

FINANCE ACCOUNTS 2010-2011

VOLUME - I

GOVERNMENT OF SIKKIM



FINANCE ACCOUNTS 2010-2011

VOLUME - I

GOVERNMENT OF SIKKIM

Table of Contents

Subject	Page(s)
Volume - I	
■ Certificate of the Comptroller and Auditor General of India	(iii)–(v)
Guide to Finance Accounts	1 - 6
1 Statement of Financial Position	7 - 8
2 Statement of Receipts and Disbursements	9 - 11
3 Statement of Receipts (Consolidated Fund)	12 - 15
4 Statement of Expenditure (Consolidated Fund)	16 - 23
° By Function and Nature	
■ Notes to Accounts	24 - 33
■ Appendix I: Cash Balances and Investment of Cash Balances	34 - 35
Volume - II	
Part - I	
5 Statement of Progressive Capital expenditure	38 - 41
6 Statement of Borrowings and other Liabilities	42 - 45
7 Statement of Loans and Advances given by the Government	46 - 48
8 Statement of Grants-in-aid given by the Government	49 - 50
9 Statement of Guarantees given by the Government	51 - 52
10 Statement of Voted and Charged Expenditure	53

Table of Contents

Subject	Page(s)
Volume - II	
Part - II	
11 Detailed Statement of Revenue and Capital Receipts by minor heads	56 - 85
12 Detailed Statement of Revenue Expenditure by minor heads	86 -149
13 Detailed Statement of Capital Expenditure	150 - 188
14 Detailed Statement of Investments of the Government	189 - 208
15 Detailed Statement of Borrowings and other Liabilities	210 - 221
16 Detailed Statement on Loans and Advances given by the Government	222 - 228
17 Detailed Statement on Sources and Application of funds for expenditure (other than revenue account) to the end of 2010-2011	229 - 231
18 Detailed Statement on Contingency Fund and other Public Account transactions	232 - 248
19 Detailed Statement on Investments of earmarked funds	249 - 251
Part - III: Appendices	
II Comparative Expenditure on Salary	254 - 265
III Comparative Expenditure on Subsidy	266 - 267
IV Grants-in-aid (Scheme wise and Institution wise)	268 - 271
V Externally Aided Projects	272 - 273
VI Plan Scheme expenditure (Central and State Plan Schemes)	274 - 284
VII Direct transfer of funds to implementing agencies	285 - 292
VIII Summary of Balances	293 - 295
IX Financial results of Irrigation Schemes	296 - 297
X Incomplete Works	298 - 313
XI Maintenance expenditure with segregation of salary and non-salary portion	314 - 317

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 2011 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) and appendices (IV, V, VI(B), X) 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 Accountant General (A&E). The audit of these accounts is independently conducted through the office of the Accountant General (Audit) 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 2010-11.

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 2011.



(VINOD RAI)

Comptroller and Auditor General of India

Date: 07-10-2011

Place: New Delhi

Guide to the Finance Accounts

A. Broad overview of the Structure of Government Accounts

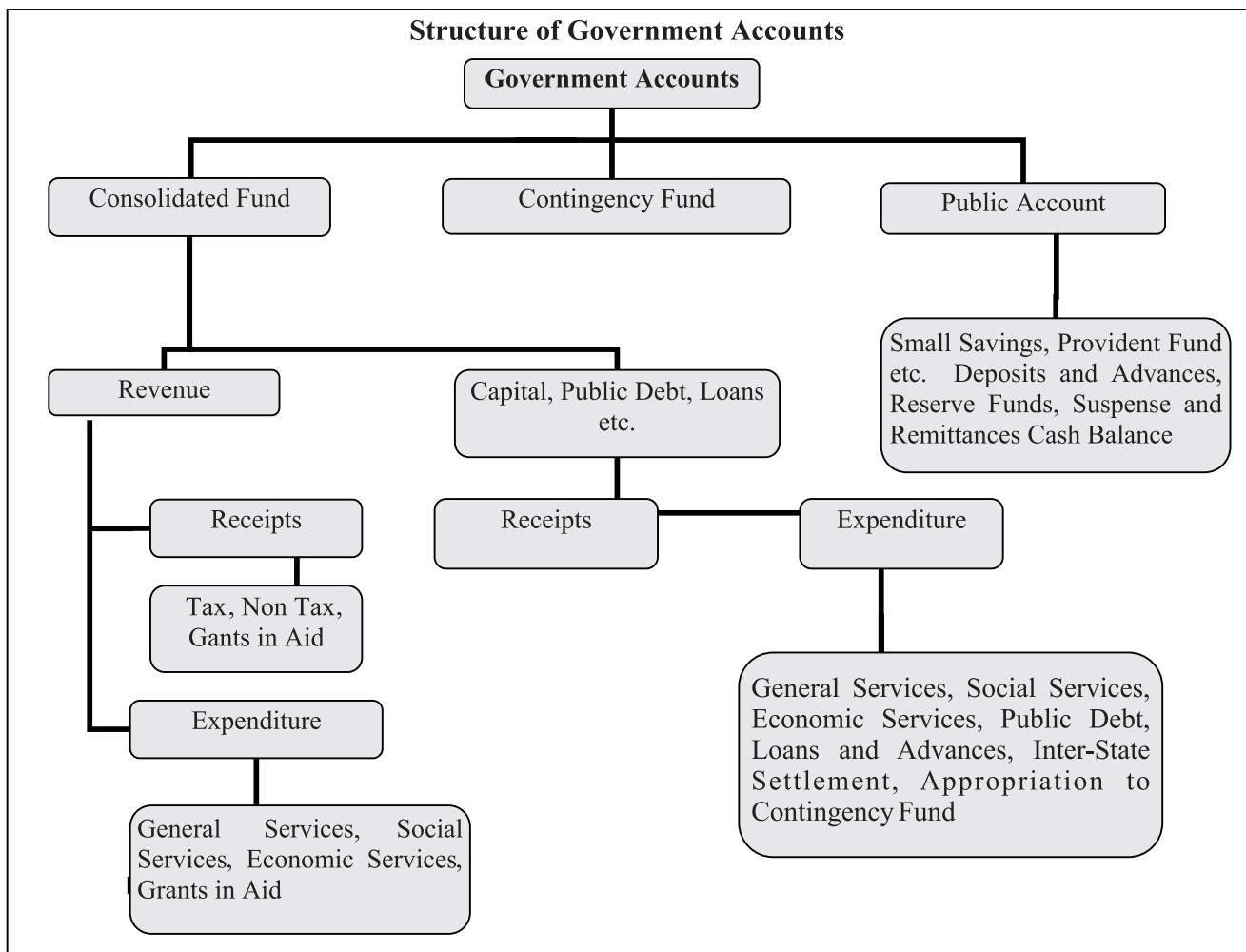
1. The Accounts of the Government are kept in three parts:

