



GOVERNMENT OF SIKKIM

**MEMORANDUM
TO THE
FOURTEENTH FINANCE COMMISSION**

**VOLUME – III
SUBSIDIARY POINTS
(NOTES ON TOPICS-STATE)**

FINANCE, REVENUE & EXPENDITURE DEPARTMENT

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I. BASE AND RATES OF STATE TAXES, DUTIES ETC

1. Land Revenue

- (a) **Base and existing rates of land revenue as assessed on different categories of rural land. Information about the rates applicable to irrigated, un-irrigated and partially irrigated land should separately be given.**

The base of land revenue in Sikkim has been taken up as per the classification of Revenue Blocks categorised into Circle A, B and C and classification of land is made into first, second and third. The classification in case of wet land and dry land has been taken up as per altitude of the area. The wet land and dry land falling within 3500 feet altitude above the sea level are considered as first class and those which fall between 3501 feet to 4500 feet as second and 4501 to 6000 feet as third. The land falling at 6000 feet above altitude are categorised as special C Circle. The rate of land revenue for the irrigated land is double of un-irrigated land.

The existing rates of land revenue fixed by Government of Sikkim vide Notification No. 35/234/LR(S) dated 26.7.2005 are as follows:-

- Local Rate; ₹ 5/- for thatch House per annum
₹ 10/- for Egra House per annum
₹ 20/- for RCC Building per annum

Table I:1 Land Rent as per the classification of Land type.

2. Land Rent:

Circle	Classification	Wetland	Dry land	Banjo
A	Class I	₹. 30/-	₹ 15/-	₹ 5/- (for all Circles)
	Class II	₹ 24/-	₹ 12/-	₹ 4/-
	Class III	₹ 18/-	₹ 9/-	₹ 3/-
B	Class I	₹. 27/-	₹ 12/-	
	Class II	₹ 21/-	₹ 9/-	
	Class III	₹ 15/-	₹ 6/-	
C	Class I	₹ 24/-	₹ 9/-	
	Class II	₹ 18/-	₹ 7/-	
	Class III	₹ 12/-	₹5/-	
Special C	Class I	₹ 18/-	₹ 9/-	
	Class II	₹ 12/-	₹ 7/-	
	Class III	₹ 9/-	₹ 5/-	

- (b) **In some States in addition to irrigation, there is a tax on commercial crops. Where the tax on commercial crops in any form is levied, details of it should be given separately.**

The commercial crops of Sikkim are Cardamom, Ginger and Oranges. The commercial Tax realised by State government is Central Sales Tax, levied at the time of inter State sale of products.

- (c) The size of holdings – un-irrigated and irrigated (once/twice a year) separately – exempted from payment of land revenue and position in this regard from time to time together with estimated loss of revenue.**

In Sikkim most of the land holders are below 5 acres of land. Only a few land holders are above the 100 acres of land. Smallness of the size is due to growing population and use of land for developmental activities of government. Owing to this feature, vide Notification No. 96(282)LR (S) dated 24.06.1982 published in Government Gazette No.66 dated 26th June, 1982, land below 5 acres are exempted from payment of land revenue. In addition, the Monasteries are exempted from land revenue.

- (d) Any cess on land revenue whether land revenue or any part of it is assigned to Panchayats.**

No cess on land revenue has so far been assigned to Panchayats.

2. Agricultural Income Tax

- (a) Base and existing rates (i.e. in 2010-2011) of agricultural income tax on (a) plantations (tea, coffee, rubber, cardamom, etc.) and (b) non-plantation crops. Procedures for assessment and basis of collection (i.e. whether on returns of income or certain flat rates per acre/standard acre/hectare).**

- (b) Changes made in the base/rates during each of the last three years ending 2012-13, indicating the likely yield in the year of change and the full year.**

No such tax on Agriculture Income has been levied till date

3. Tax on Urban Land

- (a) Base and prevailing rates of tax from 2010-11 onward (year-wise) if any, on non-agricultural land in urban areas in the form of urban land tax or ground rent.**

- (b) Rate of premium for conversion of agricultural land to non-agricultural uses (category wise for institutional, industrial, commercial etc.).**

- (c) The base and tax rate of (a) & (b) above in 2010-11.**

(d) Base and prevailing rates of local taxation on land & buildings with brief account of procedure for valuation of property, assessment, appeal and revision against assessment and revenue from such taxation from 2007-08 to 2011-12.

Urban Development & Housing Department collects ground rent for all the sites allotted in urban areas on annual basis. The notification containing the prevailing rates of ground rent has been placed at [Annexure- I & I \(i\)](#)

4. Stamps and Registration

(a) Brief note on prevailing rates of (i) stamp duties, and (ii) registration fees on important items/transactions (like conveyance deed) with a brief description of arrangements for checking under-valuation of properties from evasion of stamp duty.

(b) Brief note on implementation of circle rates, date and basis of last revision. Copy of the notifications for changes of latest circle rates may be provided.

The state Government has revised the registration fee of land vide Notification No. 39/LR dated 21.8.98 from the existing rate of 2 ½% to 4% on the consideration value of land and stamp duty was kept at 1% on the consideration value of land.

Notification No.210/234-I/LR&DMD(S) dated 25.2.2011, the fees and stamp duty was revised as under:

Sl. No.	Registration Fee	Old Rate	Revised Rate
a.	Transfer of properties (Sale & Lease) T a b l e	i. 4% on the consideration value of land ii. 1 % stamp duty on the consideration value of land	(i) 4% on the consideration value of land (in case of Sikkimese origin) & 1% stamp duty on the consideration value of land (ii) 9% on the consideration value of land for others & 1% stamp duty
b.	Gift Deed I : 2	5% on valuation of land as per rate approved by the Government for acquisition of land	4% on consideration value of land including 1% stamp duty

R

Registration fee (Old & Revised).

Partition Deed between the immediate family members of the land holder shall be allowed. The immediate family members include brothers and sisters from the same father and children of the land holder. The rate of fee is as under:

SL. No.	Particulars of partition	Rate of fee in a parcel of two hectares and below	In a parcel of more than two hectares to five hectares	In a parcel of more than five hectares
a.	In transfer of title ownership by succession where the total land holding is passed on to one person only	Existing ₹ 500/- to be revised to ₹ 1000/-	Existing ₹ 1200/- to be revised to ₹ 3000/-	Existing ₹ 3000/- to be revised to ₹ 5000/-
b.	In a partition where the land holding is divided into two or more parcels, the fee for each parcel	Existing ₹ 500/- to be revised to ₹ 1000/-	Existing ₹ 1200/- to be revised to ₹ 3000/-	Existing ₹ 3000/- to be revised to ₹ 5000/-

Firm Registration revised from ₹ 1000/- to ₹ 2000/-

Apart from this, Government has revised the registration fee on Property mortgage and Deed vide Notification No. 2/LR&DMD dated 16.11.2007. These are as under:

a. Personal and Housing Loan

- | | | | |
|------|----------------------------|---|----------|
| i. | Up to ₹ 1.00 lakh | - | ₹ 100/- |
| ii. | ₹ 1.00 lakh to ₹ 5.00 lakh | - | ₹ 250/- |
| iii. | ₹ 5.00 lakhs and above | - | ₹ 1000/- |

b. Commercial purpose

- | | | | |
|-----|-------------------|---|-----------|
| i. | Up to ₹ 1.00 lakh | - | ₹ 200/- |
| ii. | Above ₹ 10 lakhs | - | ₹ 10000/- |

In continuation of the above Notification, the registration fee on Property mortgage and Deed for commercial purposes has been revised vide Notification No.5/LR&DMD dated 2.3.2009, as under:

- i. ₹ 1.00 lakh to ₹ 2.00 lakh - ₹ 1000/-
- ii. ₹ 2.00 lakh to ₹ 5.00 lakh - ₹ 2000/-
- iii. ₹ 5.00 lakh to ₹ 8.00 lakh - ₹ 3000/-
- iv. ₹ 8.00 lakh to ₹ 10.00 lakh - ₹ 5000/-

5. VAT/Sales Tax/Purchase Tax

(a) Year of introduction of VAT and changes made in floor rates of VAT from 2007-08 to 2012-13.

VAT was introduced from the 1st April, 2005. The floor rate was not changed during 2007-08 to 2012-13. Tax rate on different items are as follows:-

Table I:3 Tax Rates.

Sl. No.	Items/description of goods	Tax rate	Schedule
1.	Agricultural inputs etc. and other bio-degradable items	Exempted	Schedule I
2.	Gold and silver ornaments and precious stones.	1 %	Schedule II
3.	All equipment of communication etc., processed vegetables etc., industrial inputs and information technology products etc., and other non-biodegradable items.	4%- 12.5 %	Schedule III and Schedule IV

(b) Impact of introduction of VAT on the Revenue of the States;

Collection of revenue has been increased by 61% after the introduction of VAT. Total revenue collection from SST (inclusive of POL and Liquor) during 2004-2005 was ₹. 81.82 Cr. Total expected revenue collection during 2012- 2013 from VAT (exclusive of POL & Liquor) is ₹. 132.79 Cr.

(c) Year wise compensation availed and impact on State finances;

Year-wise compensation received against loss of revenue after introduction of VAT is as under:

Table I: 4 Compensation received after introduction of VAT.

Sl. No.	Amount	Letter No.	Date
1	1,84,00,000	4(369)/Fin/Bud/279	07.01.2006
2	4,03,00,000	4(369)/Fin/Bud/86	17.06.2001
3	10,92,00,000	336/fin/Bud	04.01.2011

(d) Impact of changes in CST along with year wise loss of CST and details of compensation availed from the Centre.

There was no loss, as such; no compensation claim was made so far.

(e) VAT/Sales Tax rates on petroleum products (Petrol, Diesel, ATF, Kerosene, LPG etc.). Year wise from 2007-08 to 2012-13 and yearly

Tax rate on Petrol, Diesel and LPG is as follows:

Table I:5 Tax rate on Petrol, Diesel and LPG.

Sl.No.	Item	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
1	Petrol	20%	15%	15%	15%	15%	15%
2	Diesel	12%	7.5%	7.5%	7.5%	7.5%	7.5%
3	Kerosene	4%	4%	4%	4%	4%	4%
4	LPG(Commercial)	12.5%	12.5%	12.5%	12.5%	12.5%	12.5%
5	LPG(Domestic)	4%	4%	4%	4%	4%	4%

Revenue collection- LST (above mentioned items +liquor)

2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
25.89	26.06	36.82	34.86	25.58	52.87

Schedule is annexed as **Annexure – II**

6. State Excise Duties.

(a) Base and prevailing rates (in 2012-13) of State Excise Duties. Present system under which excise revenue is collected. Role of the Government in manufacturing, distribution and pricing.

The Excise duties are levied on Ex Factory price. The Excise Duties on Sikkim made Foreign Liquor (SMFL)/ Beer are different for the civil market and for Army. The excise duties are also levied on Aromatic/ toilet preparations, which are alcohol based and produced by various distilleries and breweries as well as many pharmaceutical companies.

The rates of excise duty on various products are as follows:

A. The rate of Excise Duty on Sikkim Made Foreign Liquor (S.M.F.L.)

For Civil Market

Table I:6 Excise duty on S.M.F.L. for Civil Market.

Sl. No	Ex Factory Price including whole sale commission (in ₹)	Excise Duty % on EFP
1	450-700	(EFP+ ½ of 450)*65% (excise duty in this case so computed should not be less than ₹ 445/- per case)
2	701-1500	(EFP+ ½ of 701)*55% (excise duty in this case so computed should not be less than ₹ 610/- per case)
3	1501-2500	(EFP+ ½ of 1501)*45% (excise duty in this case so computed should not be less than ₹ 1090/- per case)
4	2501-4000	(EFP+ ½ of 2501)*38% (excise duty in this case so computed should not be less than ₹ 1475/- per case)
5	4001 &above	(EFP+ ½ of 4001)*25% (excise duty in this case so computed should not be less than ₹ 2000/- per case)

Table I:7 Excise duty on S.M.F.L. for Army.

For Army

Sl. No	Ex Factory Price including whole sale commission (in `)	Excise Duty % on EFP
1	450-700	(EFP+ ½ of 450)*45% (excise duty in this case so computed should not be less than ₹ 270/- per case)
2	701-1500	(EFP+ ½ of 701)*35% (excise duty in this case so computed should not be less than ₹ 420/- per case)
3	1501-2500	(EFP+ ½ of 1501)*27% (excise duty in this case so computed should not be less than ₹ 650/- per case)
4	2501-4000	(EFP+ ½ of 2501)*22% (excise duty in this case so computed should not be less than ₹ 880/- per case)
5	4001 &above	(EFP+ ½ of 4001)*20% (excise duty in this case so computed should not be less than ₹ 1250/- per case)

- B.** (i) The rate of Excise Duty on Indian Made Foreign Liqueur (IMFL) for all brands of IMFL owned by the companies located outside the State of Sikkim and bottled by local companies:

In addition to Excise duty as A above, bottling fees is levied at a uniform rate of 101.25 per case for both civil market and army.

(ii) Import Pass Fee on IMFL imported from outside the State of Sikkim:

In addition to Excise Duty as A above, import pass fee of ₹ 202.50 is levies on both products for civil market as well as Army.

(iii) Import Pass Fee on IMFL imported from overseas: ₹ 3000/- per case or 25% of import price whichever is higher for both civil market as well as Army.

(iv) Import Pass Fee on Wine imported from overseas: ₹ 1500/- per case or 20% of import price whichever is higher for both civil market as well as Army.

(v) Import Pass Fee on Beer imported from overseas: ₹ 117/- per case for both civil market as well as Army.

C. Rate of Excise Duty on

(i) Sikkim Beer

For Civil market 45% on Ex Factory Price

For Army 35% on Ex Factory Price

(ii) Beer bottled from outside State:

In addition to (i) above a bottling fee of ₹ 15 is levied on both civil market as well as Army.

(iii) Beer imported from other States:

In addition to (i) above import pass fee of ₹ 50/- per case is levied for both civil market as well as Army.

Export Pass Fee:

For Export of IMFL and Beer to other States Export Pass Fee of ₹ 10/- per case is levied on IMFL and Wine and ₹ 6/- per case is levied on Beer.

D. Excise Duty on Wine:

Table I:8 Excise duty on Wine.

Sl. No	Wine	Civil	Army
1	Sikkim wine	25% on EFP	20% on EFP
2	Wine from outside state bottled in Sikkim	35% on EFP + bottling fees of ₹ 101.25 per case	25% on EFP + bottling fees of ₹ 101.25 per case
3	Wine imported from other State	40% on EFP + Import pass fee of ₹ 202.50 per case	30% on EFP + Import pass fee of ₹ 202.50 per case

(EFP= Ex Factory Price)

E. Excise Duty on Ready to Drink (Breezer):

30% on EFP + import pass fee of ₹ 50/- per case for civil market. This is not available for Army.

F. Rate of Excise duty on Aromatic/ toilet Preparations 12% advolaram.

It may also be worth mentioning that the rates of Excise Duty for IMFL had been revised in the year 2008 wherein it had been fixed at a uniform rate of ₹ 66/- per LPL (London Proof Litre) for all brands of Whisky, Brandy, Gin, Vodka, Rum Liqueur whether it was produced in Sikkim or bottled in Sikkim or imported from other States for Civil Markets and for Army ` 61/- per LPL, ₹ 53.5 /- per LPL and ₹ 58.50/- per LPL for all brands of Whisky, Brandy, Gin, Vodka, Rum Liqueur whether it was produced in Sikkim or bottled in Sikkim or imported from other States. As details contain in notification no.19 Excise (Abk) dated 25.3.08 at **Annexure III**.

All manufacturing units are under the strict supervision of the Excise Staffs posted at various check points as well as in all manufacturing units. The excise duty of the manufacturing units is collected at the exit point of the units. The liquor/ brandy/wine etc. are permitted to be imported into the State only after deposition of Excise duty.

The Department has no control over the selling price of Liquor/ Beer/ medicine etc.

