in allied facilities at Phodong Monastic School North	158.43	23.10.2020	2021-22	2021-22	25	0
23	Construction of river sports and allied facilities at Lachen	60.00	21.02.2019	2021	2022	5	0
24	Development of Archery Ground at Gerethang Lachen	70.00	18.06.2020	2021	2022	5	0
25	Construction of Indoor Games hall at Lachen	220.00	10.07.2018	2018	2022	45	68.00
26	Construction of Futsal (indoor football field) Lachung	96.00	18.01.2020	2020	2022	50	0
27	Upgradation of football stadium with other allied facilities at Mangan North Sikkim Phase II	940.00	06.12.2016	.2019	2021	45	326.56
28	Extension of School ground at Barfok primary school under 21-Lingdong Burfok GPU	15.00	18.02.2021	2021	2021-22	0	0
29	Construction of Galleries cum protective work at Penlong Sec.School	33.78	18.02.2021	2021	2021-22	0	0
30	Extension of Play ground at Manul Sec. School North	20.00	18.02.2021	2021	2021-22	0	0
31	Extension of Playground at Pakshek JHS, North	15.00	18.02.2021	2021	2021-22	0	0
32	Extension of Playground at Pegong, LPS North	10.00	18.02.2021	2021	2021-22	0	0
33	Construction/Upgradation of School playground at Chingthang JHS	38.00	2018	2019	2021	70	10.00
34	Construction of Basketball court at KGV School Labing in West Sikkim	24.24	2018	2019	2021	75	9.93
35	Extension of Public ground at Aarubotay Soreng in West Sikkim	15.00	2021	..	2021	0	0
36	Construction of Public ground at Chota Samdong Dewantar in West Sikkim	35.72	2021	..	2021	0	0
37	Extension of Playground at Mendogoan JHS (W) under Soreng Chakung in West Sikkim	20.00	2021	..	2021	0	0

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
38	Construction of Public ground at Lungyam ward no.6 under Lunchok Salagdang	20.00	2021	..	2021	0	0
39	Extension of Public ground at Oakhrey Nagi ward no.1 Daramdin West	25.00	2021	...	2021	0	0
40	Extension of Gallery of Hee Pulic Playground in West Sikkim	30.00	2021	..	2021	0	0
41	Construction of pavillion and Ground Development works at Reshi Sec. School, West Sikkim	60.42	2021	..	2021	0	0
42	Construction of Public ground at Lower Chongrang in west Sikkim	15.00	2021	..	2021	0	0
43	Playground at Tingting Primary School under Yuksom Tashiding	15.00	2021	..	2021	0	0
44	Playground at Kongri JHS under Yuksom Tashiding	25.00	2021	..	2021	0	0
45	Extension of Playground at Sakyong SSS West	20.00	2021	..	2021	0	0
46	Extension of Playground at Simpheng Primary School	15.00	2021	...	2021	0	0
47	Construction of Ground at Govt. Sec. School at Middle Geyzing	20.00	2021	...	2021	0	0
48	Extension of Playground at Lower Bermiok	15.00	2021	..	2021	0	0
49	Construction /Extension of Ground at Govt. Primary School at Meyong West	15.00	2021	...	2021	0	0
50	Extension of Schoo Ground and Construction Gallery at Pema Rinzing SSS Yangsum	35.00	2021	..	2021	0	0
51	Construction of Track and Field at Kyogsa West Sikkim	455.57	3.2021	..	2024	0	0
52	Construction of Practice Ground at Kyongsa West Sikkim	453.55	3.2021	..	2024	0	0
53	Construction of Indoor Gymnasium Hall at Serong West Sikkim	790.00	2019	2019	2021	35	300.00
54	Construction of Ground at Denchung South Sikkim	35.00	12.2.2019	2019	2021	95	7.00
55	Construction of Ground at Tokai Bermok South Sikkim	35.00	12.2.2019	2019	2020-21	80	12.80
56	Extension of Playground at Deythang JHS Burfung South Sikkim	15.00	18.2.2021	2021	2021-22	0	0
57	Extension of Playground at Tingmoo Sec. School Burfung South Sikkim	20.00	18.02.2021	2021	2021-22	0	0
58	Construction of Public ground at Mamlay Kamrang	36.00	18.2.2021	2021	2021-22	0	0
59	Development of existing volleyball ground at Salghari Sec. School Dorop	10.00	18.2.2021	2021	2021-22	0	0

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
60	Extension and Upgradation of Public ground at Assangthang South Sikkim	27.61	18.2.2021	2021	2021-22	0	0
61	Extension of public ground at Sirisey under Poklok Denchung GOU under Poklok Kamrang South Sikkim	25.00	18.2.2021	2021	2021-22	0	0
62	Extension of Playground at Dong JHS under Poklok Kamrang South Sikkim	20.00	18.2.2021	2021	2021-22	0	0
63	Construction of Public ground at Rateypani Poklok Kamrang	20.00	18.2.2021	2021	2021-22	0	0
64	Development of School ground at Bikmat SS Poklok Kamrang	15.00	18.2.2021	2021	2021-22	0	0
65	Construction of volleyball ground at Kabrey School in Poklok Kamrang South Sikkim	25.00	18.2.2021	2021	2021-22	0	0
66	Development of School ground at Namthang SSS South Sikkim	20.00	18.2.2021	2021	2021-22	0	0
67	Extension and fencing of playground of Tilak Pradhan Memorial Sr.Sec.School South Sikkim	25.00	18.2.2021	2021	2021-22	0	0
68	Upgradation of school ground and construction of galleries at Mellidara Sec. School in South Sikkim	43.71	18.2.2021	2021	2021-22	0	0
69	Extension of public ground at Kamar gaon temi Namphing South Sikkim	15.00	18.2.2021	2021	2021-22	0	0
70	Upgradation of School ground of Simkharka Primary School under Ben Namphik GPU	15.00	18.2.2021	2021	2021-22	0	0
71	Extension and restoration works to School playground at Tarku Sec. School South Sikkim	20.28	18.2.2021	2021	2021-22	0	0
72	Upgradation of School ground of Sr. Sec. School at Yangang South Sikkim	20.00	18.2.2021	2021	2021-22	0	0
73	Construction and upgradation of playground of Lingee Paiyong Sec.School	20.24	18.2.2021	2021	2021-22	0	0
74	Development of Kaizaley JH School Ground at Kaizalay South Sikkim	12.25	18.2.2021	2021	2021-22	0	0
		9270.32					2838.28
	Urban Development						
1	Construction of State of Art Entry Gate @ Rangpo	610.24	2011	2011	17.01.12	20	99.32
2	Improvement work at Mintogang and construction of RCC retaining wall along JN Road (Phase-II)	375.51	2010	2010	31.03.2012	70	248.09

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
3	Improvement & Modification of Inner Road at Gangtok	4344.44	2011	2011	11.12.13	80	3642.54
4	Upgradation of Melli bazar South Sikkim	3637.00	2014	2014	07.10.15	78	2490.40
5	Construction of Kissan Bazar at Namchi	2826.00	2013	2013	24.04.17	98	2454.13
6	Construction of Community Hall @ Tadong	276.51	2014	2014	24.02.18	75	229.90
7	Construction of MPCC at Balbir Goan	201.80	2014	2014	12.02.18	65	143.52
8	Construction of Kissan Bazar at Gangtok	2374.99	2011	2011	28.03.18	90	1455.87
9	Construction of Townhall at Rangpo	189.61	2017	2017	09.10.18	95	126.68
10	Upgradation of road from Raj Gram, Opp Holu Cross School to Tiny Pearls School, Lr. Tadong	175.82	2017	2017-18	09.12.18	35	30.10
11	Kisan Bazar, Mangan	488.94	2019	2019	01.05.19	...	5.00
12	Labdang Eco-City West Sikkim	966.99	2019	2019	01.05.19	...	49.93
13	Repair of Foot Bridges	45.84	2019	2019	01.05.19	80	17.96
14	Development of Crematorium Shed at Jalipool	650.00	2017	2017	06.06.19	80	283.80
15	Construction of Namchi Garden Centre	464.24	2017	2017	09.10.19	36	58.03
16	Construction of Cobbler Shed cum Sweeper Quarter at Singtam	130.95	2018	2018	01.12.19	75	64.72
17	Construction of road to Debrung	108.80	2018	2018	-	-	0.00
18	Constuiction of Scholar Residence at Namgyal Institute of Tibetology, Deorali	245.89	2014	2014	31.12.19	80	215.02
19	Improvement & Upgradation of Rangpo Bazar	763.50	2014	2014	31.12.19	90	625.87
20	Pedstrain Track from upper Rabong connecting Bazar, Ravongla	754.29	2014	2014	31.12.19	87	645.29
21	Construction of approach road from Gumpa Dara via Lkshey Colony to Bega Bazar	346.04	2018	2018	04.01.20	92	237.46
22	Construction of Multipurpose Hall at Hee Bazar	90.75	2018	2018-19	06.01.20	22	11.67
23	Beautification and upgradation of Yangyang Bazar	269.04	2017	2017-18	18.02.20	47	136.69
24	Construction of Link Road from Forest Bypass and upgradation of road from TNHS to Dhupidara Gangtok	1210.23	2017	2017	20.02.20	75	590.99

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
25	Intergrated slum Development Housing and Basic Amenities at Chakung	581.84	2011	2011	30.03.20	69	340.71
26	Basic Infrastrucure Development Beautification & Construction of Public Toilet @ Sombaria	395.90	2017	2017	30.03.20	80	234.03
27	Central Park extension Namchi	2127.00	2016	2016	30.03.20	70	1271.79
28	Construction of Cafeteria/car park and wash Room at Samkhoma, Lachen	130.09	2018	2018	15.03.20	80	50.00
29	Solid Waste Treatment Plant for Mangan	1599.37	2018	2018	29.03.20	...	239.91
30	Regional Facility for Solid Waster Treatment and Disposal Project at Sipsu	1749.07	2018	2018	2020-21	62	509.23
31	Construction of approach road a Hee Bazaar	445.57	2018	2018	2020-21	52	128.71
32	Beautification and Upgradation of Soreng Bazaar	89.49	2017	2018	30.7.2020	90	61.61
33	Beautification and Upgradation of Chakung Bazaar	336.37	2017	2018		38	84.03
34	Construction of road from Jorethang SSS to Ugen Choling Gumpa	644.21	2017	2018	8.4.2021	11	75.59
35	Upgradation of Road in & around Gangtok & Namchi	734.66	2017	2017	.	60	300.00
36	Construction of Kisan bazaar cum Car Parking at Gyalshing	535.40	2018	2019	2021	0	29.21
37	Construction of Jorethang Cirle Office	350.44	2019	3.8.2019	3.8.2021	0	4.96
38	Upgradation of road & side drains at Majigoan Circular Road Jorethang	151.47	2019	6.1.2020	5.4.2020	92	129.93
39	Rural marketing Centre at Ravangla	217.18	2019	...	...	0	2.97
40	Construction of Super Market at Rhenock Bazaar	772.47	3.11.20	...	...	5	77.24
41	Beautification of Cobbler line Jorethang	42.48	2020	2020	...	5	0.00
42	Carpetting of Taxi parking (Soreng stand) in Jorethang	83.89	2020	2020	...	98	82.58
43	Restoration of roadworks and construction of Stormwater drain at Soreng taxi stand at Soreng	68.81	2020	2020	...	70	41.53
44	Construction of Public Toilet at Rinchenpong	25.00	2020	2020	...	...	8.45
45	Beautification of Yuksom bazaar	111.32	2020	2020	...	...	0.00

