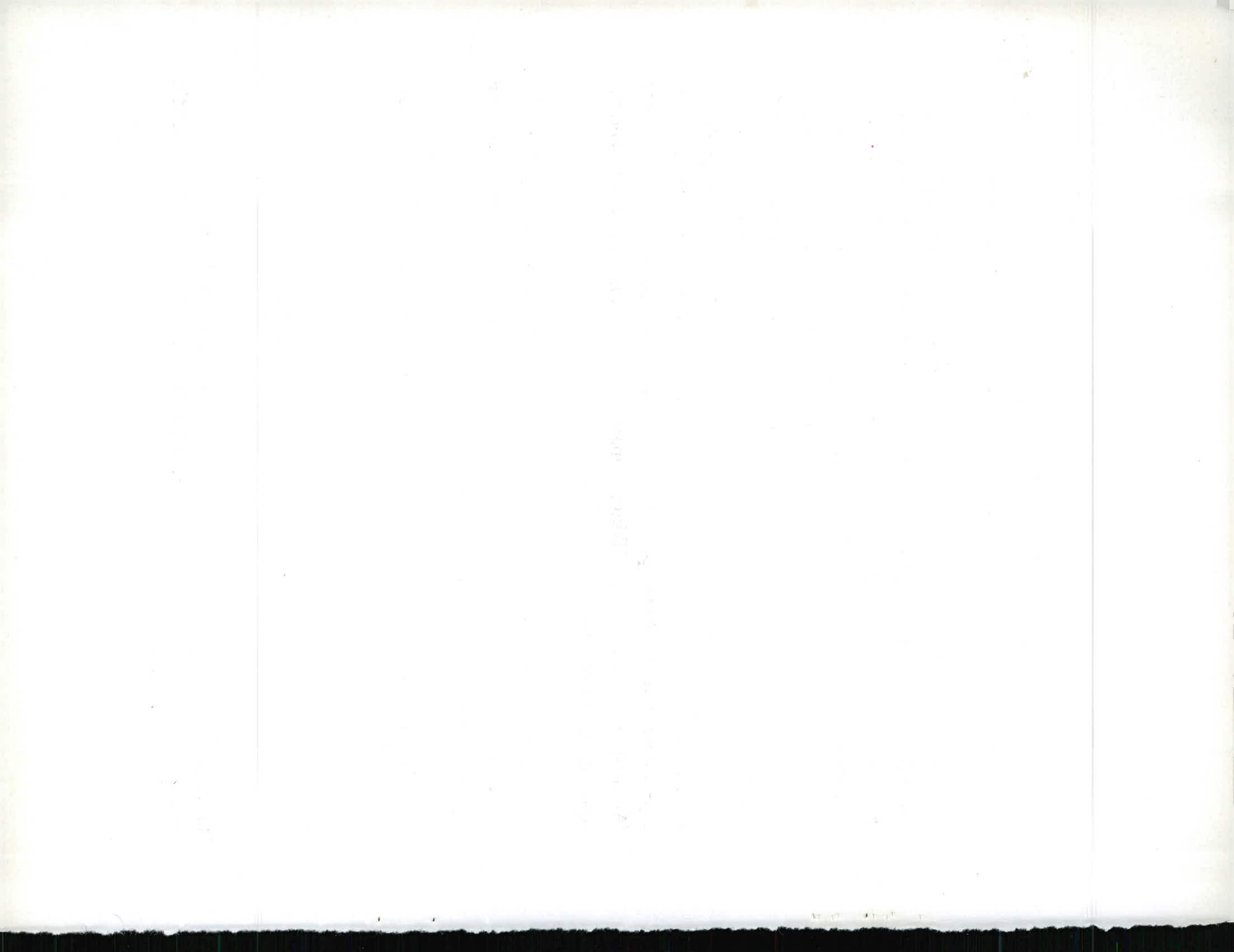


GOVERNMENT OF SIKKIM

**ACCOUNTS AT A GLANCE
2009-2010**

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



Preface

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

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

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

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



(P. BASUMATARY)

