सत्यमेव जयते

ACCOUNTS AT A GLANCE

SUPREME AUDIT INSTITUTION OF INDIA

लोकहितार्थ सत्यनिष्ठा

Dedicated to Truth in Public Interest

GOVERNMENT OF SIKKIM

2024-25

Sikkim Legislative Assembly

Accounts at a Glance
for the year 2024-25

SENIOR DEPUTY ACCOUNTANT GENERAL (ACCOUNTS AND ENTITLEMENTS), SIKKIM

GOVERNMENT OF SIKKIM

Preface

The Annual Accounts of the State Government are prepared under the directions of the Comptroller and Auditor General of India (C&AG) in accordance with requirements of the Comptroller and Auditor General of India's (Duties and Powers and Conditions of Service) Act 1971 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) Sikkim prepares the Annual Accounts of the Government of Sikkim.

'Accounts at a Glance' provides a overview of Governmental activities by highlighting important accounting information on Finance Accounts and the Appropriation Accounts.

A combined reading of Finance Accounts, the Appropriation Accounts, the State Finances Audit Report on State Finance 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 readers' suggestions that would help us in improving the publication.

Place: Gangtok
Date : 07th May 2026

(MS. ANITA R. SINGH)
ACCOUNTANT GENERAL

Our Vision, Mission and Core Values

VISION

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.

MISSION

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.

CORE VALUES

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 Office of 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 eight Treasuries (including the accounts in respect of fifty-seven Public Works/Irrigation Divisions/ Public Health Engineering Division and seven Forest Divisions) and advices of the State Bank of Sikkim. Every month a Monthly Civil Account is presented by the office of the Senior Deputy Accountant General (Accounts and Entitlements), Sikkim to the Government of Sikkim. The office of the Senior Deputy Accountant General (Accounts and Entitlements), Sikkim also submits a Quarterly Appreciation Note on the important financial indicators and quality of expenditure of the Government. The office of the Senior Deputy Accountant General (A&E) prepares the Finance Accounts and the Appropriation Accounts annually, 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 Government Accounts

1.2.1 Government Accounts are kept in three parts:

Structure of Government Accounts

Part 1
CONSOLIDATED FUND

All the revenue received by the Government including tax and non-tax revenue, loans raised and repayment of loans given (including interest thereon) form the Consolidated Fund. All expenditures and disbursements of the Government, including release of loans and repayments of loans taken (and interest thereon) are met from this fund.

Part 2
CONTINGENCY FUND

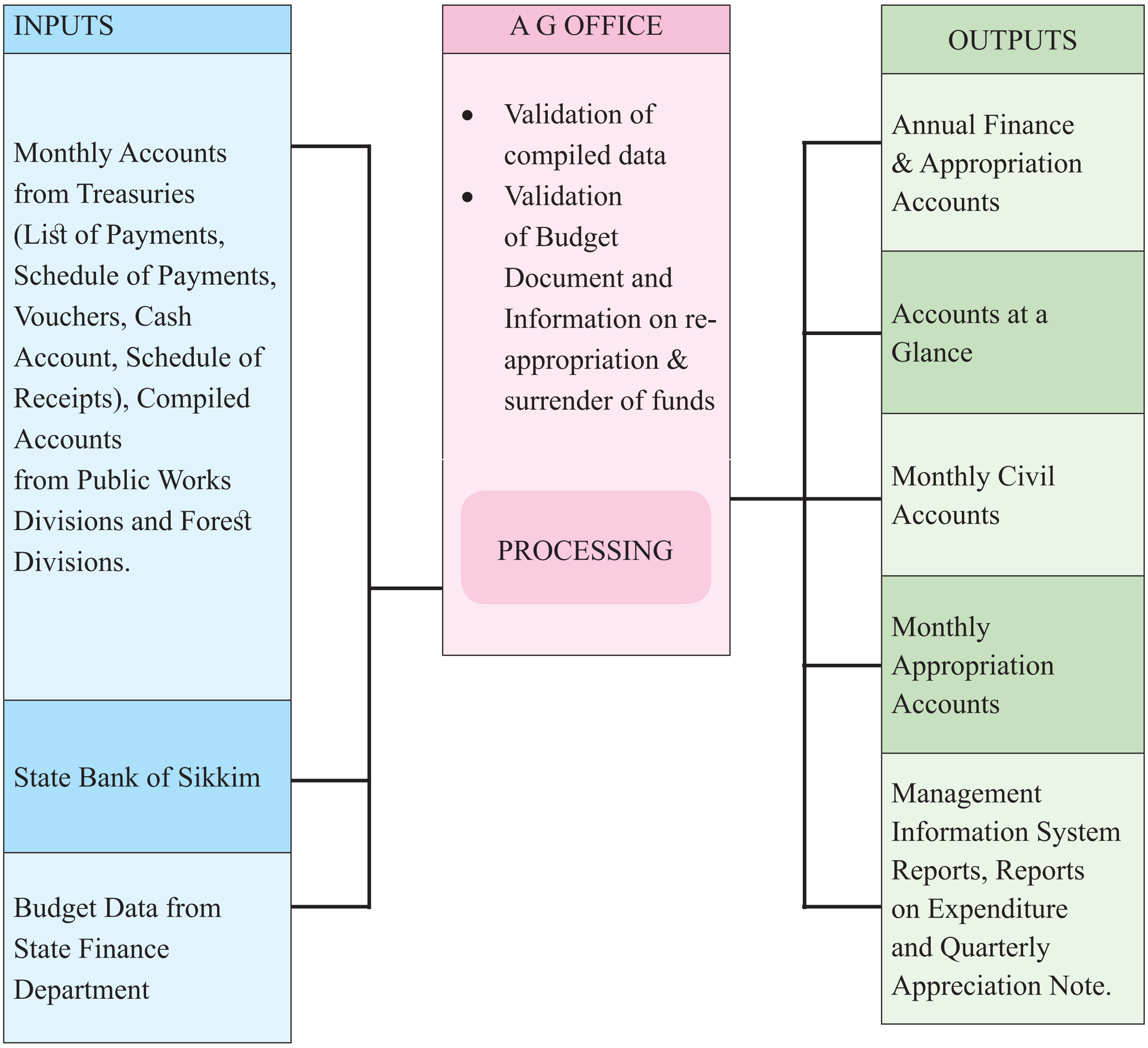
The Contingency Fund is in nature of imprest, intended to meet unforeseen expenditure, pending authorization by the Legislature. Such expenditure is recouped subsequently from the Consolidated Fund. The corpus of this fund for the Government of Sikkim is ₹ one crore.

Part 3
PUBLIC ACCOUNT

All public money received, other than those credited to the Consolidated Fund, are accounted for under the Public Account. In respect of such receipts, the Government acts as a banker or trustee. The Public Account comprises: repayable like Small Savings and Provident Funds, Reserve Funds, Deposits and Advances, Suspense and Miscellaneous transactions (adjusting entries pending booking to final head of account), Remittance between accounting entities, and Cash Balance.

1.2.2 Compilation of Accounts

Flow diagram for Accounts Compilation



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. The Finance Accounts are prepared in two volumes, 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 and 'Notes to Finance Accounts' containing summary of significant accounting policies, comments on quality of accounts and other items. Volume II contains detailed statements (Part-I) and appendices (Part-II).

In addition to expenditures approved for the year by the Sikkim Legislature, the Government of India Transfers substantially funds directly to State Implementing Agencies/ Non-Government Originations (NGOs) in the State for various schemes and programs. Such transfers are not reflected in the accounts of the State Government and shown as Nil in Appendix VI of Volume II of the Finance Accounts.

1.3.2 Financial highlights in year 2024-25

The following table provides the details of actual financial results vis-à-vis budget estimates for the year 2024-25.

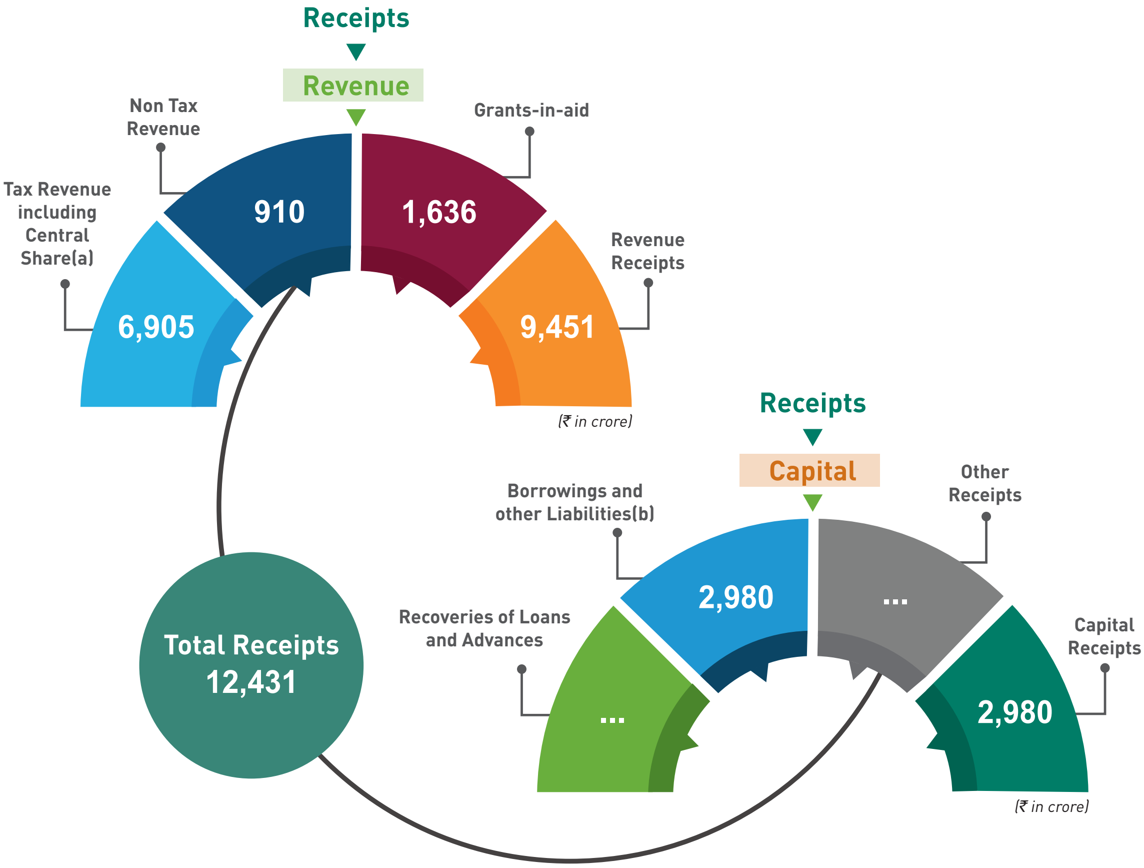
Sl. No	Description	Budget Estimate 2024-25	Actuals	*Percentage* of Actual to B.E	*Percentage* of Actual to GSDP[#]
		(₹ in crore)			
	Tax Revenue (including central share) [(a)]	7,003	6,905	99	13
	Non-Tax Revenue	927	910	98	2
	Grants-in-aid and Contributions	2,819	1,636	58	3
	Revenue Receipts (1+2+3)	10,749	9,451	88	18
	Recovery of Loans and Advances	…	…	…	…
	Other Receipts	…	…	…	…
	Borrowings and Other Liabilities[(b)]	3,275	2,980	91	6
	Capital Receipts (5+6+7)	3,275	2,980	91	6
	Total Receipts (4+8)	14,024	12,431	89	23
	Revenue Expenditure	10,882	8,969	82	17
	Expenditure on Interest Payments (out of Revenue Expenditure)	930	929	100	2
	Capital Expenditure	5,317	3,462	65	6
	Loans and Advances Disbursed	…	…	…	…
	Total Expenditure (10+12+13)	16,199	12,431	77	23
	Revenue Deficit (-) / Revenue Surplus (+) (4-10)	-133	482	-362	1
	Fiscal Deficit (4+5+6-14)	-5,450	-2,980	55	-6

