



**GOVERNMENT OF SIKKIM**

**ACCOUNTS AT A GLANCE**  
**2013-14**

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



**Sikkim Legislative Assembly**

# Preface

The Annual Accounts of the State Government are prepared and examined under the directions of the Comptroller and Auditor General of India (C&AG) in accordance with Article 149 of Constitution of India, for being laid before the Legislature of the State.

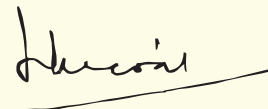
The Annual Accounts consists of (a) Finance Accounts and (b) Appropriation Accounts. Finance Accounts are summary statements of accounts under the Consolidated Fund, Contingency Fund and the Public Account. The Appropriation Accounts record the Grant-wise gross expenditures against provisions approved by the State Legislature and offer explanations for variations between the actual expenditure and the funds provided.

The Senior Deputy Accountant General (Accounts and Entitlements) prepares the State Finance Accounts and Appropriation Accounts.

A combined reading of the Finance Accounts and Appropriation Accounts, the Reports on State Finances and the Accounts at a Glance, will help the stakeholders to more effectively comprehend the various facets of the finances of the Government of Sikkim.

'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.



**(J.R. Biswas)**

Place: Gangtok

Date: 10 December 2014

Sr. Deputy Accountant General (A&E)

## **Our Vision, Mission and Core Values**

**The vision of the institution of the Comptroller and Auditor General of India represents what we aspire to become.**

We strive to be a global leader and initiator of national and international best practices in public sector auditing and accounting and are recognized for independent, credible, balanced and timely reporting on public finance and governance.

**Our mission enunciates our current role and describes what we are doing today.**

Mandated by the Constitution of India, we promote accountability, transparency and good governance through high quality auditing and accounting and provide independent assurance to our stakeholders – the Legislature, the Executive and the Public – that public funds are being used efficiently and for the intended purposes.

**Our core values are the guiding beacons for all that we do and give us the benchmarks for assessing our performance**

- **Independence**
- **Objectivity**
- **Integrity**
- **Reliability**
- **Professional Excellence**
- **Transparency**
- **Positive Approach**

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# Chapter - I

## OVERVIEW

### 1.1 Introduction

The Senior Deputy Accountant General (Accounts and Entitlements), Sikkim compiles the accounts of receipts and expenditure of the Government of Sikkim. This compilation is based on the initial accounts rendered by the Chief Pay and Accounts Offices, Public Works and Forest Divisions and Pay & Accounts Offices, Sikkim Legislative Assembly. Following such compilation, the Senior Deputy Accountant General (A&E) prepares, annually, the Finance Accounts and the Appropriation Accounts, which are placed before the State Legislature after audit by the Accountant General (Audit) Sikkim and certification by the Comptroller and Auditor General of India.

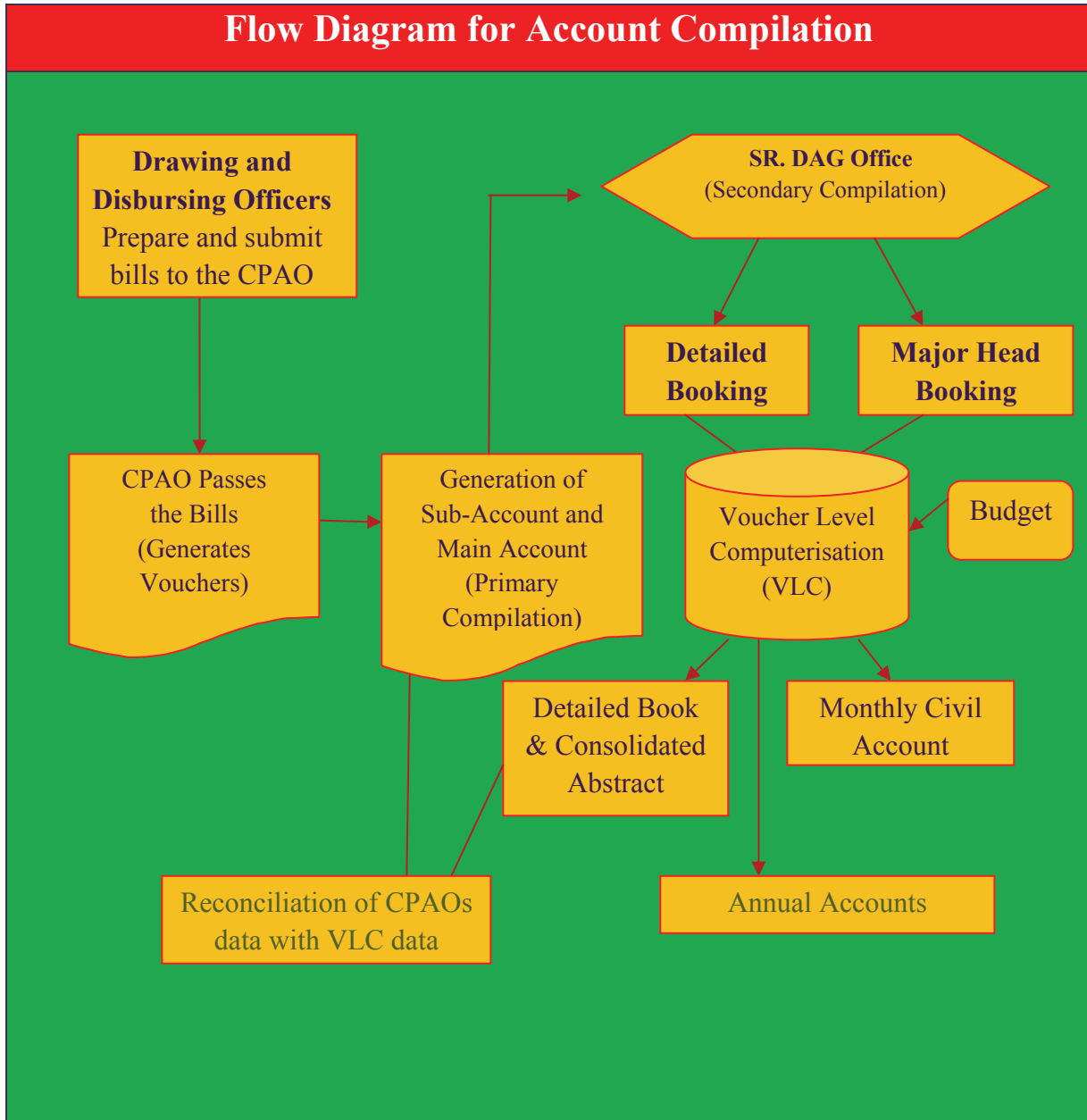
### 1.2 Structure of Accounts

#### 1.2.1 Government Accounts are kept in three parts:

<b>Part 1 Consolidated fund</b>	Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances.
<b>Part 2 Contingency fund</b>	Intended to meet unforeseen expenditure not provided for in the budget. Expenditure from this Fund is recouped either by transferring the debit during the same financial year or by a fresh debit to the Consolidated Fund in the next financial year.
<b>Part 3 Public Account</b>	Comprises of Debt, Deposits, Advances, Remittances and Suspense transactions. Debt and Deposits represent repayable liabilities of the Government. Advances are receivables of the Government. Remittances and Suspense transactions are adjusting entries that are to be cleared eventually by booking to the final heads of account.

Accounts at a Glance provide a Bird's Eye View of the finances of the Government with respect to several key fiscal indicators.

## 1.2.2 Compilation of Accounts



## 1.3 Finance Accounts and Appropriation Accounts

### 1.3.1 Finance Accounts

The Finance Accounts depict the receipts and disbursements of the Government for the year, together with the financial results disclosed by the revenue and capital accounts, public debt and public account balances recorded in the accounts. From 2009-10, the Finance Accounts have been issued in two volumes, in a new format, to make them more comprehensive and informative. Volume-I of the Finance Accounts contains the certificate of the Comptroller and Auditor General of India, summarized statements of overall receipts and disbursements and ‘Notes to Accounts’ containing summary of significant accounting policies, quality of accounts and other items; Volume-II contains other summarized statements (Part-I), detailed statements (Part-II) and appendices(Part-III).

Receipts and disbursements of the Government of Sikkim as depicted in the Finance Accounts 2013-14 are given below.

(₹ in Crore)

<b>Receipts</b> (Total: 4,380)	<b>Revenue</b> (Total: 4,326)	Tax Revenue	1,288
		Non-Tax Revenue	794
		Grants-in-Aid	2,244
	<b>Capital</b> (Total: 54)	Other Capital Receipts	...
		Recovery of Loans and Advances	1
		Borrowings and other Liabilities	53
<b>Disbursements</b> (Total: 4,380)	Revenue		3,458
	Capital		912
	Loans and Advances		10

\* Borrowings and other Liabilities: Net (Receipts-Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipts-Disbursements) of Public Account + Net of Opening and Closing Cash Balance

The Union Government transfers substantial funds directly to State Implementing Agencies/NGOs for implementation of various schemes and programmes. This year, the Government of India directly released ₹ 331 crore (₹ 426 crore last year). Since these funds are not routed through the State Budget, they are not reflected in the accounts of the State Government. These transfers are now exhibited in Appendix VII of Volume-II of the Finance Accounts.

