



REPORT

OF THE

COMPTROLLER AND AUDITOR GENERAL OF INDIA

FOR THE YEAR 1977-78

GOVERNMENT OF SIKKIM

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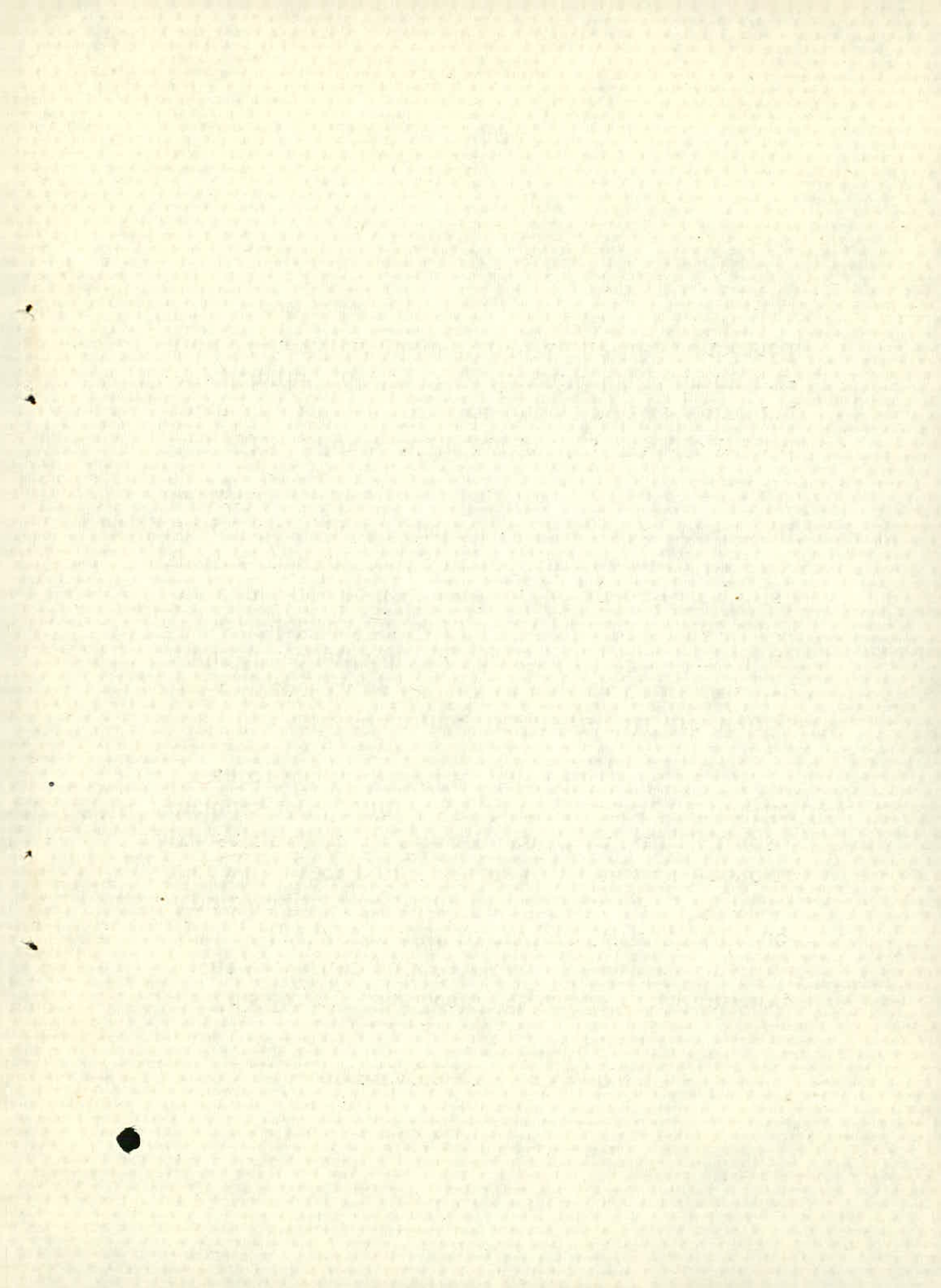
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PREFATORY REMARKS

This Report has been prepared for submission to the Governor under Article 151 of the Constitution. It relates mainly to matters arising from the Appropriation Accounts for the year 1977-78 together with other points arising from audit of financial transactions of the Government of Sikkim. It also includes certain points of interest arising from the Finance Accounts for the year 1977-78.

2. The cases mentioned in this Report are among those which came to notice in the course of test audit of accounts during the year 1977-78 as well as those which had come to notice in the earlier years but could not be dealt with in the previous Reports; matters relating to the period subsequent to 1977-78 have also been included, wherever considered necessary.

3. The points brought out in this Report are not intended to convey or to be understood as conveying any general reflection on the financial administration by the departments/bodies/authorities concerned.



CHAPTER I

GENERAL

1.1 Summary of Transactions

The receipts and expenditure of the Government of Sikkim for the year 1977-78 are given below with corresponding figures of the preceding year :—

(1)	1976-77 (2) <i>(in lakhs of rupees)</i>	1977-78 (3)
(1) Revenue—		
Revenue receipts	19,19.30	21,20.26
Revenue expenditure	15,03.34	17,37.07
Revenue surplus (+)	(+) 4,15.96	(+) 3,83.19
(2) Public Debt		
(i) Internal debt of the State Government (net)		
Increase (+)	(+) 5.00	(+) 4.80
(ii) Loans and Advances from the Central Government (net)		
Increase (+)	(+) 74.48	(+) 1,10.19
Total Public Debt (net)		
Increase (+)	(+) 79.48	(+) 1,14.99
(3) Capital Expenditure (net)		
Increase (—)	(—) 4,54.82	(—) 6,37.36
(4) Loans and Advances by the State Government (net)		
Increase (—)	(—) 29.42	(—) 17.17

(1)	1976-77 (2)	1977-78 (3)
	<i>(in lakhs of rupees)</i>	
(5) Transfer to Contingency Fund		
Increase (—)	(—) 25.00	..
(6) Contingency Fund (net)		
Increase (+)	(+) 14.00	(+) 10.51
(7) Public Account (net)		
Increase (+)	(+) 14.72	(+) 28.26
	Net surplus (+)/ deficit (—)	(+)
	(+) 14.92	(—) 1,17.58
	Opening Cash Balance	(+)
	(+) 71.83	(+) 86.75
	Net surplus (+)/ deficit (—)	(+)
	(+) 14.92	(—) 1,17.58
	Closing Cash Balance	(+)
	(+) 86.75	(—) 30.83

1.2 Revenue surplus/deficit

(a) Revenue receipts :—

The actuals of revenue receipts for 1977-78 compared with the budget estimates, along with the corresponding figures for 1975-76 and 1976-77, are shown below :—

Year	Budget	Actuals	Variation between columns (3) and (2)	
			Amount	Percentage
1	2	3	4	5
* <i>(amount in lakhs of rupees)</i>				
1975-76	10,89.40	10,32.60	(—) 56.80	5
1976-77	18,73.16	19,19.30	(+) 46.14	3
1977-78	19,00.43	21,20.26	(+) 2,19.83	12

The increase of Rs. 2,19.83 lakhs during 1977-78 over the budget estimates was mainly under "Grants-in-Aid from Central Government" (Rs. 79.22 lakhs), "State Excise" (Rs. 64.47 lakhs) and "Public Works" (Rs. 47.87 lakhs).