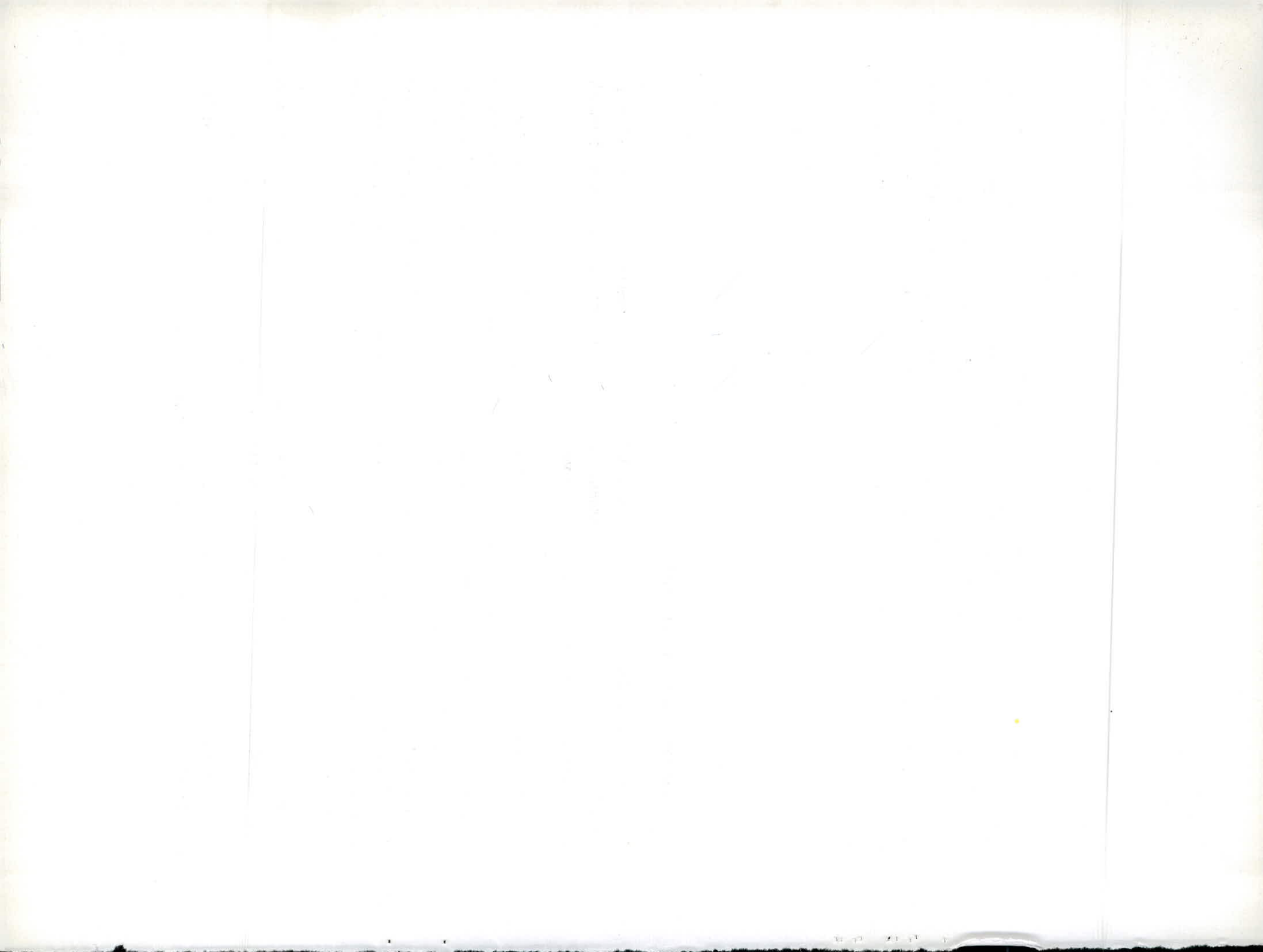
PR. ACCOUNTANT GENERAL, SIKKIM

Gangtok

Date 22 MAR 2011
8 FEB 2011

Contents

Particulars	Page No.
CHAPTER I Overview	1-2
CHAPTER II Highlights of Accounts	3-9
CHAPTER III Trends in Government Revenue and Expenditure	10-15



CHAPTER - I

Overview

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

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

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

There are two main divisions under the Consolidated Fund:

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

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

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

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

Finance Accounts

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

During 2009-2010 total receipts amounted to ₹ 3423.55 crore comprising ₹ 3254.39 crore revenue receipts (₹ 598.33 crore Tax revenue, ₹ 1356.44 crore Non-Tax revenue and ₹ 1299.62 crore Grants-in-aid and Contributions), and ₹ 169.16 crore capital receipts (₹ 168.86 crore on account of borrowings and other liabilities and ₹ 0.30 crore towards recovery of loans and advances).

Disbursements during the year were ₹ 3423.55 crore, ₹ 2738.04 crore (80 %) on revenue account and ₹ 685.51 crore (20%) on capital account.

Appropriation Accounts

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

Appropriation Acts, 2009-2010 had provided for a gross expenditure of ₹ 4011.10 crore, which includes the Supplementary Grants of ₹ 456.66 crore. An amount of ₹ 0.24 crore was projected as recoveries in reduction of expenditure.

Appropriation Accounts 2009-2010 show disbursements aggregating ₹ 3512.03 crore against the aggregate budget provision of ₹ 4011.10 crore resulting in saving of ₹ 499.07 crore, against Grants and Appropriations.

Recoveries in reduction of expenditure amounted to ₹ 2.19 crore reflecting an excess of ₹ 1.95 crore vis-à-vis budget estimates.

CHAPTER - II

Highlights of Accounts

(₹ in crore)