### **1.3.2 Appropriation Accounts**

The Appropriation Accounts supplement the Finance Accounts. They depict the expenditure of the State Government against amounts ‘charged’ on the Consolidated Fund ‘voted’ by the State Legislature. There are 2 charged Appropriations and 44 voted Grants.

The Appropriation Act, 2013-2014, had provided for gross expenditure of ₹ 5,663 crore and reduction of expenditure (recoveries) of ₹ 2 crore. Against this, the actual gross expenditure was ₹ 4,471 crore and reduction of expenditure of ₹ 2 crore, resulting in net savings of ₹ 1,192 crore (21 per cent). The expenditure includes ₹ 11 crore drawn on Abstract Contingent (AC) Bills, which is still outstanding at the end of the year for want of supporting Detailed Contingent (DC) bills.



## **1.4 Sources and Application of Funds**

### **1.4.1 Ways and Means Advances**

The Ways and Means Advances (WMA) has not been introduced in this State due to non operation of Reserve Bank of India (RBI) functions.

### **1.4.2 Fund flow statement**

The State had a Revenue Surplus of ₹ 868 crore and a Fiscal Deficit of ₹ 53 crore representing 7 per cent and 1 per cent of the Gross State Domestic Product (GSDP)<sup>1</sup>. The Fiscal Deficit constituted 1 per cent of total expenditure. This deficit was met from Public Debt (₹ 208 crore), increase in Public Account (₹ 52 crore) and net opening and closing cash balance (₹ 205 crore). Around 36 per cent of the revenue receipts (₹ 4,326 crore) of the State Government was spent on committed expenditure like salaries (₹ 1,094 crore), interest payments (₹ 221 crore) and pensions (₹ 261 crore).

<sup>1</sup> Except where indicated otherwise, GSDP figures used in this publication are adopted from the Department of Economics, Statistics, Monitoring & Evaluation, Government of Sikkim, Gangtok.

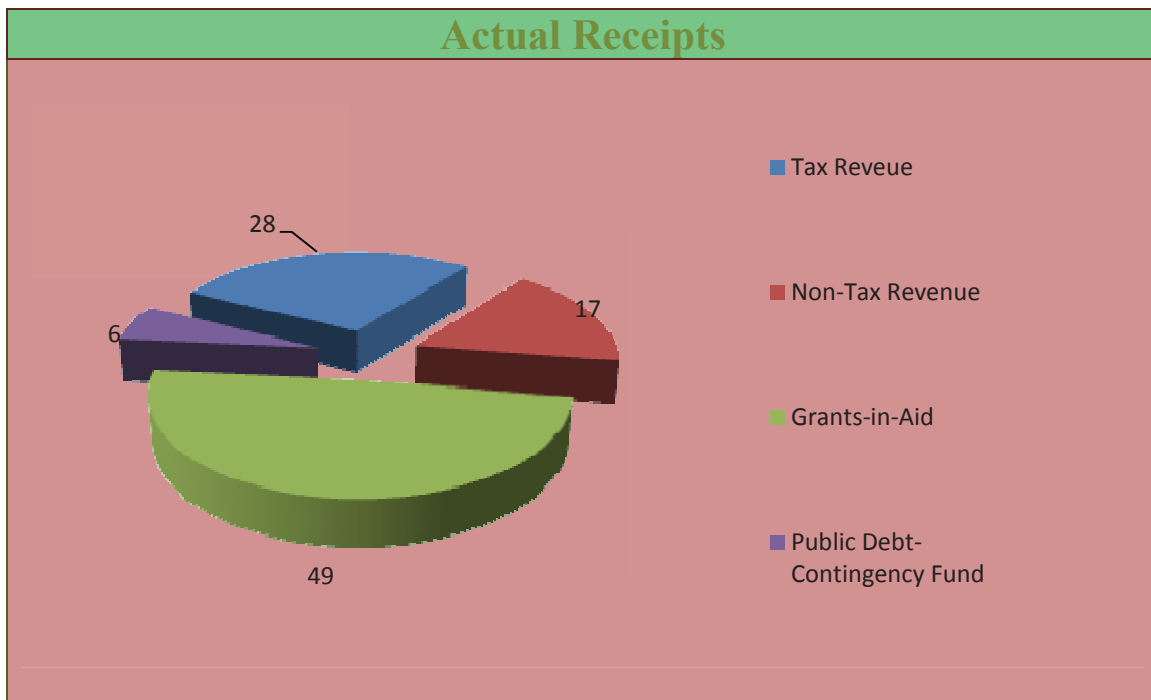
## Sources and Application of Funds

(₹ in crore)

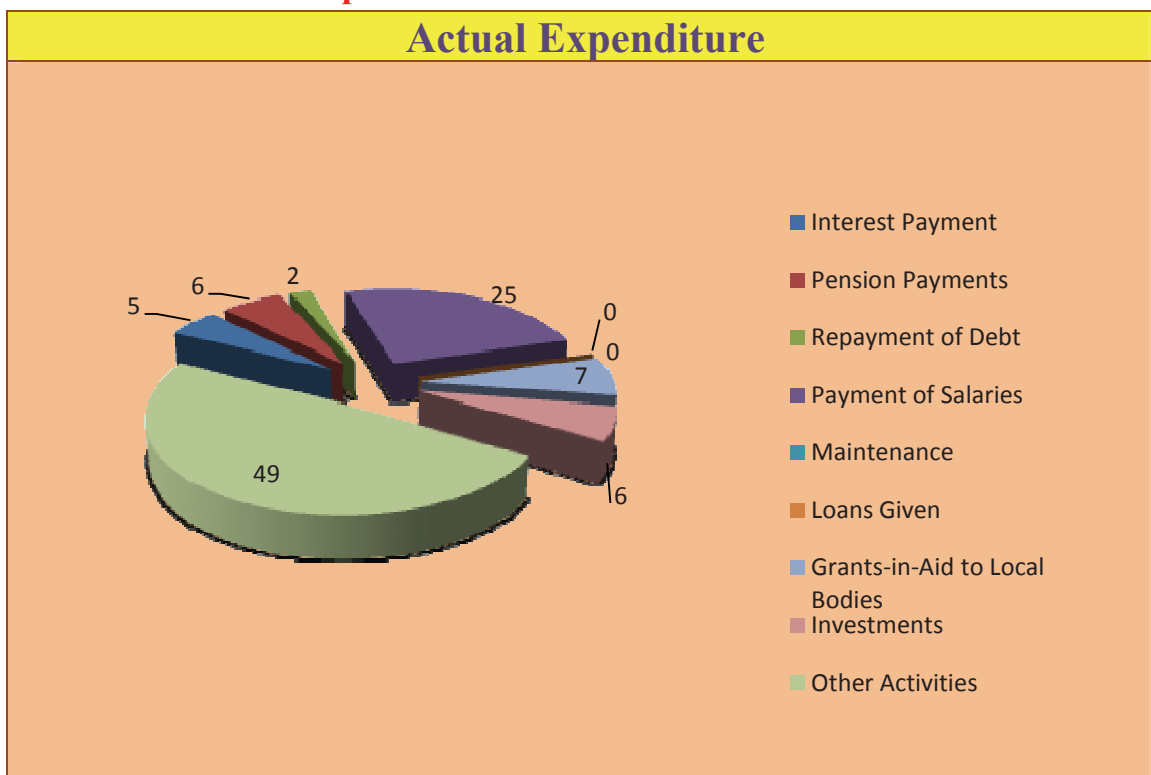
SOURCES	PARTICULARS	AMOUNT
	Opening Cash Balance as on 1.4.2013	65
	Revenue Receipts	4,326
	Miscellaneous Capital Receipts	...
	Recovery of Loans & Advances	1
	Public Debt	296
	Small Savings Provident Funds & Others	243
	Reserves & Sinking Funds	229
	Deposits Received	88
	Civil Advances Repaid	...
	Suspense Account	5,036
	Remittances	1,547
	Contingency Fund	...
	<b>TOTAL</b>	<b>11,831</b>

	Revenue Expenditure	3,458
	Capital Expenditure	912
	Loans Given	10
	Repayment of Public Debt	89
	Small Savings Provident Fund & Others	181
	Reserves & Sinking Funds	191
	Deposits Spent	85
	Civil Advances Given	...
	Suspense Account	5,095
	Remittances	1,539
	Closing Cash Balance as on 31.3.2014	271
	<b>TOTAL</b>	<b>11,831</b>

