FINANCE ACCOUNTS
2011-2012

VOLUME - I

GOVERNMENT OF SIKKIM

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CERTIFICATE OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA

This compilation containing the Finance Accounts of the Government of Sikkim for the year ending 31st March 2012 presents the financial position alongwith accounts of the receipts and disbursements of the Government for the year. These accounts are presented in two volumes, Volume I contains the consolidated position of the state of finances and Volume II depicts the accounts in detail. The Appropriation Accounts of the Government for the year for Grants and Charged Appropriations are presented in a separate compilation.

The Finance Accounts have been prepared under my supervision in accordance with the requirements of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 and have been compiled from the vouchers, challans and initial and subsidiary accounts rendered by the treasuries, offices, and departments responsible for the keeping of such accounts functioning under the control of the Government of Sikkim and the statements received from the State Bank of Sikkim. Statement (No.8 & 9), explanatory notes below statement (No. 9 & 19) and appendices (IV, V, X, XII) in this compilation have been prepared directly from the information received from the Government of Sikkim who are responsible to ensure the correctness of such information.

The treasuries, offices, and or departments functioning under the control of the Government of Sikkim are primarily responsible for preparation and correctness of the initial and subsidiary accounts as well as ensuring the regularity of transactions in accordance with the applicable laws, standards, rules and regulations relating to such accounts and transactions. I am responsible for preparation and submission of Annual Accounts to the State Legislature. My responsibility for the preparation of accounts is discharged through the office of the Senior Deputy Accountant General (Accounts & Entitlement), Sikkim. The audit of these accounts is independently conducted through the office of the Principal Accountant General (Audit), Sikkim, in accordance with the requirements of Articles 149 and 151 of the Constitution of India and the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, for expressing an opinion on these Accounts based on the results of such audit. These offices are independent organizations with distinct cadres, separate reporting lines and management structure.

The audit was conducted in accordance with the Auditing Standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance that the accounts are free from material misstatement. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

On the basis of the information and explanations that my officers required and have obtained, and according to the best of my information as a result of test audit of the accounts and on consideration of explanations given, I certify that, to the best of my knowledge and belief, the Finance Accounts read with the explanatory 'Notes to Accounts' give a true and fair view of the financial position, and the receipts and disbursements of the Government of Sikkim for the year 2011-12.

Points of interest arising from study of these accounts as well as test audit conducted during the year or earlier years are contained in my Reports on the Government of Sikkim being presented separately for the year ended 31st March 2012.

Date: 15th Oct. 2012
Place: New Delhi

(VINOD RAI)
Comptroller and Auditor General of India

Guide to the Finance Accounts

A. Broad overview of the Structure of Government Accounts

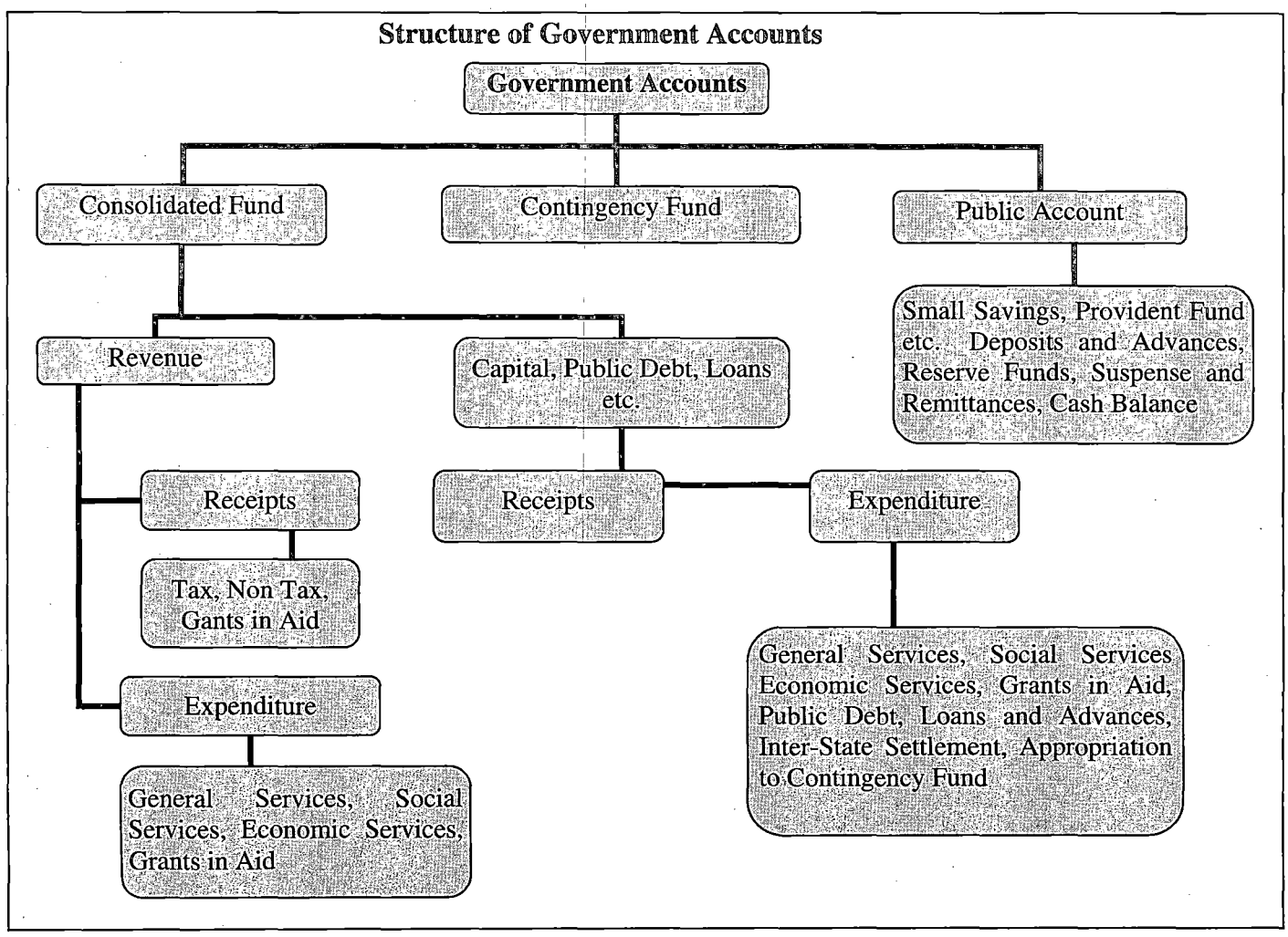
1. The Accounts of the Government are kept in three parts:

Part I: The Consolidated Fund: All Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans & Advances forms the Consolidated Fund of the State

Part II: The Contingency Fund: Legislature may by law establish a Contingency Fund which is in the nature of an imprest. The Fund is placed at the disposal of the Governor to enable advances to be made for meeting unforeseen expenditure pending authorisation of such expenditure by the State Legislature. The fund is recouped by debiting the expenditure to the concerned functional major head in the Consolidated Fund of the State.

Part III: The Public Account: All other public moneys received by or on behalf of the Government are credited to the Public Account. The expenditure out of this account is not subject to the vote of the Legislature. In respect of the receipts into this account, the Government acts as a banker or trustee. Transactions relating to Debt (other than public debt in Part I), Deposits, Advances, Reserve Funds, Remittances and Suspense form the Public Account.

A.1.1 Pictorial representation of Structure of Government accounts



2. DIVISIONS, SECTIONS, SECTORS etc

The two main divisions of the Accounts in the Consolidated fund are, as depicted in A.1.1 on previous page, 'Revenue and 'Capital, Public Debt, Loans etc.' which are divided into sections 'Receipts 'and 'Expenditure'. Within each of the Divisions and Sections of the Consolidated Fund the transactions on the expenditure side are grouped into Sectors such as, "General Services", "Social Services", "Economic Services", under which specific functions or services shall be grouped. The Sectors are sub-divided into subsectors/Major heads of account. Major heads correspond to functions and are further divided into sub major heads (sub functions) and minor heads (programmes) which are depicted in volume II of the Finance Accounts. The classification below minor heads of account i.e. subheads (schemes) and detailed and object heads (objects of expenditure) are not depicted in the Finance Accounts (minor exceptions exist), though some details are included in the appendices.