*The year 1975-76, wherever it occurs in this Report, refers to the period from 26th April 1975 to 31 March 1976.

(b) Expenditure on revenue account :—

The expenditure on revenue account during 1977-78 as compared with (i) the budget estimates and (ii) the budget estimates plus supplementary provision, along with the corresponding figures for 1975-76 and 1976-77, is shown below :—

Year	Budget	Budget plus supplementary	Actuals	Variation between columns (4) and (3)		
				Amount	Percentage	
1	2	3	4	5	6	
	<i>(amount in lakhs of rupees)</i>					
1975-76	8,28.29	9,90.45	9,15.12	—	75.33	8
1976-77	13,40.53	14,54.11	15,03.34	+	49.23	3
1977-78	14,98.00	20,02.51	17,37.07	—	2,65.44	13

The decrease by Rs. 2,65.44 lakhs during 1977-78 from the budget plus supplementary provision was mainly under “Roads and Bridges” (Rs. 80.52 lakhs), “Community Development” (Rs. 31.26 lakhs), “Animal Husbandry” (Rs. 22.53 lakhs), “Roads and Water Transport Services” (Rs. 17.66 lakhs), “Education” (Rs. 14.21 lakhs) and “Agriculture” (Rs. 11.23 lakhs).

(c) The year ended with a revenue surplus of Rs. 3,83.19 lakhs against the surplus of Rs. 4,02.43 lakhs anticipated in the budget. In 1976-77 also, the State had a revenue surplus of Rs. 4,15.96 lakhs.

1.3 Revenue receipts

(a) The revenue receipts during 1977-78 (Rs. 21,20.26 lakhs) were more by Rs. 2,00.96 lakhs than those in 1976-77 (Rs. 19,19.30 lakhs). The increase is analysed below :—

	Receipts		Increase (+) Decrease(—)	Percent- age
	1976-77	1977-78		
<i>(in lakhs of rupees)</i>				
(i) Receipts from the Government of India—				
(a) Statutory grants	2,54.27	2,26.95	(—)	27.32
(b) Other grants	12,27.36	13,46.75	(+)	1,19.39
TOTAL (i)	14,81.63	15,73.70	(+)	92.07

(ii) Revenue raised by the State Government—

	Receipts		Increase(+) Decrease(-)	Percent- age
	1976-77	1977-78		
<i>(in lakhs of rupees)</i>				
(a) State taxes and duties classed as tax revenue	1,56.10	2,08.15	(+) 52.05	33
(b) Receipts from road transport services, interest receipts, receipts from forest produce, power projects, etc., classed as non-tax revenue	2,81.57	3,38.41	(+) 56.84	20
TOTAL (ii)	4,37.67	5,46.56	(+) 1,08.89	25
TOTAL (i) and (ii)	19,19.30	21,20.26	(+) 2,00.96	10

(b) The receipts from the Government of India during 1977-78 formed about 74 per cent of the total revenue receipts of the State against 77 per cent during 1976-77.

1.4 Expenditure on revenue account

The expenditure on revenue account during 1977-78 (Rs.17,37.07 lakhs) was more by Rs. 2,33.73 lakhs than that in 1976-77 (Rs.15,03.34 lakhs).

The increase was mainly under :—

Sl. no.	Major head of account	Actuals		Increase
		1976-77	1977-78	
<i>(in lakhs of rupees)</i>				
1.	255—Police	44.38	81.48	37.10

The increase was due mainly to more expenditure on expansion of the police force by raising two companies of Sikkim Armed Police and setting up of Home Guard Organisation.

Sl.no.	Major head of account	Actuals		Increase
		1976-77	1977-78	
(in lakhs of rupees)				
2.	280—Medical	49.55	61.60	12.05
	The increase was due mainly to more expenditure on medicines and equipment and on purchase of two vehicles and one X-Ray machine.			
3.	288—Social Security and Welfare	11.62	20.72	9.10
	The increase was due mainly to more expenditure on women's welfare and welfare of poor and destitute.			
4.	295—Other Social and Community Services	2.27	9.60	7.33
	The increase was due mainly to more expenditure on upkeep of shrines, temples, etc.			
5.	305—Agriculture	75.95	95.25	19.30
	The increase was due mainly to more expenditure on plant protection, extension and farmers' training, horticulture and soil conservation on agricultural land.			
6.	307—Soil and Water Conservation	38.11	62.09	23.98
	The increase was due mainly to more expenditure on soil and water conservation and protective works undertaken during the year.			
7.	313—Forest	80.25	1,06.59	26.34
	The increase was due mainly to more expenditure on implementation of new schemes like plantation of medicinal herbs, sericulture, rehabilitation of degraded village forests and also expansion of the department during 1977-78.			
8.	320—Industries	7.25	22.78	15.53
	The increase was due mainly to more expenditure on tea plantation.			
9.	338—Road and Water Transport Services	1,42.22	1,82.55	40.33
	The increase was due mainly to expansion of the Sikkim Nationalised Transport.			

1.5 Capital expenditure

- (a) The capital expenditure during the three years ending 1977-78 as compared with (i) the budget estimates and (ii) the budget estimates plus supplementary provision is shown below :—

Year	Budget	Budget plus supplementary	Actuals	Variation between columns (4) and (3)	
				Amount	Percentage
(1)	(2)	(3)	(4)	(5)	(6)
<i>(in lakhs of rupees)</i>					
1975-76	2,25.85	2,34.93	2,46.52	(+) 11.59	5
1976-77	5,05.76	5,92.56	4,54.82	(—) 1,37.74	23
1977-78	5,28.74	6,98.21	6,37.36	(—) 60.85	9

- (b) An analysis of the capital expenditure during and to end of 1977-78 is given below :—

*During 1977-78 Progressive total
to end of 1977-78*

(in lakhs of rupees)

Capital expenditure on			
(i)	Public Works	49.66	1,27.23
(ii)	Social and Community Services	1,53.52	3,21.77
(iii)	General Economic Services	8.33	24.53
(iv)	Agriculture and Allied Services	1,18.81	1,76.53
(v)	Industry and Minerals	44.10	84.71
(vi)	Water and Power Development	40.35	96.71
(vii)	Transport and Communications	2,22.59	5,07.22
Total Capital expenditure		6,37.36	13,38.70

Further details of capital expenditure are given in Statement Nos. 2 and 12 of the Finance Accounts 1977-78.