### 1.4.3 Where the Rupee came from



### 1.4.4 Where the Rupee went



## 1.5 Highlights of Accounts

Sl. No.	Head	B.E 2013-14	Actuals	Percentage of actual to B.E	Percentage of actual to GSDP(\$)
1.	Tax Revenue (@)	1257	1288	102	10
2.	Non-Tax Revenue	1055	794	75	6
3.	Grants-in-aid & Contributions	2684	2244	84	18
4.	Revenue Receipts (1+2+3)	4996	4326	87	35
5.	Recovery of Loans and Advances	1	1	100	...
6.	Other Receipts	...	...	...	...
7.	Borrowings & other Liabilities (A)	301	53	18	...
8.	Capital Receipts (5+6+7)	302	54	18	...
9.	Total Receipts (4+8)	5298	4380	83	35
10.	Non-Plan Expenditure (NPE) (11+13)	2758	2405	87	19
11.	NPE on Revenue Account	2758	2405	87	19
12.	NPE on Interest Payments out of 11	207	209	101	2
13.	NPE on Capital Account	...	...	...	...
14.	Plan Expenditure (PE) (15+16)	2540	1975	76	16
15.	PE on Revenue Account	1225	1053	86	9
16.	PE on Capital Account	1315	922	70	7
17.	Total Expenditure (10+14)	5298	4380	83	35
18.	Revenue Expenditure (11+15)	3983	3458	87	28
19.	Capital Expenditure (13+16) (#)	1315	922	70	7
20.	Revenue Surplus (4-18)	1013	868	86	7
21.	Fiscal Deficit 17 - (4+5+6) = 7	301	53	18	...

(\$) GSDP figure of ₹ 12,377 crore adopted from the Department of Economics, Statistics, Monitoring & Evaluation, Government of Sikkim, Gangtok.

(@) Includes State's share of Union Taxes of ₹ 763 crore.

(A) Net (Receipt – Disbursements) of Public Debt + Net of Contingency Fund + Net (Receipt – Disbursements) of Part-III Public Account + Net of Opening and Closing Cash Balance.

(#) Expenditure on Capital Account includes Capital Expenditure (₹ 912 crore) and Loans and Advances disbursed (₹ 10 crore).

### 1.5.1 Receipts and Disbursements:-

The following table summarizes the Receipts & Disbursements Accounts for 2013-14:-

(₹ in crore)

Total Receipts		Total Disbursements	
4,380		4,380	
Revenue Receipts	4,326 (98.77)	Revenue Disbursements	3,458 (78.95)
Capital Receipts	54 (01.23)	Capital Disbursements	922 (21.05)

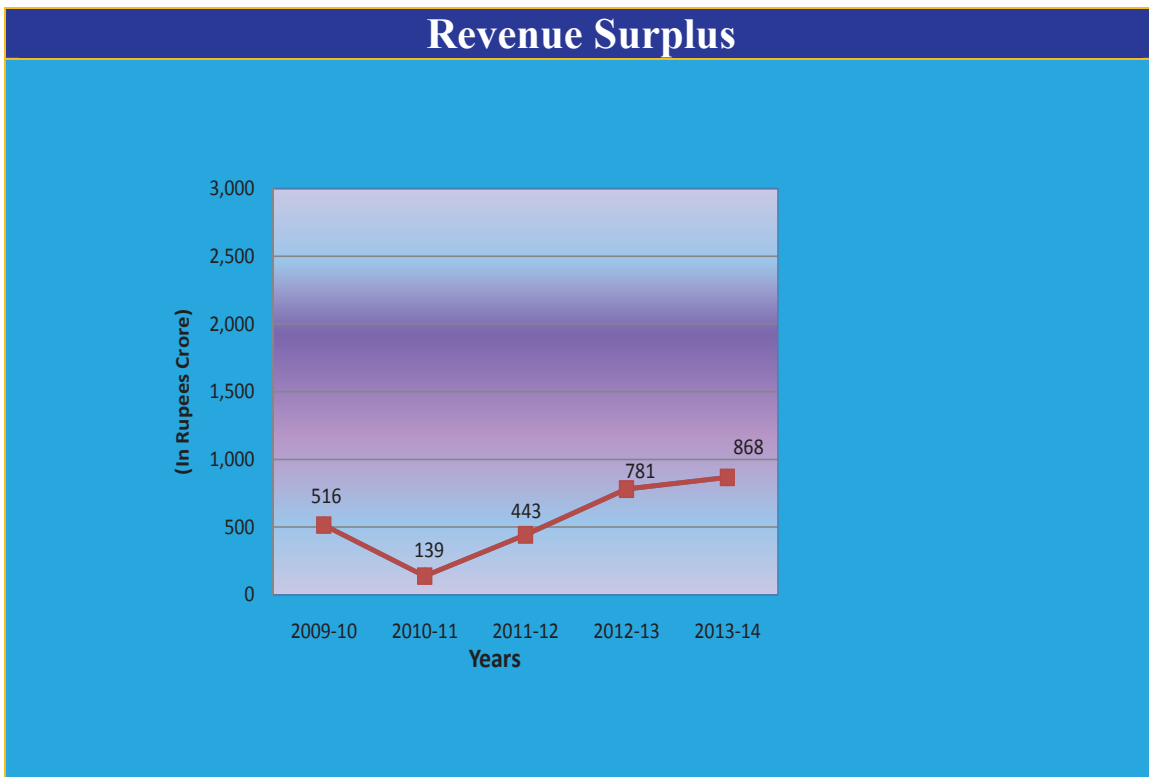
Figures in brackets indicate percentage.

### 1.6 What do the Deficits and Surpluses indicate?

<b>Deficit</b>	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.
<b>Revenue Deficit/Surplus</b>	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
<b>Fiscal Deficit/Surplus</b>	Refers to the gap between Total Receipts (excluding borrowings) and Total Expenditure. This gap, therefore, indicates the extent to which expenditure is financed by borrowings. Ideally, the Borrowings should be invested in capital projects.

Deficit indicators, revenue augmentation and expenditure management are major yardsticks for judging the fiscal performance of the Government. The 13<sup>th</sup> Finance Commission has recommended that the States achieve revenue balance by 2012-13 and reduce Gross Fiscal Deficit to 0.43 per cent of GSDP by 2013-14

### 1.6.1 Trend of Revenue Surplus



### 1.6.2 Trend of Fiscal Deficit



# Chapter - II

## RECEIPTS

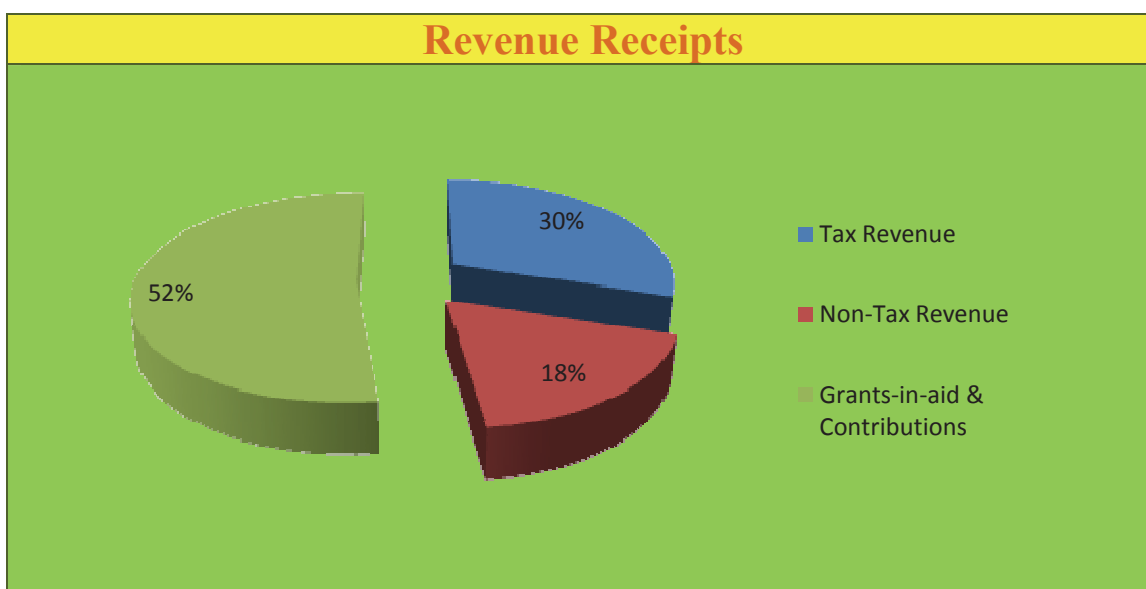
### 2.1 Introduction

Receipts of the Government are classified as Revenue Receipts and Capital Receipts.

Total Receipts for 2013-14 were ₹ 4,380 crore.