Sl. No.	Name of the project/works	Estimated cost of work	Date of Sanction	Year of Commencement	Target of Completion	Physical progress of the work at end of year 2020-21 (in %)	Progressive expenditure at the end of year 2020-21
46	Carptting works from Red Panda turning to College at Gyalsing	84.52	2020	2020	...	50	0.00
47	Carpetting of Approach Road at Lumsey Tadong	70.29	2020	2020	...	80	0.00
48	Renovation of Toilets at Rangpo	24.70	2020	2020	...	...	23.60
49	Restoratin of Tibetan jhora Tri-Junction at Upper Sichey Gangtokk	40.89	2020	2020	...	...	0.00
50	Namcheybong Development works	50.55	2020	2020	...	80	0.00
51	Construction of Parking lot @ Namthang	400.00	2018	15.3.2019	16.9.2020	65	232.44
52	Beautification & Upgradation of Various Bazaar (State Share)	5831.15	2018	2018	2019	...	2348.35
	Total	39241.55					20139.85
	Grant Total	77833.81					40943.80

Appendix – 3.1
Statement Showing Cases where Supplementary Provisions Proved Unnecessary
(₹50 lakh or more in each case)
(Reference: Paragraph 3.3.1)

(₹ in lakh)

Sl. No.	Grant No.	Name of Grant/Appropriation	Original	Supplementary	Actual Expenditure	Savings (-) out of original provision
A – REVENUE (VOTED)						
1	2	Animal Husbandry and Veterinary Services	9184.45	139.16	7661.42	-1523.03
2	7	Education	136837.63	6621.31	1,21,276.53	15,561.10
3	11	Food and Civil supplies	2597.13	330	2534.74	-62.39
4	12	Forestry and Environment	22681.86	1243.98	16039.46	-6642.4
5	13	Health Care and Family Welfare	50622.12	3673	45973.34	-4648.78
6	15	Horticulture	12754.84	500	10295.62	-2459.22
7	16	Commerce and Industries	6237.14	1036.21	4302.47	-1934.67
8	17	Information and Public Relation	1747.14	303.4	1478.22	-268.92
9	19	Water Resources	9327.25	5242	5710.31	-3616.94
10	22	Land Revenue & Disaster Management	20063.6	15772	18981.78	-1081.82
11	26	Motor Vehicles	1999.06	85.23	1298.37	-700.69
12	30	Police	49287.21	610	45776.67	-3510.54
13	33	Public Health Engineering	4777.17	243.21	4340.54	-436.63
14	34	Roads and Bridges	25611.78	130	19228.55	-6383.23
15	35	Rural Development	33970.4	1490.01	26086.24	-7884.16
16	37	Transport Department	6967.99	84.25	6384.4	-583.59
17	38	Social Justice and Welfare	29217.17	205.6	22175.17	-7042
18	39	Sports and Youth Affairs	2075.93	50	1869.47	-206.46
19	40	Tourism & Civil Aviation	3109.36	50	2667.87	-441.49
20	41	Urban Development	28151.5	200	19227.18	-8924.32
21	46	Municipal Affairs	3305.1	1197.93	3028.45	-276.65
Total – REVENUE			460525.83	39207.29	386336.80	-74189.03
B- CAPITAL (VOTED)						
22	2	Animal Husbandry and Veterinary Services	465.37	51.05	239.33	-226.04
23	5	Culture	1883.12	150	1463.46	-419.66
24	14	Home	1826.97	218	1381.48	-445.49
25	33	Public Health Engineering	10753.4	225	4480.04	-6273.36
26	35	Rural Development	81964.02	2167.52	31486.71	-50477.31
27	38	Social Justice and Welfare	3121.71	259.34	1593.32	-1528.39
28	41	Urban Development	5923.53	600	3652.85	-2270.68
29	47	Skill Development	1146.83	375.79	612.72	-534.11
Total CAPITAL			107084.95	4046.7	44909.91	-62175.04
GRAND TOTAL			567610.78	43253.99	421246.71	-136364.07

Appendix – 3.2
Statement Showing list of grants having large savings (savings above ₹ one crore or more in each case)
(Reference: Paragraph 3.3.3)

(₹ in crore)

Sl. No.	Grant No.	Name of Grant/Appropriation	Original	Supplementary	Total	Actual Expenditure	% of utilisation	Savings out of Total provision	Surrendered	Surrender as % of saving	Saving excl surrender
A – REVENUE (VOTED)											
1	1	Food Security and Agriculture Development	175.19	0	175.19	95.95	54.77	79.24	79.00	99.70	0.24
2	2	Animal Husbandry & VS	91.84	1.39	93.23	76.61	82.17	16.62	16.37	98.50	0.25
3	3	Buildings & Housing	39.22	0	39.22	34.58	88.17	4.64	4.75	102.37	0.-11
4	4	Co-operation	18.92	0.07	18.99	15.44	81.30	3.55	3.45	97.14	0.10
5	5	Culture	35.19	0	35.19	21.94	62.33	13.26	13.18	99.40	0.08
6	6	Ecclesiastical	21.43	0.09	21.52	9.44	43.86	12.08	11.45	94.78	0.63
7	7	Education	1368.38	66.22	1434.6	1212.77	84.54	221.82	221.99	100.08	0.-17
8	9	Excise	11.53	0.1	11.63	10.60	91.12	1.03	1.03	99.88	0
9	10	Finance	1249.88	0	1249.88	1044.62	83.58	205.26	204.81	99.78	0.44
10	11	Food and Civil supplies	25.97	3.30	29.27	25.35	86.59	3.92	3.87	98.59	0.5
11	12	Forestry and Env.	226.82	12.44	239.26	160.39	67.04	78.87	30.49	38.66	48.38
12	13	Health Care & FW	506.22	36.73	542.95	459.73	84.67	83.22	34.21	41.11	49.01
13	14	Home	60.42	8.52	68.94	65.26	94.67	3.69	3.54	96.11	0.15
14	15	Horticulture	127.55	5.00	132.55	102.96	77.67	29.59	29.54	99.83	0.5
15	16	Commerce and Industries	62.37	10.36	72.73	43.02	59.15	29.71	29.69	99.93	0.2
16	17	Information & Public Rel	17.47	3.03	20.5	14.78	72.09	5.72	5.47	95.59	0.25
17	18	Information Technology	8.06	0	8.06	5.40	67.01	2.66	2.66	99.94	0
18	19	Water Resources	93.27	52.42	145.69	57.10	39.19	88.59	57.35	64.73	31.24
19	20	Judiciary	37.11	0	37.11	23.78	64.07	13.33	13.31	99.78	0.2
20	22	Land Revenue & Disaster Management	200.64	157.72	358.36	189.82	52.97	168.54	27.57	16.36	140.97
21	24	Legislature	26.05	0	26.05	22.60	86.76	3.45	3.45	100.01	0
22	26	Motor Vehicles	19.99	0.85	20.84	12.98	62.29	7.86	7.38	93.89	0.48
23	27	Parliamentary Affairs	10.27	0	10.27	8.47	82.52	1.80	1.76	98.05	0.4

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Sl. No.	Grant No.	Name of Grant/Appropriation	Original	Supplementary	Total	Actual Expenditure	% of utilisation	Savings out of Total provision	Surrendered	Surrender as % of saving	Saving excl surrender
24	28	Department of Personnel	23.45	0	23.45	10.94	46.64	12.51	12.36	98.81	0.15
25	29	Planning and Dev.	18.82	0	18.82	15.67	83.27	3.15	2.58	81.90	0.57
26	30	Police	492.87	6.10	498.97	457.77	91.74	41.20	38.90	94.42	2.30
27	31	Power	286.49	35.99	322.48	313.53	97.23	8.95	8.93	99.78	0.2
28	32	Printing and Stationery	13.64	0.07	13.71	12.18	88.90	1.53	1.52	99.35	0.1
29	34	Roads and Bridges	256.12	1.30	257.42	192.29	74.70	65.13	65.07	99.90	0.6
30	35	Rural Development	339.70	14.90	354.6	260.86	73.56	93.74	93.16	99.38	0.58
31	36	Science and Technology	6.56	0.12	6.68	5.14	76.87	1.55	1.55	100.00	0
32	37	Transport Department	69.68	0.84	70.52	63.84	90.53	6.68	6.68	100.00	0
33	38	Social Justice and Wel.	292.17	2.06	294.23	221.75	75.37	72.48	69.02	95.23	3.46
34	39	Sports and Youth Affairs	20.76	0.50	21.26	18.69	87.94	2.56	2.41	93.96	0.15
35	40	Tourism & Civil Avia.	31.09	0.50	31.59	26.68	84.44	4.91	4.18	85.11	0.73
36	41	Urban Development	281.52	2.00	283.52	192.27	67.82	91.24	91.73	100.54	0.49
37	43	PRI	144.72	0.08	144.8	125.76	86.85	19.04	19.01	99.92	0.3
38	46	Municipal Affairs	33.05	11.98	45.03	30.28	67.25	14.75	14.74	99.98	0.1
39	47	Skill Development	28.36	13.97	42.33	35.92	84.85	6.41	6.41	100.00	0
Total – REVENUE			6772.79	448.65	7221.44	5697.16	78.89	1524.28	1244.57	81.65	282.45
B- CAPITAL (VOTED)											
1	2	AH&VS	4.65	0.51	5.16	2.39	46.34	2.77	2.63	51	0.14
2	3	Buildings & Housing	22.99	14.02	37.01	23.94	64.69	13.07	13.07	35	0
3	5	Culture	18.83	1.50	20.33	14.63	71.96	5.70	5.60	28	0.10
4	7	Education	24.92	93.67	118.59	101.21	85.34	17.38	12.55	11	4.83
5	10	Finance	1.35	0	1.35	0	0.00	1.35	1.35	100	0
6	11	Food and Civil supplies	19.13	0	19.13	5.76	30.12	13.37	13.37	70	0
7	12	Forestry & Env.	4.40	0	4.40	1.10	24.98	3.30	3.30	75	0
8	13	Health Care & FW	48.01	166.50	214.51	179.40	83.63	35.11	6.81	3	28.30
9	14	Home	18.27	2.18	20.45	13.81	67.56	6.63	4.00	20	2.63
10	15	Horticulture	1.51	0	1.51	0.40	26.69	1.11	1.11	73	0
11	16	Commerce and Industries	10.83	0	10.83	0.47	4.34	10.36	10.36	96	0
12	22	Land Revenue	5.00	43.00	48.00	45.00	93.75	3.00	3.00	6	0