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



Guide to the Finance 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.

Guide to the Finance Accounts

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).

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.

Guide to the Finance Accounts

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

Guide to the Finance Accounts

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 number 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

Guide to the Finance Accounts

C. Book adjustments:

Certain transactions are in the nature of periodical adjustments and 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 31 st March 2011	As at 31 st March 2010
	Notes to Accounts	Statement		
Cash			7,46.81	10,28.01
(i) Cash in State Bank of Sikkim	...	18	1,33.47	94.60
(ii) Departmental Balances	...	18	0.15	0.15
(iii) Permanent Imprest	...	18	0.40	0.39
(iv) Cash Balance Investments	...	18	4,40.00	7,85.00
(v) Deposits with Other Bank	...	18	21.32	20.40
(vi) Investments from Earmarked Funds ²	...	19	1,51.47	1,27.47
Capital Expenditure		13	50,18.75	45,67.68
(i) Investments in shares of Companies, Corporations, etc.	...	14	90.31	89.31
(ii) Other Capital Expenditure	...	13	49,28.44	44,78.37
Contingency Fund (un-recouped)	...	18	0.10	...
Loans and Advances	...	16	46.64	41.68
Advances with departmental officers	...	18	1.03	1.03
Suspense and Miscellaneous Balances³
Remittance Balances
Cumulative excess of expenditure over receipts⁴
Total			58,13.33	56,38.40

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.

1: STATEMENT OF FINANCIAL POSITION (Concl'd.)

(₹ in crore)

Liabilities	Reference (Sr. no.)		As at 31 st March 2011	As at 31 st March 2010
	Notes to Accounts	Statement		
Borrowings (Public Debt)				
(i) Internal Debt	...	6	15,53.71	15,10.05
(ii) Loans and Advances from Central Government	...	6	2,59.77	2,81.63
Non-Plan Loans	...	6	81.78	86.66
Loans for State Plan Schemes	...	6	1,55.35	1,70.55
Loans for Central Plan Schemes
Loans for Centrally Sponsored Plan Schemes	...	6	17.54	18.53
Other loans	...	6	5.10	5.89
Contingency Fund (corpus)		6	1.00	1.00
Liabilities on Public Account			9,84.02	9,70.67
(i) Small Savings, Provident Funds, etc.	...	18	5,10.28	4,11.76
(ii) Deposits	...	18	85.40	65.39
(iii) Reserve Funds	...	18	1,72.15	151.37
(iv) Remittance Balances	...	18	1,38.68	1,66.93
(v) Suspense and Miscellaneous Balances	...	18	77.51	1,75.22
Cumulative excess of receipts over expenditure	...	17	30,14.83	28,75.05
Total			58,13.33	56,38.40

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

(₹ in crore)

Receipts			Disbursements		
	2010-11	2009-10		2010-11	2009-10
Part-I Consolidated Fund					
Section-A: Revenue					
Revenue Receipts	30,47.31	32,54.39	Revenue Expenditure	29,07.53	27,38.04
Tax revenue (raised by the State)	2,79.54	2,23.65	Salaries ¹ *	8,82.31	8,25.83
Non-tax revenue	11,37.76	13,56.44	Subsidies*	8.05	7.22
			Grants-in-aid ² *	36.19	27.90
Interest receipts	28.14	44.18	General services	13,40.10	13,08.40
Others	11,09.62	13,12.26	Interest Payment and service of debt	1,98.77	1,66.43
			Pension	1,60.14	1,25.75
Share of Union Taxes/Duties	5,24.99	3,74.68	Others	9,81.19	10,16.22
			Social services	1,53.10	1,68.23
			Economic services	2,32.88	2,18.41
Grants from Central Government	11,05.02	12,99.62	Compensation and assignment to Local Bodies and PRIs@	2,54.90	1,82.05
Revenue Deficit	...	...	Revenue Surplus	1,39.78	5,16.35

¹Salary, 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.

