



सत्यमेव जयते

Accounts at a glance for the year 2015-16



GOVERNMENT OF SIKKIM



GOVERNMENT OF SIKKIM

**ACCOUNTS AT A GLANCE
2015-16**

**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 consist 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 expenditure 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.

‘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.

A combined reading of the Finance Accounts, the 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.

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

Place: Gangtok
Date 09 January 2017



(VANLAL CHHUANGA)
Accountant General

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 recognised 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**

TABLE OF CONTENTS

Chapter I	Overview	Page
1.1	Introduction	1
1.2	Structure of Accounts	1
1.3	Finance Accounts and Appropriation Accounts	3
1.4	Sources and Application of Funds	5
1.5	Highlights of Accounts	8
1.5.1	Receipts and Disbursements	9
1.6	What the Deficits and Surpluses indicate	9
Chapter II	Receipts	
2.1	Introduction	11
2.2	Revenue Receipts	11
2.3	Trend of Receipts	13
2.4	Performance of State's own Tax Revenue Collection	15
2.5	Efficiency of Tax Collection	15
2.6	Trend in State's Share of Union Taxes	16
2.7	Grants-in-Aid	17
2.8	Public Debt	18
Chapter III	Expenditure	
3.1	Introduction	19
3.2	Revenue Expenditure	20
3.3	Capital Expenditure	22
Chapter IV	Plan & Non-Plan Expenditure	
4.1	Distribution of Expenditure (2015-16)	24
4.2	Plan Expenditure	24
4.3	Non-Plan Expenditure	25
4.4	Committed Expenditure	26
Chapter V	Appropriation Accounts	
5.1	Summary of Appropriation Accounts for 2015-16	27
5.2	Trend of Savings/Excess during the past 5 years	28
5.3	Significant Savings	28
Chapter VI	Assets and Liabilities	
6.1	Assets	32
6.2	Debt and Liabilities	32
6.3	Guarantees	34
Chapter VII	Other Items	
7.1	Loans and Advances by the State Government	35
7.2	Financial Assistance to Local Bodies and Other	35
7.3	Cash Balance and Investment of Cash Balance	36
7.4	Reconciliation of Accounts	36
7.5	Submission of Accounts by Treasuries	37
7.6	Abstract Contingent Bills/Detailed Contingent Bills	37

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 six Treasuries (including the accounts in respect of 40 Public Works/Irrigation Divisions and five Forest Divisions), the Directorate of Sikkim State Lotteries, the Sikkim Nationalised Transport, The Land Revenue and Disaster Management Department and advices of the State Bank of Sikkim. 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.

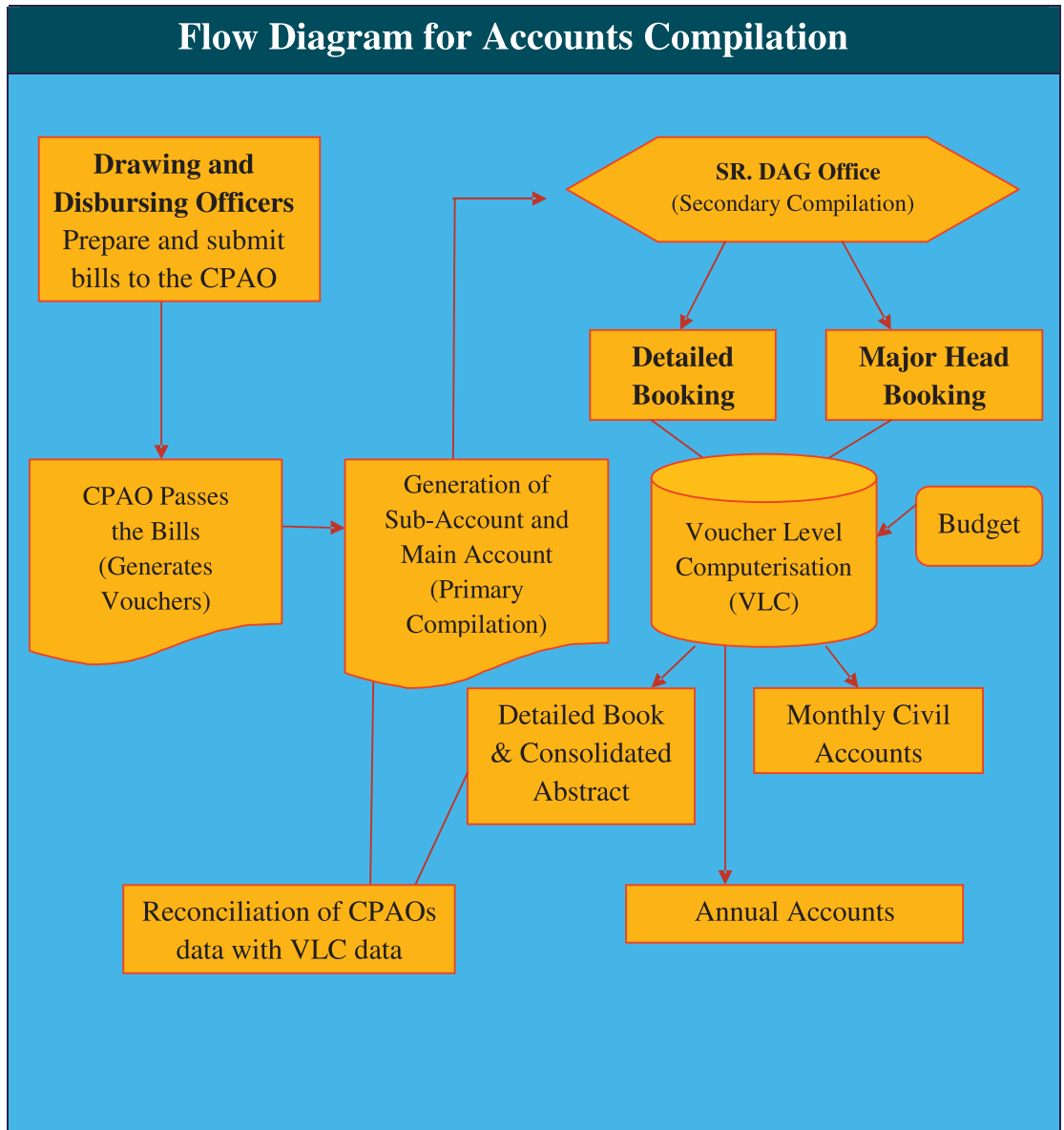
1.2 Structure of Accounts

1.2.1 Government Accounts are kept in three parts:

Part 1 Consolidated fund	Receipts and Expenditure on Revenue and Capital Account, Public Debt and Loans and Advances.
Part 2 Contingency fund	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.
Part 3 Public Account	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 prepared 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, summarised statements of overall receipts and disbursements, other summarised statements and 'Notes to Accounts' containing summary of significant accounting policies, quality of accounts and other items; Volume-II contains detailed statements (Part-I) and appendices (Part-II).

Receipts and disbursements of the Government of Sikkim as depicted in the Finance Accounts 2015-16 are given below.

(₹ in crore)

Receipts (Total: 4,306)	Revenue (Total: 3,784)	Tax Revenue	2,437
		Non-Tax Revenue	413
		Grants-in-Aid	934
	Capital (Total: 522)	Other Capital Receipts	...
		Recovery of Loans and Advances	1
Borrowings and other Liabilities*		521	
Disbursements (Total: 4,306)	Revenue	3,645	
	Capital	634	
	Loans and Advances	27	

* 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 ₹ 16 crore (₹ 24 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 VI 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 the amounts ‘Charged’ on the Consolidated Fund and the amounts ‘Voted’ by the State Legislature. There are two charged Appropriations and 44 voted Grants.