### 2.2 Revenue Receipts

<b>Tax Revenue</b>	Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution.
<b>Non-Tax Revenue</b>	Includes interest receipts, dividends, profits etc.
<b>Grants-in-Aid</b>	Essentially, a form of Central Assistance to the State Government from the Union Government. Includes 'External Grant Assistance' and 'Aid, Material & Equipment' received from foreign Governments and channelized through the Union Government. In turn, the State Governments also give Grants-in-aid to institutions like Panchayati Raj Institutions, Autonomous bodies etc.



## Revenue Receipt Components (2013-14)

(₹ in Crore)

<b>Components</b>	<b>Actuals</b>
<b>A. Tax Revenue</b>	<b>1,288</b>
Taxes on Income & Expenditure	434
Taxes on Property & Capital Transactions	11
Taxes on Commodities & Services	843
<b>B. Non-Tax Revenue</b>	<b>794</b>
Interest Receipts, Dividends and Profits	67
General Services	559
Social Services	9
Economic Services	159
<b>C. Grants-in-aid &amp; Contributions</b>	<b>2,244</b>
<b>Total – Revenue Receipts</b>	<b>4,326</b>



## 2.3 Trend of Receipts

(₹ in Crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
Tax	598	804	906	1,134	1,288
Revenues	(10)	(11)	(11)	(11)	(10)
Non-Tax	1,356	1,138	1,045	807	794
Revenues	(22)	(16)	(12)	(8)	(6)
Grants-in- Aid	1,300	1,105	1,722	1,852	2,244
	(21)	(15)	(21)	(19)	(18)
Total	3,254	3,047	3,673	3,793	4,326
Revenue	(53)	(42)	(44)	(38)	(35)
Receipts					
GSDP	6,133	7,145*	8,400**	9,957*	12,377**

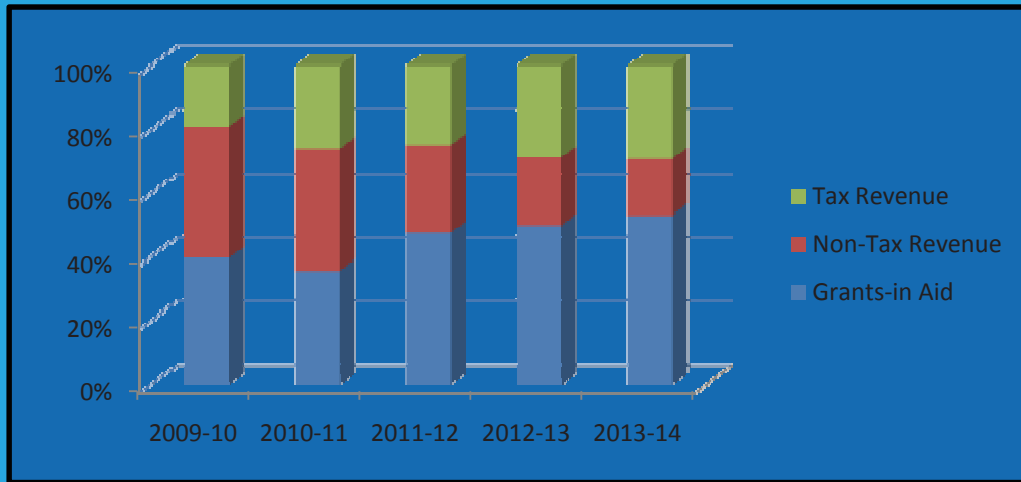
Note: Figures in parentheses represent percentage to GSDP

\* Provisional

\*\* Quick Estimates

Though the GSDP increased by 24 per cent between 2012-13 and 2013-14, growth in revenue collection was only 14 per cent. While tax revenue increased by 14 per cent, non-tax revenues declined by 2 per cent.

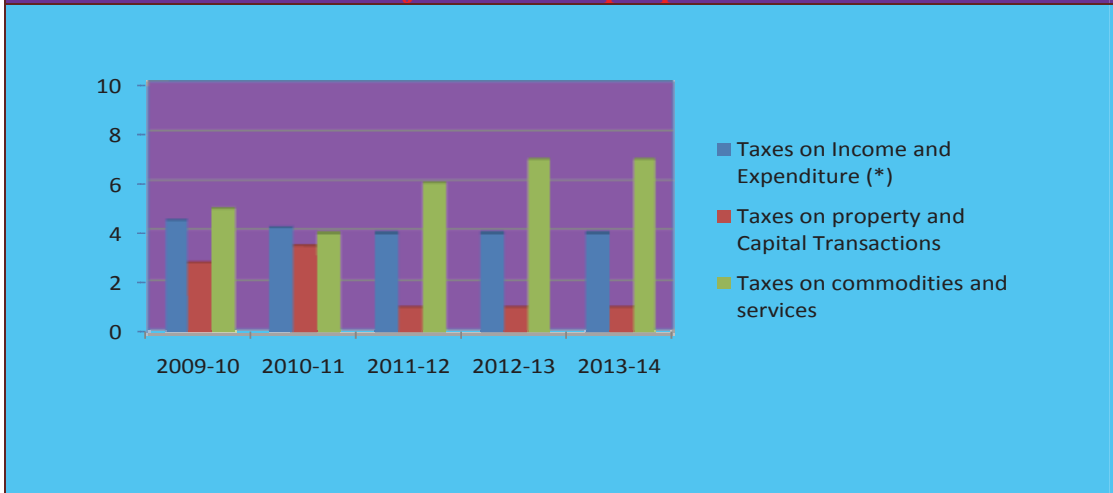
## Component under Revenue Receipts as proportion to GSDP



### Sector-wise Tax Revenue

	2009-10	2010-11	2011-12	2012-13	2013-14
Taxes on Income and Expenditure	243	319	368	408	434
Taxes on Property and Capital Transactions	8	13	14	11	11
Taxes on Commodities and Services	348	473	524	715	843
<b>Total Tax Revenues</b>	<b>599</b>	<b>805</b>	<b>906</b>	<b>1,134</b>	<b>1,288</b>

### Trend of Major Taxes in proportion to GSDP



(\*) Primarily net proceeds of Central share to the State

## 2.4 Performance of State's own Tax Revenue Collection

(₹ in Crore)

Year	Tax Revenue	State share of Union Taxes	State's Own Tax Revenue	
			Rupees	Percentage to GSDP
(1)	(2)	(3)	(4)	(5)
2009-10	598	375	223	3.64
2010-11	804	525	280	3.92
2011-12	906	612	294	3.50
2012-13	1,134	698	436	4.38
2013-14	1,288	763	525	4.24

## 2.5 Efficiency of Tax Collection

### A. Taxes on Property and Capital Transactions

(In ₹ Crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
Revenue Collection	8	13	14	11	11
Expenditure on Collection	9	8	10	13	14
Efficiency of Tax Collection	(-) 13 per cent	61 per cent	71 per cent	(-)118 per cent	(-)127 per cent

### B. Taxes on Commodities and Services

(In ₹ Crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
Revenue Collection	348	473	524	715	843
Expenditure on Collection	21	24	31	44	74
Efficiency of Tax Collection	6 per cent	5 per cent	6 per cent	6 per cent	9 per cent

Taxes on commodities and services form a major chunk of tax revenue. Tax collection efficiency is excellent. However, the collection efficiency of taxes on property and capital transactions can be improved.

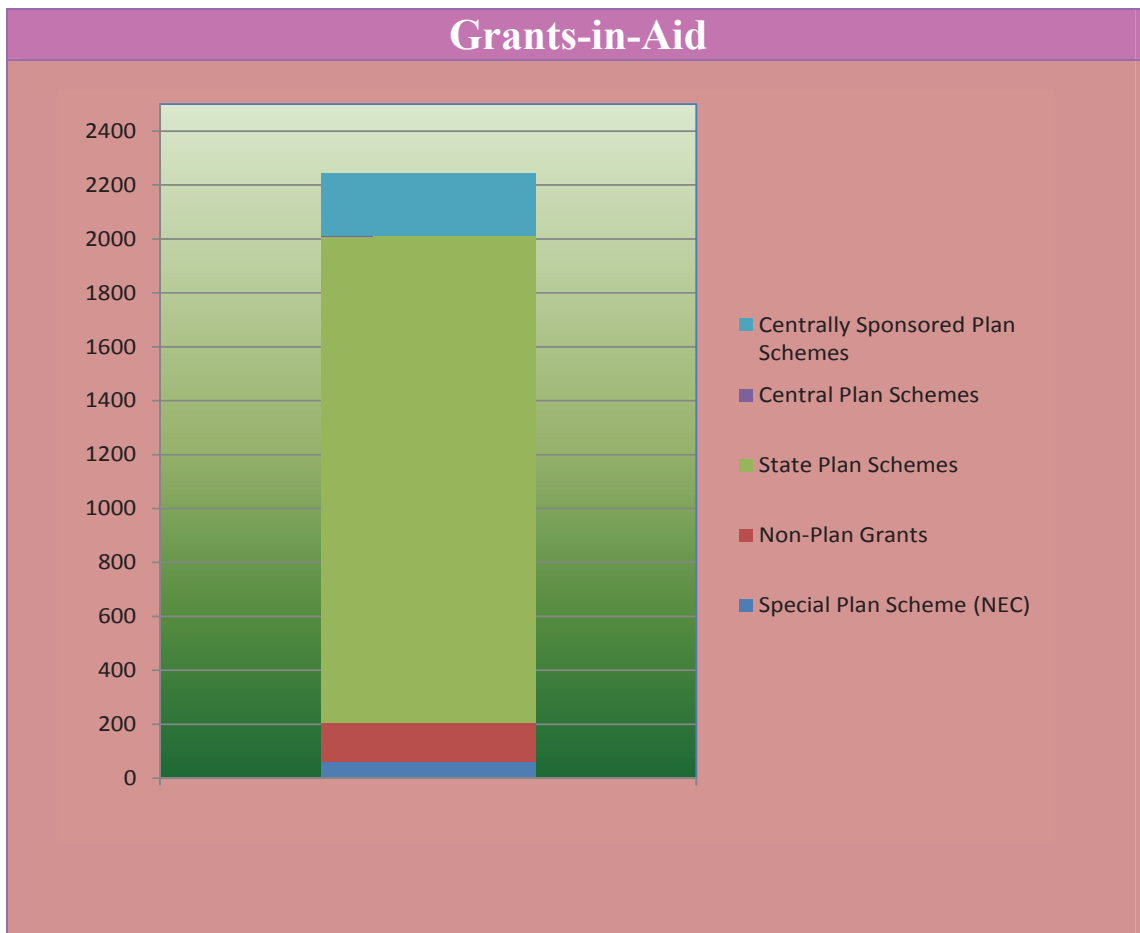
## 2.6 Trend in State's Share of Union Taxes over the past five years