(c) The sources from which the capital expenditure (Rs. 6,37.36 lakhs) and the net outgo under loans and advances (Rs. 17.17 lakhs) mentioned in paragraph 1.6 were met during 1977-78 are given below :—

	<i>(in lakhs of rupees)</i>
(i) Revenue surplus	3,83.19
(ii) Loans and advances from the Central Government	1,10.19
(iii) Net effect of transactions under Deposits and Advances, Suspense and Miscellaneous and Remittances	1,21.96
(iv) Provident Funds	5.75
(v) Internal debt of the State Government	4.80
(vi) Contingency Fund (net)	10.51
(vii) Decrease in cash balance	1,17.58
(viii) Increase in investments	(—) 99.45
NET resources available	6,54.53

1.6 Loans and advances by the State Government

(a) The disbursements of loans and advances by the State Government during 1977-78 as compared with (i) the budget estimates and (ii) the budget estimates plus supplementary provision, along with the corresponding figures for 1975-76 and 1976-77, are given below :—

Year	Budget	Budget plus supplementary	Actuals	Variation between columns(4) and (3) Amount Percentage	
(1)	(2)	(3)	(4)	(5)	(6)
		<i>(in lakhs of rupees)</i>			
1975-76	27.48	28.85	17.64	— 11.21	39
1976-77	43.20	49.45	38.49	— 10.96	22
1977-78	32.90	35.20	31.44	— 3.76	11

(b) The budget estimates and the actuals of recoveries of loans and advances for the three years ending 1977-78 are given below :—

Year	Budget	Actuals	Variation between columns (3) and (2)	
			Amount	Percentage
(1)	(2)	(3)	(4)	(5)
(in lakhs of rupees)				
1975-76	11.98	10.78	— 1.20	10
1976-77	12.46	9.07	— 3.39	27
1977-78	20.15	14.27	— 5.88	29

(c) The outstanding balances under loans and advances as at the end of March 1977 and 1978 are analysed below :—

	Amount outstanding on 31st March	
	1977	1978
(in lakhs of rupees)		
(i) Loans for Economic Services—		
(a) General Economic Services	19.40	19.25
(b) Agriculture & Allied Services	41.55	40.32
(c) Industry and Minerals	62.30	66.70
(d) Transport and Communications	11.25	18.70
(ii) Loans to Government servants, etc.	22.28	29.18
(iii) Loans for miscellaneous purposes	*63.74	63.54
TOTAL	*2,20.52	2,37.69

Further details of loans and advances are given in Statement Nos. 4 and 17 of the Finance Accounts 1977-78.

*Differs by Rs. +0.01 lakh from the figure in the Report for 1976-77 due to rounding.

1.7 Debt position

(a) The outstanding public debt of the State Government at the end of 1977-78 was Rs. 3,24.17 lakhs. An analysis of the debt compared with the corresponding amounts at the end of the preceding year is given below :—

	<i>Public debt as on 31st March</i>	
	1977	1978
	<i>(in lakhs of rupees)</i>	
(i) Loans and advances from the Central Government	2,04.18	3,14.37
(ii) Loans from the Life Insurance Corporation of India	5.00	9.80
TOTAL	2,09.18	3,24.17

(b) Loans aggregating Rs. 1,19.07 lakhs were obtained from the Central Government during 1977-78 and repayment of Rs. 8.88 lakhs towards principal was made.

(c) Other debt and obligations

In addition to public debt, the balances in the provident fund accounts of Government servants and the balances at the credit of certain deposits constitute a liability of the Government. Taking the public debt and this liability together, the debt position of the Government was as follows :—

	<i>Total debt as on 31st March</i>	
	1977	1978
	<i>(in lakhs of rupees)</i>	
Public debt	2,09.18	3,24.17
Provident funds	15.67	21.42
Civil deposits	71.80	74.89
TOTAL	2,96.65	4,20.48

1.8 Guarantees given by the State Government

A guarantee upto Rs. 10 lakhs was given by the State Government in July 1976 to the State Bank of Sikkim for giving an 'advance' (overdraft) to the Sikkim Consumers' Co-operative Society. The amount of overdraft outstanding against the Society as on 31st March 1978 was Rs. 4.39 lakhs. Further, the guarantee upto Rs. 10 lakhs given by the State Government to the State Bank of Sikkim in August 1975 for repayment of the overdraft availed of by the Sikkim Mining Corporation continued to be operative in 1977-78. The overdraft of Rs. 4.61 lakhs outstanding against the Corporation as on 31st March 1977 was fully repaid by it during 1977-78.

No guarantee was invoked during the year.

1.9 Investments

In 1977-78, the Government invested Rs. 53.85 lakhs (Rs. 20.00 lakhs in Sikkim Time Corporation, Rs. 10.10 lakhs in Dikchu Copper Zinc Project, Rs. 8.30 lakhs in Sikkim Industrial Development and Investment Corporation, Rs. 8.00 lakhs in Roller Flour Mill, Rs. 5.45 lakhs in Sikkim Distilleries Limited in the shape of bonus shares and Rs. 2.00 lakhs in State Trading Corporation).

According to the information furnished by the Government, the total investment of the Government in the share capital of different concerns at the end of 1975-76, 1976-77 and 1977-78 was Rs. 1,12.08 lakhs, Rs. 1,26.10 lakhs and Rs. 1,79.95 lakhs respectively. The dividend received and credited to the Government during these years was Rs. 13.46 lakhs, Rs. 11.28 lakhs and Rs. 13.58 lakhs respectively, which worked out to 12.9 and 8 per cent respectively of the total investment.

Further particulars of investments are given in Statement No. 13 of the Finance Accounts 1977-78.

CHAPTER II
**APPROPRIATION AUDIT AND CONTROL
 OVER EXPENDITURE**

2.1 Summary

(a) The following table compares the total expenditure during the year with the totals of grants and charged appropriations :—

(1)	<i>Grants/Charged appropriations</i>	<i>Expendi- ture</i>	<i>Saving</i>	<i>Percen- tage</i>
(1)	(2)	(3)	(4)	(5)
<i>(in lakhs of rupees)</i>				
Voted—				
Original	21,53.03			
	28,28.82	25,72.39	2,56.43	9
Supplementary	6,75.79			
Charged—				
Original	32.13			
	32.62	26.60	6.02	18
Supplementary	0.49			
TOTAL	28,61.44	25,98.99	2,62.45	9

The saving of Rs. 2,62.45 lakhs was the result of saving of Rs. 2,83.94 lakhs in thirty grants (Rs. 1,91.83 lakhs) and four appropriations (Rs. 4.04 lakhs) in the Revenue Section and in fourteen grants (Rs. 85.93 lakhs) and one appropriation (Rs. 2.14 lakhs) in the Capital Section partly counterbalanced by excess of Rs. 21.49 lakhs in one appropriation (0.16 lakh) in the Revenue Section and two grants (Rs. 21.33 lakhs) in the Capital Section.

(b) Further details are given below :—

	<i>Revenue</i>	<i>Capital</i>	<i>Loans and advances</i>	<i>Public debt</i>	<i>Total</i>
	(1)	(2)	(3)	(4)	(5)
	<i>(in lakhs of rupees)</i>				
Authorised to be spent (grants and charged appropriations)					
Original	16,12.30	5,28.74	32.90	11.22	21,85.16
Supplementary	5,04.51	1,69.47	2.30	—	6,76.28
TOTAL	21,16.81	6,98.21	35.20	11.22	28,61.44
Actual expen- diture (grants and charged appropriations)	19,21.10	6,37.36	31.45*	9.08	25,98.99
Saving	1,95.71	60.85	3.75	2.14	2,62.45

* Increased by Rs. 0.01 lakh due to rounding.