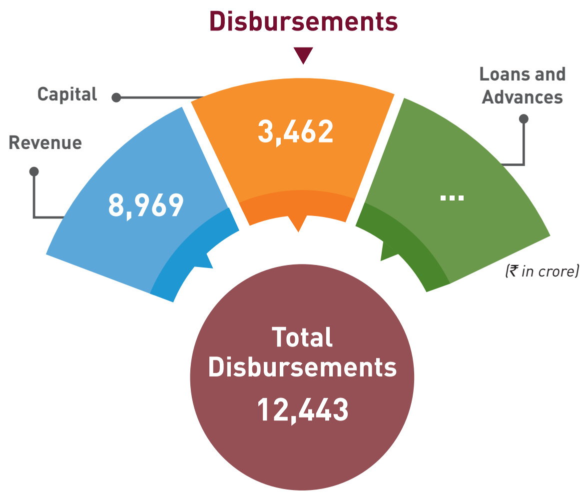
(a) *Includes share of net (tax) proceeds assigned to state amounting to ₹ 5090.crore (State Government Own Tax receipts were ₹1815 crore which was 3 per cent of (GSDP).*

(b) *Borrowing and other Liabilities: Net (Receipts-Disbursement) of Public Debt + Net of Contingency Fund + Net (Receipts-Disbursements) of Public Account + Net of opening and closing cash balance.*

\# *GSDP figures (₹53340 crore) is taken from the Ministry of Statistics and Program Implementation, Government of India.*

Receipts and disbursement in year 2024-25





(a) *Includes share of net (tax) proceeds assigned to state amounting to ₹ 5090.crore (State Government Own Tax receipts were ₹1815 crore which was 3 per cent of (GSDP).*

(b) *Borrowing and other Liabilities: Net (Receipts-Disbursement) of Public Debt + Net of Contingency Fund + Net (Receipts-Disbursements) of Public Account + Net of opening and closing cash balance.*

1.3.3 Appropriation Accounts

Under Articles 204 & 205 of the Constitution of India, no expenditure can be incurred by the Government except with authorisation of the Legislature. Barring certain expenditure specified in the Constitution as ‘Charged’ on the Consolidated Fund, which can be incurred without vote of the Legislature, all other expenditure requires to be “voted”. The Budget of the Sikkim has two Charged Appropriations and forty-seven Voted Grants. The purpose of the Appropriation Accounts is to indicate the extent to which the actual expenditure complied with the appropriations authorised by the Legislature through the Appropriation Act of each year.

1.3.4 Efficiency on Budget preparation

At the end of the year, actual expenditure of the Government of Sikkim against the budget ₹16198 crore approved by the Legislature, showed total saving of ₹2971 crore in 49 Grants and excess expenditure is nil.

1.4 Sources and Application of Funds

1.4.1 Ways and Means Advances

Ways and Means Advances are taken from the Reserve Bank of India to made good the deficiency in the minimum cash balance which the State Government is required to maintain with the Reserve Bank of India. During the year 2024-25 there is no Ways and Means Advances of the State.

1.4.2 Overdraft from Reserve Bank of India

Overdraft is taken from the Reserve Bank of India while the limit of minimum cash balance falls below i.e. ₹0.55 crore, even after taking Ways and Means Advances which is required to be maintained with the Reserve Bank of India. During the year 2024-25 there was no Overdraft of the State.

1.4.3 Fund flow statement

The State had a Revenue Surplus of ₹482 crore and a Fiscal Deficit of ₹2,980 crore as on 31 March 2025. The Fiscal Deficit was met from net Public Debt (₹3,358 crore), net increase of opening and closing cash balance (₹11 crore) and increase in Public Account (₹367 crore). Around 61 *per cent* of the revenue receipts (₹9,451 crore) of the State Government was spent on committed expenditure like salaries and allowance (₹3,389 crore), interest payment (₹929 crore), pensions (₹1,377 crore).

Sources and Application of Funds

(₹in crore)

SOURCES

PARTICULARS	AMOUNT
Opening Cash Balance as on 01.04.2024	53
Revenue Receipts	9,451
Capital Receipts	...
Recovery of Loans and Advances	...
Public Debt	3,772
Small Savings, Provident Funds etc.	459
Reserves Fund & Sinking Funds	724
Deposits Received	756
Civil Advances Repaid	...
Suspense Account	*22,396
Remittances	4,048
Contingency Fund	...
TOTAL	41,659

APPLICATION

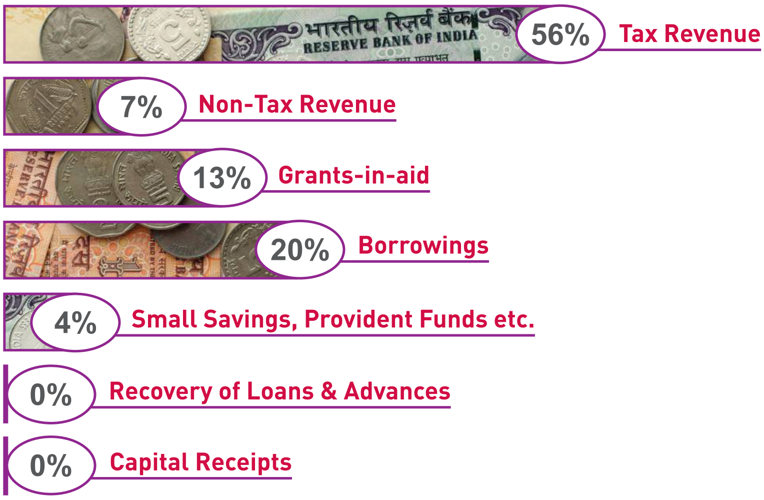
PARTICULARS	AMOUNT
Revenue Expenditure	8,969
Capital Expenditure	3,462
Loans Given	...
Repayment of Public Debt	414
Small Savings, Provident Fund etc.	487
Reserves Fund & Sinking Funds	493
Deposits Repaid	618
Civil Advances Given	...
Suspense Account	**23,055
Remittances	4,096
Closing Cash Balance as on 31.03.2025	65
TOTAL	41,659

** Includes ₹ 13,293 crore on account of cash balance investment account.*

*** Includes ₹14,032 crore on account of cash balance investment account.*

1.4.4 Where the ₹ came from

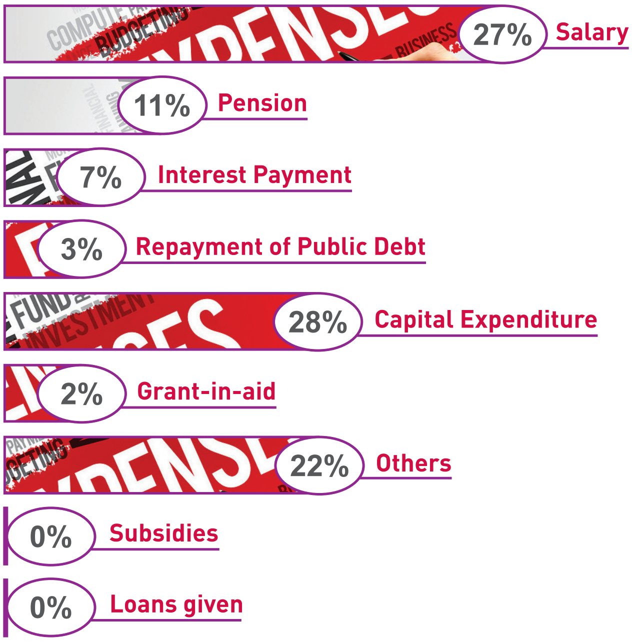
Actual Receipts



[Recovery of loans and advances and capital receipt was only ₹ 00 crore and ₹ 00.crore respectively which is negligible hence value is shown as zero]

1.4.5 Where the ₹ went

Actual Expenditure



During the year 2024-25 revenue surplus of ₹482.crore (₹131 crore revenue surplus in 2023-24) and fiscal deficit of ₹2980 crore (₹2530 crore deficit in 2023-24) represent 0.9 per cent and 5.59 per cent of the Gross State Domestic Product (GSDP) respectively. The fiscal deficit constituted 24 per cent of total expenditure.

What do the Deficits and Surpluses indicate?

DEFICIT	Refers to the gap between receipt and expenditure. The kind of deficit, how the deficit is financed, and application of funds are important indicators of prudence of 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 and ideally should be invested in capital projects.