Sl. No		B.E 2009-2010 *	Actuals	Percentage of Actuals to B.E	Percentage of Actuals to GDP**
1.	Tax Revenue	550.90	598.33	108.61	23.14
2.	Non-Tax Revenue	1172.29	1356.44	115.71	52.45
3.	Grants-in-aid & Contributions	1266.05	1299.62	102.65	50.25
4.	Revenue Receipts (1+2+3)	2989.24	3254.39	108.87	125.84
5.	Recovery of Loans & Advances	0.42	0.30	71.43	0.01
6.	Other Receipts	0.00	0.00		
7.	Borrowings and other liabilities (net)	456.93	168.86	36.96	6.53
8.	Capital Receipts (5+6+7)	457.35	169.16	36.99	6.54
9.	Total Receipts (4+8)	3446.59	3423.55	99.33	132.38
10.	Non-Plan Expenditure (NPE)	2006.56	2202.34	109.76	85.16
* 11.	NPE on Revenue Account	1986.08	2165.36	109.03	83.73
12.	NPE on Interest Payments out of 11	169.50	154.43	91.11	5.97
13.	NPE on Capital Account	20.48	36.98	180.57	1.43
14.	Plan Expenditure (PE)	1440.03	1221.21	84.80	47.22
* 15.	PE on Revenue Account	581.06	572.68	98.56	22.14
16.	PE on Capital Account	858.97	648.53	75.50	25.08
17.	Total Expenditure (10+14)	3446.59	3423.55	99.33	132.38
* 18.	Revenue Expenditure(11+15)	2567.14	2738.04	106.66	105.87
#19.	Capital Expenditure (13+16)	879.45	685.51	77.95	26.51
20.	Revenue Surplus (4-18)	422.10	516.35	122.33	19.97
21.	Fiscal Deficit (4+5+6-17)	456.93	168.86	36.96	6.53

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

** GDP rate during the year 2009-10 is ₹ 2586.14 (Quick).

Expenditure on Capital Expenditure includes Capital Account (₹ 648.53 crore) and Loans and Advances disbursed (₹ 36.98 crore).

Receipts and Disbursements

Total receipts as well as disbursement during the year were ₹ 3423.55 crore. This was 99% of the budget provision. The Fiscal deficit during the year was ₹ 168.86 crore against the projected figures of ₹ 456.93 crore in the Budget.

The following table summarises the Accounts for 2009-2010.

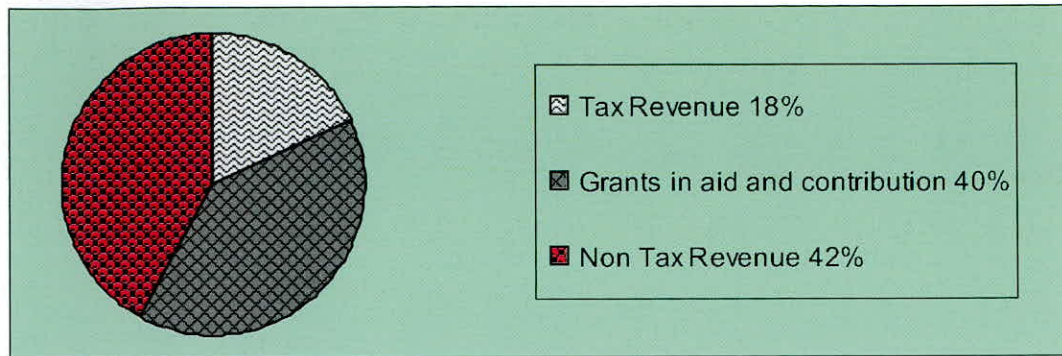
(₹ in crore)

Total Receipts	3423.55		Total Disbursements	3423.55	
Revenue Receipts	3254.39	95%	Revenue Disbursements	2738.04	80%
Capital Receipts	169.16	5%	Capital Disbursements	685.51	20%

RECEIPTS

Revenue Receipts

Gross Tax Revenue of ₹ 598.33 crore and Grants-in-aid and contributions of ₹ 1299.62 crore formed 18 per cent and 40 per cent respectively of the total Revenue Receipts. The major contributor to revenues was Non Tax Revenue of ₹ 1356.44 crore comprising 42 per cent of total Revenue Receipts. The ratio of Revenue Receipts is indicated in the diagram below.



Net tax receipts during the year were higher than the budget estimates by ₹ 47.43 crore, mainly on account of more receipts of State Share of Union Taxes and Duties as estimated.

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

Revenue Receipts and Grants-in-Aid and Contributions

(₹ in crore)

Components	Actuals	Percentage to total Revenue Receipts
A. Tax Revenue*	598.33	18.39
Taxes on Income and Expenditure **	242.93	7.46
Taxes on Property and Capital Transactions	7.55	0.23
Taxes on Commodities and Services	347.85	10.69
B. Non-tax Revenue	1356.44	41.68
Interest Receipts, Dividends and Profits	44.64	1.37
General Services ***	980.22	30.12
Social Services	9.02	0.28
Economic Services	322.56	9.91
C. Grants-in-aid and Contributions	1299.62	39.93
TOTAL-REVENUE RECEIPTS	3254.39	100.00

* Includes State's Share of Taxes and Duties from Government of India of ₹ 374.68 Crores.

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

*** Out of Rs. 1205.31 crore under General Services, ₹ 949.92 crore pertains to the gross receipts under State Lotteries.

Capital Receipts

Compared to the budget estimates of ₹ 457.35 crore, the actual receipts were ₹ 169.16 crore resulting an overall decrease of ₹ 288.19 crore.

DISBURSEMENTS

Revenue Disbursements

Revenue Disbursement of ₹ 2738.04 crore were 79 per cent of total disbursements of ₹ 3423.55 crore. It was higher than budget estimates by ₹ 170.90 crore due to excess disbursement of ₹ 179.28 crore under Non-Plan and less disbursement of ₹ 8.38 crore under Plan side.

Capital Disbursements

Capital Disbursements of ₹ 685.51 crore was 20 per cent of the total disbursement. It was less than the budget estimates by ₹ 193.94 crore due to less Expenditure of ₹ 193.94 crore under Plan side.