(b) The present excise policy and changes made during the last five years with financial implication thereof:

The Department is responsible for the implementation of the following State/ Central Acts in the State:

A. Sikkim Excise Act, 1992 (State Act)

B. Medicinal and Toilet Preparation Act, 1955 (Central Act)

C. Narcotic Drugs and Psychotropic Substances Act, 1985 (Central Act)

The State Excise Act provides for manufacture, possession, sale, transport, import of rectified spirit, export, imposition of excise duty etc. The Medicinal and Toilet Preparation Act is an enactment of the Central Government Act which provides for manufacture, possession, sale etc. of the products which falls under the Act. The implementation of the Act is done by the State Government through the Excise Department and the duty collected as excise duty. However, the Narcotic Drugs and Psychotropic Substances Act, 1985, are implemented in the State through the Excise (Abkari), Health & Family Welfare and the Police Departments.

In the year 2010, the affixing of security holograms was introduced and implemented in the state vide notification numbers 39 Excise (Abkari) dated 29.3.10, 41/Excise (Abkari) dated 29.3.11 and 42 Ex (Abkari) dated 29.3.10, wherein it was mandatory for all liquor bottles of various capacities to be affixed with a security hologram. **Annexure III (I,ii,iii)**

The Department levies a nominal charge of ` 0.10 per hologram as administrative charge vide notification no.5/Excise (Abkari) dated 09/07/2010. **Annexure IV.**

However, exemption for affixing of holograms for liquor exported to Bhutan & Nepal were granted vide notification no. 20 & 21 Excise (Abkari) both dated 1.4.11. Copies are at **Annexure IV (I, ii)**

In addition to these, the Government has framed various rules for regulation and mobilization of financial resources, such as:

1. Sikkim Excise (Indian Made Foreign Liquor manufactured in Sikkim) Licensing of warehouse Rules, 2005,
2. Sikkim Excise (Indian made Foreign Liquor imported from other States) licensing and warehouse Rules, 2005,
3. Sikkim Excise (Distillery for manufacture of Spirit and Foreign Liquor) Rules 2000,
4. Sikkim Excise (Prohibited sites for liquor shop) Rules, 1996
5. Sikkim Excise (Procedure for registration of Indian Made Foreign Liquor Beer and Foreign Liquor manufacturing units situated in other States and outside India) Rules, 2001,
6. Sikkim Excise (Licensing for retail sale of Liquor and country liquor) Rules, 2005,
7. Sikkim Excise (Licensing for foreign liquor bar shops) Rules, 2005 and
8. Sikkim Excise (Licensing for sale of pachawati) Rules, 2005.

7. Taxes on motor vehicles, passengers and goods

(a) Base and prevailing rates of taxation on motor vehicles and taxes on passengers and goods, including entry tax, road toll etc.

The taxation on motor vehicles is based on: -

- (i) Private Vehicle - on Cubic Capacity (cc)
- (ii) Commercial Vehicle - on seating capacity (State Carriages)
- (iii) Heavy Vehicles - on gross weight of the vehicle (for transport of goods)

Notification No. 16/LD/P/11 dated 07.09.2011, the Sikkim Motor Vehicles Taxation (Amendment) Act, 2011 is appended at **Annexure V**

(b) A note on rationalization of motor vehicle taxes adopted in the recent past.

The Ministry of Road Transport and Highways is working on rationalization of motor vehicles tax to facilitate movement of vehicles across the States in and hassle free manner, to ensure that vehicles moving across the States are treated in fairly similar manner and that there is no interstate tax war.

While revising taxes on motor vehicles, we always try to put at par the rate of taxes with that of our immediate neighbouring State i.e. West Bengal. The plying of vehicles from Sikkim to West Bengal and vice-versa is also governed by the Reciprocal Transport Agreement, 2007.

(c) Pollution Control Measures adopted by the State, if any including levy of tax on pollution emitting vehicles.

In order to check the emission of smoke by all the vehicles plying in the State, the Department has established smoke testing centre at Gangtok and Jorethang which is outsourced to the private party. Keeping in view the increasing number of vehicles, the Department is planning to open such centre in other places also. The government has already approved the proposal for establishment of such centre at Gyalshing, Mangan, Namchi, Rangpo, Singtam and Ranipool.

Further, in order to counter check the pollution level emitted by vehicles, Smoke Meter and Gas Analyzer machine sponsored by the Ministry has been installed in the office premises of the Department at Gangtok. The Department is conducting cross checking of vehicles at regular intervals. The Ministry has sponsored such machines for South and West Districts also which are being installed in the office premises of these districts shortly.

Fine of ₹ 300/= (Rupees Three Hundred) only is levied/ imposed, in case of non compliance of pollution test of vehicle as per Section 177 of the Motor Vehicles Act, 1988.

8. Electricity Duties

(a) Base and prevailing rates of duties on consumption/sale of electricity. Please state if this is built in basis Electricity tariff.

No duties are levied on consumption/sale of electricity in the State.

9. Entertainment Tax

(a) Base and prevailing rates of entertainment tax, betting tax, luxury cinema/show tax and cable tax etc.

The prevailing rates of entertainment Tax are as follows:

1. Cinema Halls- 40 to 75% of the admission charge
2. Video Parlour - ₹.1000 to Rs.3000 per month.
3. VCD Library - ₹.100 to Rs.300 per month.
4. Pool Parlour - ₹.200 to Rs.500 per month.
5. Cable Operators - 25% of the total collection.

(b) Are any of these taxes assigned to Local bodies? If any, details thereof.

These taxes are not assigned to ULBs.

10. Other Taxes and Duties

(a) Base and prevailing rates of profession tax and other taxes, if any, yield a revenue of Rs. one crore or more per annum.

Professional Tax has been introduced in the State vide notification No.25/LD/2006 dated 31st March 2006.

The information relating to other taxes have been furnished under the respective sector or the department.

11. Cesses/Surcharges

- (a) Particulars of cesses/surcharges levied by the State Govt. (such as mining cess, health cess, education cess, mandi charges & agricultural cess.) Basis and prevailing rates of each cess.
- (b) Are collections made from these deposited to the Consolidated Fund of the State or are they kept in separate fund?
- (c) Whether yield from any of these cesses/surcharges is transferred to local bodies (by way of grant or share and on what basis) or spent directly by the State Government on specific items.
- (d) Year-wise collection and budget head/fund to which any or all of the above is deposited may be given from 2007-08 to 2012-13.
- (e) What is the mechanism for incurring expenditure from these funds?

I. Excise (Abkari) Department

The Excise (Abkari) levies education cess on Indian Made Foreign Liquor and Beer in the State of Sikkim as per the Notification No.9/LD/P/07 dated 26.04.2007 "The Sikkim Educational Cess On Alcoholic Beverages Act, 2007". The Educational cess is levied at the rate of ₹ .2.70 per bulk litre on Foreign liquor and ₹ 1.60 on bulk litre on beer manufactured in Sikkim and imported from other States for consumption in Civil and Army units within Sikkim.

The cess so collected is deposited in the account of the State Government

(c) The collection from Education Cess is spent by the State Government on specific items.

(a) The collection is deposited into budget head

0045 - other taxes & duties on commodities & services

112 - Receipt from Cesses under other Acts

03 - Receipt under Sikkim Educational Cess Act

(₹ in '000)

2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
23441	28906	31854	53050	47600	53500

II. Forest, Environment & Wildlife Management Department

(a) Forests Environment & Wildlife Management Department through the Commercial Taxes Division of Finance, Revenue & Expenditure Department has been collecting

Environment Cess w.e.f 2007-08 @ 1% of the total value of non-biodegradable materials listed in schedule-II of Sikkim Ecology Fund and Environment Cess Act, 2005 (Act No.1 of 2005)brought to Sikkim from others states. **Annexure VI**

- (b) The collection of Environment Cess is deposited in the consolidated fund of the State.
- (c) Environment Cess is directly spent by the State Government.
- (d) Collected Environment Cess from 2007-08 onwards is as under.
(₹ in thousands)

2007-08	-	32243
2008-09	-	80184
2009-10	-	111818
2010-11	-	157225
2011-12	-	185716
2012-13	-	186437

- (e) The Environment Cess so collected is transferred to State Reserve Fund from Consolidated Fund of the State and expenditure incurred. The items against which expenditure from Sikkim Ecology Fund & Environment Cess is incurred are as per paragraph 5(2) (a) of Sikkim Ecology Fund & Environment Cess (Management of Fund) Rules 2008 published vide Notification No.14/Adm/FEWMD dated 04/10/2008.

III. Labour Department

Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 and Building and Other Construction Workers Welfare Cess Act, 1996.

The aims and objectives of Building and Other Construction Workers (RE&CS) Act, 1996 is to regulate the working condition of construction workers those who fall under un-organised sector and to give them social security etc. The aim of Building and Other Construction Workers Welfare Cess Act, 1996 and Rule is to collect 1% labour welfare cess from the cost of construction from all construction works. The collected cess is deposited in the name of Secretary, Building and Other Construction Workers Welfare Board. The said fund is exclusively utilized for the welfare of the workers as per the provisions of the said Act and Rules.

(1) Implementation of BOCW (RE&CS) Act, 1996 and BOCW Welfare Cess Act, 1996 commenced from 06.09.2010. After completion of all legal formalities, rules have been framed and necessary Committees are also constituted. Accordingly, circular also issued to all concerned. **Annexure VI (i) to (iv).**

(2) 8657 number of construction workers have been registered as beneficiaries and the same number of workers have been insured with ₹ 1 lakh each under the Personal Accident Policy with New India Assurance Co. Ltd, Gangtok by paying premium of ₹ 133 per person per annum.

(3) So far ₹ 20,14,22,775/- has been collected as labour cess and the collected cess is deposited in the State Bank of Sikkim in the name of Secretary, Building and Other Construction Workers Welfare Board, Labour Department under Savings A/c No. 100254.

(4) The cess spent for distribution of various welfare items including Insurance Premium is ₹ 2,61,36,606/-. 5% of the collected cess is admissible as administrative costs. In total ₹ 2,89,58,814/- has been spent as administrative cost

(5) Out of the cess collection, ₹ 14,00,00,000/- has been invested in the following banks:-

State Bank of Sikkim - ₹ 8 00,00,000/- (with interest @ ` 9.25)

Vijaya Bank - ₹ 3,00,00,000/- (with interest @ ` 9.10)

IDBI Bank - ₹ 3,00,00,000/- (with interest @ ` 9.10)

(6) As per the provisions of the Act, the entire cess amount is required to be kept outside government a/c and will have to be utilized for the welfare of the registered workers only.

(7) 1% cess is admissible to be used by the Cess Collectors and 5% cess collected is admissible for administrative purpose including salary, wages etc.

(8) The details of statement of collection of cess and expenditure is given below:

STATEMENT SHOWING YEARWISE COLLECTION OF 1% CESS AND EXPENDITURE THEREOF

(Rupees in Crore)

COLLECTION					EXPENDITURE				
2008-09	2009-10	2010-11	2011-12	2012-13	2008-09	2009-10	2010-11	2011-12	2012-13
-	-	2.60	9.08	8.45	-	-	0.09	0.79	2.01

Total Collection = ₹ 20.14 Crore Total Expenditure = ₹ 2.89 Crore

By Interest = ₹ 8,25,000/-

FDR of = ₹ 2,00,00,000/-

By Interest of = ₹ 1,56,250/-

= ₹ 17,34,45,211/-

FDR = ₹ 14,00,00,000/-

FDR = ₹ 1,00,00,000/-

Total collection = ₹ 20,24,04,025/-

Cash balance = ₹ 3,34,45,211/-

II. USER CHARGES

12. (a) Sector-wise rates of user charges and present collection system together with present user charges as percentage of O&M Cost

UDHD

- a. Ground Rent
- b. Site Salami & Regularization
- c. Parking Fees
- d. Pay and Use Toilets
- e. Rent from Premises
- f. Ropeway Lease Rent
- g. Advertisements and Hoardings
- h. Sanitation Fees

Most of the taxes and user charges are guided by notification of rates. However, there are few rates which are not guided by any circulars/notifications. They are being explained as below:

Parking Fees:

The Parking Contract for a financial year will depend on the tendered amount by the successful bidder. The offset price is fixed by the department after due consideration of the size of the town and volume of traffic. The parking vehicle for each category of vehicle is specified in the agreement.

Rent from Premises:

Apart from Hat sheds, the rent of premises depend on the input cost involved taking into consideration the policy of the State Government. The rate of annual increase also makes the rent variable.

Pay and Use Toilets:

The value of contract of Pay and Use Toilets is determined by the rate quoted by the successful bidder and will vary from year to year.

Rent from Ropeway:

The annual rent from ropeway which has been handed to Damodar Ropeway Construction Company is being realized on the basis of MoU signed with DRCC.

Health Department

(a) User charges are collected by the respective CMOs/Medical Superintendent and credited to the Revenue Head by depositing the cash in the State Bank of Sikkim.

Schedule of rates of user charges is enclosed at **Annexure VII**

Home Department

Table II:1 Schedule of Rates/ Home Department.

(A) New Sikkim House, New Delhi: (Figure in Rupees)

Sl. No.	Type of Room	Rate per day		Collection for 2011-12
		Official	Private	
1	VIP Suite	1200	1400	8,746,000
2	Ordinary (Double Bed)	600	700	
3	Ordinary (Single Bed)	450	500	

(B) Sikkim House, Guwahati:

(Figure in Rupees)

Sl. No.	Type of Room	Rate per day		Collection for 2012-13
		Official	Private	
1	VIP Suite	2500	2500	650,000
2	Ordinary (Double Bed)	700	900	

(C) Sewa Bhawan, Delhi:

(Figure in Rupees)

Sl. No.	Type of Room	Rate per day		Collection for 2011-12
		Official	Private	
1	VIP Suite	600	800	6,264,000
2	Ordinary (Double Bed)	500	600	

(D) State Circuit House, Gangtok: (Figure in Rupees)

Sl. No.	Type of Room	Rate per day		Collection for 2011-12
		Official	Private	
1	VIP Suite	1200		1,291,000
2	Super Deluxe	900		
3	Double Deluxe	800		

(E) State Guest House, Gangtok: (Figure in Rupees)

Sl. No.	Type of Room	Rate per day		Collection for 2011-12
		Official	Private	
1	VIP Suite	800		650,000
2	Ordinary (Double Bed)	500		

(F) Chintan Bhawan, Gangtok

(Figure in Rupees)

Sl. No.	Type	Rate per day	Collection for 2011-12
1	Conference Hall only	20000	1,388,000
2	Banquet Hall only	15000	
3	Conference + Banquet Hall	25000	
4	Meeting Hall	5000	
5	Meeting Hall + Banquet Hall	20000	
6	Conference + Banquet + Meeting Hall	30000	
7	Lobby	2500	

(G) Hire Charges of Vehicles:

(Figure in Rupees)

Sl. No.	Type	Rate per day	Collection for 2011-12
1	For vehicles costing below ₹ 7.00 Lakhs	700 (Exclusive of fuel)	2,011,000
2	For vehicles costing above ₹ 7.00 Lakhs	1500 (exclusive of fuel)	

(b) Whether any users association has been formed? If yes, effectiveness of this users association in collection of arrears and charges.

No user association has been formed.

III. LOANS DUE TO GOVERNMENT

13. Details of the overdue loans against major categories showing Principal, Interest, as on 31.3.2012 as per the following table from 2007-08 to 2011-12 (separate table for each year).

The statement submitted below depicts the state of overdue loans advanced by the state government from 2007-08 to 2011-12.

Table A: Statement of loans and Advances made by the State Government

Table III:1 Loans & Advances for 2007-08.

2007-08

(Rupees in lakh)

Table A

Class of Loan and Advances/ Head of Account	Balance at the beginning of the Year	Advance during the Year.	Total	Repaid during the year.	Write off irrecoverable loans and advances.	Balance at the end of the year.	Net Increase (+)/Decrease (-) during the year
(1)	(2)	(3)	4=(2+3)	(5)	(6)	7=4-5-6)	8=(2-7)
Loans for Health & Family welfare	45.53	-	45.53	1.17	-	44.36	(-)1.17
Loans for Agriculture & Allied Activities	96.81	-	96.81	-	-	96.81	-
Loans for Industry & Minerals	311.65	-	311.65	-	-	311.65	-
Loans for transport	1.38	-	1.38	-	-	1.38	-
Loans for General Economic Services	0.02	-	0.02	0.01	-	0.01	-.01
Loans to govt Servants	45.07	-	45.07	37.28	-	7.79	-37.28
Miscellaneous Loans	50.33	-	50.33	-	-	50.33	-
Grand Total	550.79		550.79	38.46	-	512.33	-38.46

Table III: 2 Loans & Advances for 2008-09.