²Grants 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		
	2010-11	2009-10		2010-11	2009-10
Part-I Consolidated Fund <i>Concl.</i>					
Section-B: Capital					
Capital Receipts	...	...	Capital Expenditure	4,51.07	6,48.53
			General Services	56.67	88.87
			Social Services	1,65.85	2,20.64
			Economic Services	2,28.55	3,39.02
Recoveries of Loans and Advances	0.79	0.30	Loans and Advances disbursed	5.75	36.98
			General Services	...	...
			Social Services	2.00	1.65
			Economic Services	3.75	35.03
			Others	...	0.30
Public Debt Receipts	95.03	3,92.11	Repayment of Public Debt	73.23	86.29
Internal Debt (market loans etc.)	94.96	3,91.86	Internal Debt (market loans etc.)	51.31	67.55
Loans from GOI	0.07	0.25	Loans from GOI	21.92	18.74
Net of Inter-State-Settlement Account	...	...	Net of Inter-State-Settlement Account	...	...
Total Receipts Consolidated Fund	31,43.13	36,46.80	Total Expenditure Consolidated Fund	34,37.58	35,09.84
Deficit in Consolidated Fund	2,94.45	...	Surplus in Consolidated Fund		1,36.96

Part-II Contingency Fund					
Contingency Fund	...	...	Contingency Fund	0.10	...

Part-III Public Accounts³					
Small savings	1,62.67	1,07.84	Small savings	64.16	62.26
Reserves & Sinking Funds	59.56	48.49	Reserves & Sinking Funds	62.77	50.12

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

2. STATEMENT OF RECEIPTS AND DISBURSEMENTS

(₹ in crore)

Receipts			Disbursements		
	2010-11	2009-10		2010-11	2009-10
Part-III Public Accounts <i>Concl'd.</i>					
Deposits	51.43	45.04	Deposits	31.42	35.14
Advances	...	...	Advances	...	...
Suspense and Misc	30,46.00	35,12.96	Suspense and Misc⁴	27,98.71	36,99.28
Remittances	6,75.09	8,44.29	Remittances	7,03.35	8,29.48
Total Receipts Public Account	39,94.75	45,58.62	Total Disbursements Public Account	36,60.41	46,76.27
Deficit in Public Account	...	1,17.65	Surplus in Public Account	3,34.34	...
Opening Cash Balance	1,14.99	95.68	Closing Cash Balance	1,54.79	1,14.99
Increase in cash balance	39.80	19.31	Decrease in cash balance	...	...

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 - Miscellaneous 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	2010-11	2009-10
A.	Tax Revenue		
A.1	Own Tax revenue		
	Land Revenue	7.33	2.71
	Stamps and Registration fees	5.70	4.48
	State Excise	70.64	57.27
	Sales Tax	1,42.74	1,21.07
	Taxes on goods and passengers	0.00	0.00
	Taxes on Vehicles	10.67	7.88
	Others	42.46	30.24
A.2	Share of net proceeds of Taxes		
	Corporation Tax	2,05.18	1,54.20
	Taxes on Income other than Corporation Tax	1,08.43	85.89
	Other Taxes on Income and Expenditure	0.00	0.00
	Taxes on Wealth	0.42	0.35
	Customs	91.79	52.44
	Union Excise Duties	66.78	42.24
	Service Tax	52.39	39.56
	Other Taxes and Duties on Commodities and Services	0.00	0.00
	Others	0.00	0.00
	Total A	8,04.53	5,98.33
B	Non-Tax Revenue		
0075	Miscellaneous General services	9,41.32	9,50.92
0801	Power	87.86	2,85.83
0049	Interest receipts	28.14	44.18
1055	Road Transport	24.76	20.29
0406	Forestry and Wild Life	12.25	8.79
0055	Police	9.57	14.52
0070	Other Administrative Services	4.72	4.42
0071	Contributions and Recoveries towards pension and other Retirement Benefit	4.26	5.19
0059	Public Works	3.48	2.89

3. STATEMENT OF RECEIPTS

CONSOLIDATED FUND contd.			
(₹ in crore)			
	Description	2010-11	2009-10
B	Non-Tax Revenue - Concl.		
1452	Tourism	3.00	1.62
0407	Plantations	2.90	1.80
0215	Water Supply and Sanitation	2.61	2.61
0217	Urban Development	2.38	3.04
0050	Dividends and Profits	2.37	0.46
0202	Education, Sports, Art and Culture	1.73	1.57
0058	Stationery and Printing	1.52	2.27
0515	Other Rural Development Programmes	1.17	2.55
0210	Medical and Public Health	0.72	1.02
0401	Crop Husbandry	0.51	0.40
0216	Housing	0.41	0.27
0403	Animal Husbandry	0.38	0.32
0702	Minor Irrigation	0.29	0.36
0852	Industries	0.27	0.18
0230	Labour and Employment	0.22	0.25
0853	Non-ferrous Mining and Metallurgical Industries	0.19	0.13
0220	Information and Publicity	0.18	0.20
1475	Other General Economics Services	0.11	0.11
0408	Food Storage and Warehousing	0.11	0.08
0051	Public Service Commission	0.09	...
0851	Village and Small Industries	0.07	0.09
0250	Other Social Services	0.06	0.04
0425	Co-operation	0.04	0.01
0056	Jails	0.03	...
0405	Fisheries	0.02	0.02
0235	Social Security and Welfare	0.02	0.01
	Total B	11,37.76	13,56.44

