

CHAPTER-VII

FINANCIAL ASSISTANCE TO LOCAL BODIES AND OTHERS

7.1 Introduction

7.1.1 Autonomous bodies and authorities are set up to discharge generally non-commercial functions on public utility services. These bodies/authorities by and large receive substantial financial assistance from the Government. The Government also provides substantial financial assistance to other institutions such as those registered under the Sikkim State Co-operative Societies Act, Registration of Companies Act, Sikkim, 1961, etc. to implement certain programmes of the State Government. The grants are intended essentially for maintenance of educational institutions, hospitals, charitable institutions, construction and maintenance of schools and hospital buildings, improvement of roads and other communication facilities under municipalities and local bodies.

During 2002-2003, financial assistance of Rs.13.52 crore was released to various autonomous bodies and institutions, broadly grouped as under:

Table-7.1

(Rupees in crore)

Sl. No.	Name of institutions	Amount of assistance paid
1.	Universities and Educational Institutions	1.85
2.	Zilla Parishad and Panchayati Raj Institutions	2.13
3.	Development Agencies	3.67
4.	Hospitals and other Charitable Institutions	0.05
5.	Other Institutions	5.82
	Total	13.52 *

* The total figure of Rs.13.52 crore is based on departmental figures. It differs with the figure of Rs.4.07 crore shown in the Finance Accounts 2002-03 of the State Government. The difference is under reconciliation.

7.2 Delay in furnishing utilisation certificates

7.2.1 The financial rules of the Government require that where grants are given for specific purposes, certificates of utilisation should be obtained by the departmental offices from the grantees and after verification, these should be forwarded to the Accountant General within one year from the date of sanction unless specified otherwise.

Of the 457 utilisation certificates due in respect of grants and loans aggregating Rs.13.52 crore paid during the period 2002-2003, only 45 certificates for Rs.2.77 crore had been received by the grant releasing departments by 30 September 2003 and 412 certificates for an aggregate amount of Rs.10.75 crore were in arrears. Department-wise break-up of outstanding utilisation certificates was as follows:

Table-7.2

Department	Number of certificates	Amount (Rupees in lakh)
Health and Family Welfare	8	45.00
Rural Development	30	371.08
Social Welfare	6	176.72
Art and Culture	61	65.60
Sports and Youth Affairs	14	20.56
Education	9	148.80
Co-operation	255	57.58
Tourism	7	14.90
Horticulture	16	10.00
Animal Husbandry and Veterinary Services	6	165
Total	412	1075.24

7.3 Audit arrangement

7.3.1 The Audit of accounts of the following bodies had been entrusted to the Comptroller and Auditor General of India for a period of five years as detailed below:

Table-7.3

Sl. No.	Name of body	Period of entrustment	Date of entrustment
1.	Sikkim Khadi and Village Industries Board	2000-01 to 2004-2005	15 December 1999
2.	Sikkim Co-operative Milk Producers' Union Limited	1998-99 to 2002-2003	17 September 1998
3.	Sikkim Co-operative Supply and Marketing Federation Limited.	2000-01 to 2004-2005	02 November 2000
4.	Panchayati Raj Institutions	2001-02 to 2005-2006	27 August 2001

The primary Audit of local bodies (Zilla Parishads, Gram Panchayats), educational institutions and others is conducted by the State Government. The audit of co-operative societies is also conducted by the State Government. Only four bodies/authorities attracted audit under Section 20 (1) of the Comptroller and Auditor General's (DPCS) Act 1971.

The status of submission of accounts by them and completion of audit as of September 2003 is given below:

Table-7.4

Sl. No.	Name of body	Annual accounts received upto	Annual accounts audited upto
1	Sikkim Khadi and Village Industries Board	1998-1999	1998-1999
2	Sikkim Co-operative Milk Producers' Union Limited	2000-01	2000-01
3.	Sikkim Co-operative Supply and Marketing Federation Ltd.	2001-02	2001-02
4.	Panchayati Raj Institutions	Entrusted with effect from August 2001	-

Against the 18 Institutions, which attracted Audit under Section 14 of the Comptroller and Auditor General's (DPCS) Act 1971, the position of accounts audited as of September 2003 is given below:

Table-7.5

Sl. No	Name of Body	Annual accounts finalised upto	Annual Accounts audited
1	State Leprosy Officer, East, Gangtok	2001-02	2001-02
2	Distt. Leprosy Officer, Gangtok	2001-02	2002-03
3	Distt. Leprosy Officer, West	2001-02	2001-02
4	Distt. Leprosy Officer, North	2001-02	2001-02
5	Distt. Leprosy Officer, South	2000-01	2001-02
6	Sikkim Renewable Energy Development Agency (SREDA)	2000-01	2000-01
7	Sikkim Institute of Higher Nyingma Studies (SHEDA)	2001-02	2001-02
8	Sikkim Research Institute of Tibetology	2001-02	2001-02
9	Institute of Hotel Management	2002-03	2002-03
10.	Society for Prevention and Control of Blindness	2001-02	2001-02
11.	National Aids Control Project	2001-02	2001-02
12.	Sikkim Institute of Rural Development	2001-02	2001-02
13.	Tashi Namgyal Academy	2001-02	2001-02
14.	Sikkim Rural Development Agency	2000-01	2000-01
15.	Council of Science & Technology	2000-01	2000-01
16.	Paljor Namgyal Girls Senior Secondary School	2001-02	2001-02
17.	Sikkim State Illness Assistance Fund Association	2001-02	2001-02
18.	Sikkim Urban Development Agency	2001-02	2001-02