2008-09

Table A

Class of Loan and Advances/ Head of Account	Balance at the beginning of the Year	Advance during the Year.	Total	Repaid during the year.	Write off irrecoverable loans and advances.	Balance at the end of the year.	Net Increase (+)/Decrease (-) during the Year
(1)	(2)	(3)	4=(2+3)	(5)	(6)	7=4-5-6)	8=(2-7)
Loans for Health & Family welfare	44.37	-	44.37	4.97	-	39.40	-4.97
Loans for Agriculture & Allied Activities	96.81	-	96.81	-	-	96.81	-
Loans for Industry & Minerals	311.65	-	311.65	-	-	311.65	-
Loans for transport	1.38	-	1.38	-	-	1.38	-
Loans to govt Servants	7.79	25.11	32.90	32.94	-	-0.04	-7.83
Miscellaneous Loans	50.33	-	50.33	-	-	50.33	
Grand Total	512.33	25.11	537.44	37.91	-	499.53	-12.8

Table III: 3 Loans & Advances for 2009-10.

2009-10 (Rupees in Crore)

Table A

Class of Loan and Advances/ Head of Account	Balance at the beginning of the Year	Advance during the Year.	Total	Repaid during the year.	Write off irrecoverable loans and advances.	Balance at the end of the year.	Percentage Increase/Decrease (-) during the year
(1)	(2)	(3)	4=(2+3)	(5)	(6)	7=(4-5-6)	8=(2-7)
Loans for Education, Sports, Art & Culture.	0.00	1.65	1.65	-	-	1.65	100
Loans for Health & Family welfare	0.39	-	0.39	-	-	0.39	-
Loans for Agriculture & Allied Activities	0.97	0.03	-	-	-	1.00	3.00
Loans for Energy.	0.00	35.00	35.00	-	-	35.00	100
Loans for Industry & Minerals	3.12	-	3.12	-	-	312.00	-
Loans for transport	0.01	-	0.01	-	-	0.01	-
Loans to govt Servants	0.00	-	0.30	0.30	-	-0.00	100
Miscellaneous Loans	0.50	-	0.50	-	-	0.50	
Grand Total	4.99	36.98	41.97	0.30	-	41.67	73.5

Table III: 4 Loans & Advances for 2010-11.

2010-11 (Rupees in Crore)

Table A

Class of Loan and Advances/ Head of Account	Balance at the beginning of the Year	Advance during the Year.	Total	Repaid during the year.	Write off irrecoverable loans and advances.	Balance at the end of the year	Percentage Increase/Decrease (-) during the year
(1)	(2)	(3)	4=(2+3)	(5)	(6)	7=(4-5-6)	8=(2-7)
Loans for Education, Sports, Art & Culture.	1.65	2.00	3.65	-	-	3.65	21
Loans for Health & Family welfare	0.39	-	0.39	0.04	-	0.36	-
Loans for Agriculture & Allied Activities	1.00	3.75	4.75	-0.75	-	4.00	200
Loans for Energy.	35.00	-	35.00	-	-	35.00	
Loans for Industry & Minerals	3.12	-	3.12	-	-	312.00	-
Loans for transport	0.01	-	0.01	-	-	0.01	-
Loans to govt Servants	0.00	-	0.00	-	-	-0.00	-
Miscellaneous Loans	0.50	-	0.50	-	-	0.50	
Grand Total	41.67	5.75	47.42	0.79	-	46.64	88

Table III: 5 Loans & Advances for 2011-12.

2011-12 (Rupees in Crore)

Table A

Class of Loan and Advances/ Head of Account	Balance at the beginning of the Year	Advance during the Year.	Total	Repaid during the year.	Write off irrecoverable loans and advances.	Balance at the end of the year.	Percentage Increase/Decrease (-) during the year
(1)	(2)	(3)	4=(2+3)	(5)	(6)	7=(4-5-6)	8=(2-7)
Loans for Education, Sports, Art & Culture.	3.65	8.00	11.65	-	-	11.65	219
Loans for Health & Family welfare	0.36	-	0.36	0.03	-	0.33	-9
Loans for Agriculture & Allied Activities	4.00	-	4.00	-	-	4.00	
Loans for Energy.	35.00	-	35.00	-	-	35.00	
Loans for Industry & Minerals	3.12	-	3.12	-	-	3.12	-
Loans for transport	0.01	-	0.01	-	-	0.01	-
Loans for other general Economic Services.	0.00	41.00	41.00	-	-	41.00	100
Loans to govt Servants	0.00	0.17	0.17	-	-	0.17	100
Miscellaneous Loans	0.50	-	0.50	-	-	0.50	
Grand Total	46.64	49.17	95.81	0.03	-	95.78	100

Table III: 6 Statement of outstanding loans against major categories showing Principal and Interest.

Table B: Statement of outstanding loans against major categories showing Principal and Interest.

(Rupees in Crore)

Class of Loan and Advances/ Head of Account	Balance for which terms & conditions have settled.	Number of Loans	Principal	Interest	Total	Earliest year to which the arrears relate
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Loans for Education, Sports, Art & Culture.	11.65	1	-	-		-
Loans for Health & Family welfare	0.33	1	-			
Loans for Agriculture & Allied Activities	4.00	9	-	-		
Loans for Energy.	35.00	1		-		
Loans for Industry & Minerals	3.12	7		-	-	
Loans for transport	0.01	1		-	-	
Loans for other general Economic Services.	41.00	1		-	-	
Loans to govt Servants	0.17	-		-	-	
Miscellaneous Loans	0.50	2		-	-	
Grant Total	95.78				-	

IV. STATE BUDGETARY POSITION

14. State Budgetary position

- (a) List of the funds, if any, such as Chief Minister's Housing/Welfare Fund, maintained outside the Public Account, but to which appropriations were made from the Revenue Account – Appropriations made to each of these funds with the year in which made, pattern and procedure of voting for the purpose, may be indicated.**

The following funds are operated outside the Public Accounts:

- (1) Police Welfare Fund
- (2) State Illness Assistance Fund

- (c) Are appropriations made from the Revenue account to any of these funds? If yes, appropriation made to each of these funds with the year in which made, pattern and procedure of voting for the purpose, may be provided.**

No

15. Has any action been taken on the recommendation of 13th Finance Commission (Para7.127) regarding utilisation of outstanding Cash Balances before resorting to fresh borrowings?

In the context to the State of Sikkim factors responsible for building up of surplus cash balance is mainly due to the mechanism of release of Central transfer to the State and low / less utilization of these fund which normally spills over to the subsequent financial year and are treated as unspent balances. In other words, these are only temporary accumulation of cash balance and get utilized over the period of time. The primary reason for such accumulated cash balance is, therefore, not due to the unnecessary borrowings or due to more borrowing than the fiscal deficit but rather due to the unspent balance of the Central Transfers. As such an attempt to utilize this accumulated cash balance in context to the State of Sikkim and in context to the reasons mentioned here above would prove to be not feasible as the cash balance may suddenly drop down in the subsequent years. Borrowings are based on the net of Public Debt and Public Account. However, at the end of each financial year the Fiscal deficit which if more than the borrowing ceiling continuous to be met from the net of Public Debt, net of Public Account and the net of the Opening and Closing cash balance.

V. NATURAL CALAMITES

16. Natural Calamities

- (a) Please give a note on the major calamities, areas affected, total assistance provided (calamity-wise and area-wise), kind of assistance, source of funding (Central, State and other assistance). Kindly give details on the systems of assessing the damage (life and property) being adopted by the State.**

The State of Sikkim, situated at very high altitude, has a very fragile ecology. It is a mountainous state crisscrossed with narrow valleys and cliffs. The young fold mountains are characterised by a weak geology comprising of sedimentary and low grade metamorphic rocks which when combined with the state's heavy rainfall (2800 mm average annual rainfall) causes extensive soil erosion and loss of nutrients through leaching, resulting in frequent landslides. The complex geological setup causes frequent earth movements aggravating the landslides throughout the state. The entire state is categorised as a highly active seismic zone and comes under Zone V. The state receives heavy rainfall during the monsoons and in recent years, the rainy season has been stretched from the normal three months to five months. Even during other seasons the state has been experiencing incessant rains of late causing more damages to life and property.

The impact of calamities, based on the list adopted by the Finance commission, in Sikkim is as under:

Landslides: - The monsoon season is the period of probable occurrence of calamities as past records reveal. Major calamities have struck the state culminating to colossal losses to life and property. Every year the road network gets disrupted throughout the state as well as interstate highway gets blocked due to landslides. The steep terrains of the state along with the rivulets, which get flow of water during monsoons create a calamity in the form of landslides.

Hailstorms: - During the months of March- April each year the state experiences torrential rainfall and hailstorms result in heavy loss of standing crops as well as damages to the green houses of the farmers in the villages.

Cloudburst:- This form of calamity results in heavy loss of the people as water pipelines, electricity poles, communication lines, road network, other government infrastructures get damaged every year. Cloudbursts are a common phenomenon during the monsoons.

Flooding: - Although Sikkim is a hilly state, the lower reaches do have plains especially on the river basins and during monsoons these areas are vulnerable to floods. Even in the hilly slopes due to the jhoras/rivulets being clogged, situation of flooding arises along the slopes causing much grief and damage to life and property.

Fire: - In recent years, the state has been experiencing many incidents of forest fire as well as fire in the localities. These are associated with dryness in the forest areas during the winter season.

Earthquakes: - Earthquake is a common phenomena in the state as it falls within Zone V. While there were many jolts before the earthquake of 18th Sep 2011 was one on the worst that the state experienced in its recent history. The damage of life and property was severe. At present reconstruction of infrastructure is being carried out through the financial assistance provided by Government of India. The Earthquake also causes frequent landslides.

The expenditure recorded from the Calamity Relief Fund (CRF) during the last six years is as follows:

Table V: 1 Expenditure recorded from the Calamity Relief Fund (CRF).

Sl.No.	Year	Expenditure (Rupees in crores)
1	2007-08	18.58
2	2008-09	32.36
3	2009-10	14.57
4	2010-11	16.36
5	2011-12	49.58
6	2012-13	15.62

Source of Funding/ Financing the Relief Expenditure.

The amount of annual contribution to the CRF is as per the allocation fixed by the Finance Commission. The central Government contributes 90% of the total annual allocation to the CRF in two instalments and balance 10% is met by the state.

Further, fixed deposits are made in the Nationalised banks from the CRF as and when possible. The interest earned is then credited back to the CRF. In some cases, when the balance available in the CRF becomes inadequate for the relief expenditure, the central government provides relief assistance from the National Calamity Contingency Fund (NCCF) to tide over the crises. The central assistance is based on the assessment carried out by the National Centre for Calamity Management in these cases. The state has been benefited from the funding made available through the CRF.

The State has over the recent years has received the following items from the NCCF.

Sl. No.	Year	Expenditure (Rupees In lakhs)
1	2011-12	107.59
2	2012-13	92.79
	TOTAL	200.38

ASSESSMENT OF DAMAGES (LIFE AND PROPERTY):

In case of any calamity, the details of the calamity and the damages caused by the calamity are reported to the Relief Commissioner by the District Collectors. On the basis of the reports, relief is provided from the Calamity Relief Fund in accordance with the items and norms of expenditure approved by the Department of Agriculture and Co-operation, National Management Division (NDM), Government of India.

Relief in case of life and property due to natural calamity is also being provided in accordance with the items and norms of the CRF. In case of damages to infrastructures like roads, water supply, power lines, schools, hospitals, etc, relief is being provided on the basis of technical reports and estimates of damages prepared by the Engineering Departments. Beside this, relief is being provided from the CRF for immediate restoration and repairs of infrastructure so that hardship to the public is avoided.

All relief to the districts is being provided on the basis of the approval of the District Level Relief Committee (DLRC) for relief up to ₹ 2.00 lakh and by the State Level Relief Committee (SLRC) for relief above ₹ 2.00 lakh with the approval of the State Executive Committee headed by the Chief Secretary as the Chairperson.

SPECIFIC DIFFICULTIES Faced by the State and Suggestions:

The Commission may review the present arrangements as regards financing of disaster management and make appropriate recommendations duly taking into account the actual need and ground realities in respect of difficult hilly States, which are highly prone to natural calamities.

(1) In the hills, the State has been bound by the items and norms of expenditure from the CRF to take up temporary restoration works only. Taking up works purely of temporary nature especially in restoration of vehicular road linkages is not adequate. With the onset of monsoon and the torrential rain that the State experiences, it is seen that temporary restoration works do not last long and eventually washed away by the heavy rain. The temporary work neither provides relief nor fulfils the purpose for which the funds are provided for. Therefore the State proposes to make changes in the norms and works of, semi-permanent nature with use of concrete is allowed state like Sikkim.

(2) There are many places in the State, where the upper areas have started to sink. Construction of a protective wall at the base of such areas will not only protect the area immediately above it but will also protect all the areas that lie above it. The benefit is enormous to the public in such areas. The mitigation and preventive measure would provide for prevention of loss of life and property of the people. The position of the State is that the area once reported to be sinking should be considered as being already affected by the natural calamity.

(3) It is also very common in a hilly State like Sikkim that during monsoons many rivulets, which lie dormant during the winter season, become flooded due to very heavy rainfall, and overflows into the nearby roads/ houses/land. The jhora training, a method to control this situation relating to overflowing of rivulets, could prevent a number of hazards to life and property. It is hence, requested that norms per utilization of CRF funds (SDRF) may be relaxed for hilly States to respond to this kind of natural calamities.

(4) The State of Sikkim experiences heavy rainfall especially during the monsoon months. Rain is often accompanied with thunder and lightning on account of which there have been

deaths and damages to the houses due to lightning strikes every year. Such deaths need to be covered under the items and norms of expenditure of CRF.

(5) A number of epidemics breakouts especially during the monsoons causing great losses to life and property. In such situations the public look upon the State to provide relief. Hence, relief in such cases may also be included in the norms for providing relief.

(6) the State urges to Commission to consider for 100% funding of CRF/SDRF by the Central government instead of existing funding of 90% due to difficulties in generating even the 10% State Share.

(b) What is the status of merger of Calamity Relief Fund (CRF) into State Disaster Relief Fund (SDRF) and transfer of existing balances from CRF to the new fund (SDRF)? A copy of notification may be provided (Para 11.78, 11.79, 11.82 and 11.93 of 13th FC Report)

The Calamity Relief Fund (CRF) has been transferred to State Disaster Response Fund (SDRF) and transfer of existing balances from CRF to the new fund (SDRF)

(c) The status of setting up of District Disaster Response Fund (DDRF) as per the Disaster Management Act as recommended by the 13th Finance Commission (Para 11.96)

DDRF has not been set up as yet but each per earlier practice, the fund is being provided to District under District Level Relief Commissioner Fund (DLRC fund) wherein ` 50.00 lakhs is being provided to each district per year for calamity relief work. Additional fund if required during calamity is also provided. The fund is being regulated as per the SDRF norms issued by the Ministry of Home Affairs.

17. Please give a note indicating the views of the State Govt. on the specific issues in the TORs related to natural calamities/disaster management and fund constituted (SDRF and DDRF) on the recommendation of the 13th Finance Commission.

The Para 9 of the Terms of Reference of the Fourteenth Finance Commission requires that the Commission to review the present arrangements as regards financing of Disaster Management with reference to the funds constituted under the Disaster Management Act, (53 of 2005), and make appropriate recommendations thereon.