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

GRANTS FROM GOVERNMENT OF INDIA			
(₹ in crore)			
		Actuals	
	Description	2010-11	2009-10
(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 State Disaster Response Fund	10.24	14.78
	Grants under National Calamity Contingency Fund	...	...
	Other Grants	1,11.08	14.01
	Grants for State/Union		
	Territory Plan Schemes		
	Block Grants (of which EAP)	7,99.83	9,83.35
	Grants under the proviso to Article 275 (1) of the Constitution	...	...
	Grant for Central Road Fund	...	...
	Other Grants	0.05	42.84
	Grants for Central Plan Schemes	5.30	4.63
	Grants for Centrally Sponsored Plan Schemes	1,46.08	1,87.14
	Grants for Special Plan Schemes	32.44	52.87
	Total C	11,05.02	12,99.62
	Total Revenue Receipts (A+B+C)	30,47.31	32,54.39

3. STATEMENT OF RECEIPTS (CONSOLIDATED FUND) - Concl'd.

CAPITAL, PUBLIC DEBT AND OTHER RECEIPTS				
(₹ in crore)				
			Actuals	
	Description		2010-11	2009-10
D.	Capital Receipts			
	Disinvestment proceeds		...	...
	Others		...	...
	Total D		...	...
E.	Public Debt receipts			
	Internal Debt	Market Loans	...	3,28.01
		WMA ¹ from the RBI	...	...
		Bonds	...	...
		Loans from Financial Institutions	53.83	54.94
		Special Securities issued to National Small Savings Fund	36.70	...
		Other Loans	4.43	8.91
	Loans and Advances from Central Government			
		Non Plan Loans	...	0.25
		Loans for State Plan Schemes	...	...
		Loans for Central Plan Schemes	0.07	...
		Loans for Centrally Sponsored Plan Schemes	...	...
		Other Loans	...	...
	Total E		95.03	3,92.11
F.	Loans and Advances by State Government (Recoveries) ²		0.79	0.30
G.	Inter-State-Settlements		...	...
	Total Receipts in Consolidated Fund (A+B+C+D+E+F+G)		31,43.13	36,46.80

¹ WMA : Ways and Means Advances² 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	8.31	...	...	8.31
	President, Vice President/Governor, Administrator of Union Territories	3.61	...	...	3.61
	Council of Minister	6.85	...	...	6.85
	Administration of Justice Elections	15.20	...	...	15.20
	Election	4.11	...	...	4.11
A.2	Fiscal Services				
	Collection of taxes on Income and Expenditure	1.26	...	...	1.26
	Land Revenue	7.55	...	...	7.55
	Stamps and Registration	0.20	...	...	0.20
	State excise	3.93	...	...	3.93
	Taxes on States, Trade etc.	3.28	...	...	3.28
	Taxes on Vehicles	1.13	...	...	1.13
	Other Taxes and Duties on Commodities and Services	15.77	...	...	15.77
	Appropriation for Reduction or Avoidance of Debt	12.00	...	...	12.00
	Interest Payments	186.77	...	...	186.77
A.3	Administrative Services				
	Public Service Commission	1.47	...	...	1.47
	Secretariat-General Service	23.41	...	...	23.41
	District Administration	7.73	...	...	7.73
	Treasury and Accounts Administration	9.84	...	...	9.84
	Police	151.91	0.45	...	152.36
	Jails	3.97	...	...	3.97
	Stationery and Printing	5.09	...	...	5.09
	Public Works	12.49	56.21	...	68.70
	Other Administrative Services	32.59	...	...	32.59

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND) - Contd.

A. EXPENDITURE BY FUNCTION - Contd.

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
	General Services - Concl'd.				
A.4	Pension & Misc. General Services				
	Pensions and Other Retirement Benefits	160.14	...	...	160.14
	Miscellaneous General Services	901.94	...	...	901.94
	Total General Services	1580.55	56.66	...	1637.21
B	Social Services				
B.1	Education, Sports Art & Culture (see note1 below statement)				
	General Education	539.75	39.43	2.00	581.18
	Technical Education	0.57	...	...	0.57
	Sports and Youth Services	5.08	...	...	5.08
	Art and Culture	8.55	...	...	8.55
B.2	Health & Family Welfare				
	Medical and Public health	104.15	31.83	...	135.98
	Family Welfare	14.40	...	...	14.40
	Water Supply, Sanitation,Housing & Urban	...	...	...	...
B.3	Development				
	Water Supply and Sanitation	24.84	34.32	...	59.16
	Housing	16.31	23.53	...	39.84
	Urban Development	25.90	34.80	...	60.70
B.4	Information and Broadcasting				
	Information and Publicity	5.59	0.90	...	6.49
B.5	Welfare of Scheduled Caste, Scheduled Tribes and other Backward Classess				
	Welfare of Scheduled Caste, Scheduled Tribes and other Backward Classess	13.31	0.44	...	13.75

1. Includes Capital expenditure on account of Sports and Youth Services (₹ 5.91 crore), Art and Culture (₹ 12.72 crore).

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND) - Contd.