1.5 Fiscal Responsibility and Budget Management (FRBM) Act, 2010

The Government of Sikkim has enacted the Fiscal Responsibility and Budget Management (FRBM) Act 2010. As per this Act, the State Government was required to achieve certain fiscal targets by specified periods. Achievements during the year 2024-25 against fiscal targets laid down in the Act and rules framed there under, were as follows:

Sr. No.	Financial Parameter	Actual (₹ in crore)	Ratio to GSDP[1]	
			Target	Achievement
1	Revenue Surplus	482	Maintain Revenue Surplus	*0.90 per cent*. GSDP
2	Fiscal Deficit	2,980	*3 per cent* of GSDP	*5.59 per cent*. GSDP
3	Debt and other obligation	18,866	28 *per cent* of GSDP	*35.37 per cent.* GSDP
4	Outstanding Guarantees	4,665	The ceiling on the total outstanding Govt. guarantees as on the 1st day of April of 2024 (₹4,665) of the year shall not exceed thrice the State's Tax Receipt of the second preceding year. (Tax Receipt of ₹ 1,497 crore for the year 2022-23).	24 *per cent* exceeds the prescribed ceiling.

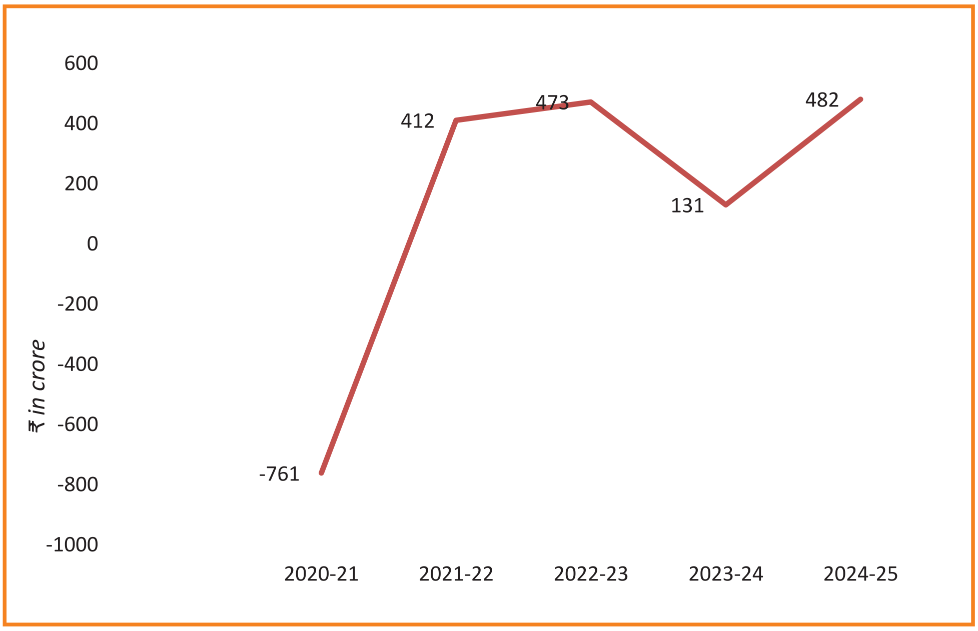
[1]GSDP of ₹53340 crore for the year 2024-25 as information collected from Development Planning, Economic Reforms and North Easter Council Affairs Department, Government of Sikkim.

The State Government had made disclosures to the Legislature required under the Sikkim Fiscal Responsibility and Budget Management Rules, 2010.

The State Government had revenue surplus of ₹ 131 crore in 2023-24 and revenue surplus of ₹482 crore during the year 2024-25 which was as per beyond the target of FRBM Act. Fiscal deficit increased by ₹450 crore from ₹2,530 crore in 2023-24 to ₹2980 crore in the current year and was to 5.59 per cent of GSDP which was slightly exceeded target of 7.37 *per cent* of FRBM Act.

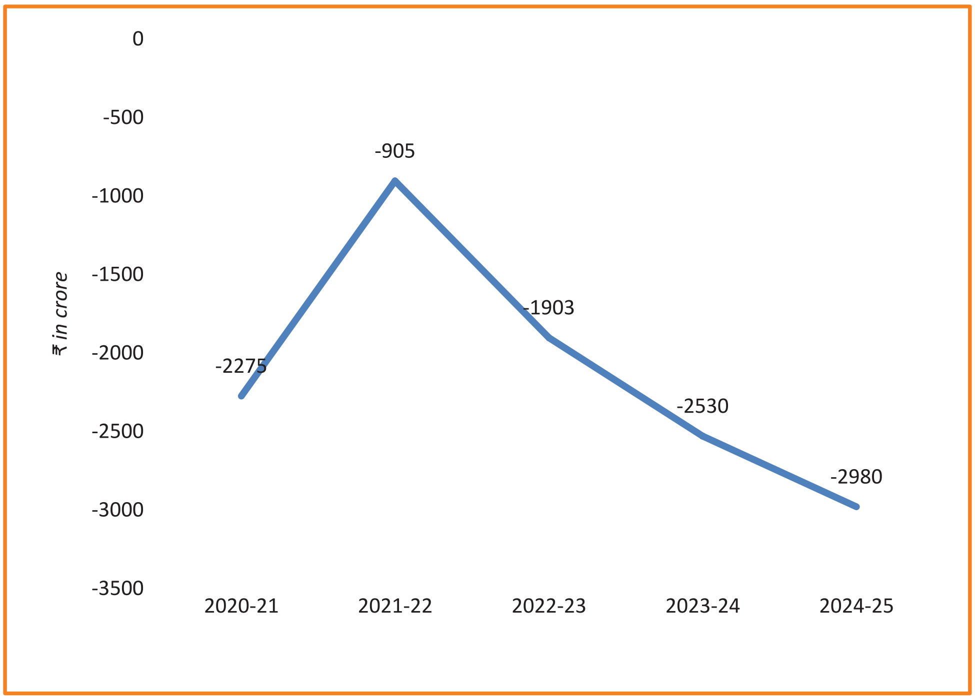
1.5.1 Trend of Revenue Deficit/ Surplus

Trend of Revenue Surplus/ Deficit



1.5.2 Trend of Fiscal Deficit/Surplus

Trend of Fiscal Deficit/Surplus



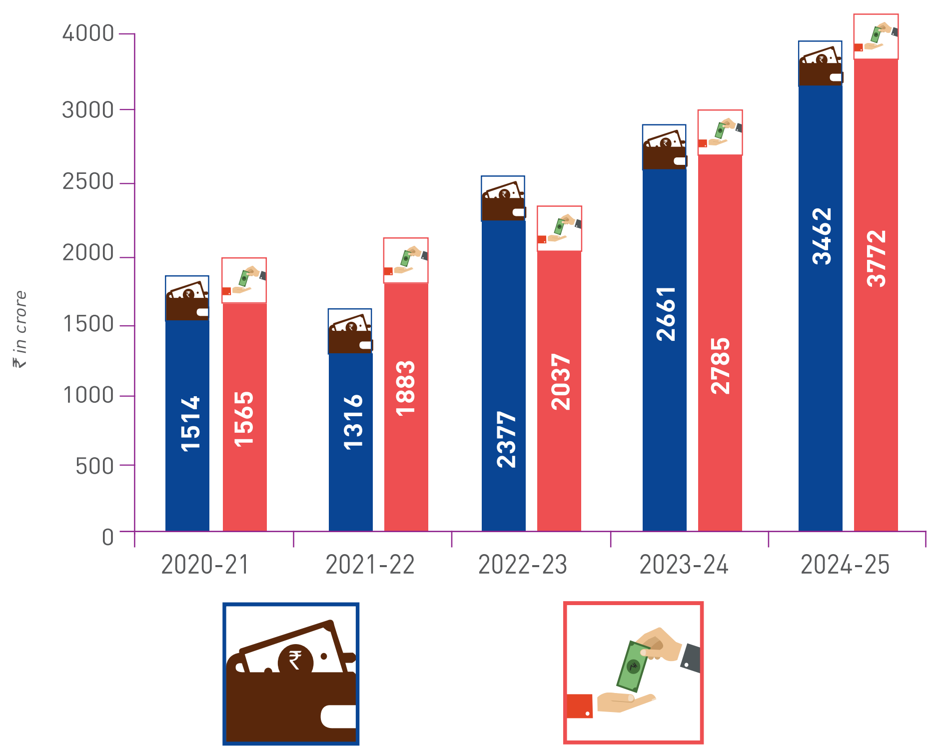
1.5.3 Proportion of borrowed funds spent on Capital Expenditure

The details of borrowings and capital expenditure made during the last 5 years is depicted below:

(₹ in crore)

Year	Borrowed Fund	Capital Expenditure
2020-21	1,565	1,514
2021-22	1,883	1,316
2022-23	2,037	2,377
2023-24	2,785	2,661
2024-25	3,772	3,462

Borrowed Funds vs Capital Expenditure



The governments usually run fiscal deficits and borrow funds for capital/assets formation or for creation of economic and social infrastructure, so that assets created through borrowings could pay for themselves by generating an income stream. Thus it is desirable to fully utilize borrowed funds for the creation of capital assets and to use revenue receipts for the repayment of principal and interest. The State Government, however, spent only 92 per cent of the borrowings of the current year (₹3,772 crore) on capital expenditure (₹3,462 crore). It would therefore appear that balance of borrowings in the public debt was utilised to repay the principal (₹414 crore) and part of interest on public debt of previous year.

Chapter II
Receipts

2.1 Introduction

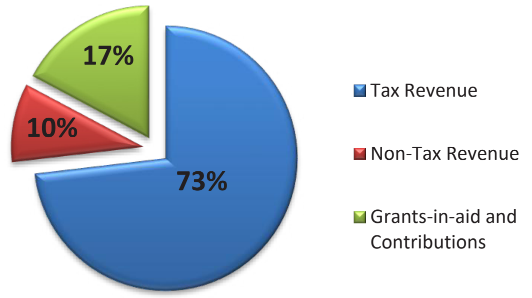
Receipts of the Government are classified as Revenue Receipts and Capital Receipts. Total Revenue Receipts for 2024-25 was ₹9,451 crore.

2.2 Revenue Receipts

The revenue receipts of the government comprise three components *viz.* Tax Revenue, Non-tax Revenue and Grants-in-aid received from the Union Government.