B. WHAT DO THE STATEMENTS CONTAIN

The Finance Accounts have been divided into two volumes. Volume I presents the financial statements of the Government in the form of commonly understood summarised form while the details are presented in volume II.

Volume I contains the Certificate of the Comptroller and Auditor General of India, four summary statements as given below and Notes to Accounts including accounting policy.

1. Statement of financial position: Cumulative figures of assets and liabilities of the Government, as they stand at the end of the year, are depicted in the statement. The assets are largely financial assets with the figures for progressive capital expenditure denoting physical assets of the Government. Assets, as per the accounting policy, are depicted at historical cost.

2. Statement of receipts and disbursement: This is a summarised statement showing all receipts and disbursements of the Government during the year in all the three parts in which Government account is kept, namely, the consolidated fund, contingency fund and public account. Further within the consolidated fund, receipts and expenditure on revenue and capital account are depicted distinctly.

The fiscal parameters of the Government, i.e. the primary, revenue and fiscal deficit are calculated on the operations of the consolidated fund of the State. Hence the following two statements give the operations of the consolidated fund in a summarised form.

3. Statement of receipts (consolidated fund): This statement comprises revenue and capital receipts and receipts from borrowings of the Government consisting of loans from the GOI, other institutions, market loans raised by the Government and recoveries on account of loans and advances made by the Government.

4. Statement of expenditure (consolidated fund): This statement not only gives expenditure by function (activity) but also summarises expenditure by nature of activity (objects of expenditure).

In addition the volume comprises an appendix, Appendix 1, which is an alternate depiction of receipts and disbursements of the Government in the form of a cash flow statement.

The second volume comprises three parts. The first part contains six statements as given below:

5. Statement of progressive capital expenditure: This statement details progressive capital expenditure by functions, the aggregate of which is depicted in statement 1.
6. Statement of Borrowings and other liabilities: Borrowings of the Government comprise market loans raised by it (internal debt) and Loans and Advances received from the GOI. Both these together form the public debt of the State Government. In addition, this summary statement depicts 'other liabilities' which are the balances under various sectors in the public account. In respect of the latter, the Government as a trustee or custodian of the funds, hence these constitute liabilities of the Government. The statement also contains a note on service of debt, i.e a note on the quantum of net interest charges met from revenue receipts.
7. Statement of Loans given by the Government: The loans and advances given by the State Government are depicted in statement 1 and recoveries, disbursements feature in statement 2,3 and 4. Here, loans and advances are summarised sector and loanee group wise. This is followed by a note on the recoveries in arrear in respect of loans, the details of which are maintained by the AG office and details of which are maintained by the State departments.
8. Statement of Grants in aid given by the State Government, organised by grantee institutions group wise. It includes a note on grants given in kind also.
9. Statement of Guarantees given by the Government: Guarantees given by the State Government for repayment of loans, etc. raised by Statutory Corporations, Government Companies, Local Bodies and Other institutions during the year and sums guaranteed outstanding as at the end of the year are presented in his statement.
10. Statement of Voted and Charged Expenditure: This statement presents details of voted and charged expenditure of the Government.

Part II Volume II: This part contains **9 statements** presenting details of transactions **by minor head** corresponding to statements in volume 1 and part 1 of volume II.

11. Detailed Statement of Revenue and Capital Receipts by minor heads: This statement presents the revenue and capital receipts of the Government in detail.

12. Detailed Statement of Revenue Expenditure by minor heads: This statement presents the details of revenue expenditure of the Government in detail. Non Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available.

13 Detailed Statement of Capital Expenditure by minor heads: This statement presents the details of capital expenditure of the Government in detail. Non Plan and Plan figures are depicted separately and a comparison with the figures for the previous year are available. Cumulative capital expenditure upto the end of the year is also depicted.

14. Detailed Statement of Investments of the Government: The position of Government Investment in the share capital and debentures of different concerns is depicted in this statement for the current and previous year. Details include type of shares held, face value, dividend received etc.

15 Detailed Statement of Borrowings and other Liabilities: Details of borrowings (market loans raised by the Government and Loans etc from GOI) by minor heads, the maturity and repayment profile of all loans is provided in this statement. This is the detailed statement corresponding to statement 6 in part 1 volume II.

16 Detailed Statement on Loans and Advances given by the Government: The details of loans and advances given by the Government, the changes in loan balances, loans written off, interest received on loans etc. is presented in this statement. It also presents plan loans separately. This is the detailed statement corresponding to statement 7 in part 1 volume II.

17 Detailed Statement on Sources and Application of funds for expenditure other than revenue account: The capital and other expenditure (other than on revenue account and the sources of fund for the expenditure is depicted in this statement.

18 Detailed Statement on Contingency Fund and other Public Account transactions: The statement shows changes in contingency fund during the year, the appropriations to the fund, expenditure, amount recouped etc. It also depicts the transactions in public account in detail.

19. Statement showing details of earmarked balances: This statement shows the details of investment out of reserve funds in public account.

Part III Volume II contains appendices on salaries, subsidies, grants-in-aid scheme wise and institution wise, details of externally aided projects, scheme wise expenditure in respect of major Central schemes and State Plan schemes etc. These details are present in the accounts at sub head level or below (i.e. below minor head levels) and so are not depicted in the Finance accounts. For a detail list please refer to the index in volume I or II. The Statements read with the appendices give a complete picture of the state of finances prevailing in the State Government.

C. READY RECKONER

For a quick reference to what the statements contain, please refer to the table below. The summary and detail statement in respect of the important parameters is depicted below. The numbers of appendices depicted below are not exhaustive.

Parameter	Summary Statements (Volume I)	Detailed Statements (Volume II)	Appendices
Revenue Receipts (incl Grants received)	2,3	11	
Revenue Expenditure	2,4	12	2 (Salary), 3 (Subsidy)
Grants-In-Aid given by the Government	2	8	4
Capital receipts	2,3	11	
Capital expenditure	1,2,4	5,13,17	
Loans and Advances given by the Government	1,2	7,16	
Debt Position/Borrowings	1,2	6,15	
Investments of the Government in Companies, Corporations etc		14	
Cash	1,2		1,8
Balances in Public Account and investments thereof	1,2	18, 19	
Guarantees		9	
Schemes			5 (Externally Aided Projects), 6,7

C. Periodical adjustment and Book adjustments:

Certain transactions are in the nature of book adjustments and do not represent actual cash transaction, as mentioned below. The specific details are mentioned as 'Notes to Accounts' and as footnotes in the relevant statements.

(i) Adjustment of all deductions (GPF, recoveries of advances given etc) from salaries by debiting functional major heads (department concerned) by book adjustment to revenue receipt (e.g. deductions other than GPF)/Public Account (e.g. GPF)\

(ii) Creation of funds/adjustment of contribution to Funds in Public Account by debit to Consolidated Fund e.g. Calamity Relief Fund, Reserve Funds, Sinking Fund etc.

(iii) Crediting of deposit heads of accounts in public account by debit to Consolidated Fund

(iv) Annual adjustment of interest on GPF and State Government Group Insurance Scheme where interest on General Provident Fund of State Government is adjusted by debiting 2049-Interest and crediting 8009-General Provident Fund.

(v) Certain adjustments such as adjustment of Debt waiver scheme granted by the Government of India in accordance with the recommendation of Finance commission. It affects both revenue receipts and Public Debt heads where Central loans are written off by crediting 0075-Misc. General Services by contra entry in the Major Head 6004-Loans and Advances from the Central Government.