Plan Disbursements

During the year 2009-2010, Plan Disbursements were ₹ 1221.21 crore consisting of ₹ 1035.53 crore under State Plan, (₹ 508.09 crore under revenue and ₹ 527.44 crore under capital account) and ₹ 185.68 crore (₹ 64.60 crore under revenue account and ₹ 121.08 crore under capital account) under Central Plan and Centrally Sponsored Plan Schemes.

Non-Plan Disbursements

Non-plan Disbursements during 2009-2010 were ₹ 2165.36 crore, under Revenue account only. Sectoral distribution of expenditure and its percentage to total revenue expenditure is given below:-

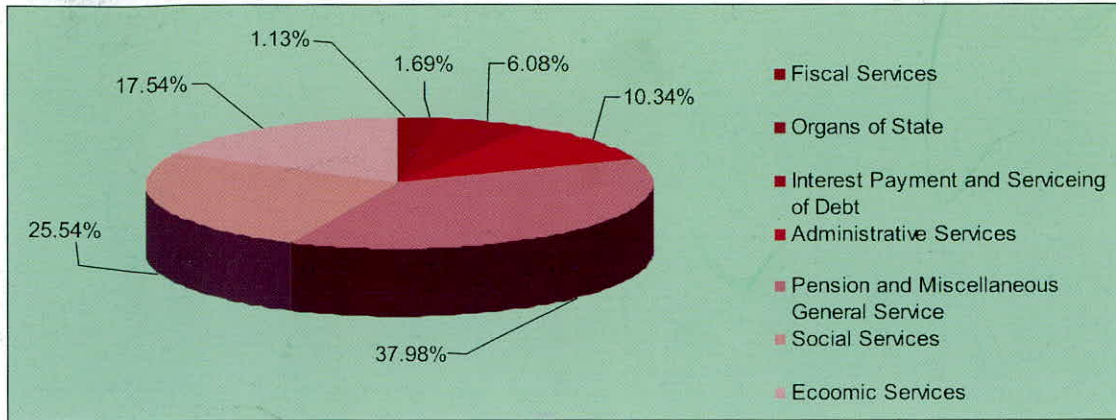
SECTORAL DISTRIBUTION OF EXPENDITURE AND ITS PERCENTAGE TO TOTAL REVENUE EXPENDITURE

(₹ in crore)

Components		Amount	Percentage to Total Revenue Expenditure
A. Fiscal Services			
(i)	Collection of Taxes on Property and Capital transactions	8.73	0.32
(ii)	Collection of Taxes on Commodities and Services	20.75	0.76
(iii)	Collection of Taxes on Income and Expenditure	1.48	0.05
B. Organs of State		46.30	1.69
C. Interest Payment and Servicing of Debt		166.43	6.08
D. Administrative Services		283.14	10.34
E. Pension and Miscellaneous General Services		1039.80	37.98
F. Social Services		691.28	25.25
G. Economic Services		480.13	17.54
TOTAL EXPENDITURE (REVENUE ACCOUNT)		2738.04	100.00

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

SECTORAL DISTRIBUTION OF EXPENDITURE DURING 2009 -2010



TREND OF EXPENDITURE

Trend of expenditure in some important sectors between 2005-06 and 2009-2010 (5 years) is brought out below:-

STATEMENT OF EXPENDITURE IN SELECTED SECTORS

(₹ in crore)

Sector	2005-06	% to B.E	% to RBE	2006-07	% to B.E	% to RBE	2007-08	% to B.E	% to RBE	2008-09	% to B.E	% to RBE	2009-10	% to B.E	% to RBE
Interest Payment & Servicing of Debt	113.60	103.01	103.01	127.00	100.52	99.04	129.47	91.84	91.82	154.37	105.39	101.25	166.43	91.70	91.70
Pension & Misc. General Services	920.81	100.02	100.02	972.55	78.15	77.06	1265.61	79.25	78.78	975.35	74.23	71.37	1039.80	101.20	99.75
Education, Sports, Arts & Culture	198.00	111.39	100.94	211.58	107.33	97.21	239.03	100.18	96.12	285.21	104.37	97.41	408.68	115.29	96.14
Health & Family Welfare	51.89	102.57	98.52	54.84	106.38	94.78	71.01	97.90	96.92	82.27	104.90	98.39	121.10	121.82	95.16
Agriculture & Allied Activities	100.52	110.52	98.94	111.03	111.27	94.30	134.45	105.21	92.95	153.19	90.00	83.10	190.37	115.52	95.10
Rural Development	32.41	101.41	94.94	36.60	7.57	97.70	38.54	97.77	99.30	48.06	108.85	101.22	48.06	91.81	98.83
Irrigation & Flood Control	8.56	76.22	74.76	15.50	85.77	85.02	13.52	105.46	80.91	27.00	44.39	43.67	36.66	72.07	69.96
Energy	41.89	107.74	100.02	38.19	75.29	99.79	38.09	91.65	90.13	49.77	105.44	98.55	60.36	110.01	99.37
Transport	42.72	76.64	83.58	50.01	86.62	85.21	55.20	88.11	87.20	68.59	110.53	94.63	86.23	114.96	98.12
General Economic Services	12.36	33.62	50.93	4.31	60.91	91.96	17.35	47.85	90.98	20.49	71.41	96.33	31.27	81.62	96.01

BE: Budget Estimate; RBE: Revised Budget Estimate

DEBTS AND LIABILITIES

Outstanding Public Debt at the end of 2009-2010 was ₹ 1791.68 crore, comprising internal debt of ₹ 1510.05 crore, Loans and advances from Central Government of ₹ 281.63 crore. Other liabilities accounted under Public Account ₹ 303.66 crore.