Sl. No.	Grant No.	Name of Grant/Appropriation	Original	Supplementary	Total	Actual Expenditure	% of utilisation	Savings out of Total provision	Surrendered	Surrender as % of saving	Saving excl surrender
13	31	Power	83.10	95.83	178.92	161.91	90.49	17.02	16.19	9	0.83
14	34	Roads and Bridges	281.71	123.68	405.39	303.52	74.87	101.87	57.14	14	44.73
15	35	Rural Development	819.64	21.68	841.32	314.87	37.43	526.45	517.52	62	8.93
16	38	Social Justice & Welfare	31.22	2.59	33.81	15.93	47.12	17.88	16.95	50	0.93
17	39	Sports and Youth Affairs	24.19	15.92	40.11	34.30	85.51	5.81	5.81	14	0
18	40	Tourism & Civil Avia.	74.75	51.07	125.82	97.01	77.10	28.81	28.77	23	0.04
19	41	Urban Development	59.24	6.00	65.24	36.53	55.99	28.71	29.19	45	-0.48
20	47	Skill Development	11.46	3.76	15.23	6.13	40.24	9.10	9.10	51	0
Total CAPITAL			1565.20	641.91	2207.11	1358.31	61.54	848.80	757.82	89.28	90.98
Grand Total			8337.99	1090.56	9428.55	7055.47		2373.08	2002.39	84.38	373.43

Appendix 3.3
Summarised Position of Expenditure and Savings for the Period 2016-17 to 2020-21
(Reference: Paragraph 3.3.3.1)

(₹ in crore)

		2016-17				
Voted	<i>I Revenue</i>	4394.48	293.60	4688.08	3426.75	(-)1261.33
	<i>II Capital</i>	877.65	391.06	1268.71	737.29	(-)531.42
	<i>III Loans and advances</i>	0.55	00.00	0.55	0.00	(-)0.55
	Total Voted	5272.68	684.66	5957.34	4164.04	(-)1793.30
Charged	<i>IV Revenue</i>	364.51	00.00	364.51	361.85	(-)2.66
	<i>V Capital</i>	0.00	0.00	0.00	0.00	0.00
	<i>VI Public Debt-</i>	247.24	00.00	247.24	246.26	(-)0.98
	Total charged	611.75	0.00	611.75	608.11	(-)3.64
	Grand Total	5884.43	684.66	6569.09	4772.15	(-)1796.94
<i>Percentage of savings as compared to total allocation</i>						27.35 %
		2017-18				
Voted	<i>I Revenue</i>	4,312.60	389.60	4,702.20	3,749.32	-952.88
	<i>II Capital</i>	1,311.10	693.81	2,004.91	1,523.28	-481.73
	<i>III Loans and advances</i>	0.55	0	0.55	0.45	-0.10
	Total Voted	5,624.25	1,083.41	6,707.66	5,273.05	-1,434.71
Charged	<i>IV Revenue</i>	412.68	0.82	413.50	403.39	-10.11
	<i>V Capital</i>	327.10	15.53	342.63	342.63	0.00
	<i>VI Public Debt-</i>					0.00
	Total charged	739.78	16.35	756.13	746.02	-10.11
	Grand Total	6,364.03	1,099.76	7,463.79	6,019.07	-1,444.82
<i>Percentage of savings as compared to total allocation</i>						19.36 %
		2018-19				
Voted	<i>I Revenue</i>	4911.60	763.32	5674.92	4829.64	- 845.28
	<i>II Capital</i>	1329.08	529.19	1858.27	1392.68	-465.59
	<i>III Loans and advances</i>	0.55	0	0.55	0.55	0.00
	Total Voted	6241.23	1292.51	7533.74	6222.87	- 1310.87
Charged	<i>IV Revenue</i>	517.27	0.55	517.82	484.66	-33.16
	<i>V Capital</i>	375.32	0.57	375.89	375.88	-0.01
	<i>VI Public Debt-</i>	0 0	0 0	0	0	0.00
	Total charged	892.59	1.12	893.71	860.54	- 33.17
	Grand Total	7133.82	1293.63	8427.45	7083.41	- 1344.04
<i>Percentage of savings as compared to total allocation</i>						15.95 %
		2019-20				
	<i>Nature of Expenditure</i>	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Savings (-)/ Excess (+)
Voted	<i>I Revenue</i>	6727.36	179.09	6906.46	5621.37	(-) 1285.09
	<i>II Capital</i>	1150.82	495.71	1646.53	736.95	(-) 909.58
	<i>III Loans and advances</i>	1.35	0	1.35	0.72	(-) 0.63
	Total Voted	7879.53	674.81	8554.34	6359.04	(-) 2195.30
Charged	<i>IV Revenue</i>	594.36	0	594.36	564.21	(-) 30.15
	<i>V Capital</i>	414.1	0	414.10	413.78	(-) 0.32

	<i>VI Public Debt-</i>	0 0	0	0	0	0
	Total charged	1008.46	0	1008.46	977.99	(-) 30.47
	Grand Total	8887.99	674.81	9562.80	7337.03	(-) 2225.77
			<i>Percentage of savings as compared to total allocation</i>			
			<i>23.26%</i>			
			2020-21			
	<i>Nature of Expenditure</i>	Original grant/ appropriation	Supplementary grant/ appropriation	Total	Actual expenditure	Savings (-)/ Excess (+)
Voted	<i>I Revenue</i>	6851.83	451.94	7303.77	5770.05	(-)1533.72
	<i>II Capital</i>	1729.35	702.65	2432.00	1513.88	(-)918.12
	<i>III Loans and advances</i>	1.35	0	1.35	0	(-)1.35
Total Voted		8582.53	1154.59	9737.12	7283.93	(-)2453.19
Charged	<i>IV Revenue</i>	622.69	0	622.69	599.33	(-)23.36
	<i>V Capital</i>	80.70	0	80.70	79.75	(-)0.95
	<i>VI Public Debt-</i>	0	0	0	0	
	Total charged	703.39	0	703.39	679.08	(-)24.30
	Grand Total	9285.92	1154.59	10440.51	7963.01	(-)2477.50
			<i>Percentage of savings as compared to total allocation</i>			
			<i>23.73%</i>			

Appendix 3.4
Statement Showing Results of Review of Substantial Surrenders (50 per cent or more of Total Provision) made during the Year
(Reference: Paragraph 3.3.3.2)

(₹in lakh)

Sl. No.	Grant No.	Name of Grant	Name of the scheme	Original Provision	Amount of Surrender	% of Surrender
			(Head of Account)			
1	1	Agriculture Development	National Mission on Sustainable Agriculture 2401-107-03	6898.24	5576.77	81
		<i>The provision of Rs 5576.77 lakh was surrendered due to non-submission of bill in time and non-receipt of fund from GoI</i>				
2	1	Agriculture Development	Agriculture Department 2435-60-800-02	2369.48	1176.17	50
		<i>The provision of Rs 1176.17 lakh was surrendered due to non-submission of bill in time and non-receipt of fund from GoI</i>				
3	2	Animal Husbandry and Veterinary Services	National Livestock Health and Disease Control Programme 2403-101-07	78.68	48.48	62
		<i>Surrender of Rs 48.48 lakh was due to provision was kept for the unspent of the last FY 2019-20</i>				
4	2	Animal Husbandry and Veterinary Services	Green Revolution 2403-001-08	27.02	27.02	100
		<i>Surrendered due to the provision was kept in anticipation of central receipt</i>				
5	2	Animal Husbandry and Veterinary Services	National Livestock Management Programme 2403-105-08	222.06	143.96	65
		<i>Surrendered as the provision was kept for balance corresponding state share for the receipt of the central share and in anticipation of central receipt</i>				
6	2	Animal Husbandry and Veterinary Services	National Livestock Management Programme 2403-106-08	81.00	81.00	100
		<i>Surrendered as the provision was kept in anticipation of central receipt</i>				
7	2	Animal Husbandry and Veterinary Services	National Livestock Management Programme 2403-107-08	14.40	14.40	100
		<i>Surrendered as the provision was kept in anticipation of central receipt</i>				
8	2	Animal Husbandry and Veterinary Services	Blue Revolution-Integrated Development of Fisheries 2405-101-81	781.26	554.39	71
		<i>The provision of Rs 554.39 lakh was surrendered due to delay in completion of tank by beneficiaries, payment could not be released</i>				
9	2	Animal Husbandry and Veterinary Services	Veterinary services and Animal Health 4403-101	181.54	79.08	44
		<i>The provision of Rs 79.08 lakh was surrendered due to delay in supply of cement, work could not be progressed as planned etc</i>				
10	2	Animal Husbandry and Veterinary Services	Scheme funded by NEC 4405-10173	107.82	107.82	100
		<i>The entire provision was surrendered due to heavy snowfall and work could not be completed</i>				
11	3	Building and Housing	Building and Housing Department	50.00	50.00	100

Sl. No.	Grant No.	Name of Grant	Name of the scheme	Original Provision	Amount of Surrender	% of Surrender
			2059-01-799-03			
		<i>The provision was surrendered due to curtailment of expenditure, freezing of DA etc</i>				
12	3	Building and Housing	Development of Infrastructure facilities for Judiciary including Gram Nayayalayas 4059-01-051-31	226.58	195.46	86
		<i>Surrender due to delay in progress of work</i>				
13	4	Co-operation	Godowns Assistance 2425-108-62	100.00	100.00	100
		<i>Surrender due to Covid restrictions</i>				
14	4	Co-operation	Transport Subsidies 2425-108-63	20.00	20.00	100
		<i>Surrender of provision of Rs 143.67 lakh was attributed to non payment of medical claims etc</i>				
15	5	Culture	State Archives 2205-104-62	1559.33	1120.40	72
		<i>Surrender of provision of Rs 1120.40 lakh was attributed to non payment of medical claims etc</i>				
16	6	Ecclesiastical	Grants to Monasteries , Shrines and Temples 2250-103-60	1117.30	954.24	85
		<i>Surrendered due to non-disbursement of grants to various religious institution and delay in construction</i>				
17	7	Education	National Education Mission 2202-02-103-29	5300.00	4727.00	89
		<i>Surrender due to non-receipt of fund from MHRD</i>				
18	7	Education	National Education Mission 4202-02-103-29	560.00	456.92	82
		<i>Surrendered due to non-receipt of anticipated bills</i>				
19	8	Election	Photo Identity Cards 2015-108-63	41.80	26.46	63
20	10	Finance	Cost of stamps 2030-02-101	5.50	5.50	100
		<i>Surrendered due to non receipt of bills</i>				
21	10	Finance	Cost of stamps 2030-01-101	16.50	11.01	67
		<i>Surrendered due to non receipt of bills</i>				
22	10	Finance	Special Dev. Fund (Lottery) 2075-103-797-61	1500.00	750.00	50
		<i>Surrendered due to non-submission of commission bills by State Bank of Sikkim etc</i>				
23	10	Finance	Other expenditure 2075-103-800	14841.49	13376.34	90
		<i>Surrendered due to non-submission of commission bills by State Bank of Sikkim etc</i>				
24	10	Finance	Finance Department 2235-60-104-10	99.00	70.16	71
		<i>Surrendered for payment of AMC of PGIPF software and less claim due to pandemic</i>				
25	11	Food & Civil Supplies	Establishment 3475-106-60	55.27	52.75	95
		<i>Surrendered due to curtailment of expenditure owing to austerity measures</i>				
26	11	Food & Civil Supplies	Quality Control Office, Siliguri	56.73	32.22	57