1: STATEMENT OF FINANCIAL POSITION

(₹ in crore)

Assets[1]	Reference (Sr. no.)		As at 31st March 2012	As at 31st March 2011
	Notes to Accounts	Statement		
Cash			**9,30.01**	**7,50.31 ***
(i) Cash in State Bank of Sikkim	...	18	1,22.62	1,33.47
(ii) Departmental Balances	...	18	0.05	0.15
(iii) Permanent Imprest	...	18	0.40	0.40
(iv) Cash Balance Investments	...	18	5,65.00	4,40.00
(v) Deposits with Other Bank	...	18	6.14	21.32
(vi) Investments from Earmarked Funds[2]	...	19	2,35.80	1,54.97 *
Capital Expenditure		13	**55,92.25**	**50,18.75**
(i)Investments in shares of Companies, Corporations, etc.	...	14	97.42	90.31
(ii) Other Capital Expenditure	...	13	54,94.83	49,28.44
Contingency Fund (un-recouped)	...	18	...	**0.10**
Loans and Advances	...	16	**95.78**	**46.64**
Advances with departmental officers	...	18	**1.03**	**1.03**
Suspense and Miscellaneous Balances[3]	...	...	...	...
Remittance Balances	...	...	...	...
Cumulative excess of expenditure over receipts[4]	...	...	...	...
Total			**66,19.07**	**58,16.83 ***

1 The figures of assets and liabilities are cumulative figures. Please also see note 1 (ii) in the section 'Notes to Accounts'.

2 Investments out of earmarked funds in shares of companies etc are excluded under capital expenditure and included under 'Investments from Earmarked Funds".

3 In this statement the line item 'Suspense and Miscellaneous Balances' does not include 'Cash Balance Investment Account' , which is included separately above, though the latter forms part of this sector elsewhere in these Accounts.

4 The cumulative excess of receipts over expenditure or expenditure over receipts is different from and not the fiscal/revenue deficit for the current year.

* Increased by ₹ 3.50 crore from the Finance Accounts for 2010-11 due to proforma adjustment.

1: STATEMENT OF FINANCIAL POSITION (Concld.)

(₹ in crore)

Liabilities	Reference (Sr. no.)		As at 31st March 2012	As at 31st March 2011
	Notes to Accounts	Statement		
Borrowings (Public Debt)				
(i) Internal Debt	...	6	**16,95.27**	**16,53.67 @**
(ii) Loans and Advances from Central Government	...	6	**1,56.99**	**1,59.81 #**
Non-Plan Loans	...	6	0.47	0.57
Loans for State Plan Schemes	...	6	1,37.47	1,38.89
Loans for Central Plan Schemes	...	...	...	...
Loans for Centrally Sponsored Plan Schemes	...	6	16.27	17.35
Other loans	...	6	2.78	3.00
Contingency Fund (corpus)		6	**1.00**	**1.00**
Liabilities on Public Account			**13,08.49**	**9,87.52 ***
(i) Small Savings, Provident Funds, etc.	...	18	5,78.80	5,10.28
(ii) Deposits	...	18	1,03.32	85.40
(iii) Reserve Funds	...	18	2,54.22	1,75.65 *
(iv)Remittance Balances	...	18	2,56.84	1,38.68
(v) Suspense and Miscellaneous Balances	...	18	1,15.31	77.51
Cumulative excess of receipts over expenditure	**...**	17	**34,57.32**	**30,14.83**
Total			**66,19.07**	**58,16.83 ***

@ Increased by ₹ 99.96 crore from the Finance Accounts for 2010-11 due to proforma adjustment.

Decreased by ₹ 99.96 crore from the Finance Accounts for 2010-11 due to proforma adjustment.

* Increased by ₹ 3.50 crore from the Finance Accounts for 2010-11 due to proforma adjustment.

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

(₹ in crore)

Receipts			Disbursements		
	2011-12	2010-11		2011-12	2010-11
Part-I Consolidated Fund					
Section-A: Revenue					
Revenue Receipts	36,72.64	30,47.31	Revenue Expenditure	32,30.14	29,07.53
Tax revenue (raised by the State)	2,93.92	2,79.54	Salaries[1]*	8,74.83	8,82.31
Non-tax revenue	10,44.57	11,37.76	Subsidies*	7.10	8.05
			Grants-in-aid[2]*	54.23	36.19
Interest receipts	29.39	28.14	General services	12,83.98	13,40.10
Others	10,15.18	11,09.62	Interest Payment and service of debt	1,90.83	1,98.77
			Pension	1,73.76	1,60.14
Share of Union Taxes/Duties	6,11.65	524.99	Others	9,19.39	9,81.19
			Social services	4,16.13	1,53.10
			Economic services	3,60.70	2,32.88
Grants from Central Government	17,22.50	11,05.02	Compensation and assignment to Local Bodies and PRIs	2,33.17	2,54.90
Revenue Deficit	...	...	*Revenue Surplus*	4,42.50	1,39.78

[1]Salary, Subsidy and Grants in Aid figures have been summed up across all sectors to present a consolidated figure. The expenditure in this statement under the sectors 'Social', 'General' and 'economic' services does not include expenditure on salaries, subsidies and grants in aid (explained in footnote 2) under Revenue Expenditure (and salaries under capital expenditure). [1] Salaries, sometimes, also figure under capital expenditure.

[2]Grants in Aid are given to statutory corporations, companies, autonomous bodies, local bodies etc by the Government which is included as a line item above. These grants are distinct from compensation and assignment of taxes, duties to the Local Bodies which is depicted as a separate line item 'Compensation and assignment to Local Bodies and PRIs'

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

(₹ in crore)

Receipts			Disbursements		
	2011-12	2010-11		2011-12	2010-11
Part-I Consolidated Fund *Concld.*					
Section-B: Capital					
Capital Receipts	**42.25**	**...**	**Capital Expenditure**	**6,15.76**	**4,51.07**
			General Services	**25.29**	**56.67**
			Social Services	**2,77.11**	**1,65.85**
			Economic Services	**3,13.36**	**2,28.55**
Recoveries of Loans and Advances	**0.03**	**0.79**	**Loans and Advances disbursed**	**49.17**	**5.75**
			General Services	**...**	**...**
			Social Services	**8.00**	**2.00**
			Economic Services	**41.00**	**3.75**
			Others	**0.17**	**...**
Public Debt Receipts	**87.44**	**95.03**	**Repayment of Public Debt**	**48.66**	**73.23**
Internal Debt (market loans etc.)	86.89	94.96	Internal Debt (market loans etc.)	45.30	51.31
Loans from GOI	0.55	0.07	Loans from GOI	3.36	21.92
Net of Inter-State-Settlement Account		**...**	**Net of Inter-State-Settlement Account**	**...**	**...**
Total Receipts Consolidated Fund	**38,02.35**	**31,43.13**	**Total Expenditure Consolidated Fund**	**39,43.73**	**34,37.58**
Deficit in Consolidated Fund	**1.43.38**	**2,94.45**	**Surplus in Consolidated Fund**		

Part-II Contigency Fund					
Contingency Fund	**0.10**	**...**	**Contingency Fund**	**...**	**0.10**

Part-III Public Accounts[3]					
Small savings	**1,95.35**	**1,62.67**	**Small savings**	**1,26.83**	**64.16**
Reserves & Sinking Funds	**3,54.75**	**59.56**	**Reserves & Sinking Funds**	**3,57.00**	**62.77**

[3] For details please refer to Statement No 18. in Voume II.

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

(₹ in crore)

Receipts			Disbursements		
	2011-12	2010-11		2011-12	2010-11
Part-III Public Accounts *Concld*.					
Deposits	55.69	51.43	Deposits	37.77	31.42
Advances	...	...	Advances	...	...
Suspense and Misc	35,34.30	30,46.00	Suspense and Misc[4]	36,21.41	27,98.71
Remittances	10,32.07	6,75.09	Remittances	9,13.91	7,03.35
Total Receipts Public Account	51,72.16	39,94.75	Total Disbursements Public Account	50,56.92	36,60.41
Deficit in Public Account	...	...	Surplus in Public Account	1,15.24	3,34.34
Opening Cash Balance	1,54.79	1,14.99	Closing Cash Balance	1,28.76	1,54.79
Increase in cash balance		39.80	Decrease in cash balance	26.03	...

[4] Suspense and Miscellaneous' includes 'other accounts' such as 8658 - Suspense Account, 8670 - Cheques and Bills, 8671 - Departmental Balances, 8672 - Permanent Cash Impreset, 8673 - Cash Balance Investment and 8680 - Miscelleneous General Accounts. The figures may appear huge on account of these other accounts. Details may please be seen in Statement No.18.