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, departmental receipts *etc.*
GRANTS-IN-AID	Grants-in-aid represent central assistance to the State Government from the Union Government. It also includes "External Grant Assistance" received from Foreign Government 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 Receipts



2.2.1 Revenue Receipt Components (2024-25)

(₹ in crore)

	Components	Actuals
A.	**Tax Revenue***	**6,905**
	Goods and Service Tax	2,440
	Taxes on Income and Expenditure	3,321
	Taxes on Property, Capital and other transactions	45
	Taxes on Commodities and Services	1,099
B.	**Non-Tax Revenue**	**910**
	Interest Receipts, Dividends and Profits	129
	General Services	140
	Social Services	40
	Economic Services	601
C.	**Grants-in-aid & Contributions**	**1,636**
	Total – Revenue Receipts	**9,451**

**Includes share of net proceeds assigned to State received from the Government of India.*

2.2.2 Trend of Revenue Receipts

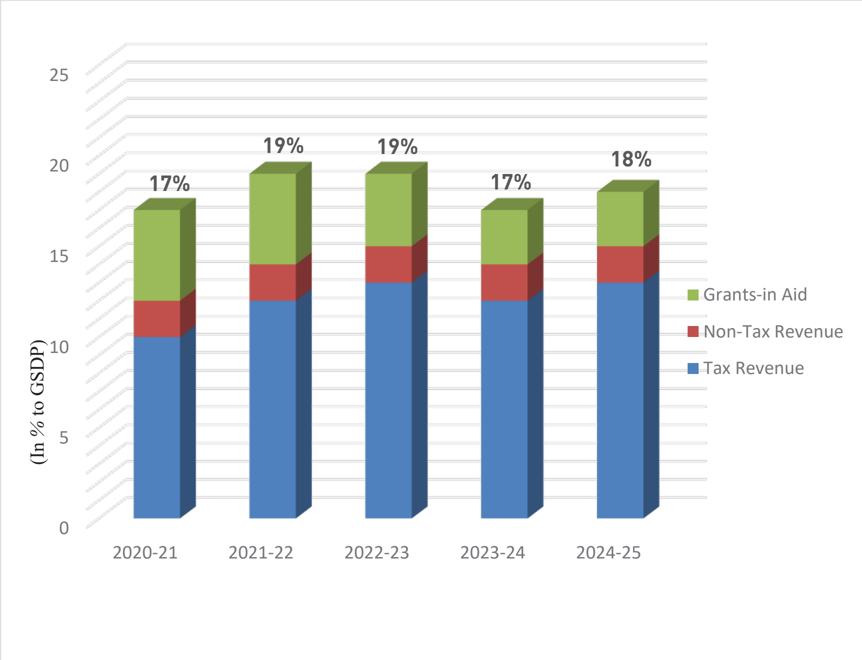
(₹ in crore)

	2020-21	2021-22	2022-23	2023-24	2024-25
Tax Revenues	3,269 (10)	4,542 (12)	5,362 (13)	6,034 (12)	6,905 (13)
Non-Tax Revenues	662 (2)	681 (2)	976 (2)	874 (2)	910 (2)
Grants-in-Aid	1,677 (5)	1,858 (5)	1,766 (4)	1,443 (3)	1,636 (3)
Total Revenue Receipts	5,608 (17)	7,081 (19)	8,104 (19)	8,351 (17)	9,451 (18)
GSDP	**33,018**	**37,650**	**42,806**	**47,988**	**53,340**

Note: Figures in parentheses represent percentage to GSDP (Gross State Domestic Product)

During the year 2024-25 the GSDP increased by 11 per cent, total revenue receipt was increased by 13 per cent, tax revenue increased by 14 per cent, non-tax revenue increased by 4 per cent and grants-in-aid increased by13 per cent compared to previous year.

Trend of components of Revenue Receipts



2.3 Tax Revenue

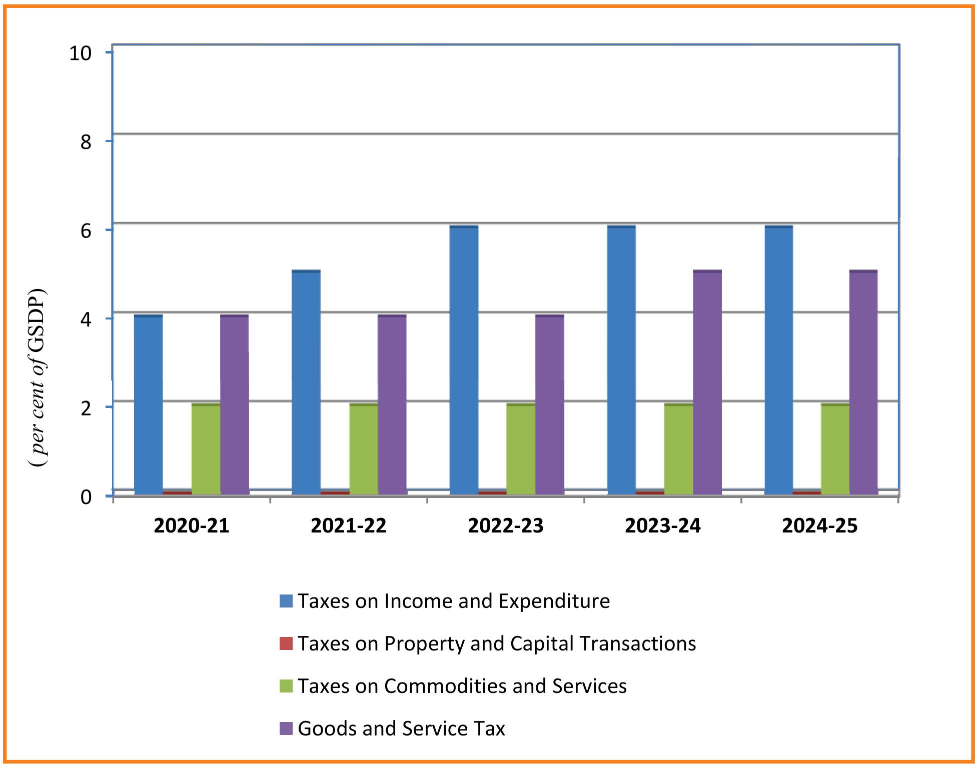
(₹ in crore)

Sector-wise Tax Revenue					
	2020-21	**2021-22**	**2022-23**	**2023-24**	**2024-25**
Goods and Service Tax	1,150	1,619	1,905	2,284	2,440
Taxes on Income and Expenditure	1,427	1,987	2,562	2,769	3,321
Taxes on Property and Capital Transactions	26	33	35	57	45
Taxes on Commodities and Services other than Goods and Service Tax	666	903	860	924	1,099
Total Tax Revenues	3,269	4,542	5,362	6,034	6,905
GSDP	33,018	37,650	42,806	47,988	53,340

Note: Figures in parentheses represent percentage to GSDP (Gross State Domestic Product)

Increase in total tax revenue during 2024-25 was mainly due to increase in GST and sharable taxes from Government of India.

Trend of Major Taxes in proportion to Gross State Domestic Product (GSDP)



2.3.1 State's own Tax and State's share of Union Taxes

Tax Revenue of the State Government comes from two sources *viz.* State's own tax collections and devolution of Union Taxes.

₹ in crore

Year	Tax Revenue	State share of Union Taxes/ Duties	State's Own Tax Revenue: Tax Revenue	State's Own Tax Revenue: *Percentage* to GSDP
(1)	(2)	(3)	(4)	(5)
2020-21	3,269	2,302	967	2.93
2021-22	4,542	3,288	1,254	3.33
2022-23	5,362	3,865	1,497	3.50
2023-24	6,034	4,286	1,748	3.64
2024-25	6,905	5,090	1,815	3.40

Following table depicts the comparative position of tax revenue received from the two sources over a period of five years:

(₹ in crore)

Description	2020-21	2021-22	2022-23	2023-24	2024-25
State's own Tax Collection	967	1,254	1,497	1,748	1,815
Devolution of Union Taxes	2,302	3,288	3,865	4,286	5,090
Total Tax Revenue	3,269	4,542	5,362	6,034	6,905
Percentage of State's own tax to total tax revenue.	30	28	28	29	26

The proportion of State's own tax collection in overall tax revenue has shown an increasing trend since 2020-21. The share of tax revenue increased by 88 *per cent* as compared to 2020-21.

2.3.2 Trend in state's own Tax collection over the past five years

(₹ in crore)

Description	2020-21	2021-22	2022-23	2023-24	2024-25
State Goods and Service Tax	463	656	804	966	970
Taxes on Sales, Trade etc.	195	227	249	238	147
State Excise	210	249	298	372	506
Taxes on Vehicles	29	39	50	52	76
Stamp and Registration fees	13	23	26	39	27
Land Revenue	13	9	9	18	18
Other Taxes	44	51	61	63	71
Total State's own Taxes	967	1,254	1,497	1,748	1,815

2.4 Efficiency of Tax Collection

(₹ in crore)

Taxes	2020-21	2021-22	2022-23	2023-24	2024-25
1. Taxes on Sales, Trade etc.					
Revenue Collection	195	227	249	238	147
Expenditure on Collection	-	-	3	-	-
Cost of tax collection *per cent*	0%	0%	1%	0%	0%
2. State Excise					
Revenue Collection	210	249	298	372	506
Expenditure on Collection	7	8	10	9	10
Cost of tax collection *per cent*	3%	3%	3%	2%	2%
3. Taxes on Vehicles					
Revenue Collection	29	39	50	52	76
Expenditure on Collection	8	10	12	13	16
Cost of tax collection *per cent*	28%	26%	24%	25%	21%
4. Stamp and Registration Fee					
Revenue Collection	**13**	**23**	**26**	**39**	**27**
Expenditure on Collection	**-**	**-**	**-**	**-**	**-**
Cost of tax collection *per cent*	**0%**	**0%**	**0%**	**0%**	**0%**

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

(₹ in crore)