A. EXPENDITURE BY FUNCTION - Contd.

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
	Social Services - Concl'd.				
B.6	Labour and Labour Welfare				
	Labour and employment	3.59	...	...	3.59
B.7	Social Welfare & Nutrition				
	Social Security and Welfare	22.01	0.60	...	22.61
	Nutrition	9.43	...	...	9.43
	Relief on Account of Natural Calamities	12.38	...	...	12.38
B.8	Others				
	Other Social Services	10.21	...	...	10.21
	Secretariat- Social Services	0.36	...	...	0.36
	Total Social Services	816.43	165.85	2.00	984.28
C	Economic Services				
C.1	Agriculture & Allied Activities				
	Crop Husbandry	48.89	...	...	48.89
	Soil & Water Conservation	6.80	...	...	6.80
	Animal Husbandry	28.46	0.29	...	28.75
	Dairy Development	1.04	...	...	1.04
	Fisheries	4.32	1.57	...	5.89
	Forestry & Wild Life	56.27	2.65	...	58.92
	Plantations	3.55	...	...	3.55
	Food, Storage & Warehousing	13.61	0.70	...	14.31
	Agricultural Research & Education	...	...	...
	Co-operation	8.81	1.00	3.75	13.56
	Other Agricultural Programmes	34.33	...	...	34.33
C.2	Rural Development				
	Special Programmes for Rural Development	20.33	...	...	20.33
	Rural Employment	0.74	...	...	0.74
	Land Reforms	0.05	...	...	0.05
	Other Rural Development Programmes	20.60	22.74	...	43.34

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND) - Contd.

A. EXPENDITURE BY FUNCTION - Contd.

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
	Economic Services - Concl'd.				
C.3	Special Areas Programmes				
	Other Special Areas Programmes	0.47	11.34	...	11.81
C.4	Irrigation & Flood Control				
	Minor Irrigation	41.29	...	...	41.29
	Command Area Development	...	...	...	...
	Flood Control & Drainage	2.28	5.29	...	7.57
C.5	Energy				
	Power	76.19	32.86	...	109.05
	Non-Conventional Sources of Energy	0.84	...	...	0.84
C.6	Industry & Minerals				
	Village & Small Industries	16.14	1.24	...	17.38
	Industries	2.19	...	...	2.19
	Non- Ferrous Mining & metallurgical Industries	2.49	...	...	2.49
	Telecommunicatin & Electronic Industries	...	...	...	...
	Consumer Industries	...	0.40	...	0.40
C.7	Transport				
	Civil Aviation	...	...	...	...
	Roads & Bridges	54.51	97.06	...	151.57
	Road Transport	28.25	1.50	...	29.75
C.8	Communication				
C.9	Science & Technology				
	Other Scientific Research	2.06	0.20	...	2.26
	Ecology & Environment	0.59	...	...	0.59
C.10	General Economic Service				
	Secretariat- Economic Services	3.79	...	...	3.79
	Tourism	11.31	49.72	...	61.03
	Census Surveys & Statistics	5.50	...	...	5.50
	Civil Supplies	0.61	...	...	0.61
	Other General Economic Service	1.30	...	...	1.30
	Total Economic Services	497.61	228.56	3.75	729.92

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND) - Contd.

A. EXPENDITURE BY FUNCTION - Concl'd.

(₹ in crore)

	Description	Revenue	Capital	L&A	Total
D.	Loans, Grants in Aid & Contributions				
	Grants- In - Aid to State Governments	12.94	...	...	12.94
E	Loans to Government Servants etc.				
	Loans to Government Servants etc.	...	...	...	...
	Misc. Loans	...	...	...	...
F	Public Debt				
	Internal Debt of the State Government	...	...	51.31	51.31
	Loans and Advances from the Central Government	...	...	21.92	21.92
	Total Loans, Grants in Aid & Contributions	12.94	...	...	...
	Total Consolidated Fund Expenditure	2907.53	451.07	78.98	3437.58

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND)- Contd.

B. EXPENDITURE BY NATURE

(₹ in crore)

Object of Expenditure	2010-11			2009-10			2008-09		
	Rev	Cap	Total	Rev	Cap	Total	Rev	Cap	Total
50-Other Charges	871.11	...	871.11	973.26	...	973.26	964.06	...	964.06
01- Salaries	384.63	...	384.63	825.83	...	825.83	469.79	...	469.79
31-Grants-in-aid	192.93	...	192.93	209.60	...	209.60	164.33	...	164.33
45-Interest	158.39	...	158.39	149.91	...	149.91	137.65	...	137.65
53-Major Works	...	...	...	...	99.77	99.77	...	65.48	65.48
13-Office Expenses	23.65	...	23.65	69.70	...	69.70	68.44	...	68.44
04-Pensionary Charges	84.34	...	84.34	67.08	...	67.08	29.33	...	29.33
73-Construction of Airport at Pakyong (Upgradation Grant under TFC)	...	...	...	...	50.00	50.00	50.00	...	50.00
71-Superannuation & Retirement allowances	49.68	...	49.68	45.35	...	45.35	21.99	...	21.99
77-Development Works (ACA)	...	...	...	...	40.12	40.12	...	...	...
85-Construction of Patient House at New Delhi	...	...	...	...	35.00	35.00	...	20.00	20.00
02-Wages	...	...	...	30.53	...	30.53	29.36	...	29.36
81-Accelerated Rural Water Supply Programme(100% CSS)	...	...	...	...	26.37	26.37	...	27.18	27.18
76-Anti-erosion/Flood Management Works (ACA)	10.06	...	10.06	25.10	...	25.10	...	...	...
88-Macro Management in Agriculture	25.47	...	25.47	19.56	...	19.56	17.86	...	17.86
72-Capacity Building/Training Programme	...	...	...	19.46	...	19.46	19.60	...	19.60

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND) - Contd.