(₹ in Crore)

Major Head description	2009-10	2010-11	2011-12	2012-13	2013-14
Corporation Tax	154	205	241	251	257
Taxes on Income other than Corporation Tax	86	109	122	150	169
Taxes on Wealth	...	...	1	...	1
Customs	53	92	106	116	124
Union Excise Duties	42	67	69	79	88
Service Tax	40	52	73	102	124
Other Taxes and Duties on Commodities and Services	...	...	...	...	...
State Share of Union Taxes	375	525	612	698	763
Total Tax Revenue	598	804	906	1,134	1,288
Percentage of Union Taxes to Total Tax Revenue	63	65	68	62	59

## 2.7 Grants-in-Aid

Grants-in-Aid represent assistance from the Government of India and comprise, Grants for State Plan Schemes, Central Plan Schemes and Centrally Sponsored Schemes approved by the Planning Commission and State Non-plan Grants recommended by the Finance Commission. Total receipts during 2013-14 under Grants-in-Aid were ₹ 2,244 crore as shown below:



## 2.8 Public Debt

### Trend of Public Debt over the past 5 years

(₹ in crore)

Description	2009-10	2010-11	2011-12	2012-13	2013-14
Internal Debt	324	44	42	133	230
Central Loans	(-) 19	(-) 22	(-) 3	(-) 8	(-) 22
Total Public Debt	305	22	39	125	208

Note: Negative figures indicate that repayment is in excess of receipts.

# Chapter - III

## Expenditure

### 3.1 Introduction

Expenditure is classified as Revenue Expenditure and Capital Expenditure. Revenue expenditure is used to meet the day-to-day running of the organization. Capital expenditure is used to create permanent assets, or to enhance the utility of such assets, or to reduce permanent liabilities. Expenditure is further classified under Plan and Non-Plan.

<b>General Services</b>	Includes Justice, Police, Jail, PWD, Pension etc.
<b>Social Services</b>	Includes Education, Health & Family Welfare, Water Supply, Welfare of SC-ST etc.
<b>Economic Services</b>	Includes Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.

## 3.2 Revenue Expenditure

Revenue Expenditure of ₹ 3,458 crore for 2013-14 fell short of budget estimates by ₹ 525 crore due to less disbursement.

The shortfall of expenditure against budget estimates under Revenue section during the past five years is given below:

(₹ in crore)

	2009-10	2010-11	2011-12	2012-13	2013-14
Budget Estimates(BE)	2,567	3,054	3,233	3,570	3,983
Actuals	2,738	2,908	3,230	3,012	3,458
Gap	171	146	3	558	525
Percentage of gap over BE	7	5	...	16	13

There was no compounding shortfall of revenue receipts against budget estimates.

### 3.2.1 Sectoral distribution of Revenue Expenditure (2013-14)

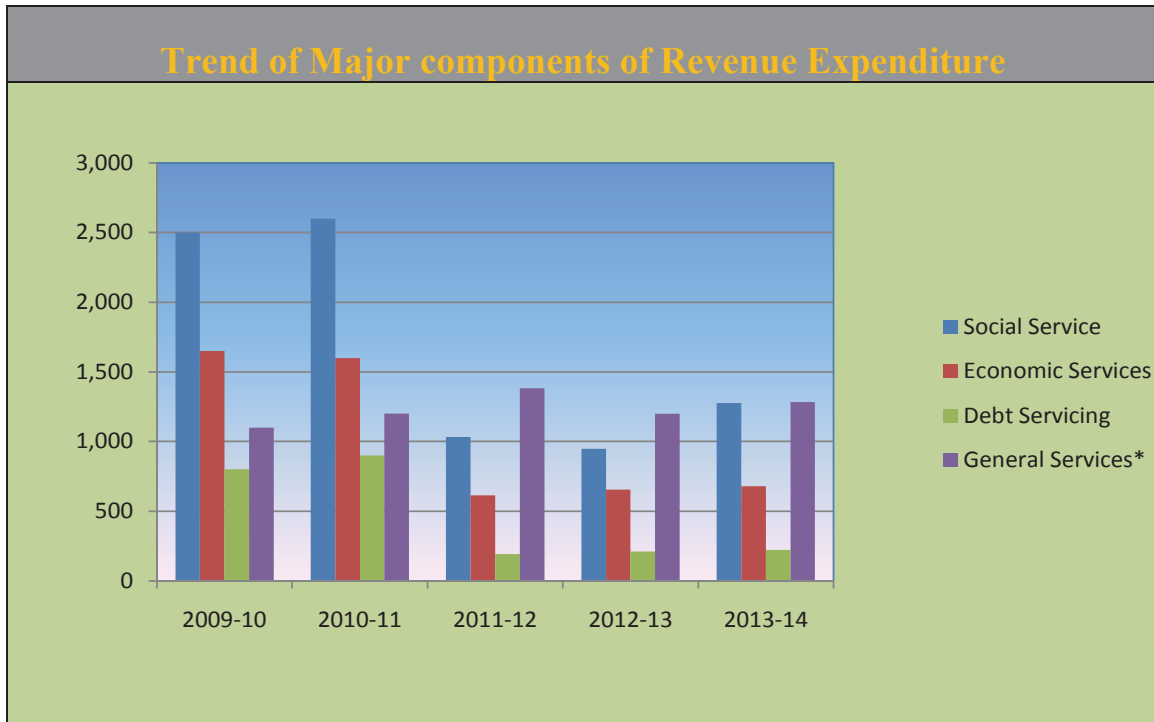
(₹ in crore)

Components	Amount	Percentage
A. Fiscal Services		
(i) Collection of Taxes on Property and Capital transactions	14	...
(ii) Collection of Taxes on Commodities and Services	74	2
(iii) Other Fiscal Services	1	...
B. Organs of State	59	2
C. Interest Payments and Servicing of debt	221	6
D. Administrative Services	397	12
E. Pensions and Miscellaneous General Services	702	20
F. Social Services	1,276	37
G. Economic Services	678	20
H. Grants-in-Aid and Contribution	36	1
<b>Total Expenditure (Revenue Account)</b>	<b>3,458</b>	<b>100</b>



### 3.2.2 Major components of Revenue Expenditure (2010-2015)

(₹ in crore)



\* General Services excludes MH 2048 (Appropriation for reduction or avoidance of debt), MH 2049 (Interest payments) and includes MH 3604 (Compensation and assignment to Local Bodies and Panchayati Raj Institutions).

The expenditure on Economic Services (which includes important sectors like Rural Development, Agriculture and Irrigation) has gone down, as against a steady increase in other services.

### 3.3 Capital Expenditure

Capital disbursements for 2013-14 at 7 per cent of GSDP were less than Budget Estimates by ₹ 393 crore (less disbursement of ₹ 393 crore under Plan Expenditure).