3. STATEMENT OF RECEIPTS

CONSOLIDATED FUND

		(₹ in crore)	
	Description	**2011-12**	**2010-11**
A.	**Tax Revenue**		
A.1	**Own Tax revenue**		
	Land Revenue	4.61	7.33
	Stamps and Registration fees	8.27	5.70
	State Excise	96.26	70.64
	Sales Tax	1,24.19	1,42.74
	Taxes on goods and passengers	0.00	0.00
	Taxes on Vehicles	16.56	10.67
	Others	44.03	42.46
A.2	**Share of net proceeds of Taxes**		
	Corporation Tax	2,40.72	2,05.18
	Taxes on Income other than Corporation Tax	1,22.28	1,08.43
	Other Taxes on Income and Expenditure	0.00	0.00
	Taxes on Wealth	0.93	0.42
	Customs	1,06.05	91.79
	Union Excise Duties	68.61	66.78
	Service Tax	73.06	52.39
	Other Taxes and Duties on Commodities and Services	0.00	0.00
	Others	0.00	0.00
	Total A	**9,05.57**	**8,04.53**
B	**Non-Tax Revenue**		
0075	Miscellaneous General services	8,43.90	9,41.32
0801	Power	79.70	87.86
1055	Rorad Transport	30.89	24.76
0049	Interest receipts	29.39	28.14
0055	Police	12.89	9.57
0406	Forestry and Wild Life	12.53	12.25
0070	Other Administrative Services	6.68	4.72
0059	Public Works	5.38	3.48
0071	Contributions and Recoveries towords pension and other Retirement	4.84	4.26

3. STATEMENT OF RECEIPTS

CONSOLIDATED FUND contd.

		(₹ in crore)	
	Description	**2011-12**	**2010-11**
B	**Non-Tax Revenue - Concld.**		
0215	Water Supply and Sanitation	2.90	2.61
0407	Plantations	2.59	2.90
0058	Stationery and Printing	1.92	1.52
1452	Tourism	1.84	3.00
0217	Urban Development	1.67	2.38
0202	Education, Sports, Art and Culture	1.35	1.73
0210	Medical and Public Health	1.27	0.72
0515	Other Rural Development Programmes	1.25	1.17
0852	Industries	0.54	0.27
0216	Housing	0.53	0.41
0403	Animal Husbandry	0.48	0.38
0401	Crop Husbandry	0.46	0.51
0702	Minor Irrigation	0.28	0.29
0230	Labour and Employment	0.28	0.22
0220	Information and Publicity	0.18	0.18
0853	Non-ferrous Mining and Metallurgical Industries	0.16	0.19
0408	Food Storage and Warehousing	0.16	0.11
1475	Other General Economics Services	0.14	0.11
0250	Other Social Services	0.11	0.06
0851	Village and Small Industries	0.10	0.07
0051	Public Service Commission	0.09	0.09
0405	Fisheries	0.05	0.02
0235	Social Security and Welfare	0.01	0.02
0050	Dividends and Profits	0.00	2.37
0425	Co-operation	0.00	0.04
0056	Jails	0.00	0.03
	Total B	**10,44.57**	**11,37.76**

3. STATEMENT OF RECEIPTS (CONSOLIDATED FUND) - Contd.

GRANTS FROM GOVERNMENT OF INDIA

			(₹ in crore)	
			Actuals	
	Description		**2011-12**	**2010-11**
(C)	**Grants**			
	Grants-In-Aid from Central Government			
	Non Plan Grants			
	Grants under the proviso to Article 275 (1) of the Constitution		...	...
	Grants towards contribution to Calamity Relief Fund		2,33.30	10.24
	Grants under National Calamity Contingency Fund		...	...
	Other Grants		1,12.44	1,11.08
	Grants for State/Union			
	Territory Plan Schemes			
		Block Grants (of which EAP)	11,45.02	7,99.83
		Grants under the proviso to Article 275 (1) of the Constitution	...	...
		Grant for Central Road Fund	...	...
		Other Grants	...	0.05
	Grants for Central Plan Schemes		**3.56**	**5.30**
	Grants for Centrally Sponsored Plan Schemes		**1,68.53**	**1,46.08**
	Grants for Special Plan Schemes		**59.65**	**32.44**
		Total C	**17,22.50**	**11,05.02**
	Total Revenue Receipts (A+B+C)		**32,72.64**	**30,47.31**

3. STATEMENT OF RECEIPTS (CONSOLIDATED FUND) - Concld.

CAPITAL, PUBLIC DEBT AND OTHER RECEIPTS

(₹ in crore)

			Actuals	
	Description		**2011-12**	**2010-11**
D.	**Capital Receipts**			
	Disinvestment proceeds		42.25	...
	Others		...	...
		Total D	**42.25**	**...**
E.	**Public Debt receipts**			
	Internal Debt	Market Loans	40.00	...
		WMA[1] from the RBI	...	...
		Bonds	...	...
		Loans from Financial Institutions	...	53.83
		Special Securities issued to National Small Savings Fund	11.89	36.70
		Other Loans	35.00	4.43
	Loans and Advances from Central Government			
		Non Plan Loans	...	...
		Loans for State Plan Schemes	0.55	...
		Loans for Central Plan Schemes	...	0.07
		Loans for Centrally Sponsored Plan Schemes	...	...
		Other Loans	...	...
		Total E	**87.44**	**95.03**
F.	**Loans and Advances by State Government (Recoveries)[2]**		**0.03**	**0.79**
G.	**Inter-State-Settlements**		**...**	**...**
	Total Receipts in Consolidated Fund (A+B+C+D+E+F+G)		**38,02.36**	**31,43.13**

[1] WMA : Ways and Means Advances

[2] Details are in Statement 7 and 16 in Volume II.

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)

A. EXPENDITURE BY FUNCTION

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
A.	**General Services**				
A1	**Organs of State**				
	Parliament/State/Union Territory Legislatures	12.25	...	...	12.25
	President, Vice President/Governor, Administrator of Union Territories	4.43	...	...	4.43
	Council of Minister	8.25	...	...	8.25
	Administration of Justice Elections	16.13	...	...	16.13
	Election	4.41	...	...	4.41
A.2	**Fiscal Services**				
	Collection of taxes on Income and Expenditure	1.38	...	...	1.38
	Land Revenue	10.14	...	...	10.14
	Stamps and Registration	0.13	...	...	0.13
	State excise	3.87	...	...	3.87
	Taxes on States, Trade etc.	6.07	...	...	6.07
	Taxes on Vehicles	1.32	...	...	1.32
	Other Taxes and Duties on Commodities and Services	20.11	...	...	20.11
	Appropriation for Reduction or Avoidance of Debt	12.00	...	...	12.00
	Interest Payments	190.83	...	...	190.83
A.3	**Administrative Services**				
	Public Service Commission	2.46	...	...	2.46
	Secretariat-General Service	24.00	...	...	24.00
	District Administration	8.21	...	...	8.21
	Treasury and Accounts Administration	11.35	...	...	11.35
	Police	1,72.81	5.83	...	1,78.64
	Jails	4.35	...	...	4.35
	Stationery and Printing	5.59	...	...	5.59
	Public Works	17.64	19.46	...	37.10
	Other Administrative Services	33.91	...	...	33.91

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND) - Contd.

A. EXPENDITURE BY FUNCTION - Contd.

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
	General Services - Concld.				
A.4	**Pension & Misc. General Services**				
	Pensions and Other Retirement Benefits	1,73.76	...	...	1,73.76
	Miscellaneous General Services	8,07.57	...	...	8,07.57
	Total General Services	**15,52.97**	**25.29**	**...**	**15,78.26**
B	**Social Services**				
B.1	**Education, Sports Art & Culture (see note1 below statement)**				
	General Education	4,72.95	62.94	8.00	5,43.89
	Technical Education	1.38	...	...	1.38
	Sports and Youth Services	8.27	...	...	8.27
	Art and Culture	6.95	...	...	6.95
B.2	**Health & Family Welfare**				
	Medical and Public health	1,13.97	97.56	...	2,11.53
	Family Welfare	13.25	...	...	13.25
	Water Supply, Sanitation,Housing & Urban	...	...	...	...
B.3	**Development**				
	Water Supply and Sanitation	20.66	46.50	...	67.16
	Housing	29.19	10.00	...	39.19
	Urban Development	26.23	57.36	...	83.59
B.4	**Information and Broadcasting**				
	Information and Publicity	5.33	1.25	...	6.58
B.5	**Welfare of Scheduled Caste, Scheduled Tribes and other Backward Classess**				
	Welfare of Scheduled Caste, Scheduled Tribes and other Backward Classess	19.12	1.30	...	20.42

1. Includes Capital expenditure on account of Sports and Youth Services (₹ 6.63 crore), Art and Culture (₹ 16.28 crore).

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND) - Contd.