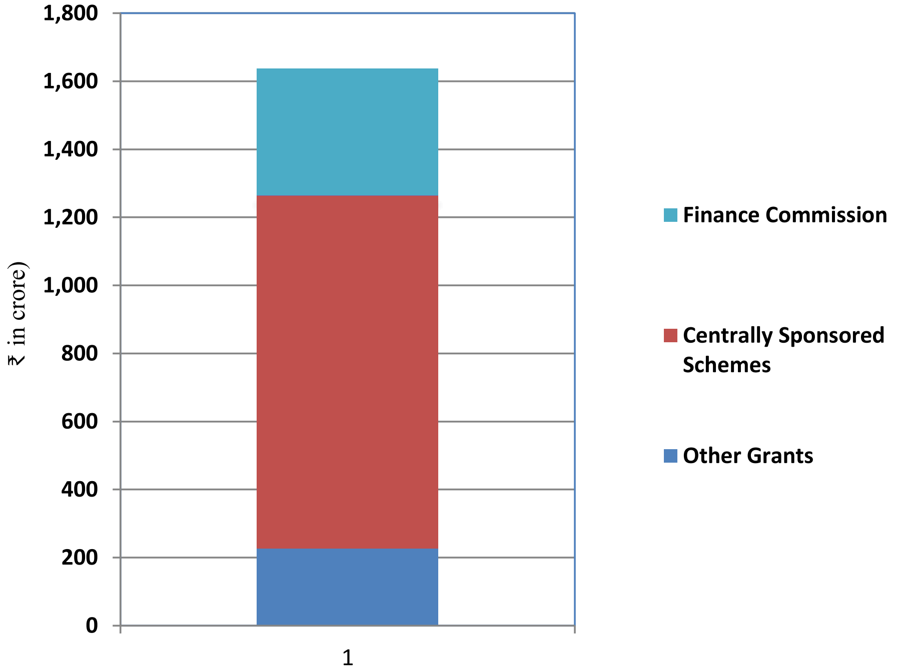
Description	2020-21	2021-22	2022-23	2023-24	2024-25
Goods & Service Tax	687	964	1,100	1,318	1,470
Corporation Tax	694	988	1,284	1,304	1,429
Taxes on Income other than Corporation Tax	718	983	1,260	1,448	1,878
Other Taxes on Income and Expenditure	NA*	NA*	NA*	NA*	NA*
Taxes on Wealth	NA*	NA*	NA*	NA*	NA*
Customs	118	217	156	152	256
Union Excise Duties	73	103	51	58	49
Service Tax	10	29	6	-	-
Other Taxes and Duties on Commodities and Services	2	4	6	5	8
State Share of Union Taxes/ Duties	2,302	3,288	3,865	4,285	5,090
Total Tax Revenue	3,269	4,542	5,362	6,034	6,905
Percentage of Union Taxes to Total Tax Revenue	70	72	72	71	74

* Not applicable.

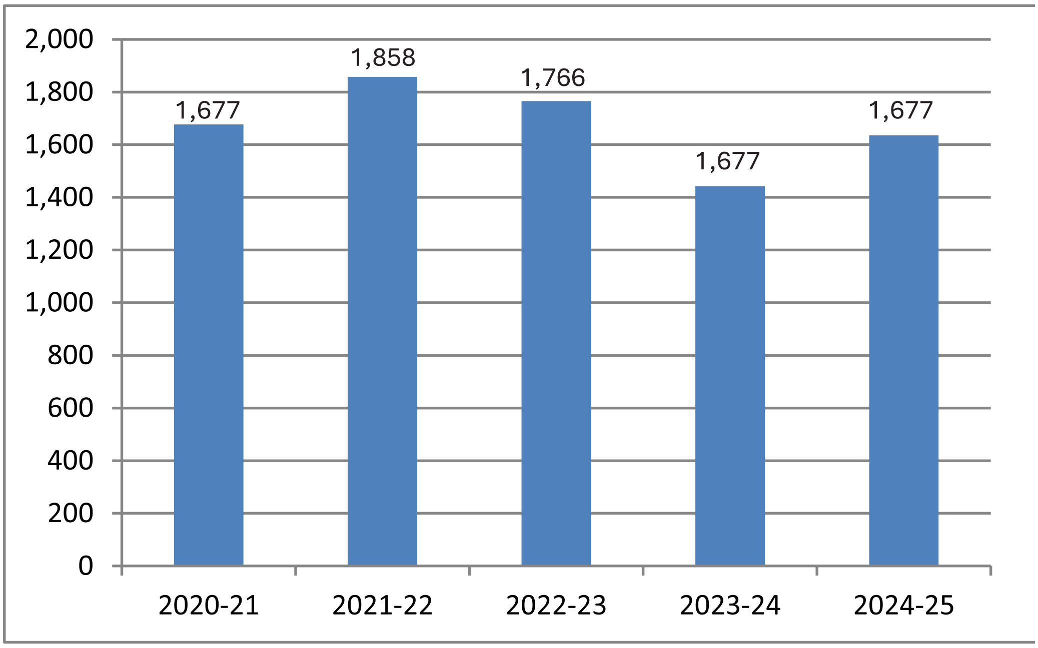
2.6 Grants-in-aid

Grants-in-aid represent assistance from the Government of India and comprise grants for State Plan Schemes and Central Plan Schemes approved by the NITI Aayog and recommended by the Finance Commission. Total receipts during 2024-25 under Grants-in-Aid were ₹1,636 crore as shown below:

Grants-in-Aid

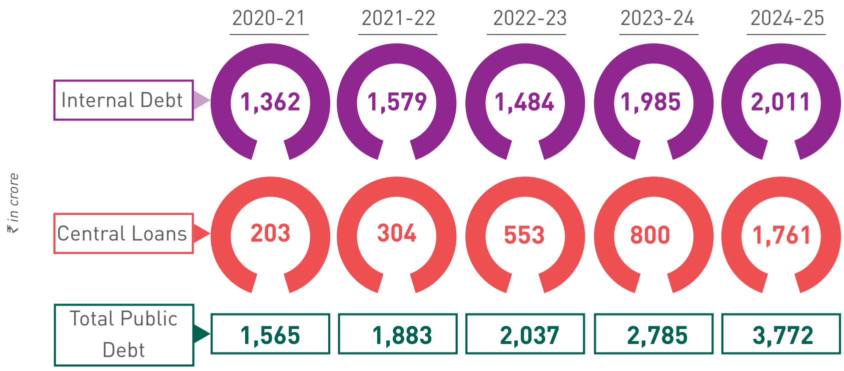


Trend of Grants-in-aid



2.7 Public Debt

The trend of position of Public Debt over the past five years is depicted below:



During the year 2024-25 three loans totaling ₹1951 crore were raised from the open market at interest rates varying from 7.14 *per cent* to 7.10 *per cent* and the same are redeemable during the period between 2024-25. In addition, the State Government raised loan of ₹ 60 crore from the financial institutions. Thus the total Internal Debt raised by the Government during the year 2024-25 aggregated to ₹2,011 crore. The Government also received ₹1761 crore from Government of India as loans and advances.

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.

In Government accounts, the expenditure is classified at top level into three sectors: General Services, Social Services and Economic Services. The significant areas of expenditure covered under these sectors are mentioned in the table given below:

GENERAL SERVICES	Includes Justice, Police, Jail, PWD, Interest Payment, Pension *etc.*
SOCIAL SERVICES	Includes Education, Health & Family Welfare, Water Supply *etc.*
ECONOMIC SERVICES	Includes Agriculture, Rural Development, Irrigation, Cooperation, Energy, Industries, Transport *etc.*

3.2 Revenue Expenditure

The excess/shortfall of revenue expenditure against budget estimates during the past five years are given below:

(₹ in crore)

Year	2020-21	2021-22	2022-23	2023-24	2024-25
Budget Estimates	7,344	7,714	8,796	10,258	10,882
Actuals	6,369	6,669	7,631	8,221	8,969
Gap	(-)975	(-)1,045	(-)1,165	(-)2,037	(-)1,913
Percentage of variation of Actuals against BE	(-)13	(-)14	(-)13	(-)20	(-)18

Around 72 *per cent* of the revenue expenditure was incurred on committed expenses *viz.* on Salaries and Wages (₹4.127 crore), Interest payments (₹929 crore), Pensions (₹ 1,377 crore), Subsidies (₹22 crore) which is the committed liability of the State Government.

The position of committed and uncommitted revenue expenditure over the last five years is given below:

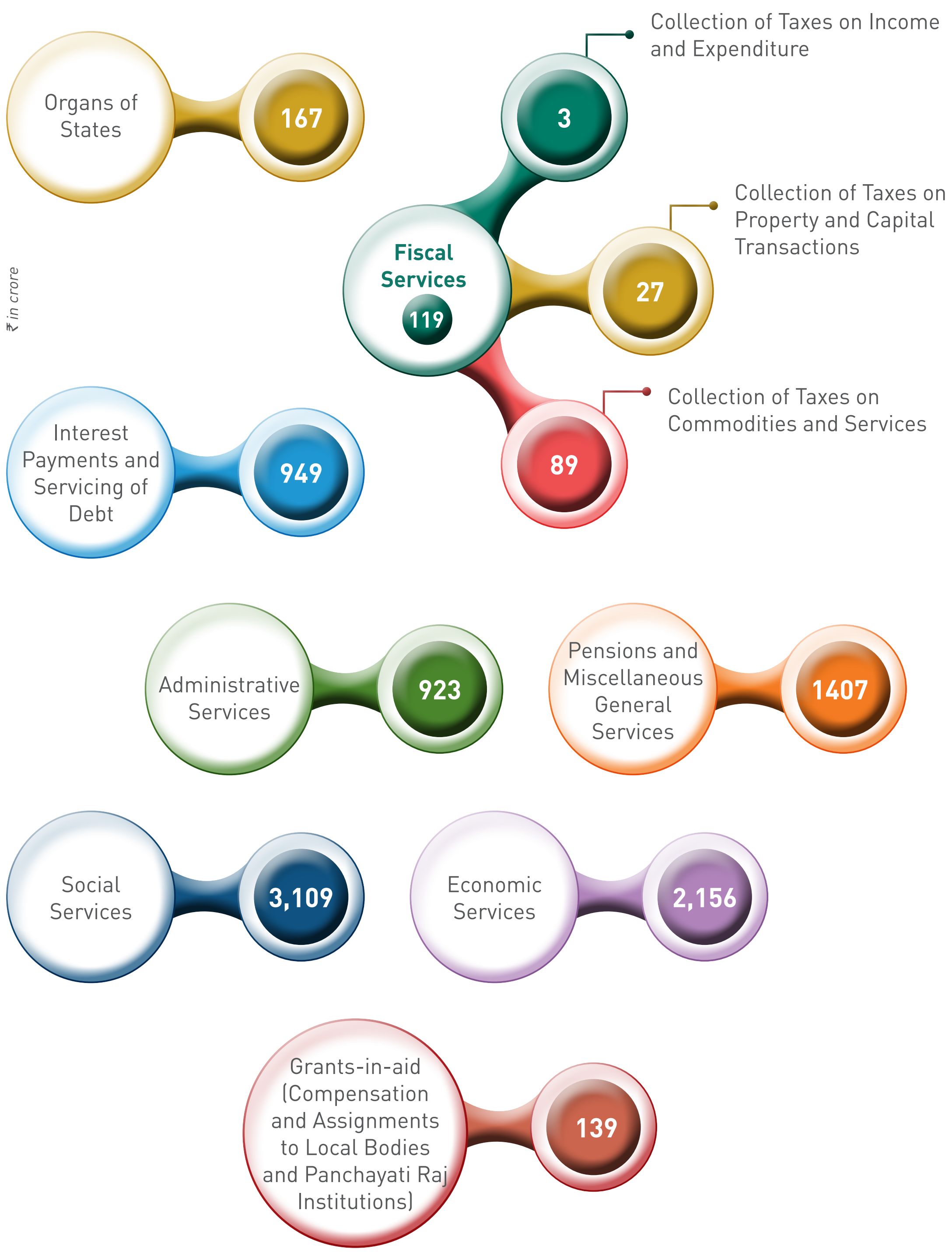
(₹ in crore)