The State also acts as a banker and trustee in respect of deposits like small savings collections, provident funds. There was an overall increase of ₹ 45.58 crore in respect of such liabilities of the State Government during 2009-2010.

Interest payments on debt and other liabilities totaling ₹ 154.43 crore constituted 6 per cent of revenue expenditure of ₹ 2738.04 crore. Interest payments on public debts were ₹ 122.05 crore (Internal debt ₹ 102.81 crore, loans and advances from Central Governments ₹ 19.24 crore) and ₹ 30.14 crore on other liabilities. Expenditure on account of interest payments increased by ₹ 11.79 crore during 2009-2010.

Internal debt of ₹ 391.86 crore raised during 2009-2010 was mainly used for payments of interest of ₹ 102.81 crore.

INVESTMENTS AND RETURNS

Total investment as share capital in non-financial public sector undertakings (PSUs) stood at ₹ 89.31 crore at the end of 2009-2010. Dividends received during the year were ₹ 0.46 crore on investment. During 2009-2010 investments in PSUs increased by ₹ 2.72 crore.

LOANS AND ADVANCES BY THE STATE GOVERNMENT

Total loans and advances made by the State Government at the end of 2009-2010 was ₹ 41.67 crore. Information about arrears in recovery of Loans and Advances and interest had not been received from the departmental officers who maintain the detailed accounts thereof.

FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

Assistance to local bodies etc. during 2009-2010 was ₹ 209.95 crore. It increased from ₹ 30.62 crore in 2004-05 to ₹ 209.95 crore in 2009-2010. The grants given to Panchayat Raj Institution (₹ 182.05 crore) were 87 per cent of total grants given during the year.

APPROPRIATION ACCOUNTS

The Appropriation Accounts of the Government of Sikkim for the year 2009-2010 present the accounts of sums expended during the year ended 31 March 2010, compared with the sums specified in the Schedules appended to the Appropriation Acts passed under Articles 204 and 205 of the Constitution of India.

The Appropriation Accounts show that in the year 2009-2010, there was actual expenditure of ₹ 3512.03 crore, comprising ₹ 2740.24 crore Revenue Expenditure, ₹ 648.53 crore Capital Expenditure, ₹ 86.28 crore Repayment of Debt and ₹ 36.98 crore Loans and Advances. There were saving under all section of expenditure with reference to total grants allocated by the State Legislature as under.

(₹ in crore)

Summary of Appropriation Accounts						
Sl. No.	Nature of expenditure	Original grant	Supplementary grant	Total	Actual expenditure	Savings(-) Excess (+)
1	Revenue					
	Voted	2394.91	301.75	2696.66	2557.55	(-)139.11
	Charged	195.46	2.70	198.16	182.69	(+)15.47
	Capital					
	Voted	859.40	130.15	989.55	648.53	(-)341.02
	Charged	-	-	-	-	-
3	Public Debt					
	Charged	86.22	0.06	86.28	86.28	...
4	Loans and Advances					
	Voted	20.45	20.00	40.45	36.98	-3.47
	Charged	-	-	-	-	-
Total		3556.44	319.10	4011.10	3512.03	(-) 499.07

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

TREND OF EXPENDITURE ON SELECTED GRANTS SHOWING PERSISTENT SAVINGS

(₹ in crore)

GRANT NO./SECTION		Years	Total Allocation	Percentage of Savings
1.	Food Security & Agriculture Development (Revenue)	2005-2006	12.37	8%
		2006-2007	35.10	3%
		2007-2008	44.08	9%
		2008-2009	62.09	36%
		2009-2010	62.22	11%
5.	Culture Affairs and Heritage (Revenue)	2005-2006	5.39	18%
		2006-2007	5.10	5%
		2007-2008	5.39	1%
		2008-2009	8.78	0.34%
		2009-2010	7.35	0.54%
13	Health Care Human Services and Family Welfare (Revenue)	2005-2006	54.68	3%
		2006-2007	59.32	5%
		2007-2008	74.96	3%
		2008-2009	87.41	4%
		2009-2010	128.37	5%
19	Irrigation & Flood Control (Revenue)	2005-2006	12.45	28%
		2006-2007	19.23	18%
		2007-2008	17.47	22%
		2008-2009	61.47	56%
		2009-2010	52.09	29%
29	Development Planning Economic Reforms & North Eastern Council Affairs (Revenue)	2005-2006	39.87	80%
		2006-2007	24.45	59%
		2007-2008	27.68	72%
		2008-2009	20.28	62%
		2009-2010	24.54	61%
33	Water Security and Public Health Engineering (Capital)	2005-2006	34.30	27%
		2006-2007	63.81	57%
		2007-2008	53.56	43%
		2008-2009	10.26	0.68%
		2009-2010	10.68	1%

RECONCILIATION OF ACCOUNTS

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

Before the annual accounts are finalised, all the Heads of the Departments and Controlling Officers are required to reconcile the departmental accounts figures with those booked by the Senior Deputy Accountant General on quarterly basis in order to ensure that the latter's figures are accurate. This also facilitates identification of errors, misclassification and proper budgetary/financial control of expenditure. The reports of reconciliation by the controlling officers during the year 2009-2010 are as under:

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

SUBMISSION OF ACCOUNTS BY TREASURIES

There was a delay of 0 to 5 days, in receipt of accounts for the months of April 2009 to March 2010 from Chief Pay and Accounts Offices.