The Appropriation Act, 2015-2016, had provided for gross expenditure of ₹ 5,879 crore and reduction of expenditure (recoveries) of ₹ 1 crore. Against this, the actual gross expenditure was ₹ 4,503 crore and reduction of expenditure of ₹ 2 crore, resulting in net savings of ₹ 1,376 crore (23 per cent). The expenditure includes ₹ 12 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) have 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 ₹ 140 crore and a Fiscal Deficit of ₹ 520 crore representing 1 per cent and 3 per cent respectively of the Gross State Domestic Product (GSDP)¹. The Fiscal Deficit constituted 12 per cent of total expenditure. This deficit was met from Public Debt (₹ 459 crore), decrease in Public Account (₹ 98 crore) and net opening and closing cash balance (₹ 37 crore). Around 53 per cent of the revenue receipts (₹ 3,785 crore) of the State Government was spent on committed expenditure like salaries (₹ 1,358 crore), interest payments (₹ 262 crore) and pensions (₹ 402 crore).

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

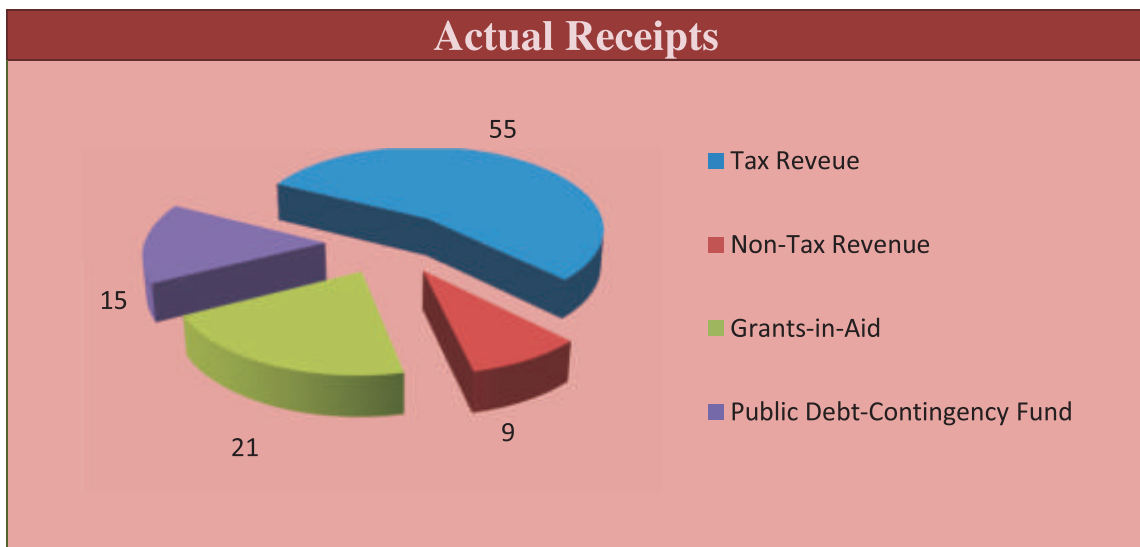
Sources and Application of Funds

(₹ in crore)

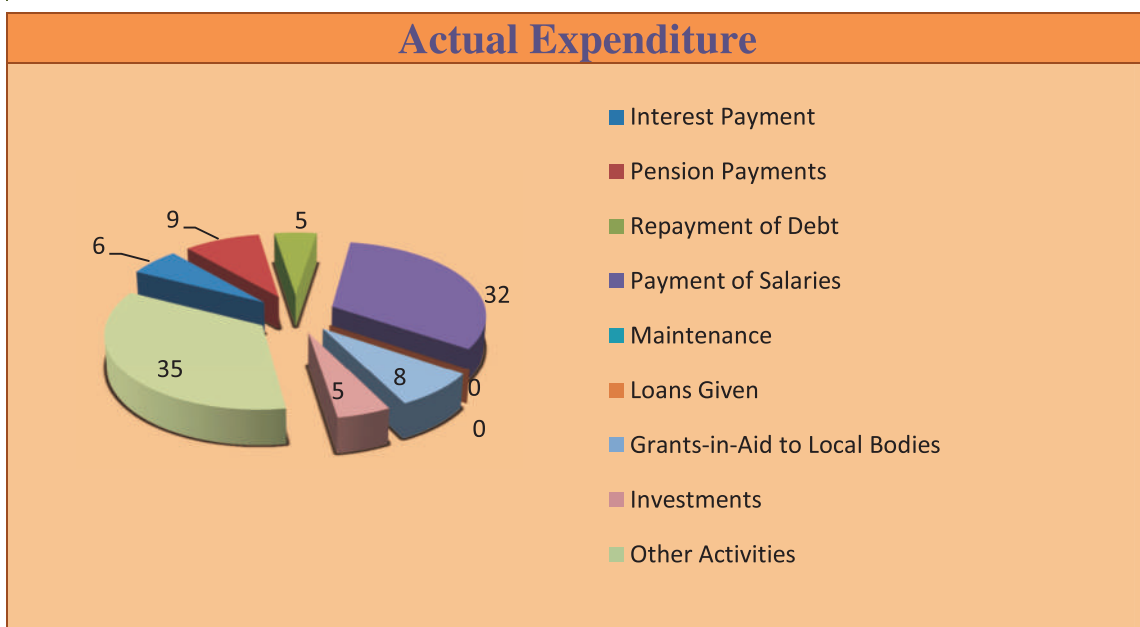
SOURCES	PARTICULARS	AMOUNT
	Opening Cash Balance as on 1.4.2015	178
	Revenue Receipts	3,785
	Miscellaneous Capital Receipts	...
	Recovery of Loans & Advances	1
	Public Debt	655
	Small Savings Provident Funds & Others	278
	Reserves & Sinking Funds	138
	Deposits Received	2,018
	Civil Advances Repaid	...
	Suspense Account	5,812
	Remittances	1,300
	Contingency Fund	...
	TOTAL	14,164

APPLICATION	Revenue Expenditure	3,645
	Capital Expenditure	634
	Loans Given	27
	Repayment of Public Debt	196
	Small Savings Provident Fund & Others	240
	Reserves & Sinking Funds	176
	Deposits Spent	1,996
	Civil Advances Given	...
	Suspense Account	5,817
	Remittances	1,218
	Closing Cash Balance as on 31.3.2016	215
	TOTAL	14,164

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 2015-16	Actuals	Percentage of actual to B.E	Percentage of actual to GSDP(\$)
1.	Tax Revenue (@)	2,485	2,438	98	15
2.	Non-Tax Revenue	350	413	118	2
3.	Grants-in-aid & Contributions	1,967	934	47	6
4.	Revenue Receipts (1+2+3)	4,802	3,785	79	23
5.	Recovery of Loans and Advances	1	1	100	...
6.	Other Receipts	...	...	...	...
7.	Borrowings & other Liabilities (A)	523	520	100	3
8.	Capital Receipts (5+6+7)	524	521	100	3
9.	Total Receipts (4+8)	5,326	4,306	81	26
10.	Non-Plan Expenditure (NPE) (11+13)	2,503	2,374	95	14
11.	NPE on Revenue Account	2,503	2,374	95	14
12.	NPE on Interest Payments out of 11	273	262	96	2
13.	NPE on Capital Account	...	...	...	...
14.	Plan Expenditure (PE) (15+16)	2,824	1,932	68	12
15.	PE on Revenue Account	1,756	1,271	72	8
16.	PE on Capital Account	1,068	661	62	4
17.	Total Expenditure (10+14)	5,327	4,306	81	26
18.	Revenue Expenditure (11+15)	4,259	3,645	86	22
19.	Capital Expenditure (13+16) (#)	1,068	661	62	4
20.	Revenue Surplus (4-18)	543	140	26	1
21.	Fiscal Deficit 17 - (4+5+6) = 7	523	520	100	3

(\$) GSDP figure of ₹ 16,637 crore adopted from the Department of Economics, Statistics, Monitoring & Evaluation, Government of Sikkim, Gangtok.