B. EXPENDITURE BY NATURE - Contd.

(₹ in crore)

[illegible]

4 STATEMENT OF EXPENDITURE (CONSOLIDATED FUND) - Concl'd.

B. EXPENDITURE BY NATURE - Concl'd.

(₹ in crore)

Object of Expenditure	2010-11			2009-10			2008-09		
	Rev	Cap	Total	Rev	Cap	Total	Rev	Cap	Total
71-Transfer to the Sikkim Transport Infrastructure Development Fund	9.00	...	9.00	8.00	...	8.00	...	...	...
71-Removal of deficiencies in existing Network	...	...	...	...	...	...	...	16.57	16.57
73-Cultural Village at Yangang	...	...	...	...	...	...	15.00	...	15.00
74-Distribution of G.C.I. Sheets to the Rural Poor	10.06	...	10.06	...	...	...	12.48	...	12.48
76-Restoration of Jhora etc.	...	...	...	...	...	...	10.44	...	10.44
72- Promotion of Sustainable Forest Management (JICA-EAP)	10.00	...	10.00	...	...	...	...	...	...
74- Accelerated Irrigation Benefit Programme.	11.67	...	11.67	...	...	...	...	...	...
76- Leave Encashment	19.97	...	19.97	...	...	...	...	...	...
76- Construction of 575 bedded Super Speciality Hospital (ACA)	...	30.00	30.00	...	...	...	...	...	...
Others	1012.85	395.43	1408.28	183.92	293.23	477.15	181.47	396.07	577.54
TOTAL	2907.53	451.07	3358.60	2738.04	648.53	3386.57	2293.60	611.78	2905.38

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 2010 to 31st March 2011.

(ii) Basis of Accounting:-

With the exception of some book adjustments (note below) the accounts represent the actual cash receipts and disbursements during the account period. Assets are valued at historical cost and Government investment etc is shown at historical cost. Physical assets are not depreciated or amortised. The losses of physical assets at the end of its life is also not 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 (₹ 154.33 crore (5% of total revenue expenditure). However, the State Government recruited w.e.f. 01.04.2006 are eligible for New Pension Scheme. An amount of ₹ 12.18 crore towards employee’s contribution and employer’s 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 2011 was ₹ 5.81 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. Expenditure on Grants-in-Aid is recorded as revenue expenditure in the books of the grantor. In the books of the recipient it is taken as revenue receipt.

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

Following statements/information recommended by the Twelfth Finance Commission has been incorporated in the Finance Accounts 2010-11.

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

Notes to Accounts

- (ii) Statement of subsidies given in Appendix III.
- (iii) Detailed information on pensions and expenditure on Government pensioners as per information furnished by the State Government (vide Note below Statement No. 12).
- (iv) Information on maintenance expenditure with segregation of salary and non-salary portion in Appendix XI.
- (v) Information on 'Implications of major policy decisions etc.' and 'Information on committed liabilities' has not been incorporated due to non-receipt of the requisite information from the State Government.

3. Bookings under Minor Head 800 – 'Other Receipts' and 'Other Expenditure':-

Booking for ₹ 1,35.69 crore under 800-'Other Receipts' and ₹ 2,22.04 crore under 800-'Other Expenditure' were classified in the accounts out of which 10 and 12 cases under the Minor Head '800 – 'Other Receipts' and 'Other Expenditure' respectively in the accounts constituting more than 50 Percent of the total expenditure recorded under the respective Major Heads. Major Heads with substantial expenditure classified as 'Other Receipts/Expenditure' are given in Tables 1 and 2

Table 1 Minor Head '800 – Other Receipts'

(₹ in crore)

Major Head	Nomenclature	Total Receipts	Receipt booked under Minor Head 800	Percentage of Column 4 to Column 3
(1)	(2)	(3)	(4)	(5)
0801	Power	87.86	87.86	100
0406	Forestry and Wild Life	12.25	9.37	76
0050	Police	9.57	8.70	91
0070	Other Administrative Services	4.72	2.54	54
0071	Contributions and Recoveries towards Pension and Other Retirement Benefits	4.26	4.10	96
0059	Public Works	3.48	2.53	73
1452	Tourism	3.00	2.23	74
0407	Plantations	2.90	2.90	100
0217	Urban Development	2.38	2.38	100
0515	Other Rural Development Programmes	1.17	1.17	100

Notes to Accounts

Table 2 Minor Head '800 – Other Expenditure'

(₹ in crore)

Major Head	Nomenclature	Total Expenditure	Expenditure booked under Minor Head 800	Percentage of Column 4 to Column 3
(1)	(2)	(3)	(4)	(5)
2408	Power	76.19	32.49	43
4202	Capital Outlay on Education, Sports, Art and Culture	39.43	12.72	32
2435	Other Agricultural Programmes	34.33	34.19	100
4801	Capital Outlay on Power Project	32.86	31.86	97
2217	Urban Development	25.91	9.24	36
4216	Capital Outlay on Housing	23.53	22.33	95
2216	Housing	16.31	10.32	63
2245	Relief on Account of Natural Calamities	12.38	7.73	62
3454	Census Surveys and Statistics	5.50	2.01	37
4711	Capital Outlay on Flood Control Projects	5.29	3.12	59
2407	Plantations	3.55	3.55	100
2852	Industries	2.19	1.99	91

4. Awaited Utilization Certificates:-

Utilisation Certificates are to be received by the Accountant General's office through the Departments who releases the Grants-in-aid to various organizations. However as on 31st March 2011, considerable numbers of UCs were not received as shown below:-

(₹ in crore)

Year	Number of UCs awaited	Amount involved
Upto 2008-09	3886	411.07
2009-10	1606	209.60
2010-11	725	274.72

Notes to Accounts

5. 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. Following periodical adjustments were carried out during 2010-11.