34 Public Works Divisions and 12 Forest Divisions submitted their accounts with delays ranging from 0 to 5 days. The fact of late receipt/non-receipt of monthly accounts was brought to the notice of the concerned authorities, as and when the delay occurred.

CHAPTER - III

Trends in Government Revenue and Expenditure

Trends in Government Revenue Receipts and Revenue Expenditure from 2005-2006 to 2009-2010 (5 years period) is given below.

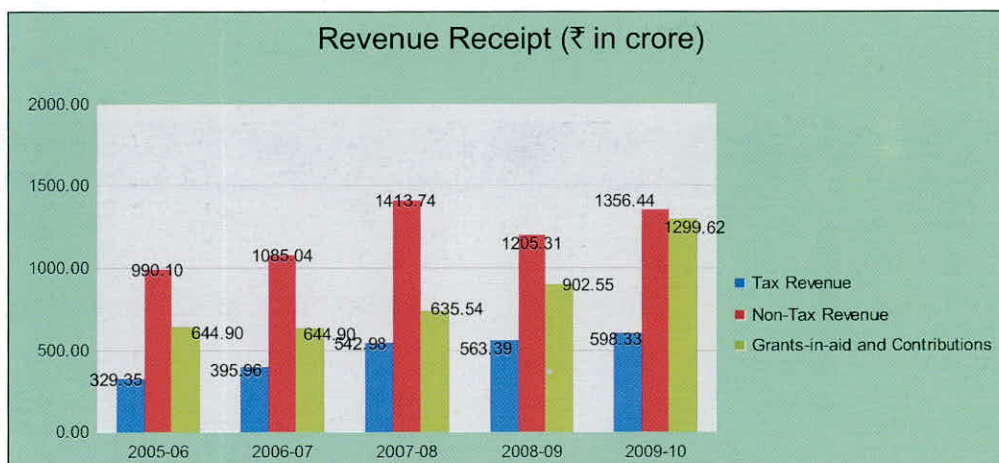
Revenue Receipts

(₹ in crore)

Year	Tax Revenue	Non-Tax Revenue	Grants-in-aid and Contributions	Gross Revenue Receipts	GDP	Percentage of Gross Revenue Receipts to GDP
2005-2006	329.35	990.10	644.90	1,964.35	1,717(Q)	114.41%
2006-2007	395.96	1,085.04	635.54	2,116.54	2,040(A)	103.75%
2007-2008	542.98	1,413.74	742.71	2,699.43	2,353(A)	114.72%
2008-2009	563.39	1,205.31	902.55	2,671.25	2,612(A)	102.26%
2009-2010	598.33	1,356.44	1,299.62	3,254.39	2,586(Q)	125.85%

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

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



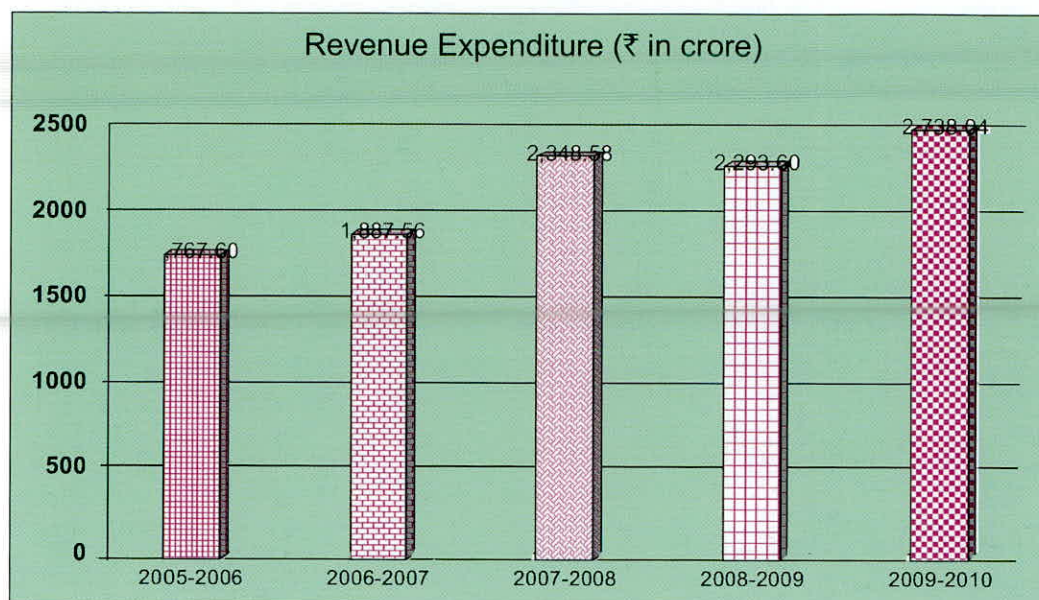
Revenue Expenditure

(₹ in crore)