(@) Includes State's share of Union Taxes of ₹ 18.70 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 (₹ 634 crore) and Loans and Advances disbursed (₹ 27 crore).

1.5.1 Receipts and Disbursements:

The following table summarises the Receipts & Disbursements Accounts for 2015-16:

(₹ in crore)

Total Receipts		Total Disbursements	
4,306		4,306	
Revenue Receipts	3,785 (87.88)	Revenue Disbursements	3,645 (84.65)
Capital Receipts	521 (12.12)	Capital Disbursements	661 (18.35)

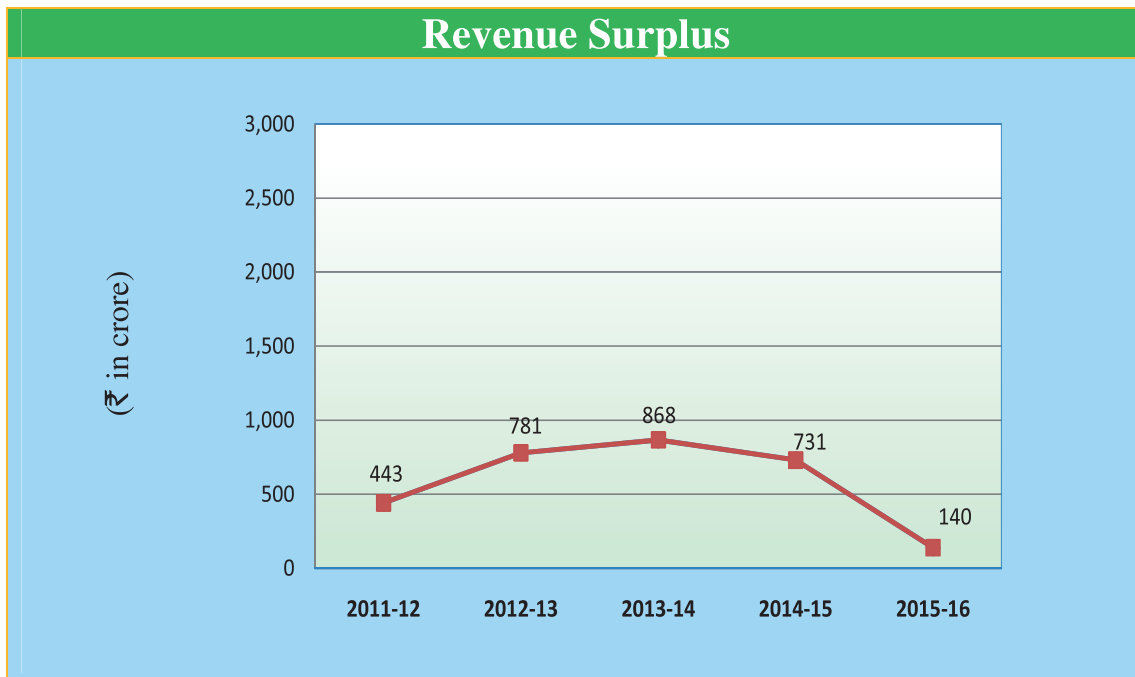
Figures in parentheses indicate percentage.

1.6 What do the Deficits and Surpluses indicate?

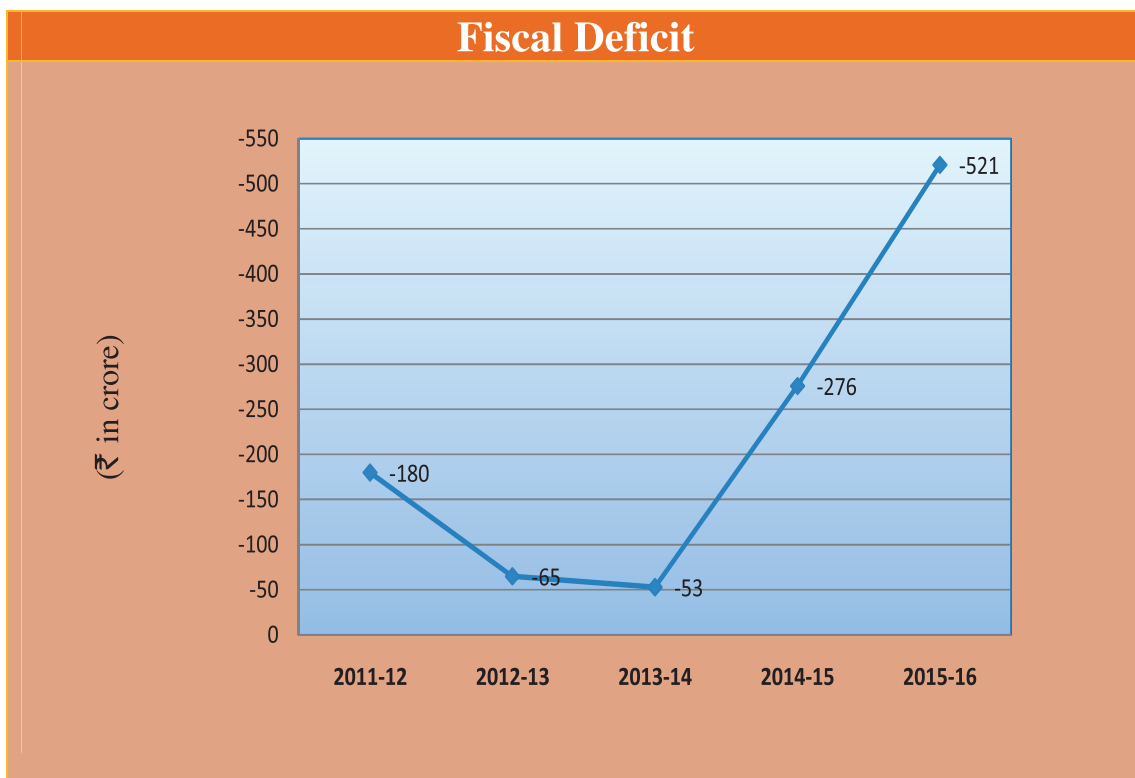
Deficit	Refers to the gap between Revenue and Expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence in Financial Management.
Revenue Deficit/Surplus	Refers to the gap between Revenue Receipts and Revenue Expenditure. Revenue Expenditure is required to maintain the existing establishment of Government and ideally, should be fully met from Revenue Receipts.
Fiscal Deficit/Surplus	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. As per the Accounts, the Government of Sikkim maintained Fiscal Deficit of 1.90 per cent for the year 2014-15 and 3.13 per cent (₹ 520 crore) for the year 2015-16 against the 13th Finance Commission's stipulation of 3 per cent of GSDP.

1.6.1 Trend of Revenue Surplus



1.6.2 Trend of Fiscal Deficit



Chapter - II

RECEIPTS

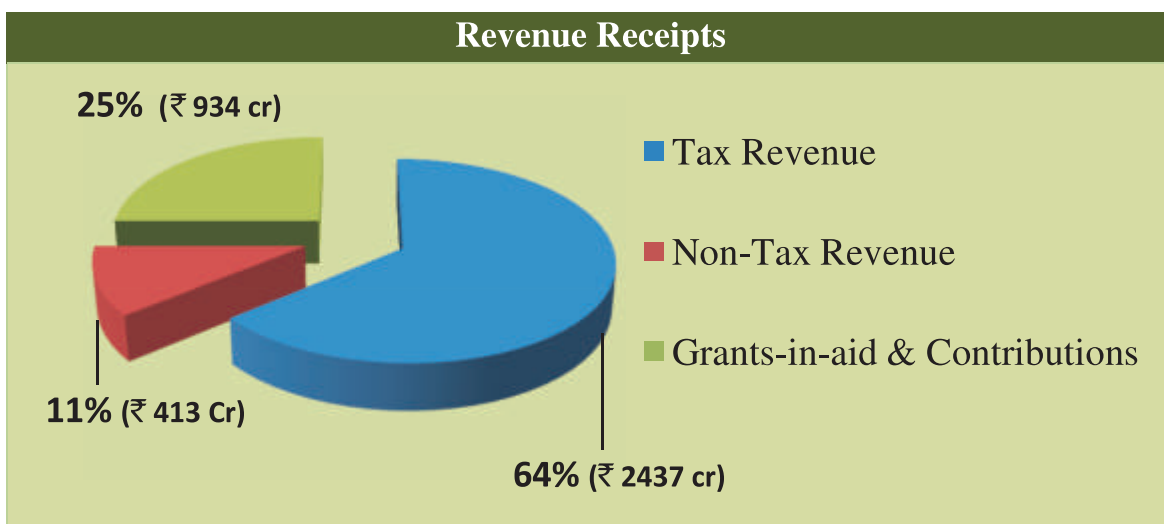
2.1 Introduction

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

Total Receipts for 2015-16 were ₹ 4,306 crore.