(₹ in crore)

Sl. No.	Book Adjust-ment	Head of Accounts		Amount	Remarks
		From	To		
1	Periodi-cal	2245-Relief on Accounts of Natural Calamities 05-Calamity Relief Fund 901-Deduct amount met from Calamity Relief Fund	8121-General and other Reserve Fund 122-State Disaster Response Fund	17.97	Deduct amount met from State Disaster Response Fund
2	--do--	5054-Capital Outlay on Roads and Bridges 901-Deduct amount met from Sikkim Transport Infrastructure development fund	8235-General and other Reserve Fund 200-Other Funds	6.02	Deduct amount met from Sikkim Transport Infrastructure Development Fund
3	--do--	5055-Capital Outlay on Road Transport 901-Deduct amount met from Transport Infrastructure Development fund	8235-General and other Reserve Fund 200-Other Funds	0.65	-do-
4	--do--	3054-Roads and Bridges 04-District and Other Roads 901- Deduct amount met from Sikkim Transport Infrastructure fund	8235-General and other Reserve Fund 200-Other Funds	2.00	-do-

Notes to Accounts

(₹ in crore)

Sl. No.	Book Adjust-ment	Head of Accounts		Amount	Remarks
		From	To		
5	Periodi- cal	3435-Ecology and Environment 03-Environmental Research and Ecological Regeneration 901-Deduct amount met from Sikkim Ecology Fund	8235-General and other Reserve Fund 200-Other Funds	3.06	Deduct amount met from Sikkim Ecology Fund
6	--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	6.00	Environmental Cess for creation of Ecology Fund.
7	--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	9.00	Fund transfer to the Sikkim Transport Infrastructure Development Fund
8	--do--	8235- General and other Reserve Fund 111-Calamity Relief Fund	8121-General and other Reserve Fund 122-State Disaster Response Fund	12.51	Central and State Share of State Disaster Response Fund
9	--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	33.72	Annual Interest credited to GPF

Notes to Accounts

(₹ in crore)

Sl. No.	Book Adjust-ment	Head of Accounts		Amount	Remarks
		From	To		
10	Periodi-cal	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	3.37	Annual Interest credited to SGEGIS
11	--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	5.81	Contribution given by the Government for CPF
12	--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	0.57	Annual interest credited to CPF

6. The position of timely rendition of monthly accounts for the year 2010-11:-

As per Article 119 of Account Code Volume II, the Accounts rendering authorities should submit the accounts by the 10th of the following month. Detail positions of receipt of accounts during 2010-11 are as under:-

Notes to Accounts

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

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

The Drawing and Disbursing Officers are authorized to draw sums of money by preparing Abstract Contingency Bill by debiting Service Heads, and they are required to present Detailed Contingency Bill (vouchers in support of final expenditure) in all these cases within a specified period. Presently 4949 DC Bills amounting to ₹ 1,11.30 crore have not been received in the office of the Accountant General. Year-wise accumulations of unadjusted AC Bills are given below:-

(₹ in crore)

Year	Amount of AC bills	Number of AC bills
Upto 2008-09	1,02.36	4931
Upto 2009-10	1,36.78	5878
Upto 2010-11	1,11.30	4949

8. Reconciliation of Receipts and Expenditure:-

All the Drawing and Disbursing Officers are required to reconcile the Receipts and Expenditure of the Government with the figures accounted for by the Accountant General. Reconciliation has been completed in respect of 99% of DDOs/COs.

9. Cash Balance:-

Cash Balance worked out by AG as on 31st March, 2011 is ₹ 154.79 crore (credit). The cash balance reported by State Bank of Sikkim as on 31st March 2011 is ₹ 154.05 crore (credit). Thus there is a difference of ₹ 0.74 crore (credit) between the two figures. The difference is minimized from the preceding year after reconciliation by the State Treasuries with the State Bank of Sikkim. However, the matter has been again taken up with the State Finance Revenue & Expenditure Department for settlement of above differences including the issue of DMS/VDMS.

Notes to Accounts

10. 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 for issuing such guarantees. No Guarantee Fee was transferred from the Guarantee Redemption Fund during the year. However, ₹ 2 crore has been transferred to Guarantee Redemption Fund out of the Consolidated Fund of the State. In respect of these guarantees, no reimbursement was made from the Fund during the year.

11. Reserve funds:-

(i) As per the recommendation of Thirteenth Finance Commission, receipt under Major Head 8121- General and other Reserve Fund 122 - State Disaster Response Fund is ₹ 12.51 crore with Central's contributions of ₹ 10.24 crore and State's contribution of ₹ 2.27 crore during the year. ₹ 1.46 lakh as interest earned from fixed deposits under Major Head 8121- General and other Reserve Fund 122 - State Disaster Response Fund during the year is also included.