A. EXPENDITURE BY FUNCTION - Contd.

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
	Social Services - Concld.				
B.6	**Labour and Labour Welfare**				
	Labour and employment	3.64	...	...	3.64
B.7	**Social Welfare & Nutrition**				
	Social Security and Welfare	46.51	0.20	...	46.71
	Nutrition	10.06	...	...	10.06
	Relief on Account of Natural Calamities	2,36.29	...	...	2,36.29
B.8	**Others**				
	Other Social Services	17.56	...	...	17.56
	Secretariat- Social Services	0.34	...	...	0.34
	Total Social Services	**10,31.70**	**2,77.11**	**8.00**	**13,16.81**
C	**Economic Services**				
C.1	**Agriculture & Allied Activities**				
	Crop Husbandry	54.51	3.80	...	58.31
	Soil & Water Conservation	7.58	...	...	7.58
	Animal Husbandry	32.93	3.92	...	36.85
	Dairy Development	2.32	...	...	2.32
	Fisheries	3.89	3.90	...	7.79
	Forestry &Wild Life	57.20	3.55	...	60.75
	Plantations	3.84	...	...	3.84
	Food,Storage & Warehousing	15.44	0.60	...	16.04
	Agricultural Research & Education	...	...	...	
	Co-operation	8.85	1.70		10.55
	Other Agricultural Programmes	36.39	...	...	36.39
C.2	**Rural Development**				
	Special Programmes for Rural Development	20.80	...	...	20.80
	Rural Employment	3.50	...	...	3.50
	Land Reforms	3.70	...	...	3.70
	Other Rural Development Progremmes	52.98	35.77	...	88.75

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND) - Contd.

A. EXPENDITURE BY FUNCTION - Contd.

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
	Economic Services - Concld.				
C.3	**Special Areas Programmes**				
	Other Special Areas Programmes	0.48	17.87	...	18.35
C.4	**Irrigation & Flood Control**				
	Minor Irrigation	34.46	...	...	34.46
	Command Area Development	0.01	...	...	0.01
	Flood Control & Drainage	5.65	2.91	...	8.56
C.5	**Energy**				
	Power	97.38	37.59	...	1,34.97
	Non-Conventional Sources of Energy	0.61	...	...	0.61
C.6	**Industry & Minerals**				
	Village & Small Industries	16.55	0.72	...	17.27
	Industries	27.52	...	...	27.52
	Non- Ferrous Mining & metallurgical Industries	2.53	...	...	2.53
	Telecommunicatin & Electronic Industries	...	...	...	...
	Consumer Industries	...	1.41	...	1.41
C.7	**Transport**				
	Civil Aviation	...	...	...	...
	Roads & Bridges	65.66	1,42.29	...	2,07.95
	Road Transport	32.13		...	32.13
C.8	**Communication**				
C.9	**Science & Technology**				
	Other Scientific Research	1.59		...	1.59
	Ecology & Environment	1.23	...	...	1.23
C.10	**General Economic Service**				
	Secretariat- Economic Services	6.19	...	...	6.19
	Tourism	8.92	57.00	...	65.92
	Census Surveys & Statistics	5.35	...	...	5.35
	Civil Supplies	0.44	...	...	0.44
	Other General Economic Service	3.37	0.33	41.00	44.70
	Total Economic Services	**6,14.00**	**3,13.36**	**41.00**	**9,68.36**

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND) - Contd.

A. EXPENDITURE BY FUNCTION - Concld.

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
D.	**Loans, Grants in Aid & Contributions**				
	Grants- In - Aid to State Governments	31.47	...	...	31.47
E	**Loans to Government Servants etc.**				
	Loans to Government Servants etc.	...	...	0.17	0.17
	Misc. Loans	...	...	...	...
F	**Public Debt**				
	Internal Debt of the State Government	...	...	45.30	45.30
	Loans and Advances from the Central Government	...	...	3.36	3.36
	Total Loans, Grants in Aid & Contributions	**31.47**	**...**	**...**	**...**
	Total Consolidated Fund Expenditure	**32,30.14**	**6,15.76**	**97.83**	**39,43.73**

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)

B. EXPENDITURE BY NATURE

(₹ in crore)

Object of Expenditure	2011-12			2010-11			2009-10		
	Rev	Cap	Total	Rev	Cap	Total	Rev	Cap	Total
01- Salaries	874.83	...	874.83	384.63	...	384.63	825.83	...	825.83
50-Other Charges	826.86	...	826.86	871.11	...	871.11	973.26	...	973.26
31-Grants-in-aid	255.93	...	255.93	192.93	...	192.93	209.60	...	209.60
71-Transfer to Reserve Funds and Deposits Account(Calamity Relief Fund)	235.69	...	235.69	12.51	...	12.51	19.17	...	19.17
45-Interest	187.34	...	187.34	158.39	...	158.39	149.91	...	149.91
53-Major Works	...	108.61	108.61	...	...	...	...	99.77	99.77
04-Pensonary Charges	88.38	...	88.38	84.34	...	84.34	67.08	...	67.08
76- Construction of 575 bedded Super Speciality Hospital (ACA)	...	86.18	86.18	...	30.00	30.00	...	...	...
13-Office Expenses	76.87	...	76.87	23.65	...	23.65	69.70	...	69.70
71-Superannuation & Retirement allowances	56.05	...	56.06	49.68	...	49.68	45.35	...	45.35
02-Wages	43.45	...	43.45	...	...	...	30.53	...	30.53
77-Development Works (ACA)	...	37.27	37.27	...	...	...	...	40.12	40.12
27-Minor Works	36.45	...	36.45	...	...	...	15.31	...	15.31
76- Leave Encashment	21.12	...	21.12	19.97	...	19.97	...	...	...
88-Macro Management in Agriculture	18.29	...	18.29	25.47	...	25.47	19.56	...	19.56

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND) - Contd.

B. EXPENDITURE BY NATURE - Contd.

(₹ in crore)

Object of Expenditure	2011-12			2010-11			2009-10		
	Rev	Cap	Total	Rev	Cap	Total	Rev	Cap	Total
21-Supplies & Materials	18.26	...	18.26	9.21	...	9.21	18.88	...	18.88
71-Construction in Border Areas	...	17.93	17.93	...	11.39	11.39	...	11.79	11.79
89-Rastriya Krishi Vikash Yojana	17.85	...	17.85	...	...	...	10.45	...	10.45
51-Motor Vehicles	14.02	...	14.02	...	...	...	12.79	...	12.79
71-Sinking Fund	12.00	...	12.00	12.00	...	12.00	12.00	...	12.00
11-Travel Expenses	10.01	...	10.01	...	...	...	10.14	...	10.14
71-Transfer to the Sikkim Transport Infrastructure Development Fund	9.50	...	9.50	9.00	...	9.00	8.00	...	8.00
72-Pilgrimage Centre cum Cultural Village at Sholophuk	...	...	...	...	14.25	14.25	...	15.00	15.00
72-Capacity Building/Training Programme	...	...	...	...	...	...	19.46	...	19.46
75-Ranka Cultural cum Tourist Village	...	...	...	...	...	...	...	16.31	16.31
75-Mukhya Mantri Awaas Yojana	...	...	...	...	...	...	...	15.84	15.84
75-Land Compensation for PMGSY	...	...	...	...	...	...	...	12.86	12.86
76-Rural Housing Scheme	...	...	...	...	...	...	12.00	...	12.00
78-Backward Region Grant Fund(BRGF)	...	...	...	...	...	...	...	11.59	11.59
54-Major Works	...	...	...	...	...	...	...	10.53	10.53

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND) - Concld.