Sl. No.	Grant No.	Name of Grant	Name of the scheme	Original Provision	Amount of Surrender	% of Surrender
			3475-106-64			
		<i>Surrender due to new budget allocation to QCU, Siliguri was unused due to COVID 19 etc</i>				
27	11	Food & Civil Supplies	National Food Security Mission 4408-01-101-01	1668.00	1153.37	69
		<i>Surrendered due to non-submission of bills</i>				
28	11	Food & Civil Supplies	National Food Security Mission 5475-102-01	245.00	183.39	75
		<i>Surrendered due to non-completion of project</i>				
29	12	Forest & Environment	Integrated Water shed Management Programme 2402-102-38	500.00	287.30	57
		<i>Surrendered due to restrictions of expenditure within actual receipt of fund</i>				
30	12	Forest & Environment	National Afforestation Programme 2406-01-101-11	990.00	745.00	75
		<i>Surrendered due to restriction of expenditure within actual receipt of fund</i>				
31	12	Forest & Environment	Conservation of Natural Resources and Eco-systems 3435-03-001-12	13.84	13.84	100
		<i>Surrendered due to non-receipt of fund from Government of India</i>				
32	12	Forest & Environment	Conservation of Natural Resources and Eco-systems 3435-03-101-12	548.40	329.40	60
		<i>Surrendered due to non-receipt of proportionate fund from Government of India</i>				
33	12	Forest & Environment	National Afforestation Programme 4406-01-101-11	440.00	330.07	75
		<i>Surrendered due to restriction of expenditure within actual receipt of fund</i>				
34	13	Health and Family Welfare	PCPNDT, SADA and Mental Health, Food safety Act 2210-01-800-70	40.00	39.00	97
		<i>Surrendered to clear pending cumulative state share of NHM programme</i>				
35	13	Health and Family Welfare	National Vector Borne Disease Control Programme 2210-06-101-66	557.87	324.09	58
		<i>Reasons for surrender not intimated</i>				
36	13	Health and Family Welfare	Work charged Establishment 2216-05-053-60	33.71	29.18	87
		<i>Reasons for surrender not intimated</i>				
37	13	Health and Family Welfare	National Rural Health Mission 2210-3-800-60	1143.00	600.00	52
		<i>Surrender reasons not intimated</i>				
38	15	Horticulture	Floriculture 2401-119-61	91.08	90.71	99
		<i>Surrendered due to non implementation of scheme and non-receipt of fund from NEC</i>				

Sl. No.	Grant No.	Name of Grant	Name of the scheme	Original Provision	Amount of Surrender	% of Surrender
39	16	Commerce and Industries	Setting up of Heritage/handicraft museum at Namchi 2851-003-63	19.52	19.52	100
<i>Surrendered in compliance with the austerity measures implemented</i>						
40	16	Commerce and Industries	Hand-made paper unit at Melli, South Sikkim (NEC) 2851-003-64	50.00	50.00	100
<i>Surrendered in compliance with the austerity measures implemented</i>						
41	16	Commerce and Industries	Other Programmes 2851-102-66	2506.02	2500.02	99
<i>Surrendered due to non release of resource and token provision surrendered</i>						
42	16	Commerce and Industries	Industrial Development fund 2852-80-800-73	60.00	60.00	100
<i>Surrendered due to non-receipt of resources</i>						
43	17	Information and Public Relation	Establishment 2220-60-109-60	200.58	171.37	85
<i>Surrendered due to transfer of staff and non receipt of medical bills etc</i>						
44	19	Water Resources	Original Works 2702-01-103-60	5819.91	5262.02	90
<i>Surrendered due to non-receipt of equivalent central share of funds etc.</i>						
45	19	Water Resources	Pradhan Mantri Krishi Sinchai Yojana-Har khet do Pani (Central Share) 2702-01-103-62	100.00	100.00	100
<i>Surrendered due to non-receipt of equivalent central share of funds</i>						
46	20	Judiciary	Judiciary Academy 2014-800-70	245.73	186.60	76
<i>Surrendered due to austerity measures imposed</i>						
47	22	Land Revenue & Disaster Management	Capacity Building for Disaster Response 2245-02-102-62	490.74	463.48	94
<i>Surrendered due to non-receipt of fund from GoI</i>						
48	22	Land Revenue & Disaster Management	Census Enumeration for Decennial Population Census 2021 3454-01-800-02	350.00	350.00	100
<i>Surrendered due to austerity measures adopted by the Government and non-receipt of fund</i>						
49	22	Land Revenue & Disaster Management	Reconstruction of Assets Damaged by 18 th Sept Earthquake 4059-80-051-75	500.00	300.22	60
<i>Surrendered due to non-submission of bills by Works Department due to Covid 19</i>						
50	31	Power	Schemes under SREDA 4801-01-800-84	68.80	68.80	100
<i>Surrendered due to non- receipt of resources</i>						
51	31	Power	Construction of DC 132kv Transmission Lines from LLHP to Nathula with LIL Oat Bulbuley (NLCPR)	68.53	68.53	100

Sl. No.	Grant No.	Name of Grant	Name of the scheme	Original Provision	Amount of Surrender	% of Surrender
			4801-05-800-84			
		<i>Surrendered due to non-receipt of fund from Government of India</i>				
52	34	Roads & Bridges	Transfer to Reserve fund/Deposit Accounts 3054-04-797	3000.00	2602.00	87
		<i>Surrendered due to non-receipt of fund from Government of India</i>				
53	34	Roads & Bridges	Construction of Steel Bridges in south Sikkim 5054-04101-68	470.57	418.12	89
		<i>Surrendered due to non-receipt of anticipated fund from Government of India</i>				
54	34	Roads & Bridges	Construction of Steel Bridges in West Sikkim 5054-04101-70	100.00	100.00	100
		<i>Surrendered due to non-receipt of anticipated fund from Government of India</i>				
55	34	Roads & Bridges	Construction of Bridges in East Sikkim 5054-04101-71	350.00	350.00	100
		<i>Surrendered due to non-receipt of anticipated fund from Government of India</i>				
56	35	Rural Development	Pradhan Mantri Awas Yojana (PMAY) 2216-03-800-37	2327.77	2327.77	100
		<i>Surrendered due to non-receipt of fund from Government of India</i>				
57	35	Rural Development	Rural Development Department 3054-04-799-36	50.00	45.93	92
		<i>Surrendered due to non-receipt of bills</i>				
58	35	Rural Development	Community Development 4515-102	415.50	220.92	53
		<i>Surrendered due to non-receipt of bills</i>				
59	36	Science and Technology	State Council of Science and Technology 3425-60-200-60	130.00	100.00	77
		<i>Surrendered due to austerity measures imposed and expenditure could not be incurred</i>				
60	38	Social Justice and Welfare	Education Support 2225-01-277-61	5.00	3.92	78
		<i>Surrendered due to non receipt of beneficiaries</i>				
61	38	Social Justice and Welfare	Sikkim Commission for Backward Classes 2225-03-800-65	260.00	152.46	59
		<i>Surrendered due to less expenditure incurred due to pandemic 2225-03-277-43</i>				
62	38	Social Justice and Welfare	Umbrella Scheme for Education of ST Student 2225-80-800-51	1309.00	690.64	53
		<i>Surrendered due to non-receipt of beneficiaries and curtailment of fund allotted</i>				
63	38	Social Justice and Welfare	Integrated Child Protection Scheme 2235-02-102-64	1065.00	622.83	58
		<i>Surrendered due to curtailment of fund allotted</i>				
64	38	Social Justice and Welfare	National Mission for Empowerment of women including Indira Gandhi Matritav SY 2235-02-103-53	157.53	120.31	76

Sl. No.	Grant No.	Name of Grant	Name of the scheme	Original Provision	Amount of Surrender	% of Surrender
		<i>Surrendered due to curtailment of fund allotted</i>				
65	38	Social Justice and Welfare	Investment in SABCCO 4225-80-190-60	100	100	100
		<i>Surrendered due to work not taken up by the Department</i>				
66	40	Tourism and Civil Aviation	Tourism Development Activities 3452-01-104-63	260.00	156.59	60
		<i>Surrendered due to re-appropriation not passed by Finance Department etc</i>				
67	40	Tourism and Civil Aviation	Tourist Destination Projects 5452-01-101-62	2295.42	2280.42	99
		<i>Surrendered due to bill not received to the extent of budgetary allocation</i>				
68	41	Urban Development	Swachh Bharat Mission 2217-05-800-81	661.41	586.41	89
		<i>Surrendered due to non-receipt of funds from the Ministry</i>				
69	41	Urban Development	Upkeep of Town 2217-01-800-62	100.88	50.00	50
		<i>Surrendered due to non-release of resources</i>				
70	41	Urban Development	Construction of Parking place at Namthang 4217-03-051-82	1917.53	1786.69	93
		<i>Surrendered due to non-receipt of funds from the Ministry</i>				
71	41	Urban Development	Implementation of Master Plan 4217-03-051-62	324.65	204.19	63
		<i>Surrendered due to curtailment of fund</i>				
72	43	Panchayati Raj Institution	Special Incentive Grant recommended under 5 th State FC 3604-200-84	478.69	478.69	100
		<i>Surrendered due to non release of resources</i>				
73	46	Municipal Affairs	State Level Capacity Building fund recommended under 5 th State Finance Commission 3604-200-89	212.75	212.75	100
		<i>Surrendered due to non-receipt of funds</i>				
74	46	Municipal Affairs	Grant recommendation by 15 th FC 3604-200-84	2000.00	999.99	50
		<i>Surrendered due to non release of 3rd and 4th instalment from the Ministry</i>				
			Total	71053.43	58094.09	
				710.53	580.94	

Appendix 3.5

Details of surrender of funds in excess of ₹ one crore at the end of March 2021

(Reference: Paragraph 3.3.3.3)

(₹ in crore)