2.2 Excess over grants/charged appropriation requiring regularisation

The excess of Rs.15,928 in one appropriation in the Revenue Section and of Rs. 21,32,876 in 2 grants in the Capital Section, the details of which are given below, requires regularisation under Article 205 of the Constitution :—

Revenue Section

Serial number	Number and name of grant	Total appropriation/grant Rs.	Expenditure Rs.	Excess Rs.
(1)	(2)	(3)	(4)	(5)
1.	20—Administration of Justice	4,74,000	4,89,928	15,928

Reasons for the excess have not been intimated (June 1979).

Capital Section

1.	3—Agriculture	16,50,000	26,15,653	9,65,653
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Excess occurred under "Government Residential Buildings", reasons for which have not been intimated (June 1979).

2.	24—Medical, Public Health and Social Welfare	34,25,000	45,92,223	11,67,223
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Excess occurred under "Allopathy-Medical Relief-Buildings" reasons for which have not been intimated (June 1979).

2.3 Supplementary Grants/Charged Appropriation

(a) During the year, supplementary provision of Rs. 6.76.28 lakhs (about 31 per cent of the original provision) was obtained under 27 grants (Rs. 6,75.79 lakhs) and one charged appropriation (Rs. 0.49 lakh).

(b) The details of significant cases of unnecessary and excessive supplementary grants are given below :

(i) Unnecessary supplementary grants :

In the following cases, the supplementary grants (exceeding Rs. 2 lakhs each) of Rs. 7.62 lakhs remained wholly unutilised

as the expenditure did not come up even to the original provision :—

<i>Serial number</i>	<i>Number and name of grant</i>	<i>Original grant</i>	<i>Supplementary grant</i>	<i>Expenditure</i>	<i>Saving</i>
(1)	(2)	(3)	(4)	(5)	(6)

(in lakhs of rupees)

Revenue Section

1.	20—Administration of Justice	2.18	2.05	1.54	2.69
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Saving was attributed to non-purchase of law books and steel furniture for the Civil and Sessions Courts and non-construction of staff quarters at Rabdentse and Namchi, due to non-availability of suitable sites.

2.	22—Land Revenue	37.50	2.43	33.59	6.34
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Saving was stated to be due mainly to reduction in the number of officers from 12 to 6 and also non-availability of trained personnel.

3.	24—Medical, Public Health and Social Welfare	1,26.85	3.14	1,04.56	25.43
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Saving occurred mainly under “Social Security and Welfare”, “Medical” and “Family Welfare” due to non-filling up of posts on-implementation of certain programmes and late receipt of bills from suppliers.

(ii) Supplementary grants which proved excessive :

In the following cases, among others, the supplementary grants (exceeding Rs. 2 lakhs each) proved excessive. Against the supplementary provision of Rs. 1,50.11 lakhs in the Revenue

Section and of Rs. 62.00 lakhs in the Capital Section, Rs. 65.81 lakhs and Rs. 21.47 lakhs respectively were actually utilised. The details are given below :—

<i>Serial number</i>	<i>Number and name of grant</i>	<i>Original grant</i>	<i>Supplementary grant</i>	<i>Expenditure</i>	<i>Saving</i>
(1)	(2)	(3)	(4)	(5)	(6)

(in lakhs of rupees)

Revenue Section

1.	8—Education	1,36.90	17.97	1,40.66	14.21
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Saving occurred mainly under “Scholarships” (Rs. 4.09 lakhs), “Government Primary Schools” (Rs. 2.93 lakhs), “Vocationalisation of Education” (Rs. 1.47 lakhs) and “Teachers Training” (Rs. 1.21 lakhs), reasons for which have not been intimated (June 1979).

2.	9—Power and Irrigation	1,12.95	13.19	1,21.98	4.16
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Reasons for the saving which occurred under “Irrigation Project” have not been intimated (June 1979).

3.	14—Other Expenditure of the Finance Department	12.85	4.61	15.43	2.03
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Saving was due to less payment of commission to the State Bank of Sikkim because of non-receipt of bills and less expenditure than anticipated on pensions and other retirement benefits, gratuitous relief and insurance scheme.

4.	18—Sikkim Nationalised Transport	1,48.75	53.72	1,82.56	19.91
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Reasons for the saving which occurred mainly under “Repairs and Maintenance” (Rs. 10.30 lakhs) and “Government Residential Building” (Rs. 3.13 lakhs) have not been intimated (June 1979).

<i>Serial number</i>	<i>Number and name of grant</i>	<i>Original grant</i>	<i>Supplementary grant</i>	<i>Expenditure</i>	<i>Saving</i>
5.	25—Panchayat and Rural Works	1,13.35	60.62	1,29.98	43.99

Saving was mainly attributed to non-execution of the scheme of "Rural Link Roads" (Rs. 30 lakhs), due to delay in according sanction and in selecting nominees by the Panchayats as well as scarcity of materials, non-purchase of stock materials in bulk because of non-availability of suitable site for construction of storage godowns at Gangtok and Jorethang (Rs. 10 lakhs) and less progress of work of "Construction of Panchayat Ghars" for want of construction materials (Rs. 2.80 lakhs).

Capital Section

1.	8—Education	25.50	11.00	31.38	5.12
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Saving occurred mainly under "Buildings", reasons for which have not been intimated (June 1979).

2.	16—Forest, Fisheries and Soil Conservation	1.00	51.00	16.59	35.41
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Saving occurred mainly under "Forest Produce" (Rs.34.40 lakhs) reasons for which have not been intimated (June 1979).

2.4 Unutilised Provision

(i) Rupees 2,83.94 lakhs remained unutilised in 30 grants (Rs.1,91.83 lakhs) and 4 appropriations (Rs. 4.04 lakhs) in the Revenue Section and in 14 grants (Rs. 85.93 lakhs) and one appropriation (Rs. 2.14 lakhs) in the Capital Section.

(ii) In 10 grants in the Revenue Section and 7 grants in Capital Section, the savings (more than Rs. 2 lakhs in each case) were more than 10 per cent of the total provision. The details are given in the Appendix.

2.5 Shortfall/Excess in Recoveries

Under the system of gross budgeting followed by Government, the demands for grants presented to the Legislature are

for gross expenditure and exclude all credits and recoveries which are adjusted in the accounts in reduction of expenditure; the anticipated recoveries and credits are shown separately in the budget estimates. During 1977-78 such recoveries were anticipated at Rs.1,39.30 lakhs (Revenue : Rs. 1,14.30 lakhs ; Capital: Rs. 25.00 lakhs). Actual recoveries during the year were Rs. 1,84.03 lakhs (All Revenue).

Some of the important cases of excess/less recovery are detailed below :

Serial number	Number and name of grant	Estimate of recoveries	Actuals of recoveries	Excess (+) Less (-)	Remarks
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(in lakhs of rupees)

Revenue

1.	25—Panchayat and Rural Works	10.00	...	(—) 10.00	No recoveries as purchase of stores did not materialise due to non-construction of godowns because of non-availability of sites.
2.	28—Public Works, Roads, Bridges and Water Supply	80.00	1,68.21	(+) 88.21	Excess recovery was reported to be due to more materials issued for implementation of development works.