2.2 Revenue Receipts

Tax Revenue	Comprises taxes collected and retained by the State and State's share of Union taxes under Article 280(3) of the Constitution.
Non-Tax Revenue	Includes interest receipts, dividends, profits etc.
Grants-in-Aid	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 channelised 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 (2015-16)

(₹ in crore)

Components	Actuals
A. Tax Revenue	2,438
Taxes on Income & Expenditure	1,016
Taxes on Property & Capital Transactions	10
Taxes on Commodities & Services	1,412
B. Non-Tax Revenue	413
Interest Receipts, Dividends and Profits	85
General Services	104
Social Services	10
Economic Services	214
C. Grants-in-aid & Contributions	934
Total – Revenue Receipts	3,785

2.3 Trend of Receipts

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Tax Revenues	906 (11)	1,134 (11)	1,288 (10)	1,337 (9)	2,438 (15)
Non-Tax Revenues	1,045 (12)	807 (8)	794 (6)	698 (5)	413 (2)
Grants-in-Aid	1,722 (21)	1,852 (19)	2,244 (18)	2,427 (17)	934 (6)
Total Revenue Receipts	3,673 (44)	3,793 (38)	4,326 (35)	4,462 (31)	3,785 (23)
GSDP	8,400**	9,957*	12,377**	14,518***	16,637***

Note: Figures in parentheses represent percentage to GSDP

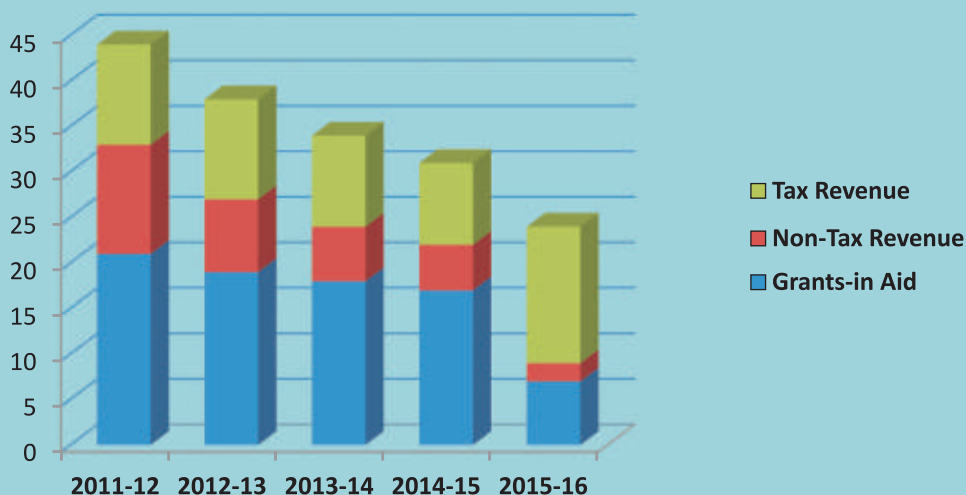
* Provisional

** Quick Estimates

*** Advanced Estimates

Though the GSDP increased by 15 per cent between 2014-15 and 2015-16, revenue receipts decreased by 15 per cent. While tax revenue increased by 82 per cent, non-tax revenues and grants-in-aid declined by 41 per cent and 62 per cent respectively.

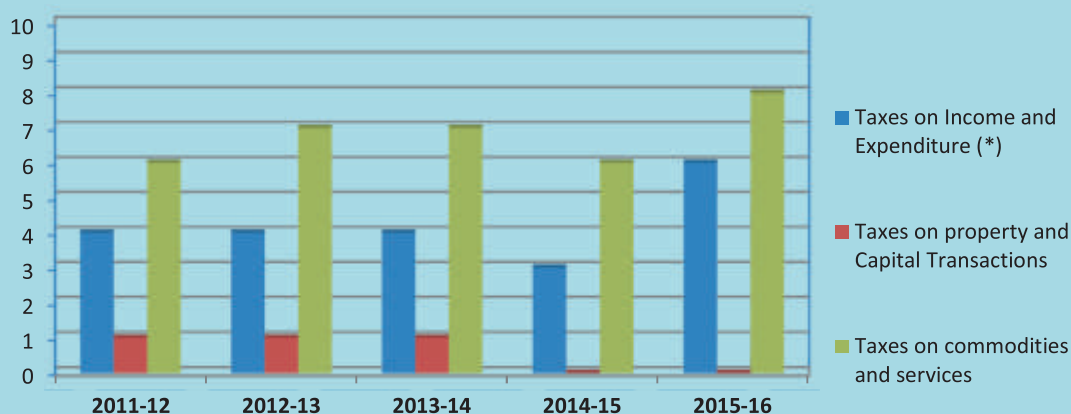
Component under Revenue Receipts as proportion to GSDP



Sector-wise Tax Revenue

	2011-12	2012-13	2013-14	2014-15	2015-16
Taxes on Income and Expenditure	368	408	434	492	1,016
Taxes on Property and Capital Transactions	14	11	11	14	10
Taxes on Commodities and Services	524	715	843	831	1,412
Total Tax Revenues	906	1,134	1,288	1337	2,438

Trend of Major Taxes in proportion to GSDP



(*) Primarily includes 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 GDP
(1)	(2)	(3)	(4)	(5)
2011-12	906	612	294	3.50
2012-13	1,134	698	436	4.38
2013-14	1,288	763	525	4.24
2014-15	1,337	809	528	3.63
2015-16	2,438	1,870	568	3.41

2.5 Efficiency of Tax Collection

A. Taxes on Property and Capital Transactions

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue Collection	14	11	11	14	10
Expenditure on Collection	10	13	14	14	12
Efficiency of Tax Collection (in per cent)	71	118	127	100	120

B. Taxes on Commodities and Services

(₹ in crore)

	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue Collection	524	715	843	831	1,411
Expenditure on Collection	31	44	74	141	62
Efficiency of Tax Collection (in per cent)	6	6	9	17	4

Taxes on commodities and services form a major chunk of tax revenue. While tax collection efficiency in respect of Property and Capital Transactions is poor and needs immediate improvement; the collection efficiency for taxes on Commodities and Services is excellent at 4 per cent and improved substantially compared with the previous year.