Component	2020-21	2021-22	2022-23	2023-24	2024-25
Total revenue expenditure	6,369	6,669	7,631	8,221	8,969
Committed revenue expenditure*	4,495	4,889	5,411	5,745	6,455
Percentage of committed revenue expenditure to total revenue expenditure	71	73	71	70	72
Uncommitted revenue expenditure	1,874	1,780	2,220	2,476	2,514

** Committed revenue expenditure includes expenditure on Salaries & Wages, Interest Payments, Pensions and Subsidies.*

It may be seen that the uncommitted revenue expenditure available for implementation of various schemes has increased during the year 2024-25. The total revenue expenditure increased by 41 *per cent* from ₹6,369 crore in 2020-21 to ₹8,969 crore in 2024-25 and committed revenue expenditure increased by 44 *per cent* over the same period.

3.2.1 Sectoral Distribution of Revenue Expenditure (2024-25)

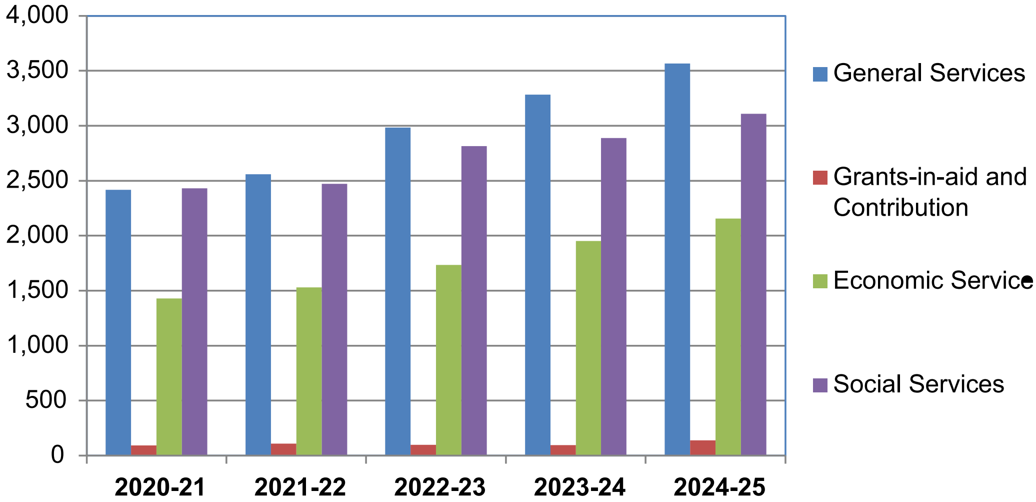


3.2.2 Major components of Revenue Expenditure 2020-21 to 2024-25

(₹ in crore)

Sector	2020-21	2021-22	2022-23	2023-24	2024-25
General Services	2,416	2,558	2,983	3,282	3,565
Social Services	2,431	2,471	2,814	2,889	3,109
Economic Services	1,429	1,530	1,735	1,953	2,156
Grants-in-aid and Contribution	93	110	99	96	139

Trend of Major components of Revenue Expenditure



3.3 Capital Expenditure

Capital expenditure is essential if the growth process is to be sustained. Capital disbursements during 2024-25 amounting for ₹3,463 crore (6.49 *per cent* of GSDP) were less than Budget Estimates by ₹1,854 crore. The growth in capital expenditure has not kept pace with the steady growth of GSDP since 2020-21 onwards. This can be seen from the table below:

(₹in crore)

Sl. No.	Components	2020-21	2021-22	2022-23	2023-24	2024-25
1	Budget (B.E.)	2,459	2,565	3,368	4,074	5,317
2	Actual Expenditure	1,514	1,316	2,376	2,661	3,462
3	Percentage of Actual Expenditure to BE	62	51	71	65	65
4	Yearly growth in Capital Expenditure	110%	(-)13%	81%	12%	30%
5	GSDP	33,018	37,650	42,806	47,988	53,340
6	Yearly growth in GSDP	5%	14%	14%	12%	11%

 # Does not include expenditure on Loans and Advances

3.3.1 Sectoral distribution of Capital Expenditure

During 2024-25, the State Government has spent ₹51 crore on various Water Supply Schemes, ₹392 crore on construction of Roads & Bridges.

3.3.2 Sectoral distribution of Capital Expenditure over the past five years

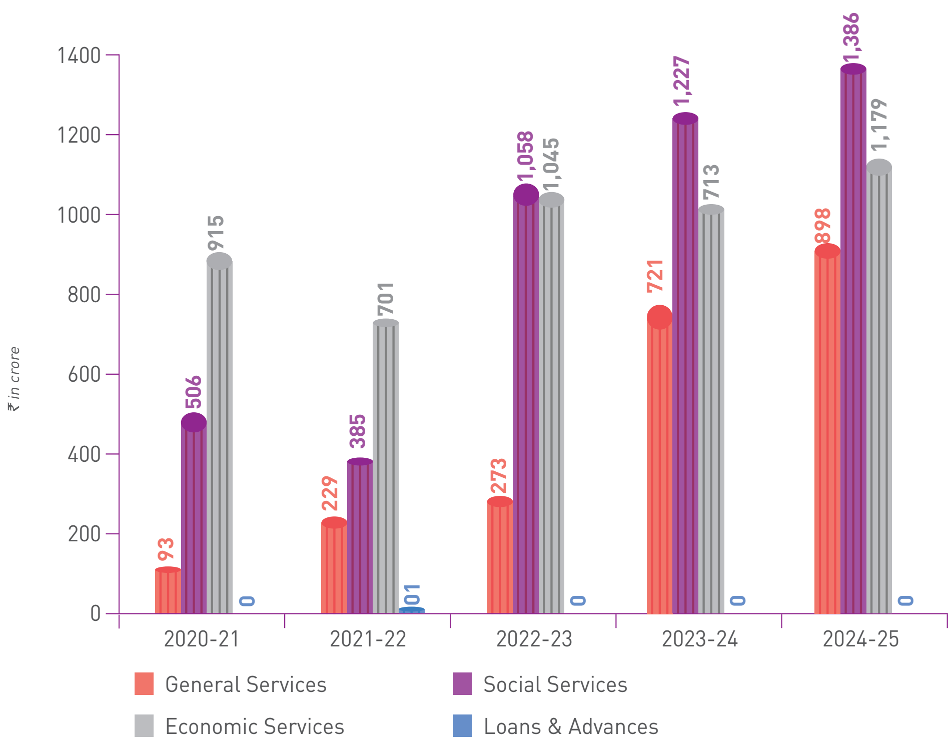
The Sectoral distribution of Capital Expenditure during the last 5 years is depicted below:

(₹in crore)

Sector	2020-21	2021-22	2022-23	2023-24	2024-25
General Services	93 (6)	229 (17)	273 (11)	721 (27)	898 (26)
Social Services	506 (33)	385 (29)	1,058 (45)	1,227 (46)	1,386 (40)
Economic Services	915 (61)	701 (54)	1,045 (44)	713 (27)	1,179 (34)
Loans and Advances	00 (0)	01 (0)	00 (0)	00 (0)	00 (0)

Note: Figures in parentheses represent percentage to total capital expenditure

Trend of Sectoral Distribution of Capital Expenditure



3.3.3 Sectoral distribution of Capital Expenditure

The comparative sectoral distribution of capital and revenue expenditure over the past five years is illustrated below:

(₹in crore)

Sl. No.	Description		2020-21	2021-22	2022-23	2023-24	2024-25
(A)	General Services	Capital	93	229	273	721	898
		Revenue	2,416	2,558	2,983	3,282	3,565
(B)	Social Services	Capital	506	385	1,058	1,227	1,386
		Revenue	2,431	2,471	2,814	2,889	3,109
(C)	Economic Services	Capital	915	701	1,045	713	1,179
		Revenue	1,429	1,530	1,735	1,953	2,156
(D)	Grants-in-aid and Contribution	Capital	NA*	NA*	NA*	NA*	NA*
		Revenue	93	110	99	96	139

**Not Applicable*

Chapter IV
Appropriation Accounts

4.1 Summary of Appropriation Accounts for 2024-25

(₹ in crore)

Nature of expenditure	Original grant	Supple-mentary grant	Total	Actual expenditure	Saving (-) Excess (+)	Surrender
Revenue Voted Charged	9,652 1,004	2,13 12	9865 1016	8,272 1,010	(-)1,593 (-)6	1,550 5
Capital Voted Charged	3,418 416	1,482 …	4,900 416	3,529 416	(-)1,371	1,248 …
Public Debt Charged	…	…	…	…	…	…
Loans and Advances Voted	…	…	…	…	…	…
Appropriation to Contingency Fund Voted	…	…	…	…	…	…
Total Voted Charged	**13,070 1,420**	**1,695 12**	**14,765 1,432**	**11,801 1426**	**(-)2,964 (-)6**	**2,798 5**

4.2 Trends of Saving/Excess during the past five years

(₹in crore)