Capital

1.	16—Forest, Fisheries and Soil Conservation	25.00	..	(—) 25.00	Reasons not intimated (June 1979).
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AUDIT REPORT 1977-78

2.6 Non-receipt of explanations for Savings/Excesses

After the close of each financial year, the detailed Appropriation Accounts showing the final grants/appropriations, the actual expenditure and the resultant variations are sent to the Controlling Officers, requiring them to explain the variations in general and those in important heads in particular. As in the previous years, in many cases the reasons for variations were not furnished in time to Audit by the Controlling Officers. Such delays in the submission of material for Appropriation Accounts result in the Report being incomplete in certain essential respects.

As regards the Appropriation Accounts for 1977-78, explanations for variations were not received (June 1979) in the case of 28 out of 77 heads. These formed 36 per cent of the number of heads, the variations in which were required to be explained.

CHAPTER III

RESULTS OF AUDIT

Section I—Civil Departments

PUBLIC WORKS DEPARTMENT

3.1.1 Overpayment for cement

The State Public Works Department procures cement from factories in West Bengal, Bihar and Orissa through the State Trading Corporation of Sikkim after depositing necessary money in advance with the latter. Supply of cement is arranged by the Corporation by placing orders on the factories and depositing with them the cost thereof in advance. After supplying cement, the factories adjust the cost thereof against the deposits made with them and send adjustment bills to the Corporation; the latter in turn transmits the bills to the Public Works Department indicating the amounts adjusted against the advances placed by the department with the Corporation.

On scrutiny of 139 such bills in respect of five factories received by the Public Works Department from the Corporation between April 1977 and May 1978, the following points came to notice :—

(a) Payment of out-agency charges

The five factories had supplied 21,913 tonnes of cement costing Rs. 75.66 lakhs. The price payable was the controlled price fixed by the Cement Controller of the Government of India, which was for delivery F.O.R. Rangpo, Jorethang and Gangtok and as such included both railway freight and 'out agency charges', i.e., charges payable to the Sikkim Nationalised Transport for carriage of goods from the railhead to Rangpo, Jorethang and Gangtok. However, while all the five factories had booked the cement consignments with the Railways on 'freight-to-pay' basis, they had allowed deduction from their claims towards railway freight only; no rebate had been allowed towards

'out agency charges' paid by the department. The amount so paid between April 1977 and May 1978 was Rs. 25.45 lakhs and was recoverable from the suppliers. The Chief Engineer stated (November 1978) that Rs. 3.62 lakhs had since been recovered and that the balance was under process of recovery.

(b) Payment of sales tax

In exercise of the powers conferred under the Central Sales Tax Act, 1956, the Governments of Bihar and Orissa have issued notifications to the effect that Central Sales Tax on inter-State sales to dealers in Sikkim should be calculated at the rate of 4 per cent. It was, however, noticed that three factories out of the five mentioned in (a) above had charged and been paid by the Corporation Sales tax at the rate of 10 per cent between April 1977 and May 1978 resulting in an over payment of Rs. 1.51 lakhs (excluding freight).

The Chief Engineer stated (August 1978 and November 1978) that the Corporation had been requested to recover the excess payments. No indication of any recovery was, however, available with the department.

The matter was referred to the Government in October 1978; reply is awaited (June 1979).

3.1.2 Empty bitumen drums

Bitumen is supplied to contractors for use in works. The issue rate fixed for supplies made on or after 1st April 1978 is inclusive of the cost of the container drum and cost of empty drums is not recoverable separately. However, in respect of supplies made prior to April 1978, recovery at Rs. 5 per empty drum was to be made from the contractors where empty drums had not been returned by them. On this basis, a sum of Rs. 0.68 lakh was recoverable from the contractors in respect of the year 1977-78.

Though it was stated (November 1978) by the Chief Engineer that recovery was in progress, he later reported (January 1979) that it had not been possible to indicate the total recoveries effected so far and the recoveries due for the period prior to

1977-78 as no proper record was being maintained showing return of empty drums and recoveries due and made.

3.1.3 Outstanding hire charges of machinery

The Sikkim Public Works Department has been lending on hire its machinery such as road rollers, tractors, bulldozers, air compressors, vibrators, concrete mixers, etc., to contractors for use in works. No security was, however, obtained from the contractors while hiring out the machines. The machines were maintained by two Mechanical Sub-Divisions, one at Jorethang and the other at Gangtok. The Revenue Register maintained in these two sub-divisions showed that from April 1974 to June 1978 a sum of Rs. 32.81 lakhs was outstanding from various contractors on this account. The department stated (November 1978) that hire charges were being recovered. The recoveries stated to have been made could not, however, be verified in the absence of supporting records.

The matter was reported to the Government in October 1978; reply is awaited (June 1979).

3.1.4 Stores and Stock

(a) Discrepancies in the accounts of cement

(i) The receipts and issues of cement during 1977-78, as noted in the Receipt and Issue Registers of the Gangtok Central, Jorethang Sub-divisional and Singtam Stores differed widely from the corresponding figures in the Monthly Abstract Accounts submitted by these Stores to the Central Stores Division, as shown below :

	<i>As per Receipt & Issue Registers</i>	<i>As per Monthly Abstract Accounts</i>
	<i>(in bags)</i>	
Receipts during 1977-78	4,08,377	2,07,925
Issues during 1977-78	1,81,244	1,86,326

The difference had not been reconciled (July 1978).

- (ii) Further, as against the closing balance of 8,680 bags of cement at the end of 1976-77, as per the accounts of the three Stores, the opening balance for 1977-78 was shown as 8,066 bags. The shortage had not been reconciled (July 1978).
- (iii) According to the Railway Receipt Register of Central Stores Division, 1,03,055 bags and 2,40,000 bags of cement had been booked for Singtham Store and Gangtok Central Store respectively during the period from 1st April 1977 to 31st March 1978. According to the accounts of the two Stores, however, 91,393 bags and 1,93,659 bags respectively only had been received during the period. The difference had not been reconciled with reference to the supplies in transit, etc. (July 1978).

(b) Damaged cement

Large quantities of cement were lying in a damaged condition at three Stores as under :—

Name of Store	Number of bags lying in damaged condition		
	As on 31st March 1977	During 1977-78	As on 31st March 1978
1. Gangtok Central Store	*	12,037	12,037
2. Jorethang Sub- Divisional Store	2,931	1,259	4,190
3. Singtham Store	3,507	*	3,507
Total	6,438	13,296	19,734

(value : Rs. 4.56 lakhs)

(* Figures not available)

Information regarding the circumstances in which the above quantity got damaged, the position of damaged cement in other Stores, recoveries effected, if any, from the Railways, etc., called for from the department in July 1979, is awaited (June 1979).