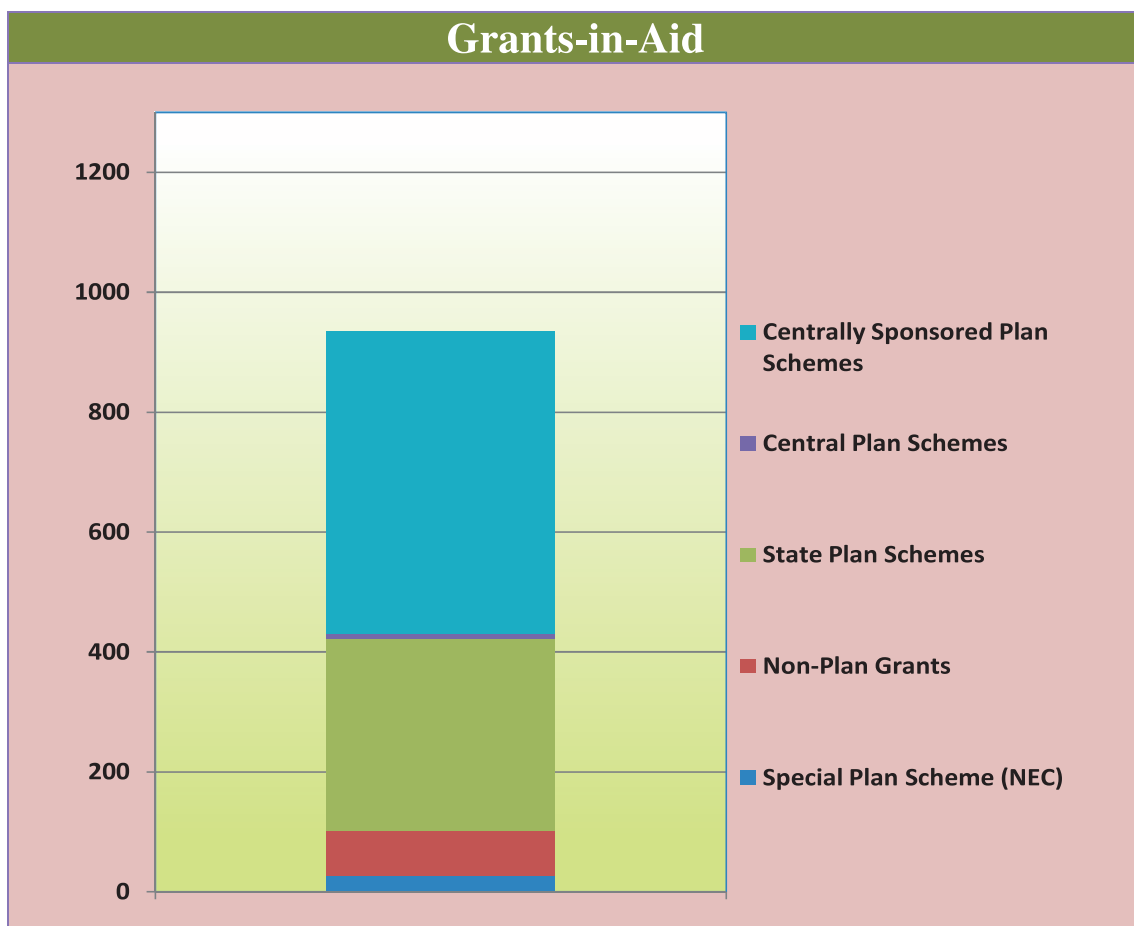
2.6 Trend in State's Share of Union Taxes over the past five years

(₹ in crore)

Major Head description	2011-12	2012-13	2013-14	2014-15	2015-16
Corporation Tax	241	251	257	282	593
Taxes on Income other than Corporation Tax	122	150	169	202	415
Taxes on Wealth	1	...	1	1	...
Customs	106	116	124	131	298
Union Excise Duties	69	79	88	74	245
Service Tax	73	102	124	119	318
Other Taxes and Duties on Commodities and Services	...	...	...	...	1
State Share of Union Taxes	612	698	763	809	1,870
Total Tax Revenue	906	1,134	1,288	1,337	2,438
Percentage of Union Taxes to Total Tax Revenue	68	62	59	61	77

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 2015-16 under Grants-in-Aid were ₹ 934 crore as shown below:



2.8 Public Debt

Trend of Public Debt over the past 5 years

(₹ in crore)

Description	2011-12	2012-13	2013-14	2014-15	2015-16
Internal Debt	42	133	230	331	466
Central Loans	(-) 3	(-) 8	(-) 22	(-) 6	(-) 7
Total Public Debt	39	125	208	325	459

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 organisation. 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.

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

3.2 Revenue Expenditure

Revenue Expenditure of ₹ 3,645 crore for 2015-16 fell short of budget estimates by ₹ 614 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)

	2011-12	2012-13	2013-14	2014-15	2015-16
Budget Estimates(BE)	3,233	3,570	3,983	4,839	4,259
Actuals	3,230	3,012	3,458	3,731	3,645
Gap	3	558	525	1,108	614
Percentage of gap over BE	...	16	13	23	14

3.2.1 Sectoral distribution of Revenue Expenditure (2015-16)

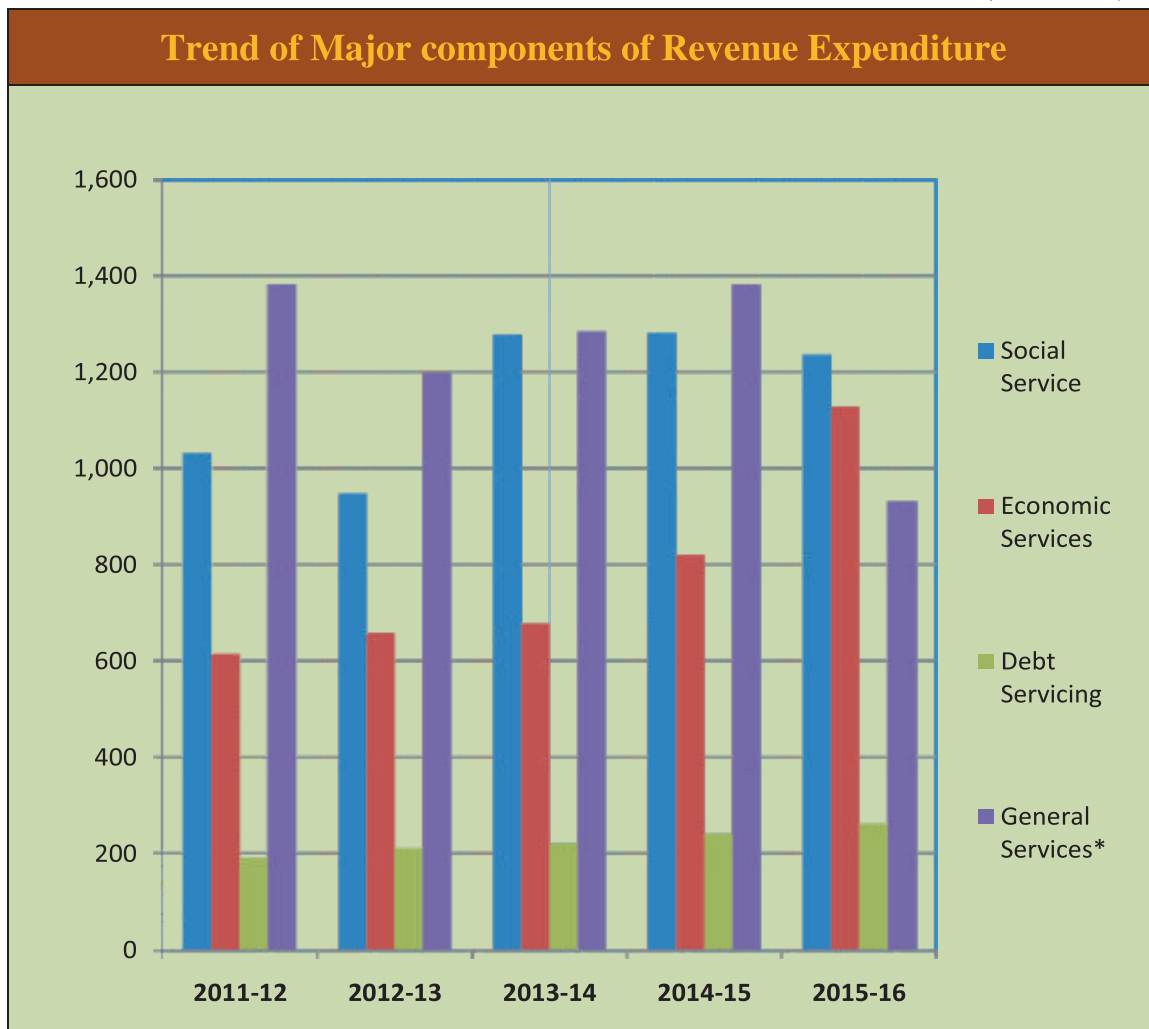
(₹ in crore)