#### 3.3.1 Sectoral distribution of Capital Expenditure

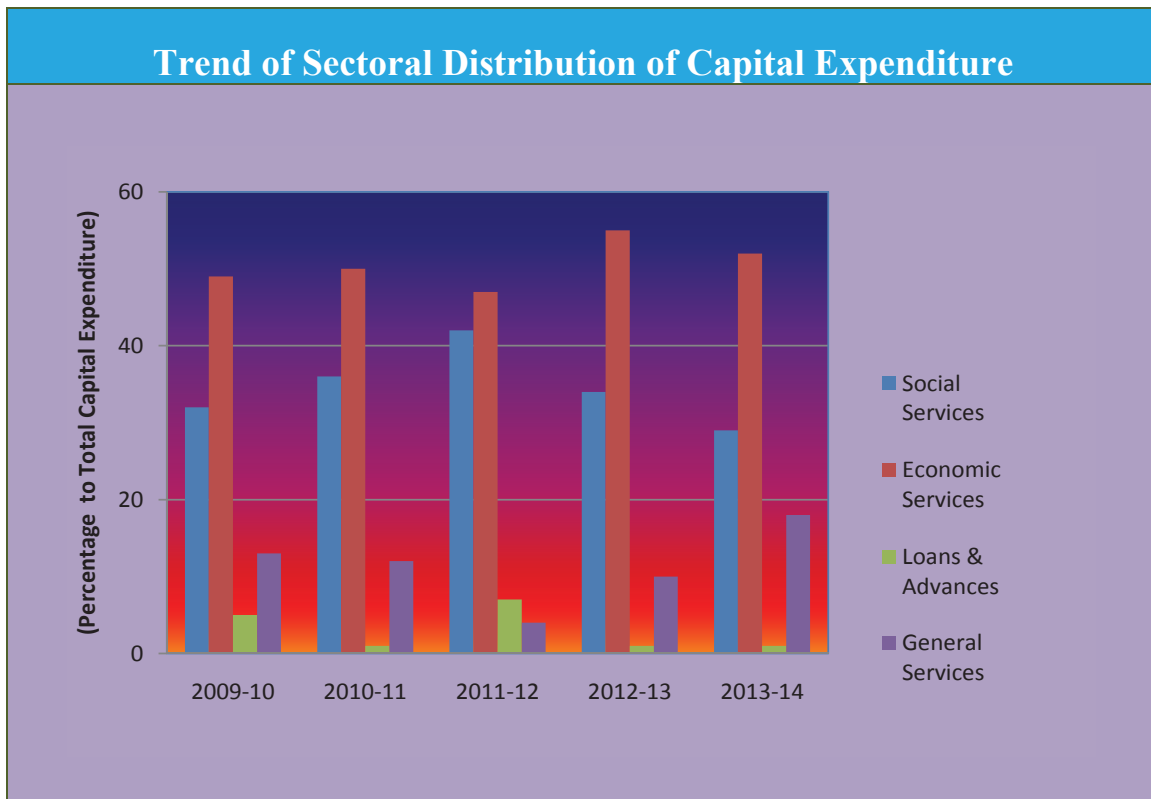
(₹ in crore)

Sl. No.	Sector	Amount	Percentage
1.	General Services – Police, Land Revenue etc.	170	18
2.	Social Services – Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	266	29
3.	Economic Services – Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.	476	52
4.	Loans and Advances Disbursed	10	1
	<b>Total</b>	<b>922</b>	<b>100</b>

### 3.3.2 Sectoral distribution of capital expenditure over the past 5 years

(₹ in crore)

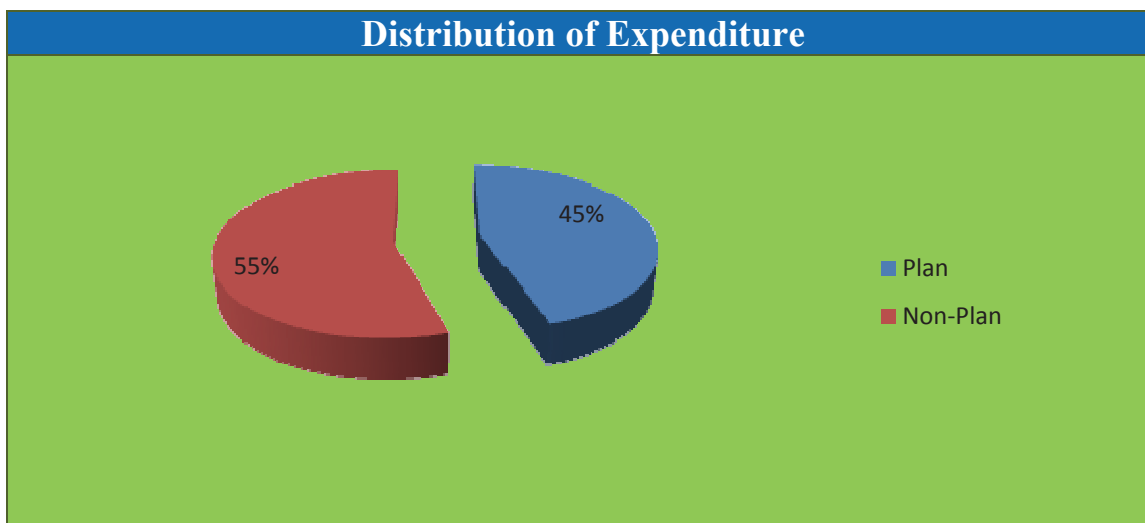
Sl. No.	Sector	2009-10	2010-11	2011-12	2012-13	2013-14
1.	General Services	89	57	25	83	170
2.	Social Services	221	166	277	291	266
3.	Economic Services	339	228	313	468	476
4.	Loans and Advances	37	6	49	5	10
	<b>Total</b>	<b>686</b>	<b>457</b>	<b>664</b>	<b>847</b>	<b>922</b>



# Chapter - IV

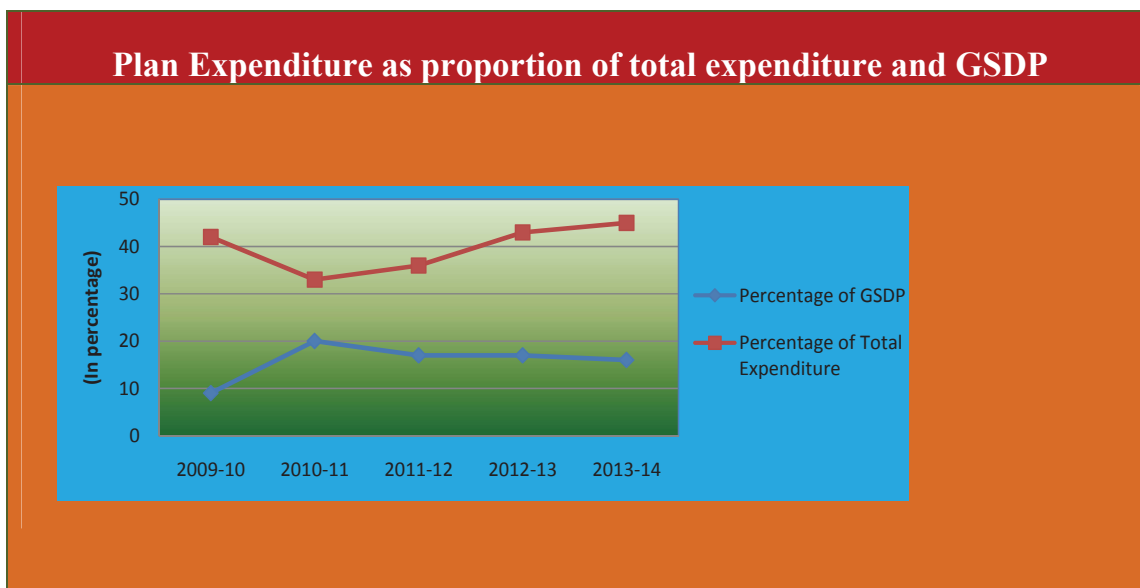
## PLAN & NON-PLAN EXPENDITURE

### 4.1 Distribution of Expenditure (2013-14)



### 4.2 Plan Expenditure

During 2013-14, Plan Expenditure, representing 45 per cent of total disbursements, was ₹ 1,975 crore (₹ 1,796 crore under State Plan, ₹ 169 crore under Centrally Sponsored Plan Schemes and ₹ 10 crore under Loans and Advances).