(c) Unused stores

In Jorethang Store, large quantities of materials were lying unused for long periods, as detailed below :—

<i>Name of material</i>	<i>Quantity</i>	<i>Date of receipt (in store)</i>
1. GI pipes	3,151.75 metres	Prior to 1969
2. MS angles	572 tonnes	-Do-
3. Black corrugated sheets	264 rft.	-Do-
4. Tubular structures	281 numbers	-Do-
5. Tor steel (20 mm, 22 mm & 25 mm)	75.56 tonnes	Prior to November 1975

Information regarding other unused materials lying in all Stores, asked for in July 1978, is awaited (June 1979).

The above matters were reported to the Chief Engineer, Sikkim Public Works Department in July 1978, and to the Government in April 1979; reply is awaited (June 1979).

DEPARTMENT OF TOURISM**3.1.5 Hotel loans**

The State Government formulated a scheme, effective from May 1976, for advancing loans for hotel projects for promotion, encouragement and development of tourism in Sikkim. The rules framed in this connection provided that loans could be advanced upto Rs. 2 lakhs each in the case of individuals and unregistered bodies and upto Rs. 5 lakhs each in the case of registered bodies for construction/renovation/expansion of hotels with a view to providing additional capacity for occupancy by tourists and improving the existing facilities. The rules also enjoined that, in order to secure repayment of loans and interest thereon, loans should be advanced to persons possessing sufficient immovable properties within the State and on execution of proper legal and registered documents. Under the rules, on loan could be advanced unless the security offered by the applicant was considered to be a sufficient guarantee by the

sanctioning authority and unless a certificate from the District Officer was obtained to the effect that the immovable property offered as security by the loanee was unencumbered.

In all, Rs. 18.85 lakhs were sanctioned as loans from November 1976 to February 1978, out of which Rs. 16.95 lakhs had actually been disbursed (upto June 1978) to 26 persons. During a test-check (June 1978) of the loan cases by Audit the following irregularities were noticed :

- (a) The loans sanctioned included amounts of Rs. 1.75 lakhs for making a documentary film on tourism and of Rs. 0.05 lakh for installation of a telescope at Gangtok. These purposes were outside the scope of the scheme; the records indicated that the Government had intended that the loan for making the film should be booked under a new head which however had not been done.
- (b) Deeds of mortgage and agreement had not been registered even in a single case. In one case, where an advance of Rs. 5 lakhs was sanctioned, the requirement of registration before sanction was waived in order to facilitate early disbursement of the loan. The amount was paid in December 1976. The mortgage deed had not been registered subsequently also (January 1979).
- (c) In ten cases, loans aggregating Rs. 6.80 lakhs had been sanctioned on the security of immovable properties not certified by the concerned District Officers as being unencumbered.
- (d) In six cases, five of which fall under category (c) above also, loans aggregating Rs. 3.05 lakhs had been sanctioned without assessing the value of the immovable property offered as security.
- (e) In two cases, one of which falls under categories (c) and (d) above also, loans amounting to Rs. 0.80 lakh had been sanctioned on the security of immovable

property without the property mortgaged being specified in the schedule of property submitted with the deed of mortgage.

- (f) No register for watching recovery of dues (principal and interest) against the loans granted had been maintained (February 1979). Information collected from the department showed that as against the recoverable dues upto 31st March 1979 of Rs. 1,07,896 (principal : Rs. 91,667, interest: Rs. 16,229), Rs. 5,556 towards principal only had been recovered (April 1979). Government stated (February 1979) that steps would be taken to impose penal rates on defaulters.

SECTION II RECEIPTS

3.2.1 Trend of major revenue receipts

The figures of revenue collected, as per accounts, during the last three years under the main receipt heads were as follows:—

	1975-76 (26 April 1975 to 31 March 1976)	1976-77	1977-78
<i>(in lakhs of rupees)</i>			
Taxes on income other than			
Corporation tax	12.05	14.15	18.82
Land Revenue	4.22	4.92	13.26
State Excise	56.41	79.91	114.97
Sales Tax	23.37	36.61	47.36
Taxes on Vehicles	3.21	4.41	5.16
Entertainment tax	2.40	2.63	2.67

3.2.2 Cost of collection of revenue receipts

The expenditure incurred on collection of revenue under the above-mentioned receipt heads during the last three years was as follows : Figures in brackets indicate the percentage of cost of collection.

	<i>(in lakhs of rupees)</i>		
Taxes on income other	0.50	0.55	0.54)
than Corporation Tax	(4.1)	(3.8)	(2.9
Land Revenue	3.51	5.68@	—*
	(83.1)	(115.4)	
State Excise	1.83	3.17	3.46
	(3.2)	(3.9)	(3.0)
Sales Tax	0.30	1.01	0.73
	(1.2)	(2.7)	(1)

	1975-76 (26 April 1975 to 31 March 1976)	1976-77	1977-78
	(in lakhs of rupees)		
Taxes on Vehicles	0.33 (10.2)	1.02@ (23.1)	2.51@ (48.6)
Entertainment tax	—*	0.06 (2.3)	0.08 (3.0)

*Figures of collection charges not available

@Reasons for increase in cost of collection are awaited from Government (June 1979).

3.2.3 Bazar Contract Licence-Department of Local Self Government

Bazars in the State of Sikkim are put to auction periodically and their management and control are vested in the licensees (contractors) selected on the basis of such auction. As per contract, the licensee is required to pay licence fee recoverable in four equal quarterly instalments in advance and also a security deposit at the rate of 10% of licence fee. The security deposit is refundable only after termination of the licence and after adjustment of the money due from the licensee, if any, on account of the contract. Further, the licensee is liable to pay interest @ 15% per annum on any unpaid instalment or any portion thereof. The contract also provides for termination of licence and re-auction of the bazar by the Government in case the licensees failed to pay the licence fee for two consecutive quarters.

(i) Pursuant to the Government notification issued in January 1976, out of 43 bazars in the State, 31 were put to auction by the Local Self Government Department for contract period of two years 1976-78 and the contracts were finalised in March 1976. In the case of 30 contracts, out of the realisable amount of Rs. 4,16,306 from the contractors at the end of March 1978,

only a sum of Rs. 2,17,011 had been realised upto August 1978 leaving a recoverable amount of Rs. 1,99,295 in addition to interest on the amount. The department stated (April 1978) that almost all the cases of defaulters had been referred to the District Collectors concerned for realisation of outstanding dues and also admitted that they had been experiencing difficulties in realising the amount. It also transpired that, though required under the notification of January 1976, the department had not verified the financial status of the contractors at the time of awarding the contracts.

(ii) In the remaining case relating to Gangtok bazar, a sum of Rs. 1,03,315 out of the total contract value of Rs. 2,04,440 was due for recovery, thus bringing the total un-recovered amount to Rs. 3,02,610 plus interest. In this case, the department stated (August 1978) that dues amounting to Rs. 1,01,125 accruing from 1 April 1976 were credited to the Gangtok Municipal Corporation in terms of notification dated 19 March 1976. There was, however, no mention in the notification that the revenue accruing from the licences would go to the Gangtok Municipal Corporation, although Government had transferred to the Gangtok Municipal Corporation the function of issue and renewal of licence fees for trade, business, profession, calling etc.

