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PREFACE

1. This Report on Finances of the State Government of Sikkim, has been prepared for submission to the Governor of Sikkim under Article 151 (2) of the Constitution of India for being laid in the Legislature of the State.
2. **Chapter I** describes the basis and approach to the Report and the underlying data, providing an overview of the structure of Government accounts, budgetary processes, macro-fiscal analysis of key indices and State's fiscal position including the fiscal/revenue deficits/surplus.
3. **Chapter II** of this Report provides a broad perspective of the finances of the State, analyses the critical changes in major fiscal aggregates relative to the previous year, overall trends during the period from 2018-19 to 2022-23, debt profile of the State and key Public Account transactions, based on the Finance Accounts of the State.
4. **Chapter III** is based on the Appropriation Accounts of the State and reviews the appropriations and allocative priorities of the State Government and reports on deviations from Constitutional provisions relating to budgetary management.
5. **Chapter IV** provides comments on the quality of accounts rendered by various authorities of the State Government and issues of non-compliance with prescribed financial rules and regulations, by various Departments of the State Government.
6. **Chapter V** provides an overall picture on the functioning of the State Public Sector Enterprises (SPSEs). The term State Public Sector Enterprises (SPSEs) encompasses the State Government owned/controlled Government Companies set up under the Companies Act, 2013/ Sikkim Registration of Companies Act 1961 and Statutory Corporations established under the proclamations of the erstwhile Chogyal (King) of Sikkim.
7. The Report containing audit findings of Performance Audit; Compliance Audit of transactions in various departments and audit findings arising out of the audit of Statutory Corporations, Boards and Government Companies and Revenue Sector is presented separately.