Grant No.	Original	Supplementary	Total Provision	Actual Expenditure	Saving/ Excess	Surrendered
REVENUE						
1	175.19	0	175.19	95.95	79.24	79.00
2	91.84	1.39	93.23	76.61	16.62	16.38
3	39.22	0	39.22	34.58	4.64	4.75
4	18.92	0.07	18.99	15.44	3.55	3.45
5	35.19	0	35.19	21.94	13.25	13.18
6	21.43	0.09	21.52	9.44	12.08	11.45
7	1368.38	66.21	1434.59	1212.77	221.82	221.99
8	11.53	0.1	11.63	10.6	1.03	1.03
9	1249.88	0	1249.88	1044.62	205.26	204.81
10	25.97	3.3	29.27	25.35	3.92	3.87
11	226.82	12.44	239.26	160.39	78.87	30.49
12	506.22	36.73	542.95	459.73	83.22	34.21
13	60.42	8.52	68.94	65.26	3.68	3.54
14	127.55	5	132.55	102.96	29.59	29.54
15	62.37	10.36	72.73	43.02	29.71	29.69
16	17.47	3.03	20.5	14.78	5.72	5.47
17	8.06	0	8.06	5.4	2.66	2.66
18	93.27	52.42	145.69	57.1	88.59	57.35
19	37.11	0	37.11	23.78	13.33	13.31
20	200.64	157.72	358.36	189.82	168.54	27.57
22	26.05	0	26.05	22.6	3.45	3.45
24	19.99	0.85	20.84	12.98	7.86	5.12
26	10.27	0	10.27	8.47	1.8	1.76
27	23.44	0	23.44	10.93	12.51	12.36
28	18.82	0	18.82	15.67	3.15	2.58
29	492.87	6.1	498.97	457.77	41.2	38.90
30	286.49	35.99	322.48	313.53	8.95	8.93
31	13.63	0.07	13.7	12.18	1.52	1.52
32	256.12	1.3	257.42	192.29	65.13	65.07
34	339.7	14.9	354.6	260.86	93.74	93.16
35	6.56	0.12	6.68	5.14	1.54	1.55
36	69.68	0.84	70.52	63.84	6.68	6.68
37	292.17	2.06	294.23	221.75	72.48	69.02
38	20.75	0.5	21.25	18.69	2.56	2.41
39	31.09	0.5	31.59	26.68	4.91	4.18
40	281.51	2	283.51	192.27	91.24	91.74
41	144.71	0.08	144.79	125.76	19.03	19.01
43	33.05	11.98	45.03	30.28	14.75	14.74

Grant No.	Original	Supplementary	Total Provision	Actual Expenditure	Saving/ Excess	Surrendered
46	28.36	13.97	42.33	35.92	6.41	6.41
TOTAL	6772.74	448.64	7221.38	5697.15	1524.23	1242.33
CAPITAL						
1	4.65	0.51	5.16	2.39	2.77	2.63
2	22.99	14.02	37.01	23.94	13.07	13.07
3	18.83	1.5	20.33	14.63	5.7	5.6
5	24.92	93.67	118.59	101.21	17.38	12.55
7	19.13	0	19.13	5.76	13.37	13.37
11	4.4	0	4.4	1.1	3.3	3.3
12	48.01	166.5	214.51	179.4	35.11	6.81
13	18.26	2.18	20.44	13.81	6.63	3.99
14	1.51	0	1.51	0.4	1.11	1.11
15	10.83	0	10.83	0.47	10.36	10.36
16	5	43	48	44.99	3.01	3.01
19	2.5	1.13	3.63	2.74	0.89	0.39
22	83.1	95.82	178.92	161.9	17.02	16.19
29	281.71	123.68	405.39	303.51	101.88	57.14
30	819.64	21.68	841.32	314.87	526.45	517.52
31	31.22	2.59	33.81	15.93	17.88	16.95
32	24.19	15.92	40.11	34.3	5.81	5.81
34	74.75	51.07	125.82	97	28.82	28.77
35	59.24	6	65.24	36.53	28.71	29.91
37	11.47	3.76	15.23	6.13	9.1	9.1
Total	1566.35	643.03	2209.38	1361.01	848.37	757.58

Appendix - 3.6
Statement showing details of incomplete projects more than ten crores
(Reference: Paragraph 3.4.2)

(₹ in crore)

Sl. No.	Name of the project/works(having estimated cost of ₹ 10 crore or more)	Target of Completion	Estimated cost of work	Progressive expenditure at the end of year 2020-21	Pending payments	Physical progress as on 31 March 2021 (in per cent)
A	Power					
1	Strengthening modernization and improvement of transmission and distribution system of Raj Bhawan Mintokgang High Court VIP Area and surrounding areas in Gangtok East Sikkim	2020-21	11.39	2.99	8.4	40
2	Establishment of 11/kv, 2.5 switching s/s upgrading of 11kv T/S, augmentation and rejuvenation of d/s extension, phase balancing and enhancing the load carrying capacity LT d/n and improvement of scs under Pakyong Division East.	31.03.2020	30.75	27.52	3.23	86
B	Education		0	0	0	
3	Establishment of Govt. Degree College at Rungdung, Rhenock, East	15.02.11	15.95	15.51	0.44	85
4	Establishment of Polytechnic College at Yangthang West	31.03.2013	12.30	4.63	7.67	60
5	Construction of Model School at Assam Lingzay, East	31.03.18	11.88	8.06	3.82	82
6	Establishment of Polytechnic College at Mangshila, North	30.06.18	12.30	9.12	3.18	78
7	Construction of Science block at Government College at Yangthang	31.03.2019	26.51	19.84	6.67	80
8	Construction of Science block at Government college Kamrang	2021	10.55	8.07	2.48	40
C	Police		0	0	0	
9	Construction of 2nd & 3rd IRBn HQ at Mangley South Sikkim	31.3.2021	15.23	14.50	0.73	96
D	Sports		0	0	0	
10	Upgradation of Kyongsa playground upto international standard with track and field.	2022	27.98	13.77	14.21	75
	Urban Development		0	0	0	
11	Improvement & Modification of Inner Road at Gangtok	11.12.13	43.44	36.42	7.02	80
12	Upgradation of Melli bazar South Sikkim	07.10.15	36.37	24.90	11.47	78
13	Construction of Kissan Bazar at Namchi	24.04.17	28.26	24.54	3.72	98

Sl. No.	Name of the project/works(having estimated cost of ₹ 10 crore or more)	Target of Completion	Estimated cost of work	Progressive expenditure at the end of year 2020-21	Pending payments	Physical progress as on 31 March 2021 (in per cent)
14	Construction of Kissan Bazar at Gangtok	28.03.18	23.75	14.56	9.19	90
15	Construction of Link Road from Forest Bypass and upgradation of road from TNHS to DhupidaraGangtok	20.02.20	12.10	5.91	6.19	75
16	Central Park extension Namchi	30.03.20	21.27	12.72	8.55	70
17	Solid Waste Treatment Plant for Mangan	29.03.20	15.99	2.40	13.59	...
18	Regional Facility for Solid Waster Treatment and Disposal Project at Sipsu	2020-21	17.49	5.09	12.40	62
19	Beautification & Upgradation of Various Bazaar (State Share)	2019	58.31	23.48	34.83	...
	TOTAL		431.82	274.03	157.79	

Appendix 4.1
Statement Showing Amount Lying in Separate Bank Account as on
31 March 2021

(Reference: Paragraph 4.1.3)

(₹ in crore)

Sl. No.	Name of the Department	Amount
1.	Agriculture	1.00
2.	Co-operation	0.17
3.	Commerce and Industry	2.37
4.	Ecclesiastical	0.81
5.	Education	23.81
6.	Horticulture	29.87
7.	Planning and Development	8.77
8.	Roads and Bridges	106.66
9.	Social Justice and Welfare	15.04
10.	Sports and Youth Affairs	5.12
11.	State legal service Authority	0.58
12.	Water Resources	4.94
	Total	199.14

Appendix 4.2
Statement showing funds transferred directly to implementing agencies in the State under the Schemes/Programmes outside the State Budget during 2020-21
(Reference: Paragraph 4.3)

Government of India Scheme	Implementing Agencies	Amount (₹ in lakh)
Centre Schemes		
Aid to Voluntary Organisations Working for the Welfare of Scheduled Tribes	Muyal Liang Trust (MLT)	9.47
Ambedkar Hastshilp Vikas	Sikkim Handloom & Handicrafts Development Corporation Ltd. (SHHDC).	1.00
Atal Innovation Mission	Greendale Senior Secondary School	12.00
Atal Innovation Mission (AIM) including Self Employment and Talent Utilization (SETU)	AIC SMU Technology Business Incubation Foundation	170.00
Bio Technology Research and Development	Rhenock education society	7.02
	Sikkim University	82.84
	Sikkim government colleges	11.69
On going projects	SPV-Aspirational	535.20
Research/studies and development of schemes for minorities	Primitive Tribe welfare board	25.00
Design and Technical Upgradation Scheme	Sikkim Handloom & Handicrafts Development Corporation Ltd. (SHHDC).	1.66
e-Courts Phase II	Registrar General High Court of Sikkim	101.22
Environmental Edu, Awareness & Training	State Environment Agency	48.88
Environmental Information Systems	State Environment Agency	70.13
	Sikkim State Council of Science & Technology	27.22
India Covid-19 Emergency Response and Health Systems Preparedness	State Health Society Sikkim.	172.00
Innovation Technology Development and Deployment	Sikkim State Council of Science and Technology	85.54
Pradhanmandri Kisan Samman Nidhi	Department of food security	573.22
Integrated Development of Tourist Circuits around specific themes (Swadesh Darshan)	Sikkim Tourism Development Corporation Ltd.	2443.48
Kala Sanskriti Vikas Yojana	Khachod Pema Woeling Trust	9.04
	Himalayan Heritage Research and Dev Society	5.00
	Sikkim Mahila Kalyan Sangh	2.50
	Sivik Samdup Maney Lhakhang Managing Committee	12.50
	Thubten Gatsal Ling Sumin Gumpa Managing Committee	10.00
Khelo India	Khelo India SYDB sports and Youth affairs	371.00
MPLAD	District Collector East District	750.00
Management Support to Rural Development Programs and Strengthening of District Planning Process	State Institute of Rural Development	215.92
National Animal Disease Control Programme for Foot and Mouth Disease (FMD) and Brucellosis	Sikkim Livestocks Development Board	10.26
National AIDS and STD Control Progra	Sikkim State AIDS Control Society	774.24
National Handloom Development Programme	Sikkim Handloom & Handicrafts Development Corporation Ltd. (SHHDC).	19.73
National Service Scheme	Sikkim State NSS Cell	101.81
National Hydrology project	Water resources and river development dep	190.00
National Programme for Youth and Adolescent Development	Sports and Youth Affairs Department	13.50
NER Textiles Promotion Scheme	Sikkim Handloom & Handicrafts Development Corporation Ltd. (SHHDC).	68.70
Pradhan Mantri Kisan Sampada Yojana	Sikkim Livestock Processing and Development Corporation Ltd.	90.51
	Government fruit preservation Factory	83.00