(iii) Out of the realisable amount of Rs. 41,630 as security deposit from 30 contractors, only a sum of Rs. 12,518 had been realised partly from 21 contractors, there being no realisation from 9 contractors. On this being pointed out in audit, the department stated (August 1978) that security deposit should have been deposited by contractors concerned subject to adjustment against their dues, if any, or refund on expiry of the period of contract. The total security deposit remaining unrealised amounted to Rs. 29,112.

The matter was reported to Government in July 1978; reply is awaited (June 1979).

SECTION III
GOVERNMENT COMMERCIAL AND TRADING
ACTIVITIES

3.3.1 General

This section deals with Statutory Corporations, Companies and departmentally managed commercial undertakings in which Government has invested funds.

3.3.2 Statutory Corporations

On 31st March 1978, there were four Statutory Corporations and a Bank in the State as mentioned below :

- (1) Sikkim Mining Corporation
- (2) Sikkim Time Corporation
- (3) State Trading Corporation of Sikkim
- (4) Sikkim Industrial Development and Investment Corporation
- (5) State Bank of Sikkim

The accounts of the State Trading Corporation of Sikkim (for 1977-78) and Sikkim Time Corporation (for 1976-77—since 20th October 1976 and 1977-78) are awaited (June 1979). The particulars of capital structure, Government investment in the share capital and accumulated profit/loss of the remaining three Corporations as at the end of 1977-78 (1977 in the case of the Bank), and the working results for the year are given below:—

	<i>Sikkim Mining Corpo- ration</i>	<i>Sikkim Industrial Development and Investment Corporation</i>	<i>State Bank of Sikkim</i>
<i>Date of incorporation</i>	<i>27th Feb- ruary 1960</i>	<i>13th March, 1977</i>	<i>24th June 1968</i>
	<i>(in lakhs of rupees)</i>		
Authorised share capital	100.00	100.00	100.00
Paid-up capital	57.35	8.30	20.38
Investment by the State Government in the share capital	29.25	8.30	13.00

		<i>Sikkim Mining Corporation</i>	<i>Sikkim Industrial Development and Investment Corporation</i>	<i>State Bank of Sikkim</i>
		<i>(in lakhs of rupees)</i>		
Profit (+)/	(—)	1.95	(+) 0.27	(+) 50.99
Loss (—)				
Accumulated Profit (+) /				
Loss (—)	(—)	25.80	(+) 0.27	(+) 11.42
Dividend received		—	—	1.56

(All figures furnished by respective organisations)

3.3.3 Company

On 31st March 1978, there was only one company, viz. Sikkim Jewels Limited, in the State in which Government's participation in the share capital exceeded 51 per cent.

The table below shows the financial results of working of the Company for the year 1977-78.

<i>Date of incorporation</i>	<i>Sikkim Jewels Limited</i> <i>22nd June 1972</i> <i>(in lakhs of rupees)</i>
Authorised share capital	50.00
Paid-up capital	7.62
Investment by the State Government in the share capital	4.10
Profit	0.77
Accumulated Loss	2.63

3.3.4 Departmentally managed Commercial undertakings

On 31st March 1978, there were three departmentally managed commercial undertakings in the State as under :—

- (1) Sikkim Nationalised Transport,

- (2) Sikkim Wood Industries and
- (3) Government Fruit Preservation Factory.

The table below shows the summarised financial results of working of Government Fruit Preservation Factory for the year 1977-78 as per proforma accounts of the undertaking :

<i>(in lakhs of rupees)</i>	
Capital invested	15.17
Reserves and surplus	28.61
Net profit during the year	0.73

The accounts of the Sikkim Nationalised Transport and Sikkim Wood Industries for the year 1977-78 are awaited (June 1979).

SIKKIM NATIONALISED TRANSPORT

3.3.5 Non-realisation of outstanding dues

The Sikkim Nationalised Transport has had, since inception, a practice of rendering various services to Government departments and private as well as political parties, on credit. Apart from this long standing practice no authority could be found for allowing such credits in the available records. From the accounts for 1976-77, it was found that a sum of Rs. 100.48 lakhs was outstanding on 31st March 1977, as dues payable by various private and political parties as well as Government and semi-Government departments, on account of carriage charges, cost of petrol, oil and lubricants, cost of spares and workshop charges, as indicated below :

<i>(in lakhs of rupees)</i>	
Private parties (82)	1.86
Political parties	1.17
State Government Departments	64.43
Central Government Departments	26.78
Semi-Government Departments	6.24
TOTAL	100.48

The age-wise position of the debts is not available (June 1979).

A sum of Rs. 0.57 lakh out of Rs. 1.86 lakhs recoverable from private parties and the entire amount of Rs. 1.17 lakhs recoverable from political parties remained outstanding (31st March 1978). As regards dues of Government and semi-Government Departments, the General Manager stated (August 1978) that Rs. 16.15 lakhs had since been realised leaving a balance of Rs. 81.30 lakhs still to be realised. The General Manager further stated that the matter of recoveries of outstanding dues from private and political parties was referred to Government for the first time in June 1976 and notices were also issued during September 1977 and December 1977 to private parties where names and addresses were available and also to the different political parties, requesting payment of the outstanding dues against them. As regards private parties, the Management stated that recourse would be taken to effect recovery through Courts where substantial amounts were involved and where supporting documents were available. As regards political parties, it was stated that in cases where it was not possible to recover the amounts due, there appeared to be no alternative but to write off the same. In reply to an audit observation (February 1979) the General Manager stated (February 1979) that the practice of supply on credit had been discontinued with effect from 1st January 1978 and a system of issue of coupons against advance payment had since been introduced.

The matter was brought to the notice of Government in July 1978; reply is awaited (June 1979).

STATE TRADING CORPORATION OF SIKKIM

3.3.6 Non-receipt of Materials

The State Trading Corporation (S.T.C.) of Sikkim paid (April 1975) an advance of Rs. 2.72 lakhs to the Fertilizer

Corporation of India Limited (FCI) for supply of 150 tonnes of Amonium Nitrophosphate fertilizers at Rs. 1,814.53 per tonne required by the Agricultural department for distribution to farmers. Up to 31st January 1979, the FCI neither supplied any fertilizer to the STC of Sikkim nor acknowledged receipt of the amount. No action to get the amount refunded from FCI along with interest had been taken by the STC of Sikkim (January 1979).

On this being pointed out in audit (April 1978), the Management stated (January 1979) that against a total advance of Rs. 20.42 lakhs paid to FCI by STC of Sikkim, fertilizers worth Rs. 17.70 lakhs only had been received leaving a balance of Rs. 2.72 lakhs which was yet to be recovered from the FCI.

3.3.7 Shortage of Cardamom

The State Trading Corporation of Sikkim procures, on purchase basis, cardamom from the growers, and arranges for its sale. Cardamom undergoes loss in weight during storage due to dryage. The standard loss was fixed (August 1975) by the Board of Directors at six to ten per cent depending upon the quality of cardamom.