The system of financing relief expenditure was mostly managed through the CRF's and NCCF. The Central Government enacted the Disaster management Act, 2005 for effective management of disasters. This act provide for two funds, National Disaster Response Fund (NDRF) and National Disaster Mitigation Fund (NDMF) for financing purpose. The earlier Finance Commission have recognized a list six natural calamities (cyclone, drought, fire, flood and hailstorm) to which tsunami, landslide, avalanches, cloudburst, and pest attack were added later. While the DM Act widened the definition of disaster to cover even manmade causes, the Thirteenth Finance Commission held the view that the existing list is exhaustive and helped in providing relief to the affected.

The two funds created under the DM Act to finance the relief expenditure, were to be established at three levels, Central, State, and Districts. While the funding for the national fund was to be provided by the central Government, the Act did not specify the source of funding for the State levels Funds. The Thirteenth Finance commission recommended for the merger of NCCF with the NDRF and the CRFs with the SDRFs and transfer of available funds in the NCCF and CRF to the newly constituted bodies. Recognizing the usefulness role played by the CRFs, the Thirteenth Finance commission felt that there was a need for central funding for the SDRFs. The Commission recommended that for general category States, the SDRF funding would be in the ratio of 75:25 between Central and State Governments and for the special category States, the ratio would be 90:10.

The Thirteenth Finance commission continued the practice of adopting expenditure- based approach like the earlier Commissions. The total expenditure for calamity relief under accounting head 2245 was considered, which was adjusted by the amount contributed from the NCCF and for inflation. All the special category States and the State having per capita income lower than ₹ 30,203 (2005-07) were allowed an increase of 30 percent on derived relief expenditure keeping the lower fiscal capacity in view. The Commission recommended ₹ 3581 Crore as the aggregate size of all the SDRFs. The commission also provided an additional amount of ₹ 525 Crore for capacity building. The State of Sikkim has already transferred the existing balances from CRF to the SDRF as recommended by the 13th Finance Commission.

VI. STATE PLAN

18. Please explain the practice followed by the state government in regard to maintenance provisions in respect of completed plan schemes - whether expenditure on the running/maintenance of all plan schemes completed during the course of a Plan period continues to be charged to the Plan till the end of a particular plan period or these are transferred to the non-plan budget as and when completed. Is the same practice followed for all schemes, including capital schemes like buildings, roads, irrigations works, etc?

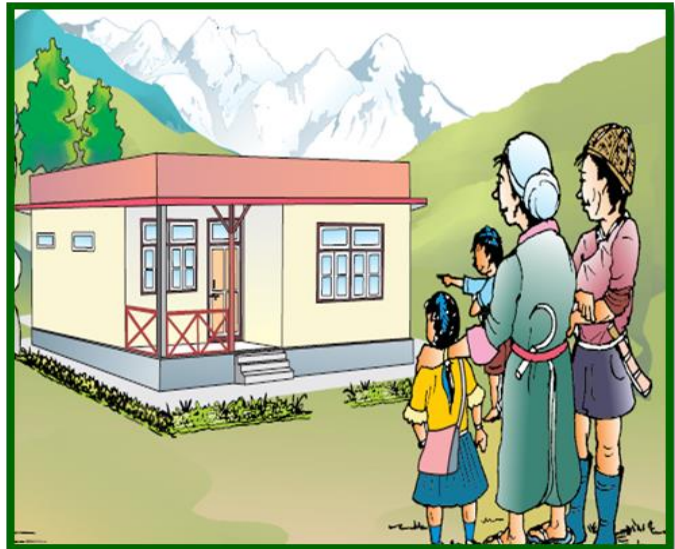
The expenditure in running and maintenance of all the plan schemes completed during the Plan period are transferred to the Non Plan budget as and when completed. This practice is also followed for all the schemes including capital schemes of the Department like Buildings & Housing, Roads & Bridges, Irrigation & flood Control, Public Health & Engineering, etc.

19. Please give a note on important social security schemes introduced by the State Government (other than or in addition to Central Schemes) -rate, coverage and since when introduced with changes in pattern, rates and coverage from time to time, annual expenditure (Plan and Non-Plan separately) incurred on each since 2002-03.

Social Security Schemes under RMDD

1. Chief Minister's Rural Housing Mission

The state government has launched a social housing mission funded under the State Plan for providing quality housing to around 30,000 (thirty thousand) people who were residing in a katcha house as on 1st Jan, 2011. Under this ₹ 211.20 crore ambitious "Chief Minister's Rural Housing Mission" (CMRHM) around 6,000 poor BPL households dwelling in katcha houses will get a single storey, earthquake resistant pucca house. The objective of this scheme is to ensure that the poor have access to improved and safe housing, which will also enable them to use their life savings for educating their children, for health care and for strengthening their livelihood.



Each spacious house will be a RCC structure having four rooms comprising of two bedrooms, kitchen cum dining room, toilet and veranda having a total plinth area of 605 square feet each. The implementation mechanism is owner-driven with the unit cost per house of ₹ 3.50 lakh provided directly to the beneficiary through account payee cheques in four instalments after achieving pre-determined milestones. The beneficiaries will also be contributing in terms of local material, labour and middle men and contractors have been excluded from this programme. These 6,000 katcha house dwellers were identified in a rigorous bottom up process by the Gram Sabha using a transparent criteria followed by multiple levels of supervision and cross checks. The house construction is closely monitored by Block Rural House Construction Committees which comprise of both elected as well as official representatives.

The sole objective of the ambitious Chief Minister's Rural Housing Mission is to "improve the qualitative housing and social status of the rural poor in the State" by converting all the existing katcha houses to pucca structures, thereby, achieving the status of a "Katcha House Free State by 2014". As per 2001 Census, 16,487 (18%) of the total 91,723 rural households were katcha. In 2010, the baseline surveys conducted by RM&DD showed about 6000 rural katcha households. The plan is to cover 6,000 households under Central (Indira Awas Yojana, MGNREGA) and State Plan housing schemes in convergence mode at a total cost of ₹ 211.20 crore.

Transforming Lives of the Rural Poor

Photographs before (2010) and after (2012)

BEFORE

AFTER

House of Tek Psd Rai, Upper Yangang Ward Taken up under CMRHM



Devicharan Chettri, Lower Kolthang Ward, Lingmo Kolthang GP





Bhagirath Ramudamu, Satam Ward, Yangang Rangang GP

2. SELF-HELP- GROUPS (SHGs)

SHG is a major component under SGSY programme implemented by Sikkim Rural Development Agency (SRDA). This programme of late has become a very popular in Sikkim. Community based and location specific social security measures are encouraged through Self Help Groups, Voluntary Organisations, etc. It has helped many farmers and poor households in the rural areas to get free from the private money lenders and has given them confidence to stand on their own feet. This programme has the necessary ingredient to mobilize the poor to rise above poverty line. The villagers get opportunity to participate fully and directly and take decisions themselves on all the issues considering poverty eradication. Simultaneously SHGs have the advantage of assistance in terms of credit technology or marketing guidance etc. reaching the poor faster and more effectively.

Social Security system under HRDD

TEXT BOOKS & SCHOOL UNIFORMS

To achieve the goal of 100% literacy and encourage every child to get admitted in school fulfilling the mandate of RTE Act, the State Government has introduced number of schemes like free distribution of textbooks, exercise copies and school uniforms. The programme involves free distribution of text books and exercise copies up to the student of class VIII and at 50% subsidized rate from class IX onwards. School uniforms which includes Pant/ Skirt, Shirt, one pair of Shoes and 2 pair of Socks up to class V and Pant/Skirt and Shirt up to class VIII are being provided free of cost. Apart from uniforms, some of the items like schoolbag, raincoat and pullover are also distributed free of cost up to class V biannually.

The physical and financial benefits provided under these schemes for the year 2008-09 to 2012-13 are as under:-

Table VI:1 Physical & Financial benefits provided under various schemes in Govt. Schools.

(₹. In Lakh)

Schemes		Textbook School Uniform	& Exercise Book	Uniform
2008-09	physical	189139.00	86396.00	86396.00
	financial	218.82	74.45	582.41
2009-10	physical	230485.00	88988.00	88988.00
	financial	293.40	79.31	490.74
2010-11	physical	256673.00	68888.00	68888.00
	financial	292.08	74.44	465.13
2011-12	physical	278050.00	94403.00	94403.00
	financial	362.42	101.70	549.98
2012-13	physical	336756.00	94992.00	94992.00
	financial	477.77	85.77	710.46

Hon'ble Chief Minister's Merit Scholarship Scheme .

In order to encourage meritorious and deserving students especially from the weaker section of the Sikkimese society, the State government launched a unique Scheme in 2010, wherein the Toppers of Class V Examination of the Government Schools are entitled to sit for a Selection Test for a chance to study in Top Private Schools within and outside Sikkim. The scheme of the HCM's Merit Scholarship started with the selection of 50(fifty) students in 2010, from which the Top 10 students (20 % of the total intake) were admitted to Schools outside Sikkim and remaining 40 (forty) were admitted to Public Schools within the State. The number of beneficiaries has increased from 50 in 2010 to 501 till this year (2013-14) and the financial expenditure has also increased.

Table VI: 2 Hon'ble Chief Minister's Merit Scholarship Scheme.

Sl. no	Financial Year	Expenditure (Rs. in Lakh)	Incurred	Number of Beneficiaries
1.	2010-11	84.80		50
2.	2011-12	268.60		150
3.	2012-13	598.92		349
4.	2013-14	nil		501

The detail of the expenditure from the year 2010-11 till 2012-13 is as under:

Scholarship Section

The Scholarship Section of Human Resource Development Department, Government of Sikkim looks after the implementation of Scholarship schemes of both the State and centrally sponsored schemes of Government Of India.

The major ongoing activities looked after by the Scholarship Section, HRDD are as under:

- Allotment of Quota Seats to Students for pursuing various Post-Matric courses in and outside the State.
- Award of Post Matric Scholarship to students, who are pursuing various post Matric courses and Merit Scholarship & Prerna Scholarship to students of Government Schools and payment of scholarship thereof.

DIFFERENT TYPES OF SCHOLARSHIPS

Vide Notification No: 166/Sch/HRDD , Dated : 13.08.2003 Government of Sikkim has been providing Post Matric Scholarship to the Sikkimese Students pursuing various Post Matric i.e - Professional & Technical courses in the various Universities in and outside the State as stated under : :

(a) Merit Scholarship, are awarded to students who secure an aggregate marks of 70 % and above in Class XII Board Examination or equivalent examination of any recognized Board for pursuing any under graduate course of his or her preference.

(b) General Scholarship, are awarded to students who secure below 70% but above 50 % and subject to fulfillment of the eligibility criteria for pursuing courses at Diploma, Degree and Post Graduate Level as notified in notification no,116/Sch/HRDD dated 13.08.2003.

The detail of year benefit provided along with expenditure from 2007-08 to 2012-13 are under-

Financial Year	Expenditure Incurred (` in Lakh)	Number of Beneficiaries
2007-08	72.80	243
2008-09	56.32	336
2009-10	62.89	337
2010-11	48.64	275
2011-12	79.13	485
2012-13		575

Social Security Schemes under Social Justice, Empowerment & Welfare Department.

1. Subsistence Allowance:

The State Government is providing on its own a sum of ₹ 600/-pm to the locally physically challenged person whose degree of disability is assessed to 40% and above. There are a total of 3344 beneficiaries. The Department has released the pension up to the month of June, 2012. There are 350 pending applications.

2. Unmarried Women Pension Scheme:

The Local BPL category unmarried women of 45 to 59 years are entitled to this pension of ₹. 500/-pm. This is a new scheme with effect from 21.03.2013.

3. Special School for Hearing Impaired:-

The Department is running one Special School for Hearing Impaired Children at Sichey in Gangtok and imparting primary education. It is a residential school where education, accommodation and welfare is provided free of cost.

4. Sheltered Workshop at Jorethang:

With the initiative of the State Government, a Sheltered Workshop for physically challenged at Jorethang is being operated from the premises of the Industrial Centre of the Commerce and Industries Department. There are 14 numbers of production workers who are skilled in making products out of cane and bamboo.

5. Assistance to Voluntary Organizations:

Department in order to support the work done for the disabled persons, victims of substance abuse, infirmed children and aged person is providing financial assistance by way of Grant-in aid to the 10 Voluntary organizations.

6. District Disability Rehabilitation Centre:

The District Disability Rehabilitation Centre for Persons with Disabilities located at S.T.N.M Hospital complex, Gangtok and is functioning towards the rehabilitation of disabled people in the State.

7. National Association for Blind (NAB):

National Association for Blind, Sikkim branch is running a Jawaharlal Nehru Institute for the Visually Handicapped at Namchi, Boomtar. There are 40 number of Visually impaired students studying in this State.

8. Transgender Pension Scheme:

This is a new scheme introduced by the Government of Sikkim. Acts, Rules and Regulations of the Lepcha Primitive Tribe Group Welfare Board are being formulated.

9. Scholarship and Stipend:

To provide children with disability free education to make schemes and programmers for non formal education the department is providing the following stipends and scholarships at the following rates:

(a).Stipend is provided at ₹.500/-pm and ₹.500/- as uniform allowance per annum.

(b).Scholarship @₹.300/-pm is provided to children with disabilities studying in Class I-VI, ₹.500/-pm to those studying from Class VII-VIII and ₹.700/-pm to those studying from Class IX-XII.

10. Small Family Scheme

Launched during the year 1997, Small Family Scheme is a state program which aims to bring social, economic and psychological changes amongst the women through providing social security in the form of incentives. The scheme addresses the women issues from the tender age of thirteen.

The Objective of the Scheme is to empower the Women through

- delayed age at marriage
- providing financial aids for small family norms
- promotion of health, sanitation & family planning
- promotion of control over her fertility
- providing social security during the old age.

Eligibility: all adolescent girls of Sikkimese origin who attain 13 years of age.

Guidelines for Implementation of the Scheme.

Girls of 13 years are registered under the scheme ₹ 8000/- per beneficiary is deposited in the bank for a period of 8 years, when the girl reaches 21 years of age.

If the registered girl remains unmarried till 21 years of age she becomes eligible for first incentive of ₹ 2000/-

If she marries only after attaining 22 years of age, additional ₹ 500/- paid to her.

If she marries only after 23 years of age, additional ₹ 1000/- is paid to her.

First child only after 2 years of marriage makes her eligible for an incentive of ₹ 1000/-

A gap of 3 years between the first and the second child makes her eligible for another incentive of ₹ 1000/-

Rs. 8000/- will be diverted to cover a new beneficiary and the rest will remain in the bank (fixed deposit) in the name of the beneficiary till she attains fifty years of age. So far 8702 beneficiaries have been registered under the Scheme and Rs.4,11,09,500/-

11. Widow Remarriage Scheme:

The Widow Remarriage Scheme, raises the social status and ensures social security to the widows in the State. The eligible couple (both have to be widow/widower) is granted a cash incentive of Rs. 10,000/- per couple.

Other Social security Schemes

1. Sikkim Juvenile Justice Act, 2006(33of 2006):

This Act is related to protect the interests of children where needs care & protection and the children in conflict with law. Under this Act, there are 6 destitute homes, (5 run by NGOs and 1 under Department) who are given shelter & education .There is also Juvenile Justice Board to lose the cases of Children in conflicts with law. The department has one Juvenile Observation Home at Sichey Busty to keep the inmates (maximum capacity of 30 inmates).

2. Sikkim Commission for Protection of Child Rights:

The Act was notified in Jan 2008 to:

- a) Protect, Promote and defend child rights in the State.
- b) Implement the provisions of the Act.
- c) Examine and review the safeguards provided to protect the child rights.
- d) Inquire into complaints and take suo-motu notice on violation of child rights, on compliance of guidelines.
- e) Produce and disseminate information on rights of the child.

3. Working Women's hostel:

The department has provided facility to the working women of the State for safe and economical accommodation at Deorali, East Sikkim under direct control of the Department. There are 70 inmates.

4. Sikkim State Commission for Women:

The Sikkim State Commission for women started functioning form November 2002 under the Sikkim State Commission for Women Act 2001, Act No.11 of 2001. The Commission is required to organize public hearing, workshops, awareness generation camps etc.