Components	Amount	Percentage
A. Fiscal Services		
(i) Collection of Taxes on Property and Capital transactions	13	*...
(ii) Collection of Taxes on Commodities and Services	63	02
(iii) Other Fiscal Services	12	*...
B. Organs of State	69	02
C. Interest Payments and Servicing of debt	262	07
D. Administrative Services	410	11
E. Pensions and Miscellaneous General Services	415	11
F. Social Services	1,236	34
G. Economic Services	1,126	31
H. Grants-in-Aid and Contribution	39	02
Total Expenditure (Revenue Account)	3,645	100

* Negligible *per cent*

3.2.2 Major components of Revenue Expenditure (2011-2016)

(₹ 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) registered significant growth, as against marginal growth in other services except General and Social Services.

3.3 Capital Expenditure

Capital disbursements for 2015-16 at 4 per cent of GSDP were less than Budget Estimates by ₹ 407 crore (less disbursement of ₹ 407 crore under Plan Expenditure).

3.3.1 Sectoral distribution of Capital Expenditure

(₹ in crore)

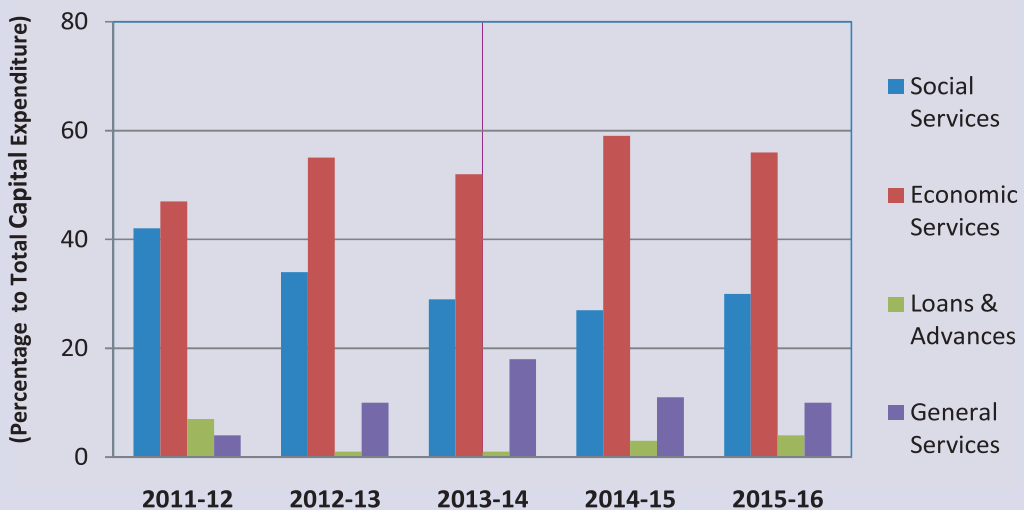
Sl. No.	Sector	Amount	Percentage
1.	General Services – Police, Land Revenue etc.	64	10
2.	Social Services – Education, Health & Family Welfare, Water Supply, Welfare of SC/ST etc.	201	30
3.	Economic Services – Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport etc.	369	56
4.	Loans and Advances Disbursed	27	4
	Total	661	100

3.3.2 Sectoral distribution of capital expenditure over the past 5 years

(₹ in crore)

Sl. No.	Sector	2011-12	2012-13	2013-14	2014-15	2015-16
1.	General Services	25	83	170	110	64
2.	Social Services	277	291	266	270	201
3.	Economic Services	313	468	476	601	369
4.	Loans and Advances	49	5	10	27	27
	Total	664	847	922	1,008	661

Trend of Sectoral Distribution of Capital Expenditure

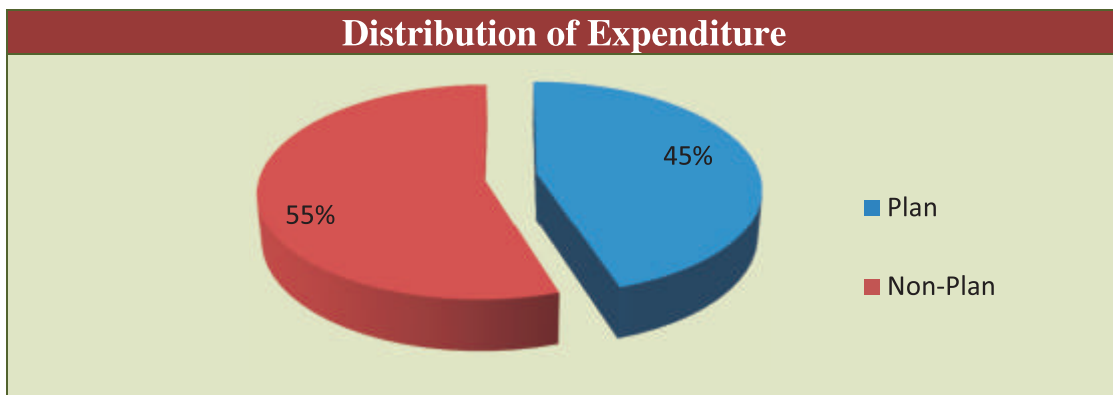


Expenditure under General Sector and Economic Sector have reduced considerably indicating 42 per cent and 39 per cent respectively during 2015-16 from 2014-15 resulting in less developmental spending on these Sectors.

Chapter - IV

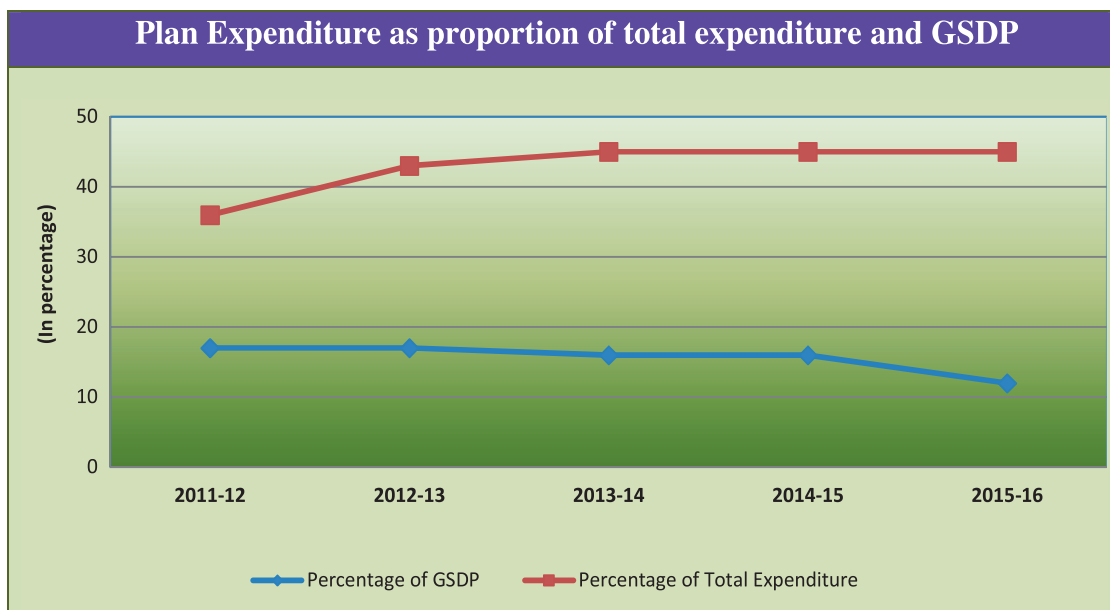
PLAN & NON-PLAN EXPENDITURE

4.1 Distribution of Expenditure (2015-16)



4.2 Plan Expenditure

During 2015-16, Plan Expenditure, representing 45 per cent of total disbursements, was ₹ 1,932 crore (₹ 1,314 crore under State Plan, ₹ 591 crore under Centrally Sponsored Plan Schemes and ₹ 27 crore under Loans and Advances).