The total collection of cardamom during the years 1974-75, 1975-76 and 1976-77 was 46,802.050 Kgs. There was no collection during the year 1977-78. The total sale of cardamom during 1976-77 and 1977-78 was 39,360.300 Kgs. There was no sale during the years 1974-75 and 1975-76. The book balance as on 31st March 1978 thus came to 7,441.750 Kgs. valuing Rs. 0.83 lakh before allowing for normal loss of weight due to dryage. After allowing even 10 per cent as dryage, there should have been a stock of 2761.545 Kgs. valued at Rs. 0.31 lakh. No stock of cardamom was, however, found on physical verification conducted in January 1978.

The department stated (November 1978) that the shortage of 7,441.750 Kgs. of cardamom was entirely due to dryage as a result of prolonged storage, and that the average dryage worked out to 5 Kgs. per 40 Kgs. of cardamom. It was further stated

that the Board had approved of the dryage and written off the amount. The explanation of the Department does not clarify how the entire shortage could be due to dryage. As stated earlier in the paragraph the Corporation has, in the past, taken up to 10 per cent only as the normal loss due to dryage.

SIKKIM MINING CORPORATION

3.3.8 Downward trend in the performance of Sikkim Mining Corporation

Mention was made in paragraph 33 of Section III of Chapter III of the Report of the Comptroller and Auditor General of India for the year 1975-76 about the establishment of the Corporation.

The Corporation is engaged in production of metal concentrates from ores extracted from its mines. The table below indicates the production of ores and metal concentrates for the five years upto 1977-78, which shows that production during 1976-77 and 1977-78 registered a sharp fall :—

<i>Year ended</i>	<i>Ores</i>	<i>Production of</i>		
		<i>Metal concentrates</i>		<i>Zinc</i>
<i>31st March</i>		<i>Copper</i>	<i>Lead</i>	
		<i>(in tonnes)</i>		
1974	19,800	729	278	336
1975	20,822	711	341	289
1976	19,600	600	134	201
1977	3,776	181	41	23
1978	13,096	490	85	121

During the period from December 1975 to December 1976, production of concentrates in the mill remained suspended for want of electricity. Although working hours were cut in 1977-78

by five hours a day due to shortage of power, the Corporation could not utilise more than 60 per cent of its available working hours.

The Corporation sustained losses of Rs. 2.09 lakhs, Rs. 2.00 lakhs and Rs. 0.88 lakh during 1974-75, 1975-76 and 1977-78 respectively, while it earned a marginal profit of Rs. 0.03 lakh during 1976-77.

The matter was referred to Government in August 1978; reply is awaited (June 1979).

3.3.9 Purchase of air-compressor

In order to supply compressed air for running mining equipment, the Corporation decided (May 1976) to buy an air-compressor. Accordingly, tenders were invited in May 1976 and an order was placed on the lowest tenderer for supply of an electrically driven air-compressor at Rs. 1.06 lakhs. The air-compressor was received by the Corporation in September 1977, but it could not be commissioned due to shortage of electricity in the State. At the time of taking the decision to purchase a new compressor, the Management was, however, aware that availability of more electricity was dependant on the commissioning of the Lower Lagyap Hydel Scheme (scheduled date of commissioning : Middle of 1978) but which was still under construction (March 1979). As per the terms of purchase, the supplier gave a guarantee of 12 months from the date of despatch or 2,000 hours' working from the date of commissioning, whichever was earlier. The guarantee period has expired but the air-compressor has yet to be commissioned (November 1978).

In this connection it may be mentioned that the Corporation had another electrically driven air-compressor purchased in 1962 which was being used for similar purpose. After functioning normally for about 14 years, the old compressor gave trouble and worked below capacity. It was decided (June 1977)

by the Management to repair it at an approximate expenditure of Rs. 0.13 lakh and then to put it to use again. But the repairs have not been carried out so far (February 1979).

The Corporation continued its mining activity with the old compressor which functioned much below its rated capacity. Thus, purchase of the new compressor was made in the full knowledge that power would not be available to run it, and the guarantee period for the machine would be over before commissioning the same, resulting in blocking of funds of Rs. 1.06 lakhs and payment of interest of Rs. 0.20 lakh thereon at 12 *per cent per annum* during the period from August 1977 to February 1979.


The matter was reported to Government in August 1978; reply is awaited (June 1979).

3.3.10 Non-implementation of the recommendations of Consultants

The Corporation entered into an agreement (August 1974) with Engineers India Limited, a Government of India undertaking, at a fee of Rs. 0.60 lakh, engaging the firm to examine and suggest improvements in the operations of the plant, better through-put of ores through mills, reasonable recovery of concentrates free of impurities, etc. In terms of the agreement, the firm was required to submit the report in November 1975. The firm submitted the final report in September 1976; consultation fee of Rs. 0.60 lakh was paid to it by July 1977.

Though the Board met five times after receipt of the report, it has not been taken up for consideration so far (February 1979).

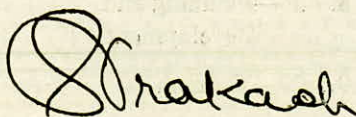
The matter was reported to Government in August 1978 ;
reply is awaited (June 1979).



Calcutta,
The

(S. R. MUKERJI)
Accountant General, Sikkim.

Countersigned.



New Delhi,
The

(GIAN PRAKASH)
Comptroller and Auditor General of India

APPENDIX

(Referred to in paragraph 2.4 on page 16)

Statement showing cases in which savings (more than Rs. 2 lakhs each) were more than 10 per cent of the total provision.

Serial number	Number and name of the grant	Total provision	Expenditure	Saving	Percentage
(1)	(2)	(3)	(4)	(5)	(6)
(in lakhs of rupees)					
REVENUE SECTION :					
1.	3—Agriculture	1,06.48	95.25	11.23	11
2.	4—Animal Husbandry and Dairy Development	77.59	57.11	20.48	26
3.	14—Other Expenditure of the Finance Department	17.46	15.43	2.03	12
4.	20—Administration of Justice (Voted)	4.23	1.54	2.69	64
5.	22—Land Revenue	39.93	33.59	6.34	16
6.	24—Medical, Public Health and Social Welfare	1,29.99	1,04.56	25.43	20
7.	25—Panchayat and Rural Works	1,73.97	1,29.98	43.99	25
8.	26—Planning and Development	7.28	5.09	2.19	30
9.	29—Tourism	9.27	7.02	2.25	24
10.	30—Trade, Industries and Labour	74.56	63.94	10.62	14

APPENDIX

<i>Serial number</i>	<i>Number and name of the grant</i>	<i>Total provision</i>	<i>Expenditure</i>	<i>Saving</i>	<i>percentage</i>
(1)	(2)	(3)	(4)	(5)	(6)
		<i>(in lakhs of rupees)</i>			
CAPITAL SECTION :					
1.	8—Education	36.50	31.38	5.12	14
2.	14—Other Expenditure of the Finance Department	18.50	14.38	4.12	22
3.	16—Forest, Fisheries and Soil Conservation	52.00	16.59	35.41	68
4.	22—Land Revenue	21.79	5.59	16.20	74
5.	27—Press, Publicity and Cultural Affairs	3.25	nil	3.25	100
6.	29—Tourism	32.00	27.18	4.82	15
7.	30—Trade, Industries and Labour	66.50	56.82	9.68	15