B. EXPENDITURE BY NATURE - Concld.

(₹ in crore)

Object of Expenditure	2011-12			2010-11			2009-10		
	Rev	Cap	Total	Rev	Cap	Total	Rev	Cap	Total
60-Schemes Under SCP for SC	...	...	...	...	...	...	...	10.12	10.12
74-Distribution of G.C.I. Sheets to the Rural Poor	...	...		10.06	...	10.06	...	...	...
72- Promotion of Sustainable Forest Management (JICA-EAP)	...	...	...	10.00	...	10.00	...	...	...
74- Accelerated Irrigation Benefit Programme.	...	...	...	11.67	...	11.67	...	...	...
76-Anti-erosion/Flood Management Works (ACA)	...	...	...	10.06	...	10.06	25.10	...	25.10
73-Construction of Airport at Pakyong (Upgradation Grant under TFC)	...	...	...	...	...	...	...	50.00	50.00
85-Construction of Patient House at New Delhi	...	...	...	...	...	...	...	35.00	35.00
81-Accelerated Rural Water Supply Programme(100% CSS)	...	...	...	...	...	...	...	26.37	26.37
Others	427.24	365.77	793.01	1012.85	395.43	1408.28	183.92	293.23	477.15
TOTAL	3230.14	615.76	3845.90	2907.53	451.07	3358.60	2738.04	648.53	3386.57

Note: Object head codes are as per the budget documents.

Notes to Accounts

1. Summary of significant accounting policies:

(i) Entity and Accounting Period:-

These accounts present the transactions of the Government of Sikkim for the period 1st April 2011 to 31st March 2012.

(ii) Basis of Accounting:-

With the exception of some book adjustments (note 7 below) the accounts represent the actual cash receipts and disbursements during the account period. Assets, Government investment etc., are shown at historical cost. Physical assets are not depreciated or amortised. The losses of physical assets at the end of their life has not been expensed or recognised.

The pension liability of the Government, i.e., the liability towards payment of retirement benefits for the past and the present service of its employees is not included in the accounts. However, the retirement benefits disbursed during the accounts period have been reflected in the accounts.

The expenditure on "pension and other retirement benefits to State Government employees during the year was ₹ 173.76 crore (5.38 % of total revenue expenditure). However, State Government employees recruited w.e.f. 01.04.2006 are covered under the New Pension Scheme. An amount of ₹ 17.14 crore towards employee's contribution and employers' share has been deposited under the head '8342-Other Deposits-117 Defined Contribution Pension Scheme for Government Employees' during the year. The State Government liability on this account as on 31st March 2012 was ₹ 8.33 crore.

(iii) Currency in which Accounts are kept:-

The accounts of Government are maintained in Indian Rupees (₹).

(iv) Form of Accounts:-

Under Article 150 of the Constitution, the accounts of the Union and of the States are kept in such form as the President may on the advice of the Comptroller and Auditor General, prescribe. The word "form" used in Article 150 has a comprehensive meaning so as to include the prescription not only of the broad form in which the accounts are to be kept but also the basis for selecting appropriate heads under which the transactions are to be classified.

(v) Classification between Revenue and Capital:-

Revenue expenditure is recurring in nature and is supposed to be met from revenue receipts. Capital Expenditure is defined as expenditure incurred with the object of increasing concrete assets of a material and permanent character or of reduceing permanent liabilities. Expenditure on Grants-in-Aid is recorded as revenue expenditure in the books of the grantor, and as revunue receipt in the books of the recipient.

2. **Status on inclusion of statements/information recommended by Twelfth Finance Commission in the Finance Accounts:-**

The following statements/information as recommended by the Twelfth Finance Commission have been incorporated in the Finance Accounts 2011-12.

(i) Statement containing expenditure on salaries by various departments (Appendix II).

(ii) Statement of subsidies (Appendix III).

(iii) Detailed information on pensions and expenditure on Government pensioners as per information furnished by the State Government (Note below Statement No. 12).

(iv) Information on maintenance expenditure with segregation of salary and non-salary portion (Appendix-XI).

(v) Information on 'Implications of major policy decisions etc.' (Appendix-XII).

(vi) 'Information on committed liabilities' has not been incorporated due to non-receipt of the requisite information from the State Government (August 2012).

3. **Interest adjustment on Small Savings, Provident Funds, etc.:-**

During 2011-12 an amount of ₹ 195.35 crore was received by the Government on account of Small Savings, Provident Funds, etc. The disbursement out of this fund was to the extent of ₹ 126.83 crore leaving net receipt of ₹ 68.52 crore.

4. **Booking under Minor Head "800 - Other Receipts and Other Expenditure":-**

During the year 2011-2012, an amount of ₹ 124.67 crore under 28 Revenue Receipts heads and ₹ 309.38 crore under 33 Expenditure heads has been classified under 800-Other Expenditure constituting 3% of total revenue receipts of the State and 8% of the total expenditure incurred under respective major heads. Details of substantial expenditure (30% or more of the total expenditure under Major Head concerned) are given in Annexure – A and Annexure – B respectively.

5. **Awaited Utilization Certificates:-**

Utilisation Certificates are to be received by the Accountant General's office through the Departments who release the Grants-in-aid to various organizations. The position of UCs not received as on 31st March 2012, is given below:-

(₹ in crore)

Year	Number of UCs awaited	Amount involved
Upto 2009-10	1606	209.60
2010-11	725	274.72
2011-12	755	255.92

6. The position of timely rendition of monthly accounts for the year 2011-12:-

As per Article 119 of Account Code Volume II, the Accounts rendering authorities should submit the accounts by the 10th of the following month. While no accounts were excluded from the monthly civil accounts during 2011-12, there were delays of 2 to 4 days as below:-

Sl. No.	Accounts rendering agencies	Average delay in days
1	Treasury, Pay & Accounts Office (Headquarters)	2
2	Chief Pay & Accounts Office (East)	3
3	Chief Pay & Accounts Office (West)	3
4	Chief Pay & Accounts Office (North)	4
5	Chief Pay & Accounts Office (South)	4
6	Pay & Accounts Office, Sikkim Legislative Assembly	...

7. Periodical adjustments and Book adjustments:

Certain transactions are in the nature of periodical adjustments and do not represent actual cash transactions such as adjustment by deductions, creation of funds in Public Account by debit to Consolidated fund, crediting of deposit head of accounts in Public Account by debit to Consolidated Fund and annual adjustment of interest. The following periodical adjustments were carried out during 2011-12.

'A' Periodical Adjustment

Sl. No.	Book Adjustment	Head of Accounts		Amount (₹ in crore)	Remarks
		From	To		
1	Periodical	8121-General and other Reserve Fund 122-State Disaster Response Fund	2245-Relief on Accounts of Natural Calamities 05-Calamity Relief Fund 901-Deduct amount met from Calamity Relief Fund	1,57.17	Expenditure initially met from M.H. '2245- State Disaster Response Fund' has been transferred to M.H. 8121

Notes to Accounts

'A' Periodical Adjustment

Sl. No.	Book Adjustment	Head of Accounts		Amount (₹ in crore)	Remarks
		From	To		
2	Periodical	8235-General and other Reserve Fund 200-Other Funds	5054-Capital Outlay on Roads and Bridges 901-Deduct amount met from Sikkim Transport Infrastructure Development Fund	23.65	Expenditure initially met from M.H. 5054 - Sikkim Transport Infrastructure Development Fund has been transferred to M.H. 8235
3	-do-	8235-General and other Reserve Fund 200-Other Funds	5055-Capital Outlay on Road Transport 901-Deduct amount met from Transport Infrastructure Development Fund	0.76	Expenditure initially met from M.H. 5055 - Transport Infrastructure Development Fund has been transferred to M.H. 8235
4	-do-	8235-General and other Reserve Fund 200-Other Funds	3435-Ecology and Environment 03-Environmental Research and Ecological Regeneration 901-Deduct amount met from Sikkim Ecology Fund	5.43	Expenditure initially met from M.H. 3435 - Sikkim Ecology Fund has been transferred to M.H. 8235
5	-do-	2045-Other Taxes and Duties on Commodities and Services 797-Transfer to Reserve Funds/Deposit Accounts	8235-General and other Reserve Fund 200-Other Funds	9.50	Fund transferred to the Sikkim Ecology Fund.