Year	Savings (-)/Excess (+)				Total
	Revenue	Capital	Public Debt	Loans & Advances	
2020-21	(-) 1,558	(-) 908	*…	(-) 1	**(-)2,467**
2021-22	(-) 1,045	(-)1,249	*…	*…	**(-)2,294**
2022-23	(-) 1,165	(-) 813	*…	*…	**(-)1,979**
2023-24	(-) 2,038	(-) 1,116	*…	*…	**(-)3,154**
2024-25	(-) 1,599	(-) 1,371	…	…	**(-)2,970**

** Negligible amount.*

4.3 Significant Savings

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

Some grants with persistent and significant net savings are given below:

(₹in crore)

Grant	Nomenclature	2020-21	2021-22	2022-23	2023-24	2024-25
01	Agriculture	79	96	52	55	96
02	Animal Husbandry, Veterinary Services	3	15	36	26	19
11	Food, Civil Supplies	4	8	3	6	11
12	Forest and Environment	79	115	141	176	96
19	Water Resources	89	165	25	39	82
22	Land Revenue and Disaster Management	169	153	204	501	620
29	Planning & Development	3	4	2	11	96
38	Social Welfare	72	82	257	157	235
41	Urban Development	91	164	44	54	140

During 2024-25, supplementary grants totaling ₹1,707 crore (13 per cent of total expenditure) proved to be unnecessary in some cases. A few instances where there were savings at the end of the year even against original allocations are given below:

(₹in crore)

Grant	Nomenclature	Section	Original	Supple-mentary	Actual Expenditure
01	Agriculture	Revenue	302	10	216
07	Education	Revenue	1,589	3	1,465
12	Forest & Environment	Revenue	315	2	234
16	Commerce and Industries	Revenue	92	2	65
19	Water Resources	Capital	98	11	33
22	Land Revenue and Disaster Management	Revenue	706	20	610
29	Planning and Development	Capital	48	2	38
34	Roads and Bridges	Capital	273	15	251
35	Rural Development Department	Revenue	528	6	392
40	Tourism and Civil Aviation	Revenue	68	6	63
41	Urban Development	Revenue	125	2	73
47	Skill Development	Revenue	56	1	29
48	Women and Child Development	Revenue	306	1	212

Chapter V
Assets and Liabilities

5.1 Assets

The existing forms of accounts do not clearly depict valuation of Government assets like land, buildings *etc.*, except 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.

Total investments as share capital in non-financial public sector undertakings (PSUs) stood at ₹114 crore at the end of 2024-25. However, dividends received during the year was ₹3 crore (2.63 *per cent*) on investment. During 2024-25, no amount has been invested in Power Development Corporation and Sikkim Scheduled Castes, Scheduled Tribe & Other Backward Classes Development Corporation.

Cash Balance with State Bank of Sikkim and other banks stood at ₹65 crore on 31 March 2025. The position of cash balance and investment of cash balance is as under:

(₹ in crore)

Component	As on 1 April 2024	As on 31 March 2025	Net increases (+)/ decrease (-)
Cash Balances	53	65	12
Investments from cash balance	1928	2667	739
Other cash balances			
(a) Departmental Balances	1	1	…
(b) Permanent Cash imprest	…	…	…
Investment from earmarked fund balances	746	921	175
(a) Guarantee Redemption Fund	82	94	12
(b) Other Funds	144	142	(-)2
Interest realized*	11	12	1

** It includes interest on investments out of Guarantee Redemption Fund.*

5.2 Debt and Liabilities

Article 293 of the Constitution of India empowers the State Government to borrow on the security of the Consolidated Fund. Government of India determines, from time to time, the limit up to which State Government can borrow from the market. The limit for 2024-25 was ₹1600 crore. Against this Government of Sikkim has availed open market borrowing for ₹1951 crore.

Details of the Public Debt and total liabilities of the State Government are as under:

(₹ in crore)

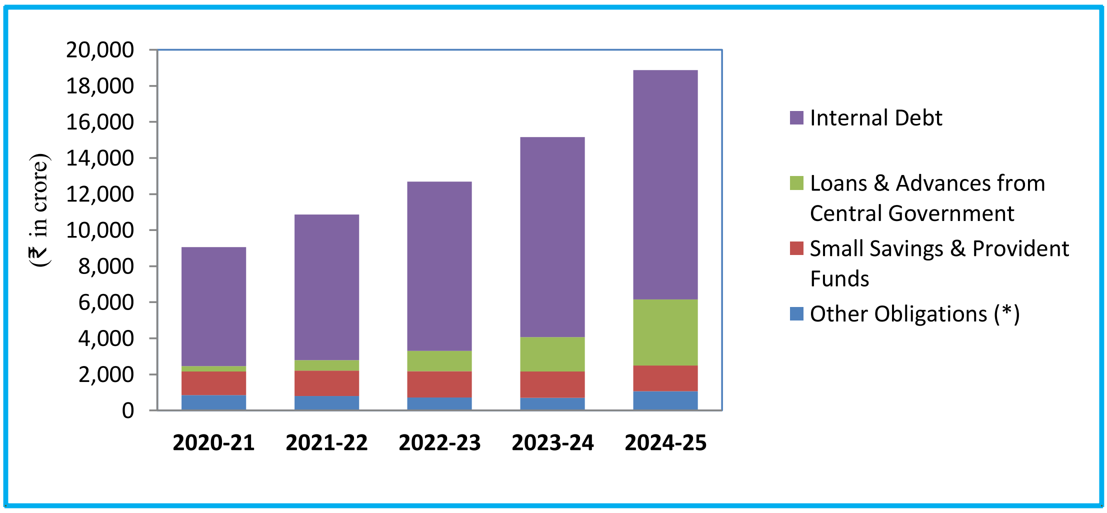
Year	Public Debt	*Percentage to* GSDP	Public Account (*)	*Percentage* to GSDP	Total Liabilities	*Percentage* to GSDP
2020-21	6,891	21	2,168	7	9,059	27
2021-22	8,654	23	2,209	6	10,863	28
2022-23	10,523	25	2,174	5	12,697	30
2023-24	13,012	27	2,156	4	15,168	32
2024-25	16,371	31	2,496	5	18,867	35

(*) Excludes Advances, Suspense and Miscellaneous and Remittance balances.

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

Public Debt and other liabilities showed a net increase of ₹3,699 crore (24 per cent) over the previous year.

Trend in Government Liabilities



(*) Other Obligations includes Reserve Funds and Deposits.

5.3. Guarantees

In addition to directly raising loans, State Government also guarantee loans raised by Government companies and corporations from the market and financial institutions for implementation of various plan schemes and programmes. These guarantees are projected outside the State Budget. The position of guarantees by the State Government for the re-payment of loans (payment of principal and interest thereon) raised by Statutory Corporations, Government Companies, Corporations, Co-operative Societies, etc., is given below:

(₹in crore)

At the end of the year	Maximum Amount Guaranteed (Principal only)	Amount outstanding at the end of year	
		Principal	Interest
2020-21	4,527	3,844	263
2021-22	4,668	4,158	345
2022-23	5,043	4,444	342
2023-24	5,043	4,321	344
2024-25	5,043	1,240	1

Chapter VI
Other Items

6.1 Internal Debt

Borrowings of State Governments are governed by Article 293 of the Constitution of India.In addition to directly raising loans, the State Government also guarantees loans raised by government companies and corporations from the market and financial institutions for implementation of various plan schemes and programmes which are projected outside the State Budget. These loans are treated as receipts of the concerned Administrative Departments and do not appear in the books of the Government. However, the loans and repayments appear in Government accounts.

6.2 Loans and Advances by the State Government

Total Loans and Advances made by the State Government at the end of 2024-25 was ₹253 crore. Recovery of principal aggregating in arrears at the end of 31 March 2025 (information regarding recoveries in arrears in respect of principal and interest is required to be furnished by the concerned departments every year to the Accountant General by June which was not furnished). The information relating to recovery of interest in arrears was also not made available by the State Government. During 2024-25, only ₹0.37 crore has been received towards repayment of loans and advances, out of which ₹0.37 crore relates to repayment of loans to government servants. Effective steps to recover the outstanding loans would help the Government improve its fiscal position.

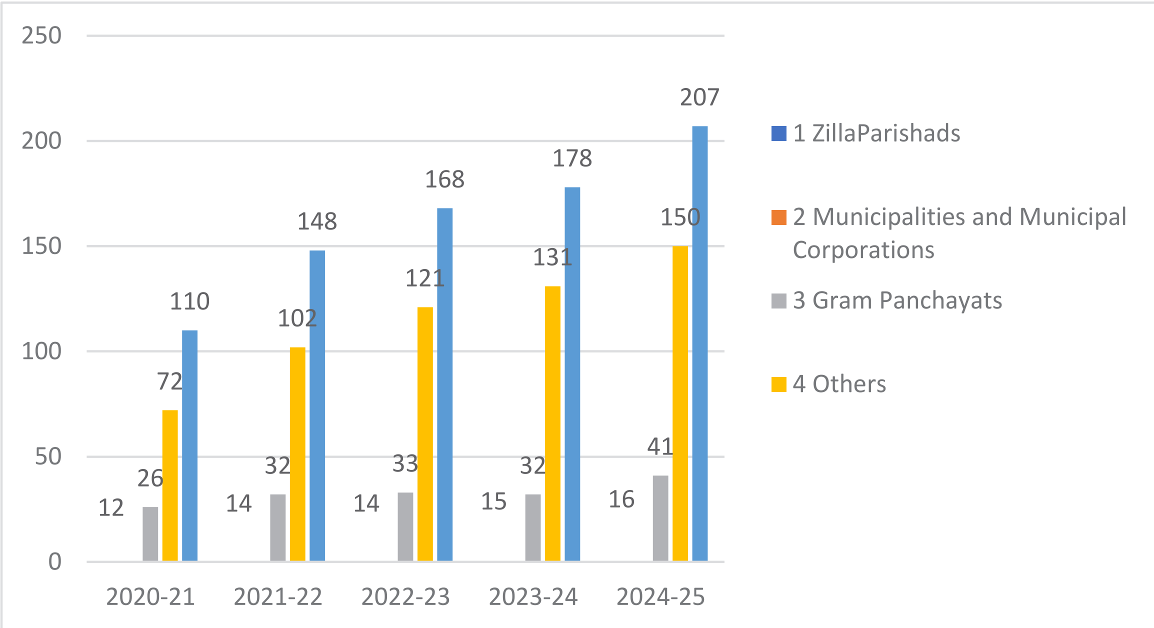
6.3 Financial Assistance to Local Bodies and Others

Grants-in-aid given to local bodies, autonomous bodies etc., increased from ₹110 crore in 2020-21 to ₹207 crore in 2024-25. Grants to Zilla Parishads, Gram Panchayats and Municipalities (₹57 crore) represented 28 per cent of total grants given during the year.