Government of India Scheme	Implementing Agencies	Amount (₹ in lakh)
Centre Schemes		
Research, Training and studies of road safety schemes	Sikkim Nationalised Transport	587.61
Promotional Services Institutions and Programme	Sikkim Industrial Development and Investment Corporation Ltd. (SIDICO)	2.45
SARDP for NER financed from NIF	District collector-West	814.05
Reserarch and development -DST	National Institute of Technology Sikkim	3.50
	Sikkim State Council of Science and Technology	125.86
Top class education for Scs	NIT	6.03
Schemes for differently Abled persons	DDRC Gangtok	12.00
Schemes of North East Council - Special Development Projects	Travel agents association of Sikkim	73.54
	Sikkim University	51.49
	Toursim dept	2.00
	District collectors	10.00
Science and Technology Institutional and Human Capacity Building	Sikkim Industrial Development and Investment Corporation Ltd. (SIDICO)	139.45
	Sikkim Manipal Institute of Technology	2.50
	Sikkim State Council of Science and Technology	78.24
	Sikkim University	38.19
	Sub-Total	9078.87
Centrally sponsored Schemes		
Organic value chain development of NE region	Sikkim Organic Mission (SOMA)	1210.90
	Sikkim State organic certificate Agency	33.00
National Programme for Dairy Development	The Sikkim co-operative Milk producers union ltd	1047.25
Mahatma Gandhi National Rural Gurantee Program	State Rural Employment Guarantee Agency	8213.96
National Action plan for Drug Demand reduction	Association for Social Heath in India	41.59
Development of Skills	STATE INSTITUTE OF CAPACITY BUILDING SOCIETY	277.15
	Vocational training Implementation Agency	296.67
	Sub-Total	11120.52
	TOTAL	20199.39

Appendix 4.3
Statement Showing Department-wise Outstanding Utilisation Certificates
upto 31 March 2021

(Reference: Paragraph 4.5.1)

Department	Year of Grant	No.	Amount in ₹
Agriculture	2002-2003	159	21,80,000
	2003-2004	1	76,950
	2007-2008	2	7,00,000
	2008-2009	1	12,250
Animal Husbandry and Veterinary Services	2007-2008	3	2,57,000
	2008-2009	17	3,64,000
	2009-2010	5	2,18,000
Co-operation	2018-2019	14	1,17,92,000
	2019-2020	1	10,00,000
Culture	2014-2015	3	80,000
	2015-2016	28	8,85,000
	2016-2017	53	71,30,000
	2017-2018	33	38,10,000
	2018-2019	10	72,10,000
	2019-2020	14	2,09,98,000
Ecclesiastical	2010-2011	1	18,000
	2011-2012	1	18,000
	2012-2013	2	2,06,68,000
	2013-2014	1	18,000
	2014-2015	1	18,000
	2015-2016	1	18,000
	2017-2018	35	19,67,25,951
	2018-2019	60	21,53,04,250
Education	2019-2020	14	15,60,85,500
	2004-2005	5	54,228
	2014-2015	2	5,50,000
	2018-2019	2	1,52,06,187
Forest and Environment	2019-2020	6	8,08,02,000
	2007-2008	2	8,50,000
	2008-2009	2	70,000
	2009-2010	1	25,000
Health and Family Welfare	2019-2020	1	50,00,000
	2013-2014	1	3,25,00,000
	2016-2017	2	3,00,00,000
	2017-2018	10	11,04,00,000
	2018-2019	9	5,29,00,000
Home	2019-2020	4	5,00,00,000
	2015-2016	2	30,00,000
	2016-2017	1	1,20,00,000
	2017-2018	3	2,88,00,000
	2018-2019	6	3,03,36,000
Horticulture	2019-2020	4	3,42,83,000
	2017-2018	1	50,00,000

Department	Year of Grant	No.	Amount in ₹
	2018-2019	1	50,00,000
	2019-2020	1	30,00,000
Commerce and Industries	2002-2003	1	3,00,000
	2007-2008	2	22,69,555
	2008-2009	1	23,76,221
	2009-2010	6	21,25,000
	2012-2013	4	2,31,52,700
	2018-2019	1	5,00,000
	2019-2020	5	3,00,80,000
	Information and Public Relation	2002-2003	4	2,50,000
Information Technology	2007-2008	1	1,08,750
	2015-2016	1	5,711
	2016-2017	1	5,00,000
	2018-2019	15	59,40,667
	2019-2020	13	25,01,688
Labour	2007-2008	1	94,230
	2008-2009	3	2,33,685
	2009-2010	5	1,16,000
Motor Vehicles	2018-2019	4	3,27,300
	2019-2020	3	9,97,791
Parliamentary Affairs	2019-2020	184	1,81,79,273
Power	2008-2009	8	1,60,00,000
	2016-2017	3	2,40,00,000
	2017-2018	2	3,17,00,000
	2018-2019	2	3,48,38,000
	2019-2020	5	5,16,13,000
Rural Development	2004-2005	3	40,00,000
	2005-2006	4	60,00,000
	2006-2007	4	60,00,000
	2007-2008	16	1,67,60,000
	2008-2009	16	2,22,15,000
	2009-2010	24	1,95,70,999
	2015-2016	2	91,72,000
	2016-2017	4	4,80,24,000
	2017-2018	3	5,06,47,000
	2018-2019	5	5,04,87,000
	2019-2020	10	7,42,64,000
Science and Technology	2002-2003	4	65,00,000
	2003-2004	3	70,00,000
	2006-2007	1	60,00,000
	2007-2008	2	32,82,000
	2008-2009	2	54,45,000
	2009-2010	1	35,00,000
	2010-2011	1	1,71,590
	2011-2012	1	15,00,000
	2018-2019	4	55,00,000
2019-2020	1	35,00,000	

Department	Year of Grant	No.	Amount in ₹
Social Justice and Welfare	2004-2005	40	46,84,110
	2005-2006	27	37,99,835
	2006-2007	15	15,45,307
	2007-2008	69	2,44,91,792
	2008-2009	54	1,57,79,130
	2009-2010	41	2,15,76,223
	2010-2011	20	35,73,985
	2011-2012	25	1,04,06,849
	2012-2013	16	1,31,03,637
	2013-2014	15	40,57,430
	2014-2015	9	22,44,859
	2015-2016	2	20,31,703
	2017-2018	2	1,18,00,000
	2018-2019	1	50,00,000
Sports and Youth Affairs	2002-2003	41	22,80,359
	2003-2004	32	56,60,438
	2004-2005	7	5,00,000
	2005-2006	7	14,74,952
	2006-2007	2	4,50,000
	2008-2009	5	18,90,000
	2009-2010	10	13,81,000
	2011-2012	1	24,00,000
	2018-2019	2	12,50,000
	2019-2020	8	35,55,000
Tourism and Civil Aviation	2002-2003	4	9,04,000
	2003-2004	11	7,57,425
	2019-2020	2	55,00,000
Panchayat Raj Institutions	2010-2011	8	10,00,000
	2015-2016	1	33,00,000
Skill Development	2019-2020	3	2,32,00,000
Total :		1392	1,92,27,09,510

Appendix 4.4
Statement Showing Oldest Unadjusted AC bills for the Years upto 2020-21
(Reference: Paragraph 4.6)

Sl. No.	Name of the Department	Year Involved	Nos of Unadjusted AC Bills	Amount in ₹
1	Culture	2001-2002	1	1,70,000
2	Finance	2001-2002	2	29,172
3	Health and Family Welfare	2001-2002	1	11,395
4	Home	2001-2002	5	4,27,053
5	Horticulture	2001-2002	18	5,56,748
6	Commerce and Industries	2001-2002	1	7,000
7	Information and Public Relation	2001-2002	1	8,018
8	Labour	2001-2002	7	1,10,624
9	Mines and Geology	2001-2002	1	2,428
10	Planning and Development	2001-2002	3	93,017
11	Police	2001-2002	1	2,021
12	Roads & Bridges	2001-2002	2	11,460
13	Science and Technology	2001-2002	2	30,663
14	Sports and Youth Affairs	2001-2002	8	2,50,327
15	Tourism and Civil Aviation	2001-2002	2	95,540
16	Public Service Commission	2001-2002	1	10,260
Total			56	18,15,726

Appendix 4.5
Statement Showing Department-wise Pendency of AC bills for the Years upto
2020-21

(Reference: Paragraph 4.6)

Sl. No.	Department	Year	Nos.	Amount
1	Agriculture	2008-2009	1	4,78,000
		2010-2011	2	7,14,398
		2013-2014	3	51,847
		2014-2015	3	62,79,935
		2015-2016	1	50,000
		2016-2017	4	21,16,000
		2017-2018	7	15,35,255
		2018-2019	4	2,98,390
		2019-2020	13	70,83,421
		2020-2021	6	61,64,624
2	Animal Husbandry and Veterinary Services	2004-2005	1	34,316
		2007-2008	1	3,00,000
		2008-2009	1	35,000
		2010-2011	1	9,50,000
		2012-2013	1	30,00,000
		2017-2018	5	50,17,320
		2018-2019	9	85,54,912
		2019-2020	13	22,45,927
		2020-2021	9	50,41,579
3	Buildings and Housing	2004-2005	1	15,926
		2006-2007	5	4,91,469
		2007-2008	8	1,31,492
		2008-2009	5	2,19,185
		2009-2010	2	29,665
		2010-2011	2	37,639
		2011-2012	4	66,449
		2012-2013	4	65,401
		2013-2014	2	46,088
		2015-2016	1	7,391
		2016-2017	5	1,01,010
		2017-2018	1	21,049
		2018-2019	6	2,39,964
		2019-2020	4	1,98,051
2020-2021	12	6,47,751		
4	Co-operation	2014-2015	1	4,682
		2017-2018	5	18,64,972
		2018-2019	5	6,00,000
		2019-2020	3	1,40,169
		2020-2021	3	7,13,836
5	Culture	2001-2002	1	1,70,000
		2016-2017	1	9,00,000
		2017-2018	3	45,196
		2018-2019	3	12,09,319
		2019-2020	4	1,33,376
		2020-2021	4	2,38,76,242
6	Ecclesiastical	2017-2018	1	32,00,000
		2018-2019	2	6,280

Sl. No.	Department	Year	Nos.	Amount
		2019-2020	4	21,93,676
		2020-2021	3	50,46,536
7	Education	2003-2004	1	15,674
		2005-2006	2	15,567
		2006-2007	1	10,959
		2010-2011	3	95,784
		2011-2012	3	3,02,604
		2012-2013	4	61,644
		2013-2014	4	64,393
		2014-2015	5	2,87,665
		2015-2016	6	2,26,700
		2016-2017	8	2,64,595
		2017-2018	9	11,33,713
		2018-2019	23	33,87,211
		2019-2020	15	19,60,808
		2020-2021	44	2,40,05,726
8	Election	2013-2014	1	60,000
		2015-2016	1	8,15,000
		2016-2017	4	14,48,000
		2017-2018	2	5,46,475
		2018-2019	8	29,79,893
		2019-2020	6	8,52,192
		2020-2021	1	7,163
9	Excise	2019-2020	2	81,933
		2020-2021	5	10,84,691
10	Finance	2001-2002	2	29,172
		2002-2003	7	1,57,713
		2003-2004	8	1,93,143
		2004-2005	8	3,07,184
		2005-2006	2	28,422
		2006-2007	2	22,110
		2007-2008	7	72,697
		2008-2009	7	4,06,095
		2009-2010	2	35,000
		2010-2011	2	56,000
		2011-2012	4	28,000
		2013-2014	1	10,000
		2014-2015	3	2,50,000
		2015-2016	2	58,042
		2016-2017	7	1,74,355
		2017-2018	14	5,88,368
		2018-2019	10	4,66,121
		2019-2020	9	2,98,091
		2020-2021	12	4,33,051
11	Food and Civil Supplies	2016-2017	2	2,21,030
		2017-2018	7	1,08,28,113
		2019-2020	4	8,50,000
		2020-2021	1	16,857
12	Forest and Environment	2014-2015	1	7,802
		2015-2016	1	14,582
		2016-2017	3	1,08,655