Notes to Accounts

'A' Periodical Adjustment

Sl. No.	Book Adjustment	Head of Accounts		Amount (₹ in crore)	Remarks
		From	To		
6	Periodical	2045-Other Taxes and Duties on Commodities and Services 797-Transfer to Reserve Funds/Deposit Accounts	8235-General and other Reserve Fund 200-Other Funds	9.50	Fund transferred to the Sikkim Transport Infrastructure Development Fund
7	-do-	2049-Interest Payment 03-Interest on Small Savings, Provident Funds etc 104-Interest on State Provident Funds	8009-State Provident Fund 01-Civil 101-General Provident Fund	39.76	Annual Interest credited to GPF
8	-do-	2049- Interest Payment 03- Interest on Small Savings, Provident Funds etc 108-Interest on Insurance and Pension Fund	8011-Insurance and Pension Fund 107-State Government Employees' Group Insurance Scheme	0.93	Annual Interest credited to SGEGIS
9	-do-	2071-Pensions and Other Retirement benefits 01-Civil 117-Government Contribution of Defined Contribution Pension Scheme	8342-Other Deposits 117-Defined Contribution Pension Scheme for Government Employees	8.33	Contribution given by the Government Contribution for Defined Contiribution Pension Scheme.
10	-do-	2049- Interest Payment 03- Interest on Small Savings, Provident Funds etc 117-Interest on Defined Contribution Pension Scheme	8342-Other Deposits 117-Defined Contribution Pension Scheme for Government Employees	0.75	Annual Interest credited to Defined Contribution Pension Scheme.

Notes to Accounts

8. **Existence of unadjusted Abstract Contingency Bills (AC Bills):-**

Under the Sikkim Financial Rules, the Drawing and Disbursing Officers are authorized to draw sums of money by preparing Abstract Contingency Bill by debiting Service Heads, and are required to present Detailed Contingency Bill vide Finance Department Circular No.168/Fin(Accts) dated 27.12.1983 in all the cases within a period of three months after withdrawal of AC Bills. Presently, 5625 DC Bills amounting to ₹ 1,44.06 crore have not been received in the office of the Sr. Dy. Accountant General (A&E). Year-wise accumulations of unadjusted AC Bills are given below:-

(₹ in crore)

Year	Oustanding Abstract Contingent Bills	
	Number of bills	Amount
Upto 2008-09	3619	59.55
2009-10	589	21.05
2010-11	550	23.91
2011-12	867	39.55
Total	5625	1,44.06

9. **Reconciliation of Receipts and Expenditure:-**

All Drawing and Disbursing Officers are required to reconcile the Receipts and Expenditure of the Government with the figures accounted for by the office of the Sr. Dy. Accountant General (A&E). Reconciliation has been completed in all cases.

10. **Cash Balance:-**

Cash Balance worked out by the office of the Sr.DAG as on 31st March, 2012 is ₹ 1,28.76 crore (credit). The cash balance reported by State Bank of Sikkim as on 31st March 2012 is ₹ 1,28.60 crore (credit). Thus there is a difference of ₹ 0.16 crore (credit) between the two figures. The differences is mainly due to non-reconciliation of figures by the State Treasury with the State Bank of Sikkim. The matter has been taken up with the State Finance Revenue & Expenditure Department.

11. **Guarantee Redemption Fund:-**

Guarantees reported in Statement No. 9 are on the basis of the information received from the State Government Finance Department which is the authority to issue such guarantees. Guarantee Redemption Fund created for discharge of guarantee liabilities has a balance of ₹ 11.72 crore. During the year an amount of ₹ 2 crore has been transferred to Guarantee Redemption Fund from the Consolidated Fund of the State, and no guarantee has been discharge from the fund during the year.

Notes to Accounts

12. Reserve funds:-

(i) As per the recommendation of Thirteenth Finance Commission read with the provisions of the Disaster Management Act, 2005, State Disaster Respond Fund is required to be administered under Major Head 8121- General and Other Reserve Fund 122 - State Disaster Response Fund. The figures of ₹ 2,55.76 crore under Major Head 8121-122 comprises ₹ 2,34.19 crore Central share, ₹ 2.39 crore State share, ₹ 22.29 crore liquidated from investment, ₹ 0.89 crore interest earned from fixed deposits less ₹ 4.00 crore double booking of previous year rectified during the year. Detailed information is available at Statement 18 of Finance Accounts Vol. II.

(ii) Figures of ₹ 19.00 crore under Major Head 8235-200-Other Funds comprises ₹ 9.50 crore under Sikkim Transport Infrastructure Development Fund and ₹ 9.50 crore under Sikkim Ecology Fund.

13. 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 below:

8658 – Suspense Accounts

(₹ in lakh)

Minor Head	**2009-10**		**2010-11**		**2011-12**	
	Dr.	**Cr.**	**Dr.**	**Cr.**	**Dr.**	**Cr.**
101-PAO - Suspense	5,56.76	1,47.35	4,53.16	0.11	7,63.17	4,68.14
Net	**Dr 4,09.41**		**Dr 4,53.05**		**Dr 2,95.03**	
102-Suspense Account (Civil)	2,24.63	1,82.08	90.64	-14.66	98.66	-13.15
Net	**Dr 42.55**		**Dr 1,05.30**		**Dr 1,11.81**	
112 – Tax Deducted at Source	2.02	5,09.83	12,15.33	15,20.68	14,53.62	20,27.28
Net	**Cr 5,07.81**		**Cr 3,05.35**		**Cr 5,73.66**	
123-AIS Suspense	1.25	3.64	2.70	3.33	5.29	32.64
Net	**Cr 2.39**		**Cr 0.63**		**Cr 27.35**	
135-Cash Settlement between A.G. Sikkim and Other States	18.16	1.73	21.68	...	75.43	12.34
Net	**Dr 16.43**		**Dr 21.68**		**Dr 63.09**	

8782 – Cash Remittances and adjustments between officers rendering accounts to the same Accounts Officer

(₹ in lakh)

Minor Head	2009-10		2010-11		2011-12	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
102-Public Works Remittances	6,87,46.68	8,40,91.74	6,07,53.89	7,35,05.29	14,16,90.44	16,66,80.69
Net	Cr 1,53,45.06		Cr 1,27,51.40		Cr 2,49,90.25	
103-Forest Remittances	18,86.28	33,11.30	31,51.51	37,90.66	65,25.98	67,04.40
Net	Cr 14,25.02		Cr 6,39.15		Dr 1,78.42	
108-Other Remittances	1,30,12.87	1,29,36.73	65,05.27	69,83.59	1,35,85.39	1,41,01.78
Net	Dr 76.14		Cr 4,78.32		Cr 5,16.39	

Accounts rendering entities (State Treasuries,Works and Forest Divisions, PAOs etc.) have been addressed for clearing the balances.

14. Unspent balances in the accounts of the implementing agencies:-

The State Government provides funds to State/district level autonomous bodies and authorities, societies, non-governmental organizations, etc., for implementation of Centrally Sponsored Schemes (State Share) and State Schemes. Since the funds are generally not being spent fully by the implementing agencies in the same financial year, there remain unspent balances in the bank accounts of these implementing agencies, which as on 31st March 2012 totalled to ₹ 137.54 crore.

15. Contingency Fund:-

An amount of ₹ 10 lakh advance drawn from the Contingency Fund during 2010-11 has been recouped from Major Head 2204 – Sports and Youth Services at the end of the financial year 2011-12.

16. Information on 'Committed Liabilities':-

Details are awaited from the Government of Sikkim regarding 'Committed Liabilities'. Hence, the same is not included in Finance Accounts for 2011-12.

17. Information on 'Implications of Major Policy Decisions and Implication of Flagship Programmes':-

Material information collected from the Budget Speech of Honourable Chief Minister and Minister-in-charge of Finance, Revenue & Expenditure and the related Budget documents are listed in Annexure-C. Detailed information is available at Appendix – XII of Finance Accounts Volume – II.

Notes to Accounts

18. Funds for various Schemes:-

Information relating to the release of funds during the year for various Schemes is given below. Detailed information is available at Annex to Statement 12.

(1) Government of India released ₹ 92.04 crore for the following schemes out of which the State Government released ₹ 72.88 crore indicating less release of ₹ 19.16 crore.