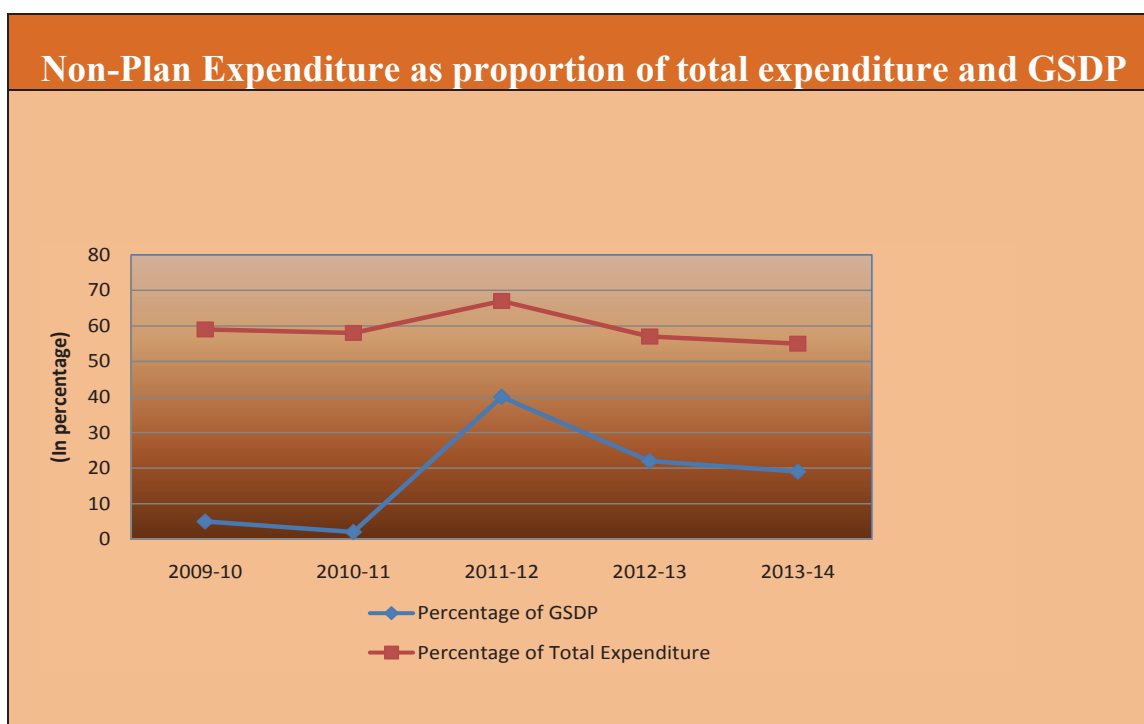
## 4.2.1 Plan expenditure under Capital Account

(₹ in crore)

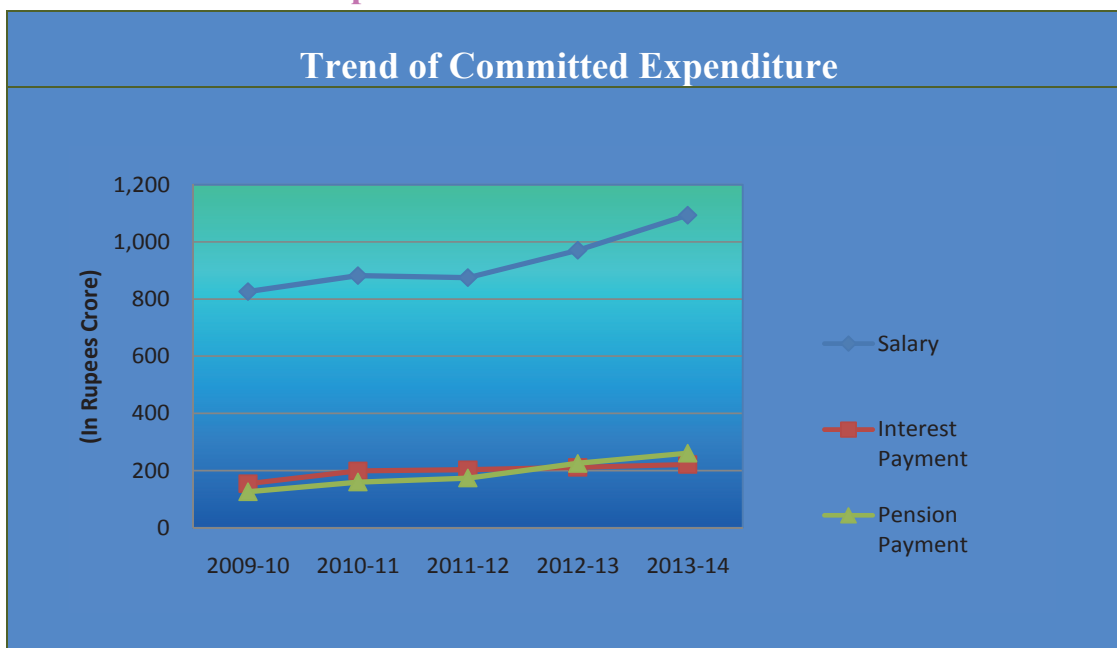
	2009-10	2010-11	2011-12	2012-13	2013-14
Total Capital Expenditure	686	457	664	847	922
Capital Expenditure (Plan)	649	451	615	842	912
Percentage of Capital Expenditure (plan) to Total Capital Expenditure	95	99	93	99	99

## 4.3 Non-Plan Expenditure

Non-Plan Expenditure during 2013-14, representing 55 per cent of total disbursements, was ₹ 2,405 crore, (₹ 2,405 crore under Revenue and no expenditure under Capital).



#### 4.4 Committed Expenditure



Component	2009-10	2010-11	2011-12	2012-13	2013-14
Committed Expenditure	1,106	1,241	1,239	1,407	1,576
Revenue Expenditure	2,738	2,908	3,230	3,012	3,458
Percentage of committed expenditure to Revenue Receipts	34	41	34	37	36
Percentage of committed expenditure to Revenue expenditure	40	43	38	47	46

The steep upward trend on committed expenditure leaves the government with lesser flexibility for developmental spending.

# Chapter - V

## APPROPRIATION ACCOUNTS

### 5.1 Summary of Appropriation Accounts for 2013-14

(₹ in crore)

Sl. No.	Nature of expenditure	Original grant	Supplementary grant	Re-appropriation	Total	Actual expenditure	Savings (-) Excesses (+)
1	Revenue Voted Charged	3,866	51	...	3,917	3,220	(-) 697
		238	...	...	238	240	(+) 2
2	Capital Voted Charged	1,325	96	...	1,421	922	(-) 499
		...	...	...	...	...	...
3	Public Debt Charged	77	...	...	77	89	(+) 12
4	Loans and Advances Voted	10	...	...	10	10	...
	<b>Total</b>	<b>5,516</b>	<b>147</b>	<b>...</b>	<b>5,663</b>	<b>4,481</b>	<b>(-) 1182</b>

## 5.2 Trend of Savings/Excess during the past five years

(₹ in crore)

Year	Savings (-)/Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2009-10	(-) 154.59	(-) 344.49	...	...	(-) 499.08
2010-11	(-) 332.42	(-) 524.73	(-) 0.62	(-) 0.30	(-) 858.07
2011-12	(-) 703.98	(-) 705.46	(-) 21.16	(-) 0.23	(-) 1,430.83
2012-13	(-) 742.71	(-) 681.14	(-) 21.64	...	(-)1,425.49
2013-14	(-) 705.44	(-) 499.05	(-) 11.95	...	(-) 1,192.54

## 5.3 Significant Savings

Substantial savings under a grant indicates either non-implementation or slow implementation of certain schemes/programmes.

Some grants with persistent and significant savings are given below:

(Savings in percentage)

Grant	Nomenclature	2009-10	2010-11	2011-12	2012-13	2013-14
01	Food Security and Agriculture Development	11	19	17	4	35
02	Animal Husbandry, Live Stock, Fisheries and Veterinary Services	6	13	8	8	8
05	Eccleslatical	6	8	2	5	6



(Savings in percentage)

Grant	Nomenclature	2009-10	2010-11	2011-12	2012-13	2013-14
11	Food, Civil Supplies and Consumer Affairs	2	...	10	10	8
12	Forest Environment & Wild Life Management	6	19	43	60	38
19	Irrigation & Flood Control	29	39	65	63	72
22	Land Revenue and Disaster Management	41	55	37	51	33
29	Development Planning, Economic Reforms & North Eastern Council Affairs	61	83	85	12	4
38	Social Justice, Empowerment & Welfare	21	52	47	34	23
39	Sports and Youth Affairs	18	27	7	72	24
41	Urban Development and Housing	6	15	9	9	6

During 2013-14, supplementary grants totaling ₹ 147 crore (3 per cent of total expenditure) proved to be unnecessary in some cases, where there were significant savings at the end of the year even against original allocations. A few instances are given below:

(₹ in crore)

Grant	Nomenclature	Section	Original	Supplementary	Actual Expenditure
01	Food Security and Agriculture Development	Revenue	66.69	0.68	43.93
2	Animal Husbandry, Livestock, Fisheries and Veterinary Services	Revenue	42.23	0.16	39.42
		Capital	6.44	0.07	3.76
03	Building and Housing	Capital	28.66	1.58	23.20
07	Human Resource Development	Capital	42.45	1.49	23.74
10	Finance, Revenue and Expenditure	Revenue	1074.97	11.38	758.52
11	Food, Civil Supplies and Consumer Affairs	Revenue	30.24	0.05	27.88
		Capital	2.25	0.55	0.55
12	Forest, Environment and Wild Life Management	Revenue	174.25	7.89	112.20
19	Irrigation and Flood Control	Revenue	147.25	0.06	40.56
21	Labour	Revenue	43.51	0.73	41.80
22	Land Revenue & Disaster Management	Revenue	390.70	1.88	262.55