Year	Revenue Expenditure	Total Expenditure	GDP	Percentage increase/decrease over previous year			Percentage of Government Expenditure to GDP
				Revenue Expenditure	Total Expenditure	GDP	
2005-2006	1,767.60	2,113.33	1,717 (Q)	2.56%	1.71%	12.15%	123.08%
2006-2007	1,887.56	2,214.18	2,040 (A)	6.79%	4.77%	18.81%	108.54%
2007-2008	2,348.58	2,764.05	2,353(A)	24.42%	24.83%	15.34%	117.47%
2008-2009	2,293.60	2,905.63	2,612(A)	(-2.34%)	5.12%	11.00%	111.24%
2009-2010	2,738.04	3,423.55	2,586(Q)	19.38%	17.82%	1.00%	132.39%

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

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



The overall increase in the Government's revenue receipt and revenue expenditure during 2009-2010 compared to 2005-2006 have been ₹ 1290.04 crore and ₹ 970.44 crore respectively was mainly due to more transaction under Crop Husbandry, Administrative Services, Social Services and Agriculture and Allied Activities during the year. Growth in major areas of Revenue Expenditure is shown in the following table:-

(₹ in crore)

Areas of expenditure	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	Percentage increase in 2009-2010 over the year 2005-2006
Interest Payments and Servicing of Debt	113.60	127.00	129.47	154.37	166.43	47%
Pension and Other Retirement Benefits.	41.53	49.24	50.19	59.45	125.75	203%
Crop Husbandry	21.71	23.67	30.55	39.74	42.58	96%
Administrative Services	103.27	119.58	144.44	177.64	283.14	174%
Social Services	337.78	355.81	438.23	540.24	691.28	105%
Agriculture and Allied Activities	100.52	111.03	134.45	153.19	190.37	89%

Government Accounts

The total expenditure (Revenue and Capital) for the year is netted against total receipts (Revenue and non-debt Capital receipts) of the year and the surplus/deficit thereof is transferred to a separate ledger called "Government Account". In addition, net effect of Prior

Period Adjustments, Miscellaneous Government Accounts, etc, is also transferred to the ledger "Government Account". Thus, the ledger "Government Account" represents the cumulative surplus/deficit of the operations of the Government.

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

(₹ in crore)

Year	Revenue Heads			Capital Heads			Other Heads (#)	Deficit for the year	Cumulative deficit/surplus at the end of the year		
	2		3			4				5	6
	(a)	(b)	(c)	(a)	(b)	(c)				(2c+3c+4)	
Receipts	Disbursements	Deficit/Surplus	Receipts \$	Disbursements \$	Deficit/Surplus	Deficit/Surplus					
2005-06	1,964.35	1,767.60	(+) 196.75	...	345.73	(-) 345.73		(-) 148.98	(-) 1,164.25		
2006-07	2,116.54	1,887.56	(+) 228.98	...	326.42	(-) 326.42		(-) 97.44	(-) 1,261.64		
2007-08	2,699.43	2,348.58	(+) 350.85	...	415.47	(-) 415.47		(-) 64.62	(-) 1,326.31		
2008-09	2,671.25	2,293.60	(+) 377.65	...	611.78	(-) 611.78		(-) 234.13	(-) 1,560.44		
2009-10	3,254.39	2,738.04	(+) 516.35	...	648.53	(-) 648.53		(-) 132.18	(-) 1,692.62		

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

Miscellaneous Government Accounts.

LIABILITIES

Liabilities of the State Government increased by ₹ 1,275.01 crore from ₹ 1,350.87 crore in 2005-2006 to ₹ 2,625.88 crore during 2009-2010. Public debt comprising internal debt of the State Government and loans and advances from the Central Government increased by ₹ 894.79 crore from ₹ 896.89 crore in 2005-2006 to ₹ 1,791.68 crore at the end of the current year. Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund of the State within such limits, if any, as may be fixed from time to time by the State Legislature. No such limit has been fixed by the State Legislature in respect of the State Government. Details of the Public Debt and total liabilities of the State Government are as under:

(₹ in crore)

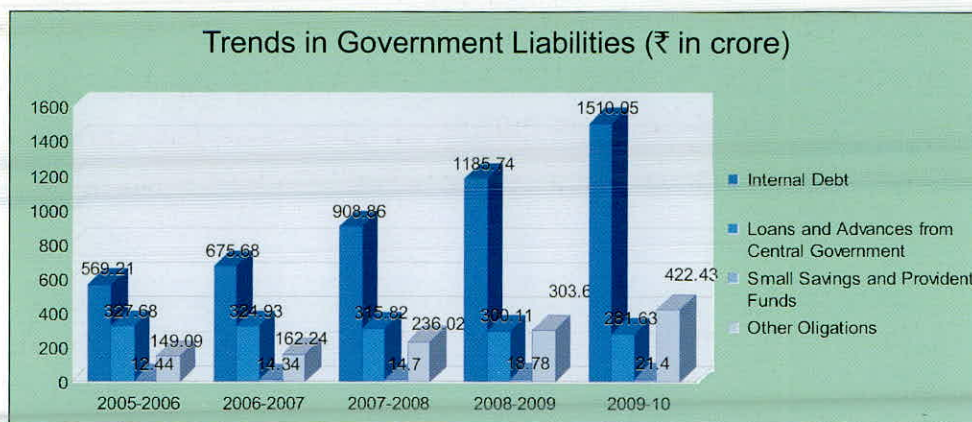
Year	Internal Debt	Loans & Advances from Central Government	Total Public Debt	Small Savings Insurance and Pension fund	Provident Funds	Other Obligations *	Total Liabilities	GDP	% of total liability to GDP
2005-2006	569.21	327.68	896.89	12.44	292.45	149.09	1,350.87	1,717 (Q)	78.68%
2006-2007	675.68	324.93	1,000.61	14.34	306.79	162.24	1,483.98	2,040 (A)	72.74%
2007-2008	908.86	315.82	1,224.68	14.70	320.42	236.02	1,795.82	2,353 (A)	76.32%
2008-2009	1,185.74	300.11	1,485.85	18.78	347.41	303.66	2,155.70	2,612 (A)	82.53%
2009-2010	1,510.05	281.63	1,791.68	21.40	390.37	422.43	2,625.88	2,586 (Q)	101.54%