5. Lepcha Primitive Tribe Group Welfare Board:

This is recently constituted by the State Government for the welfare and all round development of the Lepcha Communities of Sikkim. Acts, Rules and Regulations of the Lepcha Primitive Tribe Group Welfare Board are being formulated.

6. Grant –in- aid to Sikkim Welfare Commission:

The State Welfare Commission has been set up in the year 2009. This Commission consists of one Chairman and one member and one member Secretary. The function of the Commission is to examine and recommend suitable measures to deal with the problem being faced by senior citizen, elderly persons, orphans or half-orphan children (abandoned, distressed, trafficked), disables, destitute women or widow.

Food, Civil Supplies & Consumers' Affairs Department.

(a) MUKHYA MANTRI ANTODAYA ANNADAN YOJANA

The poorest of the poor from the 43,428 families were identified for the Antodaya Annadan Yojana Scheme. The beneficiaries under this scheme are given 35 kg of rice @ 3/-per kg. the State Government however, rechristened the name of the scheme to Mukhya Mantri Antodyaya Annadan Yojana from August 2003 and 9914 families are provided 35 kg rice free of cost, 3470 quintals rice is distributed under this scheme under this scheme to the beneficiary families. There is no change of pattern, rate and coverage till date.

STATEMENT OF ANNUAL EXPENDITURE (2007-08 TO 2012-13)

(Rupees in Crore)

Year	Plan	Non Plan
2007-08	Nil	1.44
2008-09	Nil	1.44
2009-10	Nil	1.44
2010-11		1.44
2011-12	Nil	1.44
2012-13	Nil	1.44

(b) MUKHYA MANTRI KHADAYA SURAKSHA ABHIYAN

The State Government under this scheme provides 35 kg of rice to 24,922 families at the subsidized rate of . 4/per kg. These beneficiaries are marginal BPL families who had been left out in the BPL list. The scheme was introduced from 2003. There is no change of pattern, rate and coverage till date.

Table VI: 3 Mukhya Mantri Khadya Suraksha Abhiyan.

(Rupees in crore)

YEAR	PLAN	NON-PLAN
2007-08	1.50	3.94
2008-09	1.50	3.94
2009-10	1.50	3.94
2010-11	1.50	3.94
2011-12	1.50	3.94
2012-13	1.50	3.94

20. Please furnish a note on financial resources for State Plan giving a percentage of BCR over Total State plan, level of borrowings, and the percentage of borrowed funds invested on Capital Assets and the expected returns thereon.

During the current financial year BCR as a percentage of Total State Plan is (-) 14.04 %. The net borrowing is estimated at Rs 312.00 cr which is 3 % of GSDP as per the recommendation of 13th Finance Commission. Total amount of borrowed fund has been invested in the schemes for creation of capital assets.

21. The status and details of diversion of plan assistance to meeting non plan need of state , if any with reference to 13th Finance Commission recommendation (Para 7.79)

Diversion of 20 per cent of the Normal Central Assistance (NCA) under the plan to meet non-plan expenditure has totally been discontinued after recommendation of the 13th Finance Commission under para 7.79.

22. The details of fund going from Centre to State beyond the Treasury Route for various schemes (e. g SSA, NHRM etc)

Health Care, Health Services and Family Welfare Department.

Table VI:4 The details of fund going from centre to state beyond treasury route/ HC,HS&FWD.

22 a. THE DETAILS OF FUND GOING FROM CENTRE TO STATE BEYOND TREASURY ROUTE

Sl. NO	Name of the scheme	Central share received for 2011-12	Central share received for 2011-12	Anticipated Central Share receivable during 2013-14	Remarks
0	1	2	3	4	5
1	State Illness assistance Fund (SSI AF) (1:2.)	-	-	50.00	
2	Strengthening State Enforcement mechanism of ASU & H(80:20)	-	-	-	Fund recd. 08-09 ₹ 31.00 lakh
3	HPV Vaccine Project(2 Vs 3 doses) EAP	9.50	4.00	5.94	
4	(NPCDCS) National Programme for Prevention and Control of Cancer, Diabetes and Cardio Vascular Stroke(Cancer) (80:20)	88.79	-	116.30	
5	(NPCDCS) National Programme for Prevention and Control of Cancer, Diabetes and Cardio Vascular Stroke NPCDS(Diabeties, Cardio, Vascular Stroke(80:20) (80:20)	218.45	-291.72		
6	(NPHCE) National Programme for Health Care of the Elderly(80:20)	137.81	-	406.06	
7	Construction of 10 bedded AYUSH Hospital/Dispensaries (85:15)	217.47	-	38.85	
8	District Mental Health Programme(DMHP)	19.22	-	19.22	
9	State Mental Health Programme (SMHA)	9.00	-	9.00	
10	Tobacco Control Programme (DTCP)	12.39	-	12.39	
11	Sikkim State Aids Control Society (100%)	518.95	520.64	723.47	
12	State Blood Transfusion Council(SBTC) (50:50)	10.24	12.15	16.00	
13	National Rural Health Mission (NRHM)	27.07	20.01	43.00	

RURAL MANAGEMENT & DEV. DEPARTMENT

Statement showing the details of funds going from centre to State beyond the Treasury Route to Various Schemes (2007-08 to 2012-13) (₹ In Lakh)

Table VI:5 The details of fund going from centre to state beyond treasury route/ RM&DD.

Sl. No.	Name of Scheme	Financial Year					
		2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
		Central Release	Central Release	Central Release	Central Release	Central Release	Central Release
1	Pradhan Mantri Gram Sadak Yojana (PMGSY)	17046.00	5500.00	7000.00	7677.00	7677.00	19261.00
2	National Rural Drinking Water Programme (NRDWP)	2013.00	3045.00	2060.00	733.88	2687.00	3218.73
3	State Rural Development Agency (DRDA/SRDA)	80.48	75.80	102.97	97.22	123.87	93.40
4	Samporna Gram Sarojgar Yojana (SGSY)	224.73	346.24	382.27	483.80	170.00	0.00
5	National Rural Livelihood Mission (NRLM)	0.00	0.00	0.00	90.00	0.00	0.00
6	Indira Awas Yojana (IAY)	230.72	570.24	568.30	645.29	786.50	348.25
7	Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)	934.52	4097.14	8857.35	2225.44	11371.41	7407.00

Commerce and Industries Department

Table VI:6 The details of fund going from centre to state beyond treasury route/ Commerce & Industries.

Statement showing the details of funds going from centre to State beyond the Treasury Route to Various Schemes

Rupees in crore.

Sl.No	Name of Scheme	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
1	ASIDE Scheme	8.35	2.55	10.01	3.95	0.80	nil
2	National Food Processing Mission	nil	nil	nil	nil	nil	1.12

Water Security & Public Health Engineering Department

Table VI:7 The details of fund going from centre to state beyond treasury route/ PHE.

(Rupees in crore)

Sl.No	Funded by	Amount received as on 31.3.2013.
1	JNNURM	112.35
2	UIDSSMT	24.12
3	NRCD	114.31

Food Security & Agriculture Development Department

The details of funds going from Centre to State beyond the Treasury Route for various schemes implemented by this department is tabulated below:

Table VI:8 The details of fund going from centre to state beyond treasury route/ FS&AD

(Rupees in Crore)

SCHEME NAME: STATE AGRICULTURAL MANAGEMENT & EXTENSION TRAINING INSTITUTE (SAMETI) - 90:10% CSS		
1	2007-08	0.84
2	2008-09	1.68
3	2009-10	0.75
4	2010-11	0.00
5	2011-12	2.49
6	2012-13	1.05

(b) The scheme wise details of the percentage of State Plan spent towards the state share of Centrally Sponsored Schemes (2007-08 onwards, each financial year separately)

PERCENTAGE OF STATE SHARE OF CSS PROGRAMME

Health Care, Health Services & Family Welfare.

Table VI: 9 Percentage of state share of CSS Programme/ HC, HS & WD.

Scheme		NRHM	NEC SHARE	NPHCE,TCC	SMC	SBTC	SIA	TOTAL
1		2	3	4	5	6	7	8
2007-08	PLAN	25	0	0	10	0	0	35
	%	0.91			0.36			
2008-09	PLAN	250	0	0	5	5	0	260
	%	7.77			0.16	0.16		
2009-10	PLAN	100	0	0	8	5	50	113
	%	2.98			0.24	0.15	1.49	
2010-11	PLAN	149.58	0	0	6	5	50	160.58
	%	2.15			0.09	0.07	0.72	
2011-12	PLAN	200	0	0	5	5	0	210
	%	1.56			0.04	0.04		
2012-13	PLAN	200	5.56	154.42	5	5	0	369.98
	%	1.33	0.04	1.03		0.03	0.03	

Food and Civil Supplies Department

Table VI: 10 Percentage of state share of CSS Programme/ F&CSD.

Year	Name of Scheme	State Share	% age of State share
2007-08	Nil	Nil	
2008-09	Generating Awareness amongst the TPDS beneficiaries (80-:20)	1.00 lakh	20%
2009-10	Nil	Nil	
2010-11	Nil	Nil	
2011-12	Nil	Nil	
2012-13	Generating Awareness amongst the TPDS beneficiaries (80:20)	2.64 lakh	20%

Food Security & Agriculture Development Department

Table VI: 11 Percentage of state share of CSS Programme/ FS & AD.

(Rupees in Crore)

SL.NO.	YEAR	TOTAL STATE PLAN EXPENDITURE	EXPENDITURE AGAINST STATE SHARE	% OF STATE PLAN SPENT TOWARDS STATE SHARE
SCHEME NAME: STATE AGRICULTURAL MANAGEMENT & EXTENSION TRAINING INSTITUTE (SAMETI) - 90:10% CSS				
1	2007-08	6.22	1.57	0.26
2	2008-09	6.80	1.5	0.02
3	2009-10	9.38	2.4	0.03
4	2010-11	4.25	0.00	Nil
5	2011-12	10.05	0.00	Nil
6	2012-13	7.44	1.80	0.03

HORTICULTURE & CASH CROPS DEVELOPMENT DEPARTMENT

Table VI: 12 Percentage of state share of CSS Programme/ H & CCD.

NAME OF SCHEMES		HORTICULTURE MISSION FOR NORTH EAST AND HIMALAYAN STATES (100% CSS)	NATIONAL MISSION FOR MICRO IRRIGATION (50:10:40)	NATIONAL MISSION FOR MEDICINAL PLANTS 100% CSS	NATIONAL BAMBOO MISSION 100% CSS	TOTAL		
ACTUALS	2007-08	STATE SHARE	-	-	-	-		
		CENTRAL SHARE	31.08	-	1.40	3.03	35.51	
	2008-09	STATE SHARE	-	-	-	0.00	0.00	
		CENTRAL SHARE	26.75	-	1.43	6.37	34.55	
	2009-10	STATE SHARE	-	-	-	0.00	0.00	
		CENTRAL SHARE	37.50	-	1.65	2.06	41.21	
	2010-11	STATE SHARE	-	-	-	0.00	0.00	
		CENTRAL SHARE	30.50	-	3.19	2.24	35.93	
	2011-12	STATE SHARE	-	0.40	-	0.00	0.40	
		CENTRAL SHARE	44.01	3.88	1.41	5.65	54.95	
	2012-13	STATE SHARE	-	100.00	-	0.00	100.00	
		CENTRAL SHARE	43.00	2.00	1.19	3.35	49.54	
	ANTICIPATED	2013-14	STATE SHARE	0.00	0.30	-	0.00	0.30
			CENTRAL SHARE	45.00	8.00	1.10	3.00	57.10

VII. ECONOMY MEASURES AND ADMINISTRATIVE REORGANSIATION

- 23. A board appraisal of economy measures implemented by the State government from 2007-08 onwards. Savings in expenditure achieved so far and expected there from in future may also be indicated.**

The State Government in view of implementation of the economy measures has constituted the Austerity Committee in order to examine the proposals of the departments.

The State Government has also constituted a Cadre Review Committee headed by the Chief Secretary of all the services in the State to review the service conditions of those services based on exigencies and are extremely necessary.

Most of the departments under the State Government have been rationalized and merged thereby reducing the number of departments from 38 to 35 and the cost of running these departments separately viz. Law Department and Parliamentary Affairs Department, Motor Vehicles Department and SNT under Transport Department, Social Justice Department and Welfare Department under Social Justice, Empowerment and Welfare Department etc.

The State Government has also reduced the number of Council of Ministers. At present there are total of 11 (eleven) Ministers out of 32 Members of Sikkim Legislative Assembly.

- 24. Important measures of administrative re-organisation, if any, carried out during the year from 2007-08 onwards, the basic objectives of such schemes of re-organisation and their impact on the finances and quality of the administration of the State Government with particular reference to identification and abolition of surplus posts/redeployment strategies. A detailed note on Voluntary Retirement Scheme (VRS), if introduced and implemented, may be given.**

Nil

- 25. Innovations introduced by Departments/Agencies of the State Governments in the last five years, how these have impacted on improvements in service delivery, efficiency and cost reduction.**

The State Government has decentralized the administrative system to the village level by setting up of Block Administrative Centres. As of now, 30 Block Administrative Centres have been created with sufficient administrative powers delegated to the Block Development Officers for proper implementation of the schemes, delivery of services at the village level thereby facilitating development at the grass-root level.

The State Government has laid utmost importance in developing the capacity and skill of its work force and the employees are periodically being sent for training within the State, outside the State and also abroad.

At present, there are following training institutes in the State:

1. Accounts & Administrative Training Institute (AATI).
2. District Institute of Education & Training (DIET).

3. State Institute of Rural Development (SIRD).
4. State Institute of Capacity Building (SICB)
5. Police Training Centers at Yangang and Pangthang.

All appointments under the State Government Services are required to undergo compulsory training programmes. The appointees to the non-gazetted posts are provided training within the State and in some cases they are deputed outside the State. In the past, 40 State Civil Services Officers and 11 Accounts Service Officers were deputed for training at NIFM, Faridabad on appointment. In the year 2010, 40 State Civil Service Officers were deputed for training at the Himachal Institute of Public Administration (HIPA), Shimla and they have successfully completed the training as per the report received from the Institute.

Similarly, 22 State Civil Service Officers were deputed for training at YASHADA, Pune for a month and in the year 2012, 23 State Civil Service Officers of the rank of Deputy Secretaries were deputed for six weeks training at the Civil Services College at Singapore. Also, officers from various other services have been deputed for trainings at various institutions including abroad from time to time. All the expenses for the said training courses are being borne from the allocation in the State Budget under Training head without any undue financial burden on the State Government.

26. Are there any schemes to give incentives for innovation? If so what has been the impact.

Nil

27. Has business process reengineering been introduced in any of the Departments or agencies of the Government. If so what is the impact.

NA

28. The status of implementation of Performance Monitoring and Evaluation System (PMES). How many departments have prepared Results-Framework Document (RFD)? Copy of the guidelines issued on RFD may be enclosed.

NA

29. How is the District Innovation Fund being implemented as per 13th FC Report (Para 12.92 and 12.96)? What have been the major improvements carried out since 2010-11? What are the suggestions of the State Government to improve its design and implementation?

The major improvement carried out under the district Innovation Fund was that it helped in filling up the vital gap of service delivery in the districts providing better alternatives, reducing costs and improving service level and delivery mechanism. Vital gaps in infrastructure like construction of kitchen at PHCs & PHSCs, repair of Community kitchen, renovation labs, repair of ICDS centre etc. have been filled.

Innovative projects like establishment of two-unit dairy cow shed at Ramthang Tanek in North district was also taken up. This was implemented under the technical guidance of the Animal Husbandry & Veterinary Services Department. To this, the Department of

Animal Husbandry and Veterinary Services provided on jersey- cross Milch cow with calf on foot yielding at least 8-10 Ltrs. of milk per day. This was also replicated in West District. Piggery breeding farms were also set up in the West District.

The East District provided all the GPUs with 1 public address System with accessories. This scheme greatly helped the Gram Panchayats in holding the Gram Sabhas thereby further strengthening the Gram Sabhas and in improving the efficiency of the capital assets.

The district Innovation Fund has helped in enhancing the potential, productivity and profitability of small units and increasing competitiveness in the local small scale Industry Centres.