(₹ in crore)

Grant	Nomenclature	Section	Original	Supplementary	Actual Expenditure
28	Personnel, Admin. Reforms and Training, Public Grievances, Career Option & Employment, Skill Dev. and Chief Minister's Self Employment Scheme	Revenue	9.13	0.10	7.55
29	Development Planning, Economics Reforms and North Eastern Council Affairs	Revenue	13.90	0.16	13.48
33	Water Security and Public Health Engineering	Capital	31.25	0.05	17.30
34	Roads and Bridges	Capital	214.20	29.29	165.63
35	Rural Management and Development	Capital	77.46	0.25	64.92
38	Social Justice, Empowerment and Welfare	Revenue	95.05	5.76	77.57
		Capital	21.51	6.23	17.66
39	Sports and Youth Affairs	Revenue	8.03	0.07	6.13
40	Tourism	Revenue	11.97	0.07	11.97
		Capital	161.39	9.97	62.99

# Chapter - VI

## ASSETS AND LIABILITIES

### 6.1 Assets

The existing form of accounts do not easily depict valuation of Government assets like land, buildings etc., except in the year of acquisition/purchase. Similarly while the accounts present the impact of liabilities arising in the current year, they do not depict the overall impact of the liabilities to future generations except to the limited extent shown by the rate of interest and period of existing loans.

Total investments as share capital in non-financial public sector undertakings (PSUs) stood at ₹ 97 crore at the end of 2013-14. Dividend received during the year was ₹ 1 crore (i.e. 1.03 per cent) against the investment. There was no increase in the investment.

Cash Balance with State Bank of Sikkim and other banks stood at ₹ 65 crore on 31 March 2013 and increased to ₹ 271 crore at the end of March 2014.

### 6.2 Debt and Liabilities

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 from time to time fixed by the State Legislature.

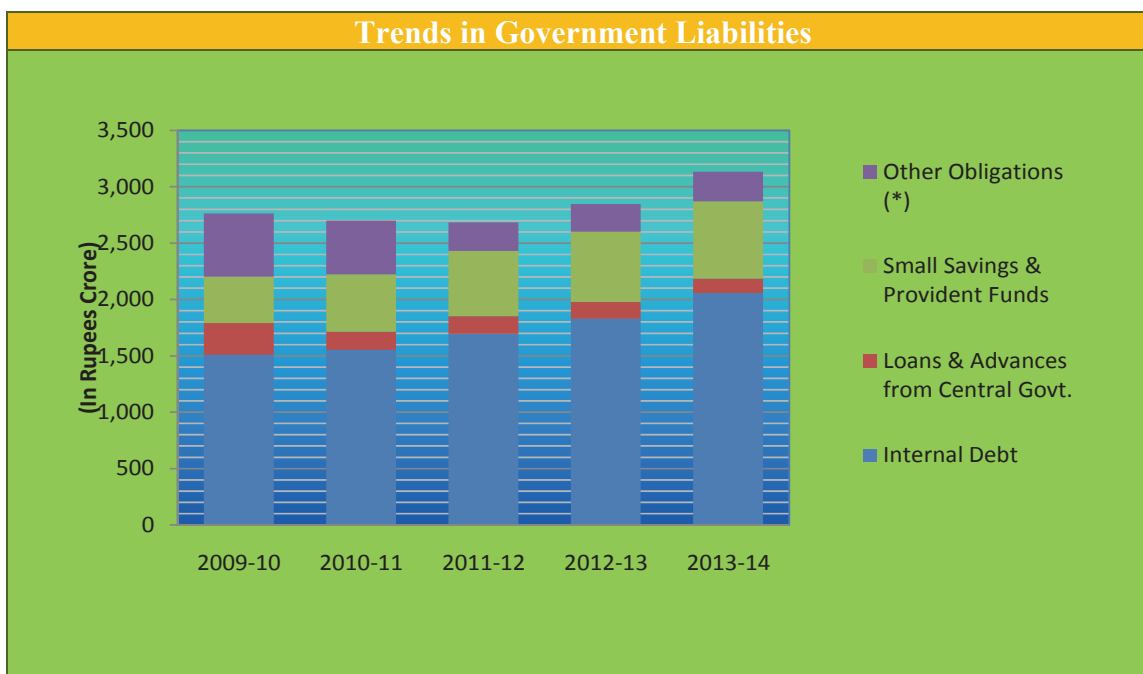
**Details of the Public Debt and total liabilities of the State Government**  
**are as under:** (₹ in crore)

Year	Public Debt	Percentage to GSDP	Public Account (*)	Percentage to GSDP	Total Liabilities	Percentage to GSDP
2009-10	1,792	29	500	08	2,292	37
2010-11	1,813	25	615	09	2,428	34
2011-12	1,852	22	701	08	2,553	30
2012-13	1,978	20	779	08	2,757	28
2013-14	2,186	18	882	07	3,068	25

(\*) Excludes suspense and remittance balances.

Note: Figures are progressive balance to end of the year.

There is a net increase of ₹ 311 crore (10 per cent) in Public Debt and Other liabilities as compared to 2012-13.



(\*) Non-interest bearing obligations such as deposits of Local Funds, other earmarked funds, etc.

Government of India determines, from time to time, the limits up to which State Governments can borrow from the market. The Government of Sikkim has borrowed ₹ 215 crore under Market Loans during the year 2013-14. The closing balance of Market Loans as on 31 March 2014 was increased by ₹ 198 crore from ₹ 1,333 crore to ₹ 1,531 crore.

### 6.3 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, Cooperative Societies, etc. is given below:

(₹ in crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding as on 31 <sup>st</sup> March 2014	
		Principal	Interest
2009-10	75	75	3
2010-11	360	247	30
2011-12	310	164	...
2012-13	310	186	1
2013-14	157	121	...

# Chapter - VII

## OTHER ITEMS

### 7.1 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2013-14 was ₹ 109 crore. Of this, Loans and Advances to Government Corporations/Companies, Non-Government Institutes and Local Bodies amounted to ₹ 37 crore. There was no recovery of Principal amount at the end of 31 March 2014.

### 7.2 Financial Assistance to Local Bodies and Others

During the last two years, Grants-in-Aid to local bodies etc. increased from ₹ 300 crore in 2012-13 to ₹ 355 crore in 2013-14. Grants to Zilla Parishads, Gram Panchayats and Municipalities (₹ 33 crore) represented 9 per cent of total grants given during the year.

#### Detail of Grants-in-Aid for the past 2 years are as under:

(₹ in crore)

Year	Zilla Parishads	Municipalities	Gram Panchayats	Others	Total
2012-13	8	...	15	277	300
2013-14	10	...	23	322	355

### 7.3 Cash Balance and Investment of Cash Balance

(₹ in crore)

Component	As on 1 April 2013	As on 31 March 2014	Net increase (+) / decrease (-)
Cash Balances	65	271	206
Investments from cash balance (GOI Treasury Bills)	750	750	...
Investment from earmarked fund balances	233	262	29
(a) Sinking Fund	203	230	27
(b) Guarantee redemption Fund	16	18	2
(c) Other Funds	14	14	...

State Government had a positive closing cash balance at the end of 2013-14, despite utilizing its cash balances and earmarked fund balances towards investments.

### 7.4 Reconciliation of Accounts

Accuracy and reliability of accounts depend, among other things, on timely reconciliation of the figures available with the departments and the figures appearing in the accounts compiled by the Senior Deputy Accountant General (Accounts and Entitlements). This exercise is to be conducted by respective Heads of Departments. In 2013-14, 99 per cent of the total expenditure of ₹ 4,380 crore of the State Government was reconciled. Similarly, 100 per cent of the total receipts of ₹ 4,380 crore was reconciled. The status of reconciliation of accounts in respect of the Chief Controlling Officers (CCO) of different departments is given below:

Particulars	Total No. of CCOs	Fully Reconciled	Partially Reconciled	Not reconciled
Expenditure	48	48	...	...
Receipts	32	32	...	...
Total	80	80	...	...



## **7.5 Submission of Accounts by Treasuries**

The rendition of initial accounts by the Treasuries is satisfactory. However, in some cases, delay have been observed in submission of monthly accounts by the treasuries and other accounts rendering units owing to the ongoing computerization of Government transaction including accredited banks under SIFMS-Mission Mode project.

## **7.6 Abstract Contingent (AC) Bills and Detailed Contingent (DC) Bills**

When money is required in advance or the Drawing and Disbursing Officers (DDOs) are not able to calculate the exact amounts required, they are permitted to draw money without supporting documents through AC bills. Such AC bills are required to be settled, within a maximum of 90 days, through submission of DC bills. To the end of 31 March 2014, total number of 2,975 AC bills amounting to ₹ 94 crore were outstanding for submission of DC bills.