Sl. No.	Department	Year	Nos.	Amount
		2017-2018	5	80,282
		2018-2019	14	11,53,296
		2019-2020	18	16,68,510
		2020-2021	12	11,98,927
13	Health and Family Welfare	2001-2002	1	11,395
		2002-2003	5	38,71,772
		2003-2004	1	13,42,500
		2004-2005	10	2,65,186
		2005-2006	3	1,33,668
		2006-2007	1	10,000
		2007-2008	3	1,45,494
		2009-2010	1	6,628
		2010-2011	7	3,32,825
		2011-2012	2	36,512
		2012-2013	30	6,05,847
		2013-2014	16	6,07,021
		2014-2015	5	4,32,294
		2015-2016	11	11,30,000
		2016-2017	17	21,51,000
		2017-2018	16	3,99,19,750
		2018-2019	29	1,32,92,640
		2019-2020	11	14,45,000
		2020-2021	15	14,61,938
		14	Home	2001-2002	5	4,27,053
2002-2003	13			2,27,859
2003-2004	24			6,01,264
2004-2005	24			86,14,268
2005-2006	21			7,60,244
2006-2007	44			36,92,232
2007-2008	38			29,64,021
2008-2009	23			46,18,845
2009-2010	24			4,48,734
2010-2011	5			2,09,272
2011-2012	17			6,96,374
2012-2013	4			2,33,652
2013-2014	9			7,24,391
2014-2015	3			1,23,760
2015-2016	7			13,39,479
2016-2017	5			7,41,123
2017-2018	10			27,76,938
2018-2019	7			2,71,176
2019-2020	11			10,08,239
2020-2021	4			1,66,746
15	Horticulture	2001-2002	18	5,56,748
		2002-2003	45	99,26,827
		2003-2004	45	67,22,030
		2011-2012	2	25,55,525
		2012-2013	1	17,350
		2014-2015	1	3,21,21,000
		2015-2016	1	13,298
2016-2017	3	14,56,298		

Sl. No.	Department	Year	Nos.	Amount
		2017-2018	10	5,08,317
		2018-2019	14	2,60,798
		2019-2020	14	9,56,732
16	Commerce and Industries	2001-2002	1	7,000
		2003-2004	2	49,449
		2011-2012	1	5,300
		2019-2020	3	4,00,000
		2020-2021	1	1,00,000
17	Information and Public Relation	2001-2002	1	8,018
		2002-2003	2	28,700
		2003-2004	6	12,38,702
		2005-2006	1	13,650
		2018-2019	2	21,200
		2019-2020	3	40,704
		2020-2021	8	3,90,39,840
18	Information Technology	2002-2003	1	7,445
		2004-2005	3	20,707
		2006-2007	3	45,907
		2007-2008	1	16,250
		2008-2009	1	21,240
		2009-2010	2	7,93,463
		2011-2012	2	29,266
		2012-2013	2	11,17,081
		2013-2014	3	5,00,384
		2019-2020	2	1,30,158
19	Water Resources	2007-2008	1	13,542
		2013-2014	1	17,882
		2014-2015	1	16,764
		2015-2016	1	13,000
		2016-2017	2	52,370
		2017-2018	2	47,345
		2018-2019	4	61,006
		2019-2020	3	34,879
		2020-2021	2	40,462
20	Judiciary	2004-2005	2	36,145
		2005-2006	3	74,715
		2006-2007	8	5,77,177
		2007-2008	2	69,219
		2008-2009	6	5,45,495
		2009-2010	2	28,948
		2010-2011	5	65,656
		2011-2012	1	11,861
		2012-2013	2	24,773
		2013-2014	6	1,00,736
		2014-2015	3	57,400
		2015-2016	1	13,905
		2016-2017	5	11,73,495
		2017-2018	2	34,748
		2018-2019	4	1,65,300
2019-2020	13	11,55,768		

Sl. No.	Department	Year	Nos.	Amount
		2020-2021	20	8,91,293
21	Labour	2001-2002	7	1,10,624
		2002-2003	11	9,03,709
		2003-2004	10	1,37,333
		2009-2010	2	93,387
		2010-2011	1	12,000
		2011-2012	3	70,686
		2013-2014	3	39,500
		2015-2016	1	13,298
		2017-2018	1	50,000
		2018-2019	1	50,000
		2019-2020	1	10,783
		2020-2021	1	57,682
22	Land Revenue and Disaster Management	2002-2003	1	54,669
		2013-2014	3	45,664
		2014-2015	4	93,730
		2015-2016	4	57,825
		2016-2017	10	1,37,372
		2017-2018	6	1,77,006
		2018-2019	19	7,87,180
		2019-2020	26	8,20,753
2020-2021	27	8,03,685		
23	Law	2004-2005	1	8,061
		2005-2006	1	5,000
		2009-2010	1	9,870
		2010-2011	1	5,000
		2014-2015	2	70,503
24	Legislature	2004-2005	2	34,940
		2005-2006	3	1,03,760
		2006-2007	3	1,40,005
		2007-2008	2	31,380
		2008-2009	5	1,43,394
		2009-2010	2	63,921
		2010-2011	1	3,50,000
		2011-2012	1	10,000
		2012-2013	2	3,77,000
		2013-2014	5	5,61,923
		2014-2015	4	5,27,856
		2015-2016	5	2,18,450
		2016-2017	2	74,200
		2017-2018	1	50,000
2018-2019	1	1,31,600		
2019-2020	2	3,00,000		
2020-2021	1	25,000		
25	Mines and Geology	2001-2002	1	2,428
		2002-2003	3	1,55,304
		2003-2004	1	1,72,935
		2017-2018	1	9,00,000
		2019-2020	1	1,73,194
		2020-2021	1	1,71,000
26	Motor Vehicles	2017-2018	2	20,757

Sl. No.	Department	Year	Nos.	Amount
		2018-2019	1	10,188
		2019-2020	5	4,41,106
		2020-2021	4	20,93,769
27	Parliamentary Affairs	2004-2005	1	13,942
		2005-2006	1	9,450
		2006-2007	1	1,845
		2007-2008	1	13,875
		2010-2011	1	14,720
		2012-2013	1	14,826
		2014-2015	1	59,163
		2017-2018	1	9,012
		2018-2019	2	22,116
		28	Department of Personnel	2004-2005	9	1,20,481
2005-2006	10			3,61,470
2006-2007	9			1,65,65,573
2007-2008	7			18,05,694
2008-2009	7			2,14,24,331
2009-2010	13			59,19,702
2010-2011	2			36,942
2011-2012	4			41,695
2012-2013	10			9,63,247
2013-2014	5			31,20,367
2014-2015	6			6,42,068
2015-2016	7			4,96,404
2016-2017	8			2,32,766
2017-2018	6			10,13,973
2018-2019	2			4,52,000
2019-2020	1			91,355
2020-2021	1	10,600		
29	Planning and Development	2001-2002	3	93,017
		2002-2003	5	1,39,764
		2003-2004	6	2,38,181
		2004-2005	7	1,58,453
		2005-2006	7	34,13,075
		2006-2007	7	14,72,810
		2007-2008	4	4,79,123
		2008-2009	4	61,240
		2009-2010	7	32,67,212
		2010-2011	4	6,51,828
		2011-2012	2	1,17,542
		2012-2013	2	5,08,400
		2013-2014	3	13,568
		2014-2015	2	13,200
		2015-2016	5	1,26,63,130
		2016-2017	1	5,000
		2017-2018	4	70,850
		2018-2019	2	73,630
		2019-2020	1	18,467
2020-2021	5	3,09,319		
30	Police	2001-2002	1	2,021
		2002-2003	2	45,146

Sl. No.	Department	Year	Nos.	Amount
		2003-2004	9	10,03,749
		2008-2009	4	80,054
		2009-2010	4	48,494
		2010-2011	5	20,771
		2011-2012	8	29,56,110
		2012-2013	12	4,30,965
		2013-2014	3	9,395
		2014-2015	8	72,87,197
		2015-2016	15	7,63,010
		2016-2017	71	24,95,734
		2017-2018	48	28,83,918
		2018-2019	66	30,43,513
		2019-2020	57	17,68,365
2020-2021	91	2,63,66,789		
31	Power	2015-2016	2	1,00,000
		2016-2017	3	5,36,125
		2017-2018	2	1,18,844
		2018-2019	17	25,50,000
		2019-2020	17	24,00,000
		2020-2021	12	23,15,450
32	Printing and Stationary	2018-2019	1	50,000
		2019-2020	1	3,979
		2020-2021	1	10,600
33	Public Health Engineering	2004-2005	14	13,97,325
		2005-2006	2	25,448
		2006-2007	5	61,678
		2007-2008	2	27,084
		2008-2009	4	2,41,341
		2009-2010	3	36,067
		2013-2014	2	30,550
		2015-2016	2	26,198
		2016-2017	10	2,02,136
		2017-2018	9	1,80,164
		2018-2019	6	1,84,814
		2019-2020	3	1,01,968
2020-2021	4	4,42,368		
34	Roads & Bridges	2001-2002	2	11,460
		2002-2003	6	3,63,180
		2003-2004	7	6,27,549
		2005-2006	2	15,378
		2006-2007	1	7,700
		2007-2008	2	24,590
		2008-2009	2	22,173
		2009-2010	1	10,500
		2010-2011	1	12,352
		2012-2013	5	81,895
		2013-2014	3	1,47,837
		2014-2015	1	31,229
		2015-2016	2	68,042
		2016-2017	1	50,000
2017-2018	2	59,700		