- Suggestion of the State Government to improve its design and implementation.

There is a need to spread awareness regarding the district Innovation Fund, Success stories of other districts of the country ought to be documented and publicized to give the districts officials a better sense of how to utilize the fund. This will also enable replication of success stories where possible.

Since the scheme is demand driven, it is suggested that the fund provision under the programme should be enhanced. The public/NGO contribution of 10% should not be restricted to only cash. It should be made more flexible so that contribution could be made in terms of kind labour etc.

VIII. SUBSIDIES

30. (a) Please specify the subsidies of different types, the basis/rates, purpose/objective and beneficiaries to whom these subsidies are being paid.

COMMERCE & INDUSTRIES DEPARTMENT

(1) Incentive to New Industries

Table VIII: 1 Incentive to New Industries

Sl. No.	Year	Budget Provision/Rs	Beneficiaries	Amount/Subsidies given to each beneficiary/Rs	Head/Sector/Nature of Subsidy
1	2007-2008	10,00,000	M/s Tenzing Fabrication Geyzing, W. Sikkim	5,247	Capital investment Plant & Machinery
			M/s Kailash Rolles Flour Mills Tadung	1,92,737	Power subsidy
			M/s Khangri Noodles Upper Chandmari	39600	Local Employment Promotion Grants
			M/s Rainbow	119589	Subsidy on Diesel Generator Set.
			Total	3,57,173	
2	2008-2009	20,00,000	M/s Icon Cutting & Tailoring Co-operative Society	47,582.00	Subsidy on Local Employment Promotion
			M/s Walk-Around Gangtok	39,721.00	Subsidy on Power
			M/s Compost of Rorathang	52,787.00	Subsidy on Power
			M/s Polo Tyers Golitar, Singtam	71,467.00	Subsidy on Power

			M/s Land Coumpter Center, Sichey	37,800.00	Subsidy on Local Employment
			-Do-	44,473.00	State Investment Subsidy
			-Do-	12083	Subsidy on Power
			M/s Lachung Cable TV Network, Lachung, North Sikkim	50100	Subsidy on Plant and Machinery
			M/s Motto, Kitham, Namchi, South Sikkim	25672	Reimbursement bill submitted by Reena Rai (Proprietor) of the unit
			M/s Kailash Roller Flour mill	139378	Subsidy on Power
			M/s Mount Distilleries Ltd.	109025	Subsidy on Power
			-Do-	119359	Subsidy on Power
			M/s Sikkim Motor Training Engineering Institute, Deorali	100000	Subsidy on Local Employment Promotion
			M/s Khanal Multi Mill, Machong	3300	Subsidy on Power
			M/s Compost of Rorathang	141523	Subsidy on Power
			M/s Sikkim Motor Training Engineering Institute, Deorali	100000	Subsidy on Local Employment Promotion
			Total Expenditure	1094270	
3	2009-10	700000	M/s Tenzing Fabrication Gaylsing	12,777	Capital investment Plant & Machinery
			M/s Icon Cutting & Tailoring Co-operative Society, Lall Bazar, Gangtok	54,924	Subsidy on Local Employment Promotion
			M/s Sikkim Motor Training Engineering Institute, Deorali	1,00,000	Subsidy on Local Employment Promotion

			M/s C.G Food India (P) Ltd. Rangpo	200000	Power Subsidy
			M/s Sikkim Precision Industries Ltd. Namchi	25000	Power Subsidy
			M/s Compost of Rorathang	68,738	Power Subsidy
			M/s Polo Tyers Golitar, Singtam	47,430	Power Subsidy
			M/s Khangri Noodles Chandmari	25,835	Power Subsidy
			M/s Sikkim Motor Training Engineering Institute, Deorali	14,323	Power Subsidy
			Total Expenditure	549027	
4	2010-11	Nil			
5	2011-12	Nil			
6	2012-13	Nil			

Subsidies/Incentives

The Department of Commerce & Industries grants subsidies and incentives to various industrial and service enterprises under the State Incentive Scheme. The Department through the State Level Committee recommends for Central Investment Subsidy, Central Insurance Subsidy, and Central Transport Subsidy Scheme.

The Government of Sikkim provides various state incentives to the industrialists in the State under the 'Sikkim Industrial Promotion and Incentive (Amendment) Act, 2003 and 'Sikkim Industrial Promotion and Incentive (Amendment) Act, 2007.

The various state subsidies/incentives granted by the Government of Sikkim are as follows:-

Subsidy on State Capital Investment

An investment subsidy on the total investment is provided on a graded level to the industry. It is available to both new as well as those carrying out expansion, diversification or modernization activities.

Artisan & tiny scale units	Small scale Units	Medium/Large scale Units
15% of total capital investment in plant & machinery subject to a maximum of ₹ 30,000/-	10% of total capital investment in plant & machinery subject to a maximum of ₹ 5 lakh	5% of total capital investment in plant & machinery subject to a maximum of ₹ 10 lakh
30% of total capital investment in plant & machinery subject to a maximum of ₹ 60,000/- for units set up by the local entrepreneurs.	For units set up by local entrepreneurs 10% of total capital investment in plant and machinery, subject to a maximum of ₹ 10 lakh	For units set up by local entrepreneurs 10% of total capital investment in plant and machinery, subject to a maximum of ₹ 20 lakh

Subsidy on captive power generating sets:

The State Government grants subsidy up to 25% of the cost for purchase of captive power generating sets, subject to a maximum of ₹ 1 lakh. And in case of units set up by local entrepreneurs, subsidy will be 50% subject to a maximum of ₹ 2 lakh.

Special Incentive to the Pioneer Unit:

A new unit with affixed capital investment exceeding ₹ 3 crore set up in a district where there are no medium or large scale industries will be given a pioneer status. Such unit will be eligible for additional State capital investment subsidy of 5% of fixed capital investment subject to a ceiling of ₹ 10 lakh. Such units will also be given Power subsidy for an additional 2 years.

Special Incentive to Women Entrepreneurs

- i) Additional State Capital Investment Subsidy of 5% subject to a ceiling of 5 % subject to a ceiling of ₹ 5 lakh which constitute more than 50% of the work force in the industry.
- ii) Additional Interest Subsidy on working capital of 2% subject to a ceiling of ₹ 1 lakh for a period of three years from the date of commencement of commercial production.
- iii) Built up factory sheds shall be allotted to the women entrepreneur on priority basis and the rent will be subsidized @ 75% of the economic rent for a period of five years from the date of commencement of commercial production.

Stipendiary support for EDP:

Stipend at the rate of ₹ 500/- month per trainee is provided for training of 100 youth annually for special Entrepreneurship Development Programme (EDP) to be conducted by Government approved/recognised Institutions subject to the condition that the training period shall not be less than 3 months duration.

Reimbursement of Stamp Duty and Registration Fee:

Small scale, Village and Cottage Industrial Units will be reimbursed in full for the amount paid towards Stamp Duty and Registration Fee for securing loans and other incentives from the Financial Institutions including mortgage of fixed assets. The reimbursement will be admissible after disbursement of loan by financial institutions/banks and will be subject to the condition that the assets mortgaged would not be transferred for a period of 5 years.

Local Employment promotion Grant:

1. The state government will reimburse annually up to 30% of the realistic wage bill for local employees. This would be for three years from the date of entertainment. The maximum limit of such subsidy is Rs.1 lakh.
2. Fifty percent of the cost incurred on the training of local employees will be reimbursed subject to the following conditions, namely:-
 - (a) Such trained person being absorbed in the unit, failing which the unit will refund the subsidy amount paid for the same.
 - (b) Training should be conducted in an institute approved by the State Government.

Subsidy on cost incurred on Quality Control Measures:

- (1) Cost of Laboratory Equipment for the purpose of quality control and ISI certification subject to a maximum of ₹ 10,000 per unit will be reimbursed in cases where it does not form a part of the project cost. For local entrepreneurs ₹ 20,000 per unit will be reimbursed.
- (2) Export oriented units committing to export at least 50% of the value of the turnover will be eligible for an additional reimbursement of ₹ 1,00,000/-(Rupees One lakh) against such quality control measures. For local entrepreneurs ₹ 2,00,000/-(Rupees two lakh).

Subsidy on study tours and in plant training:

1. For project upto ₹ 10 lakh, 3% subject to a maximum of ₹ 20,000/-(Rupees twenty thousand). For local entrepreneurs 6% subject to a maximum of ₹ 40,000 (Rupees forty thousand).
2. For project above ₹ 10 lakh (Rupees ten lakh), 3% subject to a maximum of ₹ 1,00,000/-(Rupees one lakh). For local entrepreneurs 6% subject to maximum of ₹ 2,00,000/-(Rupees two lakh).

Subsidy on study tours and in plant training:

Entrepreneurs sent outside Sikkim with the approval of the Director of Industries for Study Tours and inplant training shall be eligible for reimbursement of the return journey expenses of second class train fare and an allowance of ₹ 1000/-(Rupees one thousand) per mensem per month entrepreneur. Provided that the period of such a study tour/in plant training should not exceed three months and the entrepreneur shall give an undertaking in writing to the Department of Industries that he/she shall start an industrial unit after obtaining the necessary technical knowhow of the industry concerned. The study tour and in plant training for a period not exceeding three months may also be made available for workers who are sent outside the state.

Provided that the industrial unit sending such workers shall obtain an undertaking from them that they shall work in unit at least for a period of three years from the date they complete training. The reimbursement on expenditure on return journey of second class by train and allowance of ₹ 500/- per worker shall be eligible to the industrial unit concerned in such cases.

Allotment of land:

The State Government endeavours to provide a developed land with infrastructural facilities at Growth Centres to all new units except those in the 'Services' and 'Village Industries Sector' in the following manner, namely:

1. The developed land will be allotted on lease basis for a period of 30 years.
2. The State Government will subsidise the cost of land development at the rates given below:
 - a) Small Scale Industries-25%
 - b) Export Oriented Unit and Units owned and managed by local entrepreneurs-30%
 - c) Large and Medium Units(as per definition)-15%

Subsidy on State Transport:

The State Government provides Transport Subsidy of 50% for transportation of Plant & Machineries from any part of India to the location of unit in Sikkim at a maximum limit of ₹ 1 lakh. For local entrepreneurs the maximum limit is ₹ 2 lakh.

Subsidy for Technical Knowhow:

A subsidy of 50% is admissible to meet the cost of technical knowhow obtained by Small Scale Industrial Units from organizations approved in advance by Government of Sikkim on a case to case basis. The subsidy will be released only on commencement of commercial production.

Special Incentive for Agro and Food Processing Industries:

Special Incentives is granted to Agro and Food Processing Industries as detailed below:

1. Additional State Capital Investment Subsidy of 5% subject to a ceiling of ₹ 5 lakh for agro & food processing industries.
2. 50% of the cost payable for getting Food Product Order (FPO) license/AGMARK/Trade Mark for the products for food processing industries subject to a maximum ceiling of ₹ 1 lakh.

Power Subsidy

- a) 100% reimbursement of power bill for an industrial unit consuming up to ₹ 50,000/- per annum. The reimbursement above Rs.50,000/- shall be to the extent of ₹ 50,000/- plus 25% of the balance of actual payment subject to a maximum of ₹ 2 lakh.
- ii) The state Government grants a subsidy of 30% power tariff to industrial units coming up in Growth Centre area.
- iii) 50% of the cost incurred on linking of power from the main line to the factory shed subject to a maximum ceiling of ₹ 50,000/-.

CENTRAL SUBSIDIES

Various subsidies/fiscal incentives approved and granted by the Government of India under the 'North East Industrial and Investment Promotion Policy (NEIIPP), 2007 are as follows:

Central Capital Investment Subsidy:

All eligible industrial units located anywhere in the North Eastern Region are given Capital Investment Subsidy at the rate of 30% of their investment in Plant & Machinery. The limit for automatic approval of subsidy at this rate would be ₹ 1.5 crore, there is an Empowered Committee for the grant of capital investment subsidy higher than ₹ 1.5 crore.

Central Interest Subsidy:

All eligible industrial units located anywhere in the North Eastern Region are given interest subsidy to the extent of 3% on the working capital advanced to them by the Scheduled Banks or Central/State financial institutions, for a maximum period of 10 years from the date of Commencement of Commercial Production.

Central Comprehensive Insurance Scheme:

All new manufacturing industrial units as well as existing units which go into substantial expansion and are located anywhere in the North Eastern Region, will be eligible for reimbursement of 100% insurance premium under the Comprehensive Insurance Scheme.

Transport Subsidy Scheme:

The Scheme grants subsidy on the transport of raw materials and finished goods to and from certain selected areas @ 90%.

c) Head-wise details of the budgetary subsidies:

2851.00.102.66.71. Incentive for new industries

2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
10 lakh	20 lakh	Nil	Nil	Nil	20 lakh	20 lakh

- d) The Department conducts inspection of the industrial units prior to granting them subsidy. Fiscal incentives/subsidies have helped the entrepreneurs in sustaining their industrial units.
- e) The Department does not have any scheme of direct cash transfers whereby cash is provided to beneficiaries in lieu of subsidized products.

(2) Food & Civil Supplies & Consumer Affairs Department.

- (a) The Schemes where subsidy is involved in the Department of Food & Civil Supplies & CA are as under:-
BELOW POVERTY LINE:

The Department procures 942 MTs of Rice at the rate of ₹ 565/- per quintal and sells at ₹ 365/- per quintal to 26914 beneficiaries. Hence, a subsidy component of ₹ 255/- per quintal is involved with transportation cost.

MUKHYA MANTRI ANTODAYA ANADAN YOJNA:

Under this scheme 35 kg of rice is provided free of cost to 9914 families per month. The department is allotted 3470 quintal of rice at the rate of ₹ 300/- per quintal. A subsidy of ₹ 346/- per quintal is involved in this scheme.

EXPANDED ANTODAYA ANNADAN YOJNA:

Under this scheme the State is allotted 231 MTs of rice at the rate of ₹ 300/- per quintal and is sold at ₹ 265/- to the beneficiaries. A subsidy component of ₹ 101/- per quintal is involved. 6600 families are benefitted under this scheme.

WELFARE INSTITUTIONS:

Old Age Homes, Orphanages of welfare institutions that provide free meals to its inmates are provided 5 kg of rice per inmate at the rate ` 4/- per kg per month. The department purchase rice at ` .565/- and provides it at ` 365/- per quintal. A subsidy component of ` .255/- is involved per quintal. The state receives 11.39 MTs of rice per month under this scheme.

ANNAPURNA YOJNA:

Under this scheme 10 kgs of rice is provided free of cost to 2500 beneficiaries per month. The department is allotted 250 qtl of rice at the rate of ` .565/- per quintal. A subsidy component of ` .733.33 per quintal is involved in this scheme.

- (b) The subsidy is provided in the form of concessional prices of Food grains.

(3) Cooperation.

- (a) The Department of cooperation provides subsidies to the registered cooperative societies subject to availability of funds. The following types of subsidy are being provided to the cooperatives.
- (i) **Managerial Subsidy:** Managers of cooperative societies are to be remunerated from the profits earned by the cooperatives. Since the amount of profit earned by these cooperative societies are very low, Department provides managerial subsidies to bear the cost of salaries of the managers.
 - (ii) **Rental subsidy:** Since all the cooperative societies do not have their own shop premises/spaces for storage; the cooperatives are supported by the Government to meet the cost of rent.
 - (iii) **Interest Subsidy:** To encourage individual farmer members to go for institutional finance for agriculture/horticulture production and to remove them from the clutches of money lenders; the Government provides interest subsidy to the farmers. Further to encourage 100% recovery of the sanctioned credit up to 80% of interest on loan is subsidized.
 - (iv) **Construction Grants:** Cooperative societies especially the Multi Purpose Cooperative Societies who have their own land are provided with construction grants up to ₹ 30.00 lakh for construction of 2 storied RCC building for its shop premises, office space and godown facility.
 - (v) **Marketing subsidy:** Those members who sell their agricultural/horticultural products through their respective cooperative societies and in turn the concern societies are provided upto ₹ 0.50 paise per kg as marketing subsidy.
 - (vi) **Transport subsidy:** The transportation cost incurred by cooperative societies for marketing of agriculture/horticulture produces of its members within and outside the State are being provided upto ₹ 0.50 paise per kg as Transport subsidy to these cooperative societies.