Details of Grants-in-aid for the past five years are as under:

(₹ in crore)

Sl.No		2020-21	2021-22	2022-23	2023-24	2024-25
1	ZillaParishads	12	14	14	15	16
2	Municipalities and Municipal Corporations	…	…	…	…	…
3	Gram Panchayats	26	32	33	32	41
4	Others	72	102	121	131	150
	Total	**110**	**148**	**168**	**178**	**207**



6.4 Reconciliation of Receipt and Expenditure

Chief Controlling Officer (CCOs)/ Controlling Officer (COs) are required to reconcile the receipts and expenditure figures of the Government with the figures accounted for by the Senior Deputy Accountant General (A&E). Such reconciliation has been completed by all CCOs/Cos for such receipts and expenditures.

6.5 Submission of Accounts by Accounts rendering units

The accounts of receipts and expenditure of the Government of Sikkim have been compiled based on the initial accounts rendered by 8 Treasuries, 60 Public Works/Irrigation Divisions/Public Health Engineering Divisions, 7 Forest Divisions and advices of the State Bank of Sikkim (SBS). Rendition of monthly accounts by the Accounts Rendering Units of the State Government was satisfactory and no accounts remained excluded at the end of the financial year.

6.6 Advance payments

Drawing and Disbursing Officers (DDOs) are authorised to draw sums of money by preparing Abstract Contingent (AC) Bills by debiting service heads. They are required to present Detailed Countersigned Contingent (DCC) Bills containing vouchers in support of final expenditure within three months of the withdrawal of AC Bills. Non-submission of DCC Bills renders the expenditure under AC Bills opaque. Details of AC Bills outstanding as on 31 March 2025 are given below:

Year	No. of unadjusted AC Bills	Amount (₹ in crore)
Upto 2023-24	1642	46.97
2024-25	269	9.54
Total	**1,911**	**56.51**

6.7 Status of Suspense Balances and Remittances Balances

Details of outstanding balances under Major Head 8658-Suspenses Account is as under:

(₹ in crore)

Name of Minor Head	2020-21		2021-22		2022-23		2023-24		2024-25	
	Dr	Cr	Dr	Cr	Dr	Cr	Dr	Cr	Dr	Cr
(a) 8658 – Suspense Accounts										
101-PAO Suspense	8.35	5.43	5.41	4.91	4.18	5.89	6.72	6.30	5.17	2.06
Net	**Dr 2.92**		**Dr 0.50**		**Cr 1.71**		**Dr 0.42**		**Dr 3.11**	
102-Suspense Account (Civil)	14.46	13.83	13.18	13.14	13.34	13.31	35.37	35.67	0.0	2.19
Net	**Dr 0.63**		**Dr 0.04**		**Dr 0.03**		**Cr 0.30**		**Cr 2.19**	
112 – Tax Deducted at Source	11.31	20.40	-5.16	11.24	0.93	12.32	15.14	26.76	27.05	38.52
Net	**Cr 9.09**		**Cr 6.08**		**Cr 11.39**		**Cr 11.62**		**Cr 11.47**	
123-AIS Suspense	0.01	0.34	-0.02	0.01	0.00	0.02	0.1	0.3	…	0.03
Net	**Cr.0.33**		**Dr 0.03**		**Cr 0.02**		**Cr 0.2**		**Cr 0.03**	
135-Cash Settlement between A.G. Sikkim and other States	0.86	0.19	0.87	0.78	0.54	0.19	0.88	0.66	1.00	0.50
Net	**Dr 0.67**		**Dr 0.09**		**Dr 0.35**		**Dr 0.22**		**Dr 0.50**	
(b) 8782 – Cash remittances and adjustments between rendering accounts to the same Accounts Office										
102-Public Works Remittances	1,768.08	2,282.71	1,915.88	2,289.62	1,666.02	2,133.36	3,496.41	3,855.50	3951.00	4309.62
Net	**Cr 514.63**		**Cr 37.74**		**Cr 365.28**		**Cr 359.09**		**Cr 358.62**	
103-Forest Remittances	47.47	48.80	70.31	70.13	47.47	33.58	55.87	50.29	58.67	54.07
Net	**Cr 1.33**		**Cr 0.18**		**Dr 8.89**		**Dr 5.58**		**Dr 4.60**	
108-Other Remittances	82.29	79.99	74.91	78.85	82.29	81.23	119.96	110.77	101.21	43.02
Net	**Dr 2.30**		**Dr 3.94**		**Dr 1.06**		**Dr 9.19**		**Dr 58.19**	

6.8 Status of Outstanding Utilisation Certificate

Details of outstanding Utilisation Certificate in respect of Grants sanctioned by the State Government as under:

Year	Number of UCs Outstanding	Amount (₹ in crore)
Upto 2023-24	874	89.06
2024-25	302	38.78
Total	**1176**	**127.84**

6.9 Commitments on account of Incomplete Capital works

A total expenditure of ₹1,545.95 crore as per Appendix IX in Volume II of the Finance Accounts was incurred up to the year 2024-25 by the State Government on various incomplete projects against an original estimated cost of ₹6529.46 crore.

6.10 New Pension Scheme

State Government employees recruited with effect from 1 April 2006 are eligible for the New Pension Scheme, which is a defined contributory pension scheme. In terms of the Scheme, the employee contributes 10 *per cent* of his monthly salary and dearness allowance, which matched by the State Government as employer share, the entire amount is transferred to designated fund manager through the National Securities Depository Limited (NSDL)/ Trustee Bank.

As per prescribed procedure, both the contributions are to be initially credited to the Public Account under Major Head 8342-Other Deposits 117-Defined Contribution Pension Scheme for Government Employees. Thereafter, the entire amount is to be transferred to the National Securities Depository Limited (NSDL)/Trustee Bank through the designated fund manager in the same year itself.

The Government of Sikkim, however, did not follow the above procedure in transferring Government contribution. The State Government transfers the employer's (Government's) contribution directly to NSDL/ Trustee Bank without routing it through the Public Account. During 2024-25, the State Government deducted ₹147.16 crore towards employees' contribution and credited the same into Public Account. Thereafter, the State Government transferred ₹350.55 crore from the Public Account to the NSDL/ Trustee Bank.

As on 1 April 2024, ₹59.59 crore representing employees' contribution yet to be transferred to NSDL/Trustee Bank was available in the Public Account under Major Head 8342-117. (The interest accruing on such retained balances which constitute liabilities of the State Government since the inception of the Scheme, has not been estimated. It has also not been possible to estimate whether the employees' contributions over the years under the Scheme have been correctly assessed). Against ₹350.55 crore (₹59.59 crore opening balance plus ₹290.96 crore deducted from the employees and Government during the year), the State Government transferred ₹269.94 crore leaving a balance of ₹80.61 crore in the Public Account as on 31 March 2025. Uncollected, unmatched and un-transferred amounts, with accrued interest, represent outstanding liabilities under the scheme besides erroneously enhancing the liquidity position of the State Government.

6.11 Personal Deposit Accounts

Personal Deposit (PD) accounts are operated by transferring amounts from the Consolidated Fund to be utilised for specific purposes and booked as final expenditure against the concerned service Major Heads without any actual cash flow. In Sikkim State no Personal Deposit (PD) accounts are operated upto the financial year 2024-25.

6.12 Investment

The State Government invests in the equity and shares of Statutory Corporations, Government Companies, Joint Stock Companies and Co-operative Institutions. As per the accounts, the investment of Government in 37 entities was ₹114.28 crore as on 31 March 2025. The Government received an amount of ₹3.11 crore as dividend/interest (i.e. 2.72 per cent of total invested amount). Out of these ₹1.33 crore was received from one Statutory Corporation i.e. State Bank of Sikkim wherein invested amount was ₹0.53 crore, received ₹1.45 crore from one Company i.e. Sikkim Distilleries Ltd wherein invested amount was ₹2.43 crore and an amount of ₹ 0.33 crore was received as dividend/interest from Sikkim State Co-operative Bank Ltd. (SISCO) wherein the Government had invested ₹9.36 crore. No dividend/interest was received from rest of 34 entities where the Government had invested remaining amount of ₹101.96 crore. Details are given in Statement 19 of Finance Accounts Vol - II. These figures, however, have not been reconciled with the figures of the investee organisations.

6.13 Rush of expenditure

The financial rules stipulate that rush of expenditure particularly in the closing month of the financial year shall be regarded as a breach of financial regularity and should be avoided. However, the expenditure incurred under ten Heads of Account during March 2025 ranged between 10 *per cent* and 94 *per cent* of the total expenditure during the year indicating a tendency to utilize the budget at the close of the financial year.

The flow of expenditure during the four quarters of 2024-25 in the above mentioned Heads was as below:

Head of Account	Description	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	During March	*Percentage* of 3/2025w.r.t. total expenditure of 2024-25
		(₹in crore)						
2045	Other Taxes and Duties on Commodities and Services	0.70	0.73	0.68	49.28	51.39	48.59	94.55
2049	Interest Payment	171.93	248.76	207.57	300.33	928.59	214.46	23.10
2071	Pensions and Other Retirement Benefits	375.00	300.75	329.98	370.88	1376.61	185.79	13.50
2202	General Education	360.84	316.62	413.40	338.33	1429.19	139.22	9.74
2401	Crop Husbandry	96.36	42.72	83.40	107.28	329.76	90.20	27.35
2851	Village and Small Industries	9.36	10.27	15.89	20.08	55.60	10.10	18.17
4059	Capital Outlay on Public Works	…	90.20	287.29	483.80	861.29	482.49	56.02
4202	Capital Outlay on Education, Sports, Art and Culture	…	30.83	100.11	242.62	373.56	233.51	62.51
4801	Capital Outlay on Power Projects	…	28.24	47.37	328.54	404.15	264.47	65.44
5054	Capital Outlay on Roads and Bridges	96.68	21.53	219.11	54.92	392.24	42.44	10.82

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