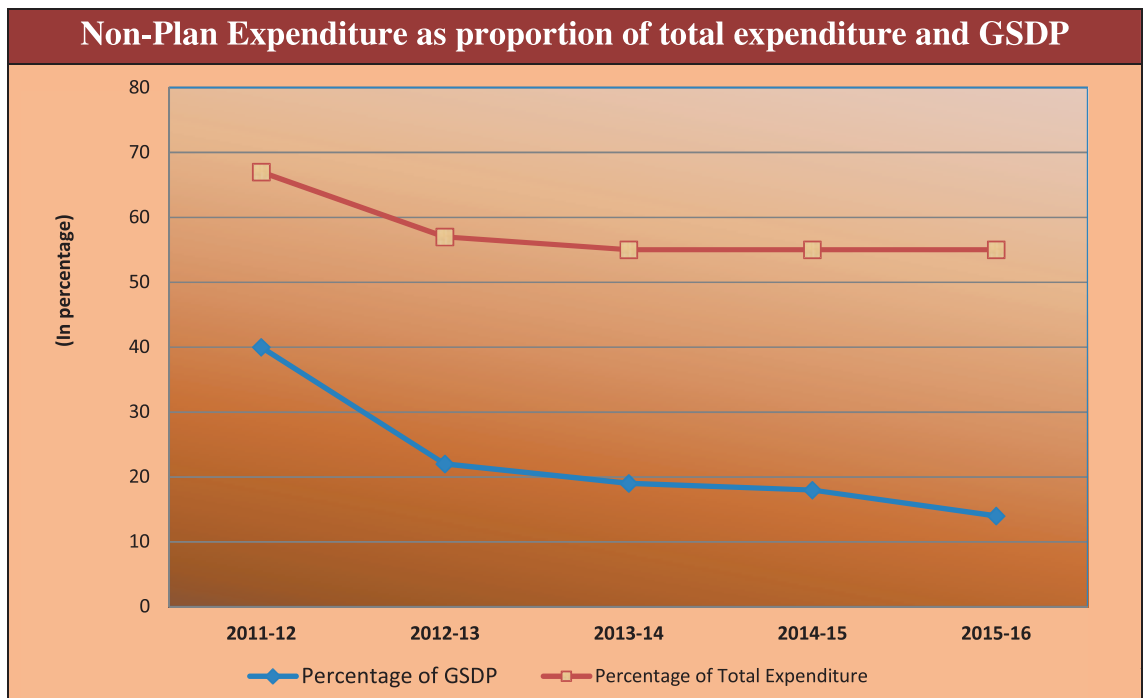
4.2.1 Plan expenditure under Capital Account

(₹ in crore)

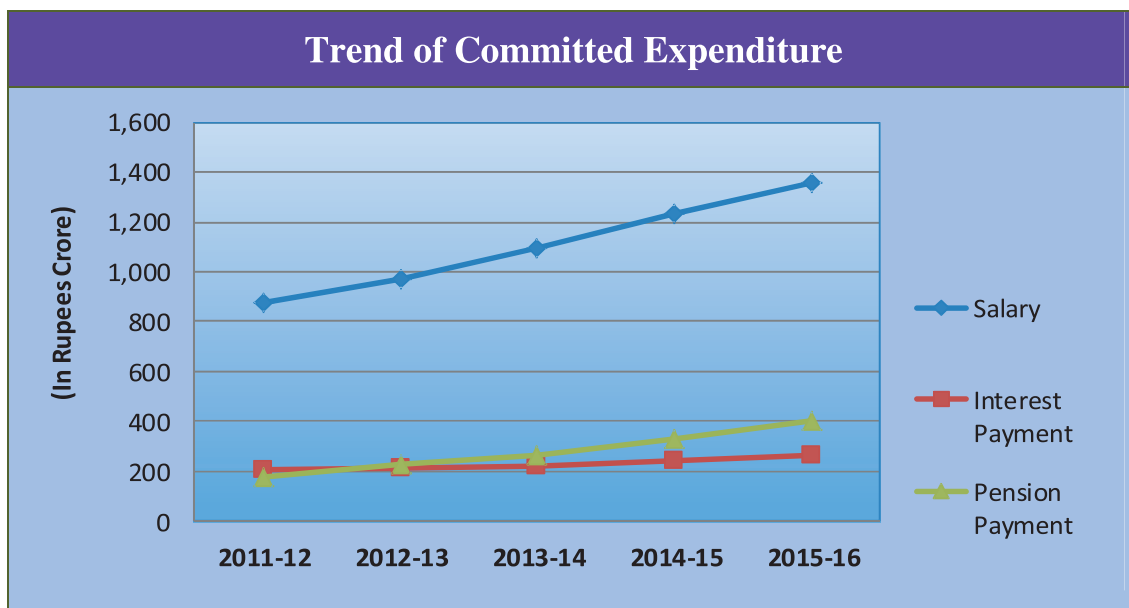
	2011-12	2012-13	2013-14	2014-15	2015-16
Total Capital Expenditure	664	847	922	1,008	661
Capital Expenditure (Plan)	615	842	912	981	634
Percentage of Capital Expenditure (plan) to Total Capital Expenditure	93	99	99	97	96

4.3 Non-Plan Expenditure

Non-Plan Expenditure during 2015-16, representing 55 per cent of total disbursements, was ₹ 2,374 crore, (₹ 2,374 crore under Revenue and no expenditure under Capital).



4.4 Committed Expenditure



Component	2011-12	2012-13	2013-14	2014-15	2015-16
Committed Expenditure	1,239	1,407	1,576	1,821	2,034
Revenue Expenditure	3,230	3,012	3,458	3,731	3,645
Percentage of committed expenditure to Revenue Receipts	34	37	36	41	54
Percentage of committed expenditure to Revenue expenditure	38	47	46	49	56

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 2015-16

(₹ in crore)

Sl. No.	Nature of expenditure	Original grant	Supplementary grant	Re-appropriation	Total	Actual expenditure	Savings (-) Excesses (+)
1	Revenue Voted	4,073	82	...	4,155	3,350	(-) 806
	Charged	311	...	...	311	297	(-) 14
2	Capital Voted	1,086	127	...	1,213	661	(-) 552
	Charged	...	...	...	...	...	...
3	Public Debt Charged	200	...	...	200	196	(-) 4
4	Loans and Advances Voted	22	...	...	22	27	(+) 5
	Total	5,692	209	...	5,901	4,531	1,371

5.2 Trend of Savings/Excess during the past five years

(₹ in crore)

Year	Savings (-)/Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
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
2014-15	(-) 1,262.46	(-) 776.39	(-) 1.97	(-) 0.98	(-) 2,041.80
2015-16	(-) 819.84	(-) 552.00	(-) 3.91	(+) 5.00	(-)1,370.75

* Negligible amount.