(b) The form (whether in the form of concessional interest rates, prices/cheques for services/or outright grant) may also be indicated.

(1) Co operation Department

The above mentioned grants/subsidies are provided through account payee cheque in favour of the beneficiary cooperative society and credited into the savings Bank account of these societies which are as given below:

(2) Food & Civil Supplies & consumer Affairs Department.

The subsidy is provided in the form of concessional prices of food grains.

(3) Commerce and Industries Department.

The fund is received in the form of outright grant for development of Infrastructure in Nathula Boarder.

(c) Please indicate annual cost of budgeted subsidies, head-wise details of budgetary subsidies, direct or indirect, being paid/borne by the State Government from 2007-08 onwards.

(1) Cooperation Department

Table VIII: 2 Annual Cost of Subsidies from 2007-08 to 2012-13/ Cooperation Department.

(Rupees in Lakh)

Year	Budget Head	Name of Societies	Direct/ Indirect	Amt.
1	2	3	4	5
	2425-Coop. 00.107-Assistance to Credit Coops. 62-Assistance to Credit Coops-62.00.33-Subsidies	Marketing Subsidy to 3 MPCS of West Sikkim against marketing of agricultural produce: Samsing Gelling MPCS Ltd. ₹ 68,000/- Sardong Lungzik MPCS Ltd. ₹ 5,200/- Arithang Chongrang MPCS Ltd. ₹ 27,000/-	Direct	1.00
			Total	1.00
	2425-Coop. 00.108-Assistance to other Coops. 63-Transport Assistance-63.00.33 Subsidies (P)	Transport subsidies on a/c of marketing of oranges for the year 2005-06 to Ramayang MPCS Ltd., South Sikkim.	Direct	0.62

		Transport subsidies to SIMFED against its consumer business programmes being implemented through its depot at Rangpo, Jorethang & Mangan (Upto March-07)	Direct	18.65
			Total	19.27
2007-08	2425-Coop. 00.108-Assistance to other Coops. 64-Marketing Assistance 64.00.33. Subsidies.	Marketing Incentive to Raamayang MPCS Ltd. South Sikkim on a/c of Marketing of Oranges for the year 2006-07	Direct	0.62
		Business Assistance to SIMFED against its consumer Business programme being implemented through its depots at Rangpo, Jorethang and Mangan.	Direct	34.83
			Total	35.45
	2425-Coop. 00.108-Assistance to other Coops. 65-Consumer Coop Misc. Assistance 65.00.33.Subsidies	Financial Assistance to Sikkim Consumer Coop. Society Ltd. to fund the project of computerization of its office	Direct	7.25
			Total	7.25
		GRANT TOTAL FOR THE YEAR 2007-08		62.97
	2425-Coop. 00.108-Assistance to other Coops. 63-Transport Assistance- 63.00.33.Subsidies (P)	Transport Assistance to: Turuk MPCS for Oranges ₹ 61,620/- Bikmat MPCS for Ginger ₹ 64,821/- Ramyang MPCS for Oranges ₹ 16,052/- 32 Coop. Societies (East-21, South-5, North-6) Malbasey Budang MPCS Ltd. for oranges ₹ 7,515/- Kyongsa MPCS Ltd. for Oranges ₹ 13,180/- Tashiding MPCS Ltd. for oranges, ginger ₹ 20,630/- Arithang Chowrang MPCS Ltd. for cabbages ₹ 31,412/- SIMFED for implementation of consumer goods. ₹ 9,99,631/-	Direct	18.43

2008-09			Total	18.43
	2425-Coop. 00.108-Assistance to other Coops. 64-Marketing Assistance 64.00.33-Subsidies	Marketing Assistance to: Turuk MPCS for Oranges ₹ 61,620/- Bikmat MPCS for Ginger ₹ 64,821/- Ramyang MPCS for Oranges ₹ 16,052/- Kyongsa MPCS Ltd. for Oranges ₹ 13,180/- Tashiding MPCS Ltd. for oranges, ginger ₹ 20,630/- Arithang Chowrang MPCS Ltd. for cabbages ₹ 31,412/- MPCS of West District to compensate loss incurred in marketing of Cardamom: Darap MPCS ₹ 1,71,220/- Gerethnag MPCS ₹ 42,300/- Tashiding MPCS ₹ 27,250/-	Direct	4.56
			Total	4.56
		GRAND TOTAL FOR THE YEAR 2008-09		22.99

Year	Budget Head	Name of Societies	Direct/ Indirect	Amount
1	2	3	4	5
	2425-Coop. 00.108-Assistance to other Coops. 63-Transport Assistance- 63.00.33-Subsidies (P)	Transport Subsidies to: Okharey MPCS Ltd. ₹ 42,980/- Kanchenjunga Livestock Cooperative society Ltd., Kumrek ₹ 7,34,000/- Tarku MPCS Ltd. for pears ₹ 34,265/- Turuk MPCS Ltd. for oranges ₹ 1,16,000/- Polok Borong MPCS Ltd. for ginger ₹ 9,020/- Glen Leu Women Cooperative Society Ltd. ₹ 20,700/- Lunchuk Kamarey MPCS Ltd. for ginger ₹ 37,558/- Dalapchand Poultry Growers Cooperative Society Ltd. for supply of meat ₹ 1,12,199/- Rong MPCS Ltd. for ginger ₹ 28,522/- SIMFED for implementation of consumer goods distribution prog. ₹ 16,14,000/-		

2009-10				
	2425-Coop. 00.108-Assistance to other Coops. 64-Marketing Assistance 64.00.33-Subsidies	Marketing Assistance to: Okharey MPCS Ltd. ₹ 42,979/- Tarku MPCS Ltd. for pears ₹ 34,265/- Turuk MPCS Ltd. for oranges ₹ 1,16,000/- Polok Borong MPCS Ltd. for ginger ₹ 9,019/- Glen Leu Women Cooperative Society Ltd. ₹ 20,168/- Kamarey MPCS Ltd. for ginger ₹ 37,558/- Dalapchand Poultry Growers Cooperative Society Ltd. For supply of meat ₹ 1,12,199/- Rong MPCS Ltd. for ginger ₹ 28,522/- SIMFED for implementation of consumer goods distribution prog. ₹ 23,49,000/-	Direct	27.50
			Total	27.50
		GRAND TOTAL FOR THE YEAR 2009-10		27.50

Year	Budget Head	Name of Societies	Direct/ Indirect	Amount
1	2	3	4	5
2010-11	2425-Coop. 00.108-Assistance to other Coop Societies. 70-Assistance from National Coop, Development Corporation (NCDC) 71-Assistance to SIMFED 70.71.33-Subsidies	Margin money assistance to SIMFED from NCDC	Direct	125
			Total	125.00
	GRAND TOTAL FOR THE YEAR 2010-11			125.00

Year	Budget Head	Name of Societies	Direct/ Indirect	Amount
1	2	3	4	5
2011-12	-	-	-	-

Year	Budget Head	Name of Societies	Direct/ Indirect	Amount
1	2	3	4	5
2012-13	2425-Coop. 00.108-Assistance to Credit Coops. 64-Marketing Assistance 64.00.33-Subsidies	Marketing Subsidies for marketing of agriculture produce for the year 2008-09 to 2010-11 to: Turuk MPCs ₹ 1,55,015/- Sadam MPCs ₹ 1,51,926/- Polok Borong MPCs ₹ 54,628/- Arithang Chworang MPCs ₹ 3,91,871/-	Direct	7.53
		Payment of pending bills to SIMFED on account of distribution of essential commodities to Primary Co-operatives	Direct	35.00
		Marketing incentive to: Saral sangam Women's Marketing & Service Coop. Society Ltd. ₹ 1,00,000/- Glen Leu Women's Farmer & Marketing coop. Society Ltd. ₹ 1,46,000/-	Direct	2.46
			Total	45.00
	GRAND TOTAL FOR THE YEAR 2012-13			45.00

(3) Food & Civil Supplies & Consumers Affairs Deptt.

Head wise annual cost of budgeted subsidies, head wise details of budgetary subsidies.

Table VIII:3 Annual Cost of Subsidies from 2007-08 to 2012-13/ F&CS.

Head of Account		2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
2225-	Welfare of Schedules, Scheduled Tribe & OBC						
01=	Welfare of Scheduled Caste (N.P.)	40.00	40.00	40.00	40.00	40.00	40.00
02-	Welfare of Scheduled Tribe(N.P.)	164.80	164.80	164.80	164.80	164.80	164.80
2408	Food ,Storage & Warehousing						
01-	Food						
01.101 -	Procurement and Supply						
62-	NSAPA						
	Annapurna Scheme(Plan)	22.00	22.00	22.00	22.00	22.00	22.00
	KSA(General)Plan(Demand No.11)	85.00	85.00	85.00	85.00	85.00	85.00
	KSA(Scheduled Caste) Plan(Demand No. 38)	15.00	15.00	15.00	15.00	15.00	15.00
	KSA (Scheduled Tribe) Plan (Demand No. 38)	50.00	50.00	50.00	50.00	50.00	50.00
01.102 -	Food Subsidies						
62-	Subsidies on sale of Rice(General) N.Plan	744.69	667.48	665.55	665.56	709.97	772.47

- (d) State whether any assessment(s), if any has been made as to their usefulness and quantification of the benefits flowing from these subsidies.**

Co-operation Department

As marketing and transport subsidies are concerned, individual producer members are benefited and encouraged to trade through cooperatives; which have resulted in increase in the volume of business under the cooperative sector. Construction grants enables the cooperative societies in asset creation and infrastructure development for the use and benefit of general community at the grass root level. Similarly, interest subsidy on agricultural loan has helped the farmer members to free themselves from the clutches of moneylenders who were charging interest at an exorbitant rate. Further, managerial subsidies have helped to absorb and retain qualified managers to run the affairs of the cooperatives in the era of global competitive market.

Food Security & Agriculture Development Department

Although the assessment has not been done by the department, farmers are directly benefited economically as the SIMFED has been directly procuring the baby corn and sweet corn produced by them at the market rate, i.e., @30/- per kg.

The subsidized food grains provided to families living below the poverty line and to marginal families have provided food security to the beneficiaries throughout the year without interruption. As a result of the subsidized food grains, the State has no record of any deaths through starvation. The department has from the month of September 2011 increased the monthly entitlement of food grains from 35 kg to 50 kg to families having more than six members as 35 kg was insufficient for large families.

- (e) State initiatives, if any to move towards direct cash transfers whereby cash is provided to beneficiaries in lieu of subsidized products**

(1) Co-operation Department

NA

(2) Food Security & Agriculture Development Department

The beneficiaries are being already paid directly by cash.

As per Government policy, the system of direct cash transfer is to be started with the supply of LPG cylinder only, as of now.

The respective LPG distributors of the State are working on the details for implementation of the same at the earliest.

A massive drive for the registration of beneficiaries under UID & opening of Bank accounts is currently underway.

IX. NORMS FOR MAINTENANCE OF CAPITAL ASSETS

31. (A) IRRIGATION

- (a) Please indicate the prevailing norms, if any, which the State Government have prescribed or follow in the regulation of expenditure on the maintenance (wage and non-wage component separately) or various types of irrigation. Please give an appraisal of these norms indicating since when these norms are in force and the procedure for their revision from time to time. Have these norms been a subject of study/review recently. If so, the results thereof and Government's decision thereon.
- (b) Please indicate the liability, if any, of the beneficiary of Irrigation for maintenance of field channels under the Legislation in force and if these charges are actually being realised or not. Please indicate the amounts realised if any, in each year since 2007-08.
- (c) Please indicate the prevailing norms for the maintenance of flood embankment, if any, which the State government have prescribed or follow in the regulation of expenditure on the maintenance (wage and non-wage component separately) of these norms indicating since when these norms are in force, and the procedure for their revision from time to time. Have these norms been a subject of study/review recently? If so, result thereof and government decision thereon.

There are no specific norms to ascertain the amounts on the maintenance of capital assets/MI Channels. Maintenance of MI Channels becomes necessary when the channels are damaged by landslide or when they are blocked by debris.

There is no major/medium Irrigation Schemes in the State.

2. ROAD AND BUILDINGS

- (a) Please indicate the prevailing norms, if any, which the State Government have prescribed or follow in the regulation or expenditure on the maintenance (wage and non-wage component separately) or various types of roads & buildings. Please give an appraisal of these norms indicating since when these norms are in force and the procedure for their revision from time to time. Have these norms been a subject of study/review recently. If so, the results thereof and Government's decision thereon.

(i) **Roads & Bridges** – The Roads & Bridges Department did not have any specific norms in the past prescribed for maintenance of various types of roads. The maintenance of roads was taken out of Non-Plan grants as and when required for keeping the vehicular traffic open on the roads. However, maintenance norms have been arrived at since 2005-2006. The norms for maintenance are revised based on increase in the cost of labour and materials.

The norms for maintenance of roads as per 2005-06 analysis are indicated below:

- | | |
|-------------------|--|
| (a) State Highway | – 178.71 km @ ₹ 1, 19,800/- per km = ₹ 2.14 crore |
| (b) Others | - 1991.81 km @ ₹ 1, 07,700/- per km. = ₹ 21.45 crore |

(Analysis is at [Annexure – VIII](#))

However, since the SOR 2012 has now come into effect the rates have been revised and as per revised analysis the cost for maintenance is now worked out as indicated below:

(a) State Highway - 178.71 km @ ₹ 1, 19,800/- per km = 3.28 crore

(b) Others - 1991.81 km @ ₹ 1, 07,700/- per km. = 32.90 crore

(ii) Buildings and Housing

ANNUAL MAINTENANCE OF GOVERNMENT BUILDINGS (RESIDENTIAL AND NON-RESIDENTIAL)

Introduction:

The Buildings and Housing Department has been entrusted with the responsibilities for construction of all the government buildings in the state. The department in this matter takes care of construction of both the residential and non-residential buildings of various departments. The department through the years have created number of assets, thereby helping in the infrastructural development in the state.

With the addition of government assets annually, the maintenance work load has been increasing steadily over the years. However, there is no parallel increase in the allotment of the maintenance budget because of Government's emphasis to curtail the non-plan expenditure. On the contrary, there is a constant pressure from the government departments for improving the standard of maintenance of buildings under their department. In such circumstances, the department is faced with the challenge to maintain increasing quantum of assets with limited budget allocation for efficient management of maintenance operation.

It has been observed that the provision made for the assets already created has been found to be inadequate, with the result that most of the assets already created have been languishing due to poor maintenance. The poor state of most of the buildings bears ample testimony to the sad neglect of maintenance of assets. Poor maintenance results in gradual deterioration of the buildings. Therefore we must recognise the fact that it is as important as creation of new assets.

Objective:

The building maintenance works are taken up to keep restores all parts of the building to a currently acceptable standard and to sustain the utility and value of the facility. It is also to be noted that even though there is improvements in the building technology in the recent times, the condition of the buildings get deteriorated from the time they are completed., Therefore, depending on the number of factors, structure of the buildings could be kept sustainable for a long period of time. Some of the factors are given below:

1. Right choice of material.
2. Suitable construction techniques.
3. Adequate specification for construction and installation works.

4. Effective supervision throughout construction and rectification of defects prior to final certification.

The objective of the maintenance is to upkeep the building and services fully utilizable. This involves performance level expected of a building.

Maintenance estimate:

Annual repair estimates are normally prepared in the beginning of the financial year and caters for day to day repairs and periodical/Annual repairs, white washing, colour washing, painting distempers come under periodical nature of work. Apart from the works as mentioned patch repairs to walls, floors, replacement of glass panes, tiles, sockets, switches wiring damaged due to wear and tear and other minor works also come under the annual maintenance of the buildings.

Criteria for working out Annual Maintenance cost:

The Government buildings for carrying out annual maintenance have been classified under three different categories based on the type of finish and the life of the structure. Viz:

Category – A: Age of the building within 5 to 10 years.