(ii) Figures of ₹ 27.59crore under Major Head 8235-200-Other Funds constitutes of ₹ 21.59crore Transport Infrastructure Development Fund and ₹ 6.00 crore Sikkim Ecology Fund.

12. 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	2008-09		2009-10		2010-11	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
101-PAO - Suspense	5,07.47	3,26.68	5,56.76	1,47.35	4,53.16	0.11
Net	Dr 1,80.79		Dr 4,09.41		Dr 4,53.05	
102-Suspense Account (Civil)	11,40.44	11,17.78	2,24.63	1,82.08	90.64	-14.66
Net	Dr 22.66		Dr 42.55		Dr 1,05.30	

Notes to Accounts

8658 – Suspense Accounts – Concl'd.

(₹ in lakh)

Minor Head	2008-09		2009-10		2010-11	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
112 – Tax Deducted at Source	...	...	2.02	5,09.83	12,15.33	15,20.68
Net	...*		Cr 5,07.81		Cr 3,05.35	
123-AIS Suspense	0.59	1.70	1.25	3.64	2.70	3.33
Net	Cr 1.11		Cr 2.39		Cr 0.63	
135-Cash Settlement between A.G. Sikkim and Other State	1.39	...	18.16	1.73	21.68	...
Net	Dr 1.39		Dr 16.43		Dr 21.68	

* Central income tax was implemented in Sikkim w.e.f., 16th June 2008. For the year 2008-09 the amount booked under 8658-112 was adjusted in the same year

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

(₹ in lakh)

Minor Head	2008-09		2009-10		2010-11	
	Dr.	Cr.	Dr.	Cr.	Dr.	Cr.
102-Public Works Remittances	68545.70	83807.41	68746.68	84091.74	60753.89	73505.29
Net	Cr 15261.71		Cr 15345.06		Cr 12751.40	
103-Forest Remittances	3151.07	3800.20	1886.28	3311.30	3151.51	3790.66
Net	Cr 649.13		Cr 1425.02		Cr 639.15	
108-Other Remittances	6414.11	5715.78	13012.87	12936.73	6505.27	6983.59
Net	Dr 698.33		Dr 76.14		Cr 478.32	

Constant efforts are underway to clear the balances under these heads. However, clearance of suspense and remittance items depends on the details furnished by the State Treasuries/Works and Forest Divisions/ PAOs etc.

13. 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 as on 31st March 2011 are ₹ 68.91crore.

Notes to Accounts

14. Contingency Fund:-

An amount of ₹ 10 lakh advance drawn from the Contingency Fund has not been recouped at the end of the financial year 2010-11.

15. Funds for various Schemes:-

Information relating to the release of funds during the year for various Schemes is given below. Details may please be seen in Annex to Statement 12.

- (1). Government of India released ₹ 46.22 crore for the following schemes out of which the State Government released ₹ 26.90 crore indicating less release of ₹ 19.32 crore.

(₹ in crore)

Sl. No.	Name of the scheme	Amount released by GOI	Central Share actually released by State Government	Deficit (-)
1.	Central Assistance for Tribal Sub Plan (under Proviso to Art 275 of the Constitution.	4.47	2.71	1.76
2	Accelerated Irrigation Benefit Programme	33.04	16.19	16.85
3	Mid Day Meal	8.71	8.00	0.71

- (2) Also against the Government of India released amount of ₹ 19.68 crore the State Government released ₹ 29.85 crore for the following schemes indicating an extra released of ₹ 10.17 crore.

(₹ in crore)

Sl. No.	Name of the scheme	Amount released by GOI	Central Share actually released by State Government	Excess (+)
1.	Rashtriya Krishi Vikash Yojana	8.97	12.72	3.75
2	Backward Region Grant Fund (BRGF)	9.36	13.96	4.60
3	Panchayat Yuva Krira Khel Abhiyan	1.35	3.17	1.82

Appendix - I

CASH BALANCES AND INVESTMENT OF CASH BALANCES

	(₹ in lakh)	
	As on 31st March 2011	As on 31st March 2010
(A) Geneal Cash Balance		
(1) Deposits with other Banks (State Bank of Sikkim)	1,33,47.11	94,59.79
(2) Deposits with Nationalised Banks	21,31.87	20,39.65
TOTAL	1,54,78.98	1,14,99.44
Investments held in the 'Cash Balance Investment Accounts'	4,40,00.00	7,85,00.00
TOTAL (A)	5,94,78.98	8,99,99.44
(B) Other Cash Balances and Investments		
(1) Cash with Departmental Officers viz, Forest and Public Works Deptt.	15.34	15.34
(2) Permanent Advances for Contingent Expenditure with Departmental Officers	39.46	39.45
(3) Investment of earmarked Funds	1,51,47.16	1,27,47.16
TOTAL (B)	1,52,01.96	1,28,01.95
TOTAL (A+B)	7,46,80.94	10,28,01.39

Appendix - I

CASH BALANCES AND INVESTMENT OF CASH BALANCES - Concl'd.**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 Deposits that may be made through the branches of Bank. There is a balance of ₹ 1,54.79 crore with the State Bank of Sikkim as on 31st March 2011 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 ₹ 1,54.05 crore leaving behind an unreconciled balance of ₹ 0.74 crore.



COMPTROLLER AND AUDITOR GENERAL OF INDIA
2011