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	2011-12	2012-13	2013-14	2014-15	2015-16
01	Food Security and Agriculture Development	17	4	35	30	40
02	Animal Husbandry, Live Stock, Fisheries and Veterinary Services	8	8	8	16	27
06	Ecclesiastical	2	5	6	11	5

(Savings in percentage)

Grant	Nomenclature	2011-12	2012-13	2013-14	2014-15	2015-16
11	Food, Civil Supplies and Consumer Affairs	10	10	8	13	19
12	Forest Environment & Wild Life Management	43	60	38	38	60
19	Irrigation & Flood Control	65	63	72	86	70
22	Land Revenue and Disaster Management	37	51	33	42	47
29	Development Planning, Economic Reforms & North Eastern Council Affairs	85	12	4	70	35
38	Social Justice, Empowerment & Welfare	47	34	23	33	44
39	Sports and Youth Affairs	7	72	24	41	40
41	Urban Development and Housing	9	9	6	60	39

During 2015-16, supplementary grants 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	75.43	4.54	49.39
02	Animal Husbandry, Livestock, Fisheries and Veterinary Services	Revenue	57.93	20.00	43.77
04	Co-operation	Revenue	11.91	12.50	11.49
05	Cultural Affairs and Heritage	Revenue	9.70	0.06	9.32
07	Human Resource Development	Revenue	500.93	25.04	465.31
		Capital	28.45	3.18	9.32
10	Finance, Revenue and Expenditure	Revenue	486.05	6.20	460.15
12	Forest, Environment and Wild Life Management	Revenue	208.62	0.11	82.18
13	Health Care, Human Services and Family Welfare	Revenue	222.44	5.42	195.90

Grant	Nomenclature	Section	Original	Supplementary	Actual Expenditure
14	Home	Revenue	49.67	4.18	44.33
19	Irrigation and Flood Control	Revenue	104.04	0.50	34.10
		Capital	11.57	...	1.15
30	Police	Revenue	277.48	0.38	270.94
		Capital	1.43	4.06	4.94
35	Rural Management and Development	Revenue	197.10	0.82	164.52
		Capital	144.31	10.91	101.41
38	Social Justice, Empowerment and Welfare	Revenue	169.90	4.75	105.96
		Capital	40.71	0.32	14.48
40	Tourism and Civil Aviation	Revenue	22.44	3.19	21.33
		Capital	130.79	0.50	88.34
43	Panchayati Raj Institutions	Revenue	388.29	9.16	364.20
46	Municipal Affairs	Revenue	7.02	0.05	4.68

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 2015-16. Dividend received during the year was ₹ 13 crore (i.e. 13 per cent) against the investment. There was no increase in the investment.

Cash Balance with State Bank of Sikkim and other banks stood at ₹ 178 crore on 31 March 2015 and increased to ₹ 215 crore at the end of March 2016.

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:

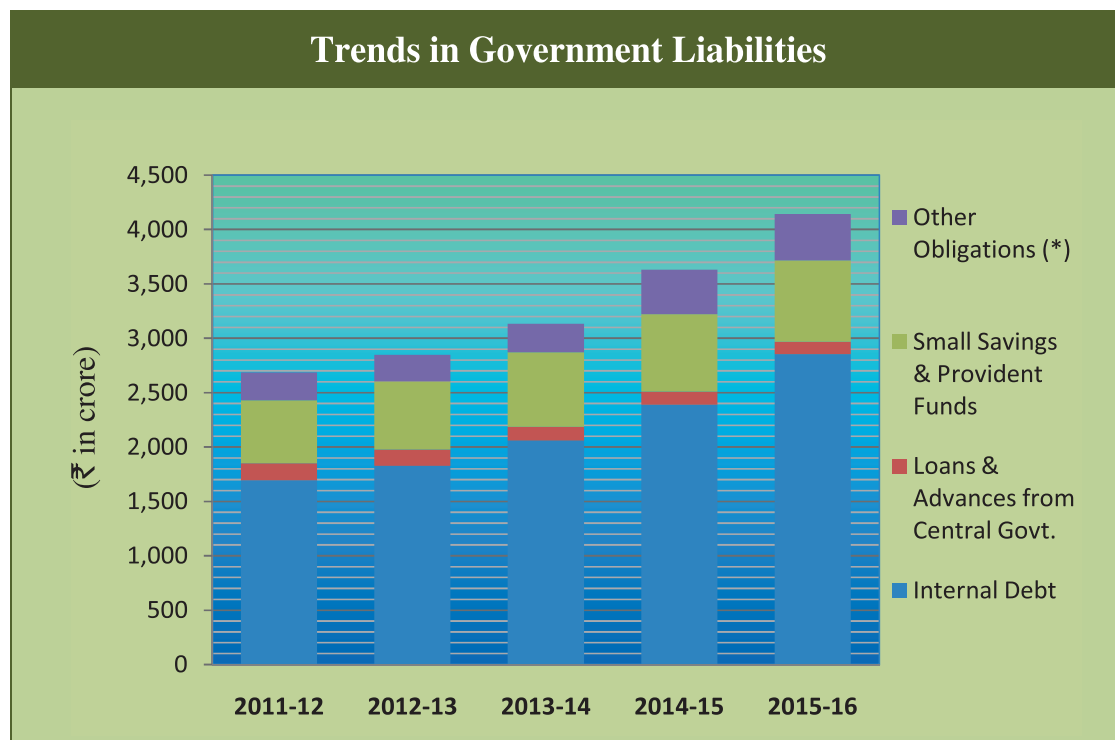
(₹ in crore)

Year	Public Debt	Percentage to GSDP	Public Account (*)	Percentage to GSDP	Total Liabilities	Percentage to GSDP
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
2014-15	2,510	17	971	07	3,481	24
2015-16	2,969	18	992	06	3,961	24

(*) Excludes suspense and remittance balances.

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

There is a net increase of ₹ 480 crore (14 per cent) in Public Debt and Other liabilities as compared to 2014-15.



(*) 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 ₹ 580 crore under Market Loans during the year 2015-16. The closing balance of Market Loans as on 31 March 2016 was increased by ₹ 461 crore from ₹ 1,839 crore to ₹ 2,300 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 March 2016	
		Principal	Interest
2011-12	310	164	...
2012-13	310	186	1
2013-14	157	121	...
2014-15	157	110	3
2015-16	157	89	...

Chapter - VII

OTHER ITEMS

7.1 Loans and Advances by the State Government

Total Loans and Advances given by the State Government at the end of 2015-16 was ₹ 161 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 2016.

7.2 Financial Assistance to Local Bodies and Others

During the last two years, Grants-in-Aid to local bodies etc. decreased from ₹ 404 crore in 2014-15 to ₹ 347 crore in 2015-16. Grants to Zilla Parishads, Gram Panchayats and Municipalities (₹ 347 crore) represented 99 *per cent* of total grants given during the year.

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

(₹ in crore)

Year	Zilla Parishads	Municipalities	Gram Panchayats	Others	Total
2014-15	14	42	27	321	404
2015-16	5	...	338	4	347

7.3 Cash Balance and Investment of Cash Balance

(₹ in crore)

Component	As on 1 April 2015	As on 31 March 2016	Net increase (+) / decrease (-)
Cash Balances	178	215	(+) 37
Investments from cash balance (GOI Treasury Bills)	1,050	1,151	(+) 101
Investment from earmarked fund balances	308	357	(+) 49
(a) Sinking Fund	270	306	(+) 36
(b) Guarantee redemption Fund	24	37	(+) 13
(c) Other Funds	14	14	...

State Government had a positive closing cash balance at the end of 2015-16, despite utilising its cash balances and earmarked fund balances towards investments.

7.4 Reconciliation of Accounts

To exercise effective control of expenditure, to keep it within the budget grants and to ensure accuracy of their accounts, all Controlling Officers are required to reconcile the Receipts and Expenditure recorded in their books every month during the financial year with the figures accounted for by the Senior Deputy Accountant General (Accounts). Reconciliation has been completed for all Revenue and Capital expenditure of ₹ 42,78.56 crore; Revenue Receipt of ₹ 37,84.29 crore for the financial year 2015-16 by all Controlling Officer.

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 computerisation of Government transaction including accredited banks under Sikkim Integrated Financial Management System (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 period of 90 days, through submission of DC bills. To the end of 31 March 2016, total number of 2,657 AC bills amounting to ₹ 69 crore were outstanding for submission of DC bills.

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