GDP – Gross Domestic Product.

(Q) - Quickly arrived at.

(A) - Advance.

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



STATE PROVIDENT FUND

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

(₹ in crore)

Year	Opening Balance	Receipts *	Payments	Net accretion during the year	Closing Balance	Interest charged on balance of P.F
2005-2006	281.05	71.62	60.22	11.40	292.45	19.00
2006-2007	292.45	77.58	63.24	14.34	306.79	20.95
2007-2008	306.79	83.35	69.72	13.63	320.42	21.06
2008-2009	320.42	94.45	67.46	26.99	347.41	24.79
2009-2010	347.41	104.57	61.61	42.96	390.37	27.45

* Figures includes interest accrued during the year.

STATE GOVERNMENT EMPLOYEES GROUP INSURANCE FUND

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

(₹ in crore)

Year	Opening Balance	Receipts*	Payments	Net accretion for the year	Closing Balance	Interest charged on balance of Group Insurance Fund
2005-2006	10.85	2.19	0.60	1.59	12.44	1.33
2006-2007	12.44	2.44	0.54	1.90	14.34	1.55
2007-2008	14.34	0.89	0.53	0.36	14.70	1.79
2008-2009	**16.48	2.95	0.65	2.30	18.78	2.06
2009-2010	18.78	3.27	0.65	2.62	21.40	2.34

* Figures include interest accrued during the year.

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

GUARANTEES

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

(₹ in crore)

At the end of the year	Amount Guaranteed (Principal only)	Amount outstanding	
		Principal	Interest
2005-2006	NIL	84.47*	N.A.
2006-2007	NIL	84.40	N.A.
2007-2008	NIL	75.00**	N.A.
2008-2009	NIL	75.00	N.A.
2009-2010	NIL	75.00	2.58

N.A. – not available

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

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

WAYS AND MEANS ADVANCES

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

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

(₹ in crore)

Year	Amount of Ways and Means advance drawn from Government of India	Repayment/Adjustment	Outstanding at the end of the year
2005-2006	NIL	NIL	NIL
2006-2007	NIL	NIL	NIL
2007-2008	NIL	NIL	NIL
2008-2009	NIL	NIL	NIL
2009-2010	NIL	NIL	NIL

GENERAL CASH BALANCES

The cash balance with the Government increased from ₹ 95.68 crore at the beginning of the year 2009-2010 to ₹ 114.99 crore at its end, the details of sources and application of funds being as follows:

Cash flow Statement for the year

(₹ in crore)

SOURCES			APPLICATION		
Sl. No	Items	Amount	Sl. No	Items	Amount
1	Opening cash balance	95.68	1	Revenue Expenditure Non-Plan Plan	2165.36 572.68
2.	State's share of Union Taxes	374.68		Total	2738.04
3.	State's own revenue collection	1580.09	2	Capital Expenditure Non-Plan Plan	NIL 648.53
4.	Central grants/assistance other than loans	1299.62		Total	648.53
5.	Miscellaneous receipts	...	3	Loans and Advances repaid	86.29
6.	Net Receipts from public debt, small savings, deposits and advances (Other than Central loans)	447.34	4	Loans and Advances given	36.98
7.	Receipts from Central loans	0.25	5	Closing cash balance	114.99
8.	Recoveries from borrowers	0.30			
9.	Net contribution from Contingency Fund	...			
10.	Net effect of adjustment of suspense and remittance balances & increase/decrease of Reserve Funds	(-)173.13			
	Total	3624.83		Total	3624.83

Investments held in the Cash Balance Investment Account as on 31 March 2010 were ₹ 785.00 crore.

Other cash balances and investment comprising cash with departmental officers (₹ 0.15 crore), permanent advances with departmental officers (₹ 0.39 crore) and investment of earmarked funds (₹ 127.47 crore) as on 31 March 2010 were ₹ 128.01 crore. There is an un-reconciled difference of ₹ 9.97 crore between State Bank of Sikkim and the Government Account.

CONTINGENCY FUND

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

(₹ in crore)

	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
Number of withdrawals from Contingency Fund	4	5	2	3	Nil
Total withdrawals from Contingency Fund (₹ in crore)	0.94	0.57	0.55	1.00	Nil
Withdrawals from Contingency Fund as a percentage to total Budget provision	0.04%	0.02%	0.02%	0.03%	Nil



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

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