(₹ in crore)

Sl. No.	Name of the Scheme	Amount released by GOI	Central share actually released by the State Govt.	Deficit (-)
1.	Central Assistance for Schedule Caste Plan	0.56	0.40	0.16
2.	Accelerated Irrigation Benefit Programme (AIBP)	33.71	27.73	5.98
3.	Backward region Grant Fund (BRGF)	20.77	13.97	6.80
4.	Rashtriya Krishi Vikash Yojana	24.64	18.96	5.68
5.	Mid Day Meal	10.36	10.24	0.12
6.	Panchayat Yuva Krira Aur Khel Abhiyan	2.00	1.58	0.42

(2) Also, against the Government of India release amounting to ₹ 23.12 crore, the State Government released ₹ 38.04 crore for the following schemes indicating an extra release of ₹ 14.92 crore.

(₹ in crore)

Sl. No.	Name of the Scheme	Amount released by GOI	Central share actually released by the State Govt.	Excess (+)
1.	Central Assistance for Tribal Sub Plan	3.00	5.04	2.04
2.	Macro Management	16.77	28.00	11.23
3.	Construction of Road from Salaugdan to Ramam (ISC).	3.35	5.00	1.65

19. Sikkim Fiscal Responsibility and Budget Management Act, 2010:-

The Sikkim Fiscal Responsibility and Budget Management Act, 2010 stipulates the responsibility of the State Government to ensure fiscal stability and sustainability through maintaining balance in revenue accounts and planned reduction of fiscal deficit and prudent and sustainable debt management consistent with fiscal stability through limits on State Government's borrowing.

According to Section 3 of the Act, the Medium Term Fiscal Plan is to be laid before the Legislative Assembly by the State Government along with the Budget. This is being complied with.

Sub Section (1) of Section 4 of the Act envisages that the Government shall take appropriate measures to eliminate the revenue deficit. During the financial year 2011-12 there has been revenue surplus of ₹ 4,42.50 crore . Further, the Government is required to maintain the debt at prudent and sustainable levels in terms of clause (a) of sub-section 2 of Section 4 of the Act. The debt position has decreased by 8% compared to the last financial year.

Clause (c) of sub-section (1) of Section 5 of the Act requires the State to cap the total outstanding guarantees within the limit specified under the Sikkim Ceiling on Government Guarantees Act, 2000 (21 of 2000), ie. the total outstanding Government Guarantees as on the first day of April of any year shall not exceed thrice the State's total revenue receipts of the second preceding year. This has been adhered to by the State Government as the opening balance of the Guarantee for 2011-12 is ₹ 246.69 crore against the total Revenue Receipt of ₹ 267.25 during 2008-09.

ANNEXURE - A

Major Head-wise comparison of '800 – Other Receipts' with Total Receipts for 2011-12:-

(₹ in crore)

Major Head	Major Head Description	Total Receipts	Receipt booked under Minor Head 800	Percentage of Column 4 to Column 3
(1)	(2)	(3)	(4)	(5)
0801	Power	79.70	79.70	100
0055	Police	12.89	11.04	86
0406	Forestry and Wild Life	12.53	8.80	70
0070	Other Administrative Services	6.68	3.72	56
0059	Public Works	5.38	3.91	73
0407	Plantations	2.59	2.59	100
1452	Tourism	1.84	1.22	67
0217	Urban Development	1.67	1.67	100
0515	Other Rural Development Programmes	1.25	1.25	100

ANNEXURE - B

Major Head-wise comparison of '800 – Other Expenditure' with Total Expenditure for 2011-12:-

(₹ in crore)

Major Head	Major Head Description	Total Expenditure	Expenditure booked under Minor Head 800	Percentage of Column 4 to Column 3
(1)	(2)	(3)	(4)	(5)
2801	Power	97.38	31.52	32
4801	Capital Outlay on Power Project	37.59	36.60	97
2435	Other Agricultural Programmes	36.39	36.15	99
2216	Housing	29.19	25.25	87
2852	Industries	27.52	27.52	100
2225	Welfare of Schedule Castes, Schedule Tribes and Other Backward Classes	19.12	8.14	43
4216	Capital Outlay on Housing	10.00	8.84	88
3454	Census Surveys and Statistics	5.35	2.19	41
4401	Capital Outlay on Crop Husbandry	3.80	1.60	42
2407	Plantations	3.84	3.84	100
2506	Land Reforms	3.70	3.00	81

ANNEXURE - C

Major Policy Decisions of the Government for the year 2011-12:-

Detailed information is available at Appendix – XII of Finance Accounts Volume – II.

(₹ in crore)

Sl. No	Scheme Name	Grant No.	Head of Accounts	Budget Estimate		
				Original Provision	Final Provision	Expenditure
1	Chief Minister's Meritorious Scholarship Programme.	7	2202-80-107-61-00-84	0.42	1.92	1.92
2	State Share for construction of 575 bedded Super Specialty Hospital.	13	4210-01-110-60-00-77	50.00	10.28	9.63
3	Mukhya Mantri Awaas Yojana (East District)	35	4216-03-800-36-45-75	2.50	2.55	2.54
4	Mukhya Mantri Awaas Yoajna (West District)	35	4216-03-800-36-46-75	1.00	1.00	1.00
5	Mukhya Mantri Awaas Yojana (North District)	35	4216-03-800-36-47-75	0.50	0.50	0.50
6	Mukhya Mantri Awaas Yojana (South District)	35	4216-03-800-36-48-75	1.00	1.00	1.00
7	Construction of Pedestrian Flyovers at Deorali, Zero Point, TNA Complex, Tadong School Junction and Singtam Hospital	41	4217-03-051-62-45-74	1.00	1.38	1.84
8	Construction of Kishan Bazar	42	4217-03-051-62-45-73	2.00	1.80	1.80
9	Enhancement of grant under Old Age Pension	38	2235-03-101-60-00-71	6.40	12.05	12.05

Appendix - I

CASH BALANCES AND INVESTMENT OF CASH BALANCES

(₹ in lakh)

	As on 31st March 2012	As on 31st March 2011
(A) Geneal Cash Balance		
(1) Deposits with other Banks (State Bank of Sikkim)	1,22,61.40	1,33,47.11
(2) Deposits with Nationalised Banks	6,14.43	21,31.87
TOTAL	**1,28,75.83**	**1,54,78.98**
Investments held in the 'Cash Balance Investment Accounts'	5,65,00.00	4,40,00.00
TOTAL (A)	**6,93,75.83**	**5,94,78.98**
(B) Other Cash Balances and Investments		
(1) Cash with Departmental Officers viz, Forest and Public Works Deptt.	5.34	15.34
(2) Permanent Advances for Contingent Expenditure with Departmental Officers	40.06	39.46
(3) Investment of earmarked Funds	2,35,79.66	1,54,97.16 *
TOTAL (B)	**2,36,25.06**	**1,55,51.96 ***
TOTAL (A+B)	**9,30,00.89**	**7,50,30.94 ***

* Increased by ₹ 3,50.00 lakh from the Finance Accounts for 2010-11 due to proforma ajustment.

Appendix - I

CASH BALANCES AND INVESTMENT OF CASH BALANCES - Concld.

Explanatory Notes

(a) **Cash and Cash Equivalents:** Cash and cash equivalents consist of cash in treasuries and deposit with State Bank of Sikkim and other Banks and Remittances in Transit. The balance under the head 'Deposits with State Bank of Sikkim' (A 1 above) depicts the combined balance of the Consolidated Fund, Contingency Fund and the Public Account at the end of the year. To arrive at the overall cash position, the cash balances with treasuries, departments and investments out of the cash balances/reserve funds etc are added to the balance in 'Deposits with State Bank of Sikkim'.

(b) The general cash balance represents the combined balance of the Consolidated Fund, Contingency Fund and the Public Accounts.

(c) Under a resolution passed in the year 1968-69, the State Bank of Sikkim has been vested with the responsibility by the Government of Sikkim of receiving money on behalf of Government and making all Government payments and keeping custody of the balances of Government in Current Account as well as in Fixed Deposists that may be made through the branches of Bank. There is a balance of ₹1,28.60 crore with the State Bank of Sikkim as on 31st March 2012 as per the record of this office. But as per the record of the State Bank of Sikkim, the Cash Balance of Government stood at ₹1,28.76 crore leaving behind an unreconciled balance of ₹0.16 crore.