Sl. No.	Department	Year	Nos.	Amount
		2018-2019	8	4,19,080
		2019-2020	6	9,50,000
		2020-2021	9	14,49,908
35	Rural Development	2002-2003	1	10,145
		2003-2004	3	25,287
		2005-2006	7	86,687
		2006-2007	2	18,867
		2007-2008	21	5,01,898
		2008-2009	13	1,61,223
		2009-2010	13	2,11,186
		2010-2011	9	1,44,348
		2011-2012	6	1,14,353
		2012-2013	7	1,53,940
		2013-2014	7	1,23,923
		2014-2015	4	68,259
		2015-2016	6	2,24,220
		2016-2017	16	4,14,982
		2017-2018	23	8,23,427
		2018-2019	25	6,13,96,040
		2019-2020	10	4,92,829
2020-2021	24	4,65,449		
36	Science and Technology	2001-2002	2	30,663
		2002-2003	9	3,70,351
		2003-2004	16	1,66,456
		2004-2005	4	47,032
		2005-2006	2	89,500
		2006-2007	1	22,000
		2020-2021	2	74,422
37	Transport	2002-2003	2	2,560
		2003-2004	1	2,628
38	Social Justice and Welfare	2004-2005	18	12,39,770
		2005-2006	11	5,43,063
		2006-2007	6	95,646
		2007-2008	6	2,71,239
		2008-2009	14	16,97,408
		2009-2010	12	75,54,726
		2010-2011	3	47,728
		2011-2012	10	2,01,878
		2012-2013	6	63,172
		2013-2014	7	15,61,963
		2014-2015	12	17,23,988
		2015-2016	11	2,77,594
		2016-2017	11	66,48,247
		2017-2018	12	75,97,606
2018-2019	22	1,32,32,029		
2019-2020	14	1,22,52,460		
2020-2021	27	1,26,42,488		
39	Sports and Youth Affairs	2001-2002	8	2,50,327
		2002-2003	19	3,33,365
		2003-2004	43	15,03,100
		2004-2005	1	1,97,500

Sl. No.	Department	Year	Nos.	Amount
		2005-2006	2	18,530
		2006-2007	1	1,24,562
		2008-2009	4	32,864
		2009-2010	3	1,29,124
		2010-2011	2	3,23,115
		2011-2012	4	54,30,329
		2012-2013	1	1,40,314
		2014-2015	1	1,00,000
		2016-2017	3	48,77,635
		2017-2018	4	7,54,125
		2018-2019	8	18,75,075
		2019-2020	6	62,13,461
		2020-2021	3	72,45,683
40	Tourism and Civil Aviation	2001-2002	2	95,540
		2003-2004	4	1,37,176
		2004-2005	11	7,60,958
		2005-2006	18	54,65,790
		2006-2007	5	8,07,402
		2007-2008	5	23,98,363
		2008-2009	4	2,93,995
		2009-2010	7	13,62,675
		2010-2011	5	7,82,205
		2011-2012	2	5,05,848
		2012-2013	5	1,51,25,756
		2015-2016	1	5,404
		2016-2017	1	2,00,000
		2017-2018	2	25,532
		2018-2019	6	3,16,620
2019-2020	8	9,19,701		
2020-2021	10	1,91,669		
41	Urban Development	2002-2003	1	12,500
		2003-2004	2	21,915
		2004-2005	4	49,440
		2005-2006	1	9,241
		2006-2007	3	97,549
		2008-2009	1	12,180
		2010-2011	2	47,584
		2012-2013	4	66,583
		2013-2014	3	62,625
		2014-2015	2	22,314
		2015-2016	2	1,28,014
		2017-2018	1	50,000
		2018-2019	3	3,00,000
		2020-2021	5	4,42,795
42	Vigilance	2016-2017	2	9,200
		2017-2018	1	50,000
		2018-2019	2	3,50,000
		2019-2020	1	50,000
		2020-2021	2	10,92,505
43	Panchayat Raj Institutions	2012-2013	2	32,500
		2015-2016	3	48,338

Sl. No.	Department	Year	Nos.	Amount
		2016-2017	7	90,324
		2017-2018	21	1,53,14,091
		2018-2019	2	71,748
		2019-2020	12	7,03,286
		2020-2021	9	80,60,872
44	Governor	2012-2013	2	1,20,000
		2015-2016	2	1,00,000
		2016-2017	5	1,70,000
		2017-2018	3	1,50,000
		2018-2019	8	4,15,000
		2019-2020	6	10,00,000
		2020-2021	3	2,15,500
45	Public Service Commission	2001-2002	1	10,260
		2002-2003	2	35,372
		2003-2004	3	17,506
		2004-2005	1	7,088
		2007-2008	1	10,000
		2016-2017	2	1,84,724
		2018-2019	3	25,49,852
		2019-2020	14	49,82,653
		2020-2021	8	32,58,900
47	Skill Development	2016-2017	2	67,448
		2019-2020	4	2,89,204
		2020-2021	7	95,47,912

Appendix 4.6
Arrears of accounts of bodies or authorities
(Reference: Paragraph 4.12)

Sl. No.	Name of Body or Authority	Accounts pending since	No. of Accounts pending upto FY 2020-21
1	Sikkim State Cooperative Bank Limited(SISCO)	2019-20	2
2	Sikkim State Cooperative Supply & Marketing Federation Ltd(SIMFED)	2015-16	6
3	Sikkim Milk Union(SMU)	2019-20	2
4	Denzong Agricultural Cooperative Society Limited	2013-14	8
5	Nayuma Women's Cooperative Society(NWCS)	2013-14	8
6	Sikkim Building and Other Construction Workers Welfare Board(SB&OCWWB)	2017-18	4
7	Sikkim State Legal Service Authority(SLSA)	2020-21	1
8	Sikkim Backward Commission	2018-19	3
9	Sikkim Bio-Diversity Board	2018-19 ¹	2
10	Sikkim Commission for Protection of Child Rights(SCPCR)	2020-21	1
11	State CAMPA	2014-15	7
12	Sikkim Human Rights Commission	2018-19	3
13	Sikkim Housing Development Board	2019-20	2
14	Sikkim Khadi & Village Industries Board	2007-08	14

¹ Sikkim Bio-Diversity Board has furnished 19-20 accounts

Appendix 4.7
Statement showing names of Autonomous Bodies and Authorities, the Accounts of which had not been received under Section 14 (1) and 15 of C&AG DPC Act, 1971
(Reference: Paragraph 4.13)

Sl. No.	Name of the Body/Authorities	Section under which audited	Years for which accounts are pending	Number of accounts pending
1	Sikkim Organic Mission	14	2018-19 to 2020-21	3
2	Sikkim State Organic Certification Agency	14	2016-17 to 2020-21	5
3	Mission Organic Value Chain Development for NE Region	14	2016-17 to 2020-21	5
4	Sikkim Livestock Development Board	14	2020-21	1
5	Sikkim Institute of Tibetology	14	0	0
6	State Pollution Control Board	14	2017-18 to 2020-21	4
7	CEO, State Medicinal Plant Board	14	2019-20 & 2020-21	2
8	Member Secretary, Sikkim Biodiversity Board	14	2018-19 to 2020-21	3
9	Member Secretary, State Health Society (NRHM)	14	0	0
10	National AIDS Control Society	14	2020-21	1
11	Sikkim Illness Assistance Fund Association	14	2019-20 & 2020-21	2
12	Prevention and Control of Blindness	14	2019-20 & 2020-21	2
13	Secretary, Rajya Sainik Board	14	2020-21	1
14	CEO, State Farmers Agro Business Consortium (SFAC)	14	2017-18 to 2020-21	4
15	Employees State Insurance Corporation	14	0	0
16	Sikkim Renewal Energy Development Agency (SREDA)	14	2020-21	1
17	Sikkim Institute of Rural Development (SIRD)	14	2019-20 to 2020-21	2
18	Sikkim Rural Development Agency (SRDA)	14	2019-20 & 2020-21	2
19	State Council of Science and Technology	14	2020-21	1
20	State Social Welfare Advisory Board	14	2020-21	1
21	Principal, Institute of Hotel Management (IHM)	14	0	0
22	Indian Himalayan Centre for Adventure and Eco-Tourism	14	2014-15 to 2020-21	7
23	Sikkim Urban Development Agency (SUDA)	14	2018-19 to 2020-21	3
24	Director, State Institute of Capacity Building, Karfectar	14	2018-19 to 2020-21	3

Appendix 5.1
Delay in completion/adoption of Accounts by the Board of Directors
Accounts pending finalisation as on September 2021
(Reference: Paragraph 5.16)

OB arrears (internal arrears)	Addition during the month				Clearance/audited/Return			CB arrears (internal arrears) (a+e-h)
A	B	C	D	E	F	G	H	I
	Internal Arrear				External Arrear ²			
Sl. No.	Name of PSUs	Years upto which Annual Accounts with Board adoption received	Years up to which audit conducted /NRC issued	Years for which audit Due	No. of A/Cs received but not audited	Years for which annual A/c to be received from the organization	No. of A/Cs to be received from the organiza- tion	Years up to which SAR issued to the Govt (printed SAR)
Entities registered under Sikkim Registration of Companies Act & audit entrusted under section 20 (1) of CAG (DPC) Act								
1.	SPDCL (Poultry)	13-14 to 17-18	12-13	13-14 to 17-18	5	18-19 to 20-21	3	NA
2.	SHL	13-14 to 17-18	12-13	13-14 to 17-18	5	18-19 to 20-21	3	NA
3.	SLPDC	13-14	13-14	-	0	14-15 to 20-21	7	NA
4.	SABCCO	15-16	15-16	-	0	16-17 to 20-21	5	2014-15
5.	SIDICO	18-19	18-19	-	0	19-20 to 20-21	2	NA
6.	SPDCL (Power Dev)	19-20	19-20	-	0	-	0	NA
7.	STDC	16-17	16-17			17-18 to 20-21	4	NA
8.	SPICL	20-21	19-20	20-21	1	-	0	NA
9	SHHDCC ³ (Handloom)	2013-14 to 2014-15	-	2013-14 to 2014-15	2	2015-16 to 2020-21	6	
Entities created prior to the merger of Sikkim to India and audit entrusted under section 19(3) of CAG (DPC) Act								
10.	SBS	18-19	18-19	-	-	19-20 TO 20-21	2	2016-17
11.	STCS	18-19	18-19	-	-	19-20 TO 20-21	2	2016-17
12.	GFPF	18-19	17-18	1	2018-19	19-20 TO 20-21	2	NA
13.	TEMI TEA	17-18	17-18	-	-	18-19 to 20-21	3	NA
Entities registered under Indian Companies Act, 2013/1956 and audit entrusted under section 19 (1) of CAG (DPC) Act								
14.	TUL	20-21	20-21	-	0	-	0	NA
15.	TPTL	20-21	20-21	-	0	-	0	NA
16.	NSCL	20-21	19-20	20-21	1	-	1	NA
17.	GSCL	20-21	20-21	-	0	-	0	NA
T=17	PSUs Total				14		40	

² Due Date of submission of Annual Accounts of SAB/CAB is 30th June and Companies/Corporation is 30th Sep of every year.

³ Being a new unit entrusted (2013-14 to 2017-18) by Government of Sikkim vide letter no.1002/SHHDC Ltd., Dated: - 06/08/2020, Annual Account for periods 2013-14 to 2018-19 was furnished to this office. However, the Board approval in respect of annual account for the years 2013-14 & 2014-15 were only furnished by the Corporation.

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