Category- B: Age of the building within above 10 to 20 years.

Category – C: Age of the building beyond 20 years.

In this regard, department has chalked out prescribed norms for working out maintenance cost for different categories of government buildings as indicated above which has been followed recently. However, the fund allocated for the maintenance of the government assets is meagre compared to the annual maintenance cost as per the norms which has been in practice recently. The norms are reviewed from time to time for rectification if any.

Hence annual maintenance cost of the buildings under Category – A, B & C has been worked out @ 0.5%, 1.5% & 2% on the value of the aforesaid buildings respectively. More weight-age has been given to the older buildings.

Annual maintenance cost of the asset based on the type of finish provided to the buildings viz.

- i) Rs. 2500/- per sq.ft. for buildings with high quality finish
- ii) Rs. 1700/- per sq.ft. for buildings with standard finish
- iii) Rs. 1100/- per sq.ft with ordinary finish

For the year 2013-14, Average Plinth area rate has been adopted to work out the value of the asset and the annual maintenance cost has been arrived at by taking average percentage on the value of the buildings.

Estimated Annual maintenance cost:

For arriving at the annual maintenance cost for the year 2013 -14, Average Plinth area rate has been adopted.

1. Average Plinth Area rate (PAR) of all the categories of the buildings as indicated above i.e., $2500+1700+1100 = 5300$, Say: ₹ 1700/sq ft.

2. Average percentage on the value of the buildings i.e., $0.5\%+1\%+2\% = 1.33\%$

I. RESIDENTIAL GOVT. BUILDING:

- a) Area: 284940 sq.mt = 3065954 sq.ft
- b) Value: $3065954 \times 1700 = ₹ 5212121800/-$
- c) Annual maintenance cost = $5212121800 \times 1.33\% = ₹ 6,93,21,200/-$

II .NON- RESIDENTIAL GOVT. BUILDING:

- a) Area: 915540 sq.mt = 9851210 sq.ft
- b) Value: $9851210 \times 1700 = ₹ 16747057680/-$
- c) Annual maintenance cost = $16747057680 \times 1.33\% = ₹ 22,27,35,867/-$

(b) Please indicate the liability, if any, of the beneficiary of roads & buildings for maintenance of roads & buildings under the Legislation in force and if these charges are actually being realised or not. Please indicate the amounts realised if any, in each year since 2007-08.

All the roads are being maintained by the state government. No legislation has been passed as on date.

(c) What is the practice followed in the State in respect maintenance of PMGSY roads and State Highways?

Same as under Para 31 (B) (a)

(d) Total length (category wise) roads under a concessionaire and type (s) of concession agreement entered into. What is the standard duration of these agreements? What are the liabilities of the State Government year wise since the commencement of the agreement (including annuitized value)?

No agreement exist

X. MANAGEMENT OF SRTC

32. (a) Please give information regarding the name and number of State Road Corporation Undertakings (i.e. Corporations, Municipal Undertakings, Govt. Departments, and Companies) that are run by the State.

In Sikkim, transport sector is managed directly by Government department viz; Transport Department (Sikkim Nationalised Transport Division), Govt. of Sikkim. There is no SRTC in Sikkim.

- (b) Please state whether tourist contract carriage permit operators are allowed to ply on routes on which the State Road Transport Undertaking have exclusive right of operation. If yes, please give in percentage terms and in Km terms the routes on which the tourist contract carriage permit operators are allowed to ply for the period from 2002-03 to 2006-07.

Tourist contract carriage permit operators are allowed to ply on all routes. There is no route on which the Transport department (SNT) holds exclusive right of operation.

- (c) Please give the percentage share of passengers carried by the SRTC and those carried by the Private operators, in case where parallel operations are allowed.

There is no fixed percentage share of passengers carried by the Transport Department (SNT) and those carried by the Private Operators. SNT carries only about 10% of the total passengers carried.

33. Please give the rate of Motor Vehicle Tax and Passenger Tax/Addl. Motor Vehicle Tax. Please indicate since when these rates have been applicable i.e. when the last revision in tax rates was undertaken and whether it was translated into a hike in the fares of the SRTCs. The increase in revenue on account of fare hike and the details in this regard during the period 2007-08 to 2011-12 may be given.

The rate of Motor Vehicle Tax as promulgated by Notification No.16/LD/P/11 dated 7.9.2011 is Rs. 200.00 per passenger which came into force from 1st February, 2011. There is no Passenger Tax levied in Sikkim. The hike in fares as a result of revision in Motor Vehicle Tax is almost negligible. The Table given below depicts increase in fares as a result of revision in M.V. Tax:

Revision of Rate of Fare on account of increase in M.V.Tax

Effective date of revised M.V.Tax	Date when the revised rate of M.V.Tax was made applicable	Category of Passenger Services	Percentage increase in rate of Fare
1.2.2011	1.10.2012	i) Ordinary	0%
	1.10.2012	ii) Semi Deluxe	0%
	1.10.2012	iii) Deluxe	0%

Year-wise Passenger Fare Revenue earned for the year 2007-08 to 2011-12.

₹ in lakh

Passenger Fare Revenue earned during the year				
2007-08	2008-09	2009-10	2010-11	2011-12
212.81	270.65	336.63	364.43	475.00

34. Please give a note on steps taken, if any, for improving the financial position of the Undertaking during the year 2005-06 to 2012-13 (e.g. (i) for better and efficient management of men and materials; (ii) revision of tariffs to increase profitability, (iii) Voluntary Retirement Scheme (VRS); (iv) any plans for undertaking expansion; (v) any MOU signed for the said period and (vi) any other steps.

Steps taken for improving financial position of the Department.

The Department has been consistently achieving more than its revenue targets set by the Government. The Non-Plan deficit has come down from (-) Rs. 535(lakh) in 2004-05 to (-) Rs. 446(lakh) in 2012-13. This has been achieved by timely fare revision, man power productively, introduction fuel efficient light body buses, like buses from Eicher, Star(Tata),vehicle productivity etc.

35. Please furnish a list of guarantees given by the State Government along with the guidelines for giving such guarantees, in respect of loans obtained by SRTC to the various parties/purposes. Position of Guarantees outstanding at the beginning of each year from 2007-08 to 2011-12 be given.

The transport sector of the State Government "Sikkim Nationalized Transport (SNT)" is run by the Government itself.

XI. POWER SECTOR

36. Has the State Electricity Regulatory Commission been setup? If yes, please provide comparative statement of the award given by the SERC (including its assumptions) and the actual implementation.

The State Electricity Regulatory Commission was constituted on 15th November, 2003 vide Extraordinary Gazette notification No.28/p/Gen/97/524 dated 15.11.2003. The Commission became operative after April, 2011, after the appointment of Chairperson, Secretaries and other officials.

37. The present status of unbundling of Power Utilities and improvement of governance through State Load Dispatch Centres on the recommendation of 13th Finance Commission (Para 7.116). The format shall be filled for all the unbundled utilities separately. Details which are not relevant for a utility should be left blank. The details that are relevant for all the utilities, irrespective of whether they are generation, transmission or distribution utilities, should be filled in their respective formats. Statement 37 can be filled only for the Generation utilities and the Statement 38 only for Distribution utilities.

Sikkim being a small state having an average power utilization of around 70MW per day and the total no. of consumers around 90,000 only, the unbundling of Energy & Power Department is not yet felt necessary.

- 38. The details in the Statement 38 should be filled for different category of the tariff slabs as per the tariff order of the SERC or the tariff slabs in force in the State. In case, the tariff slabs have changed within the reporting period, separate format should be filled for years that have similar tariff slabs in force. An indicative list of the categories is given as a note in Statement 38.**

The tariff Notification **was issued on 23rd May, 2012** vide Extraordinary Gazette notification No 243, dated 22.05.2012 for the financial year 2012-13, which is enclosed **at Annexure IX**. Hence the statement 38 has been filled-up as per the Tariff Slab fixed by the department for the year 2007-08 to 2011-12 and for RE&BE of 2012-13 as per the Tariff order issued by the SSERC.

- 39. The details of Subsidy provided by the Government should be shown as indicated in the Statement 39. Details of conversion of dues payables by utilities to the Government into grant (revenue or capital) or loan should be given as a separate statement with explanatory notes. Similarly, details of conversion of loan into equity may also be given.**

In case of Sikkim State, the Energy & Power Department itself looks after the functions of Generation, Transmission and Distribution unlike in other States where these functions are distributed among various power utilities. The Energy & Power Department provides power free of cost upto certain limits to certain category of consumers like rural consumers, place of worship, army pensioners & blind consumers as per government notification No.33/P/Gen/97/Part-V dated 29/11/2003. However, no subsidy has been adjusted to Revenue Account till date.

- 40. With reference to works in progress a note may be given including details of the start-up dates of projects, their original costs, cost revisions, if any, implication of delay on interest burden, in terms of quantum by years.**

With reference to works in progress, all the necessary details like start-up dates of the projects, their original costs, and cost revisions have been provided in the tabular form hereunder.

Table XI:1 NEC Schemes

NEC Schemes

Sl.No	Name of the work	Cabinet sanctioned cost	NEC approved cost	Approved cost			Date of approval	Year of commencement	Scheduled completion date	Physical Progress
				NEC share	State Share	Tender Prem, Taxes, etc. (SS)				
1	Construction of 66KV S/C Transmission line from Ravangla to Central University Yangang, S.Sikkim (NEC)	1863.28	1651.00	1485.90	165.10	212.28	20.4.13			
	Project Total	1863.28	1651.00	1485.90	165.10	212.28				
2	Integration of New Sub Stations & Generating Stations under North	572.27	490.00	441.00	49.00	82.27	2009	2011	June 2013	60%

	District.(NEC)									
	Project Total	572.27	490.00	441.00	49.00	82.27				
3	Upgradation and installation of new sub stations at Gangtok Sikkim East. (NEC)	491.53	491.53	442.38	49.15	0.00	9 Dec 2009	2010	Feb.2012	100 %
	Project Total	491.53	491.53	442.38	49.15	0.00				
4	Diversion of 66 KV transmission line from Tadong SS to ICAR compound to Phodong , North Sikkim (NEC)	609.24	493	443.70	49.30	116.24	22 Dec 2011	2011	June 2013	70%
	Project Total	609.24	493	443.70	49.30	116.24				

5	Up- gradation , strengthening of HT/LT distribution system including installation of new SS at strategic locations of Deorali (Pani House Area) & Upper Syari, Gangtok, Sikkim, (NEC)	538.00	495.00	445.50	49.50	43.00	22 Mar 2011	2011	Sept.2012	100%
	Project Total	538.00	495.00	445.50	49.50	43.00				
6	Upgradation & strengthening of HT< lines and S/Stns at Helipad area, Bakthang and adjoining places in E.Sikkim	502.00	463.43	417.09	46.34	38.57	26 Dec 2011	2013	Dec.2013	45%
	Project Total	502.00	463.43	417.09	46.34	38.57				
7	Construction of 11KV 3 phase heavy duty transmission line from Rabong to Borong via Deorali and construction of	532.85	461.99	403.23	58.76	70.86	29 Feb 2012	2013	Feb.2014	30%

	control room at Ralong and construction of 3 phase 11KV Heavy duty transmission line from Rabong to Nambong via Zarong, S.Sikkim									
	Project Total	532.85	461.99	403.23	58.76	70.86				
8	Design, supply, erection, testing, commissioning of 66 KV single circuit transmission line from 3.3 KV Sub station of Rongli-I at Sisney including extension of line bay at 66/11 KV SS at Sungdung, Chujachen, Rongli in East Sikkim	383.22	383.22	344.90	38.32	0.00	21 Aug 2009	2010	Feb.2011	95%
	Project Total	383.22	383.22	344.90	38.32	0.00				

9	Construction of 10 nos. Micro Hydel Projects (Total 825 KW)		414.45				23 Mar 2011	Physical progress is nil. Forest clearance has been obtained. However the concerned contractors have approached the Energy & Power Deptt. revision of estimate as per SOR 2012. The file is under process for the same.
	Project Total		414.45					

Table XI:2 NLCPR Schemes

NLCPR Schemes

Sl. No	Name of the work	Cabinet sanctioned cost	NLCPR Approved cost	Approved cost			Date of approval	Year of commencement	Scheduled completion date	Physical Progress
				NLCPR	State	Tender Premium (SS)				
1	Const. of 66 KV line from Lachung to Maltin incl. construction of 66/11 KV 5 MVA switch yard at Lachung HEP and additional bay at Maltin, North Sikkim (NLCPR)	1405.68	1079.10	971.19	107.91	326.58	22-Mar-11	2012	Nov.'13	49%
	Project Total	1405.68	1079.1	971.19	107.91	326.58				
2	Conservation of existing 440 V L.T distribution overhead lines including service connections into underground cable system at Gyalshing bazar and its surrounding areas in Sikkim under NLCPR	445.32	445.32	400.79	44.53	0.00	23-Sep-11	2009	April '13	80%
	Project Total	445.32	445.32	400.79	44.53	0				

3	Drawing of 66 KV transmission line including construction of 2*7.5 MVA, 66/11 KV sub-station at Marchak in East Sikkim	1197.00	1000.77	900.69	100.08	196.23	20-Apr-10	2011	Sept.'14	40%
	Project Total	1197	1000.77	900.693	100.077	196.23				
4	Const. of 66/11 KV 2.*2.5 MV SS with LILO arrangement at Old Namchi Bazar including upgradation of existing 2.*2.5 MVA SS to 2*7.5 MVA SS at Namchi, South Sikkim.	1562.87	1347.93	1213.14	134.79	214.94	23-Dec-10	2011	Dec.'13	65%
	Project Total	1562.87	1347.93	1213.14	134.793	214.94				
5	Modernisation of electrical network in and around Melli Bazaar, South Sikkim	1102.04	885.96	797.36	88.60	216.08	20-Feb-11	2013	Feb '15	35%
	Project Total	1102.04	885.96	797.364	88.596	216.08				

6	Design, supply, erection, testing & commissioning of 11/66 KV switchyard at Rabomchu HEP with 2*5 MVA, 11/66 KV transformer and construction of 66 KV transmission line from Rabomcbu to Maltin with additional bay at Maltin, North Sikkim (NLCPR)	1444.39	1087.63	978.87	108.76	356.76	6-Jul-11	2012	Nov.'13	47%
	Project Total	1444.39	1087.63	978.867	108.763	356.76				
7	Augmentation of 66 /11 KV, 2.5 MVA Phodong SS to 5 MVA and replacement of all electrical equipments, North Sikkim (NLCPR)	1131.60	860.95	774.86	86.09	270.65	6-Jul-11	2012	Nov.'13	60%
	Project Total	1131.6	860.95	774.86	86.09	270.65				

8	Construction of 66/11KV 2*5 MVA substation at Perbing, East incl.drawing of 11 KV trans. Line for power evacuation and other allied electrical works in and around Gangtok East	2177.51	1589.10	1430.19	158.91	588.41	20-Apr-10	2011	Dec.'13	41%
	Project Total	2177.51	1589.1	1430.19	158.91	588.41				
9	a) Const. of 132 KV Trsn line (to be initially charged at 66 KV) from 132/66 KV PGCIL's SS near LLHP to Sherathang (Nathula) incl.66KV/11KV 2*5 MV ss at Serathang near Nathula	3127.87	3100.87	2790.78	310.09	27.00	6-Dec-06	2007	Dec.'13	82%
	b) 66/11 KV, 2x5 MVA substation at Sherathang near Nathula East Sikkim	255.17			255.17					

	Project Total +7(b)	7(a)	3383.04	3100.87	2790.78	565.26	27.00				
	Land compensation Nathula					247.58					
	Total i/c Land Compensation										
10	Complete electrification of Lord Buddha statue, conversion of overhead LT line & refurbishment of existing electrical network at Rabong Bazar in South		400.52	400.52	360.47	40.05	0.00	11-Mar-10	2009		Completed
	Project Total		400.52	400.52	360.47	40.05	0				
11	Drawing of new 66 KV double circuit transmission line from LLHP to Tadong 66/11 KV Sub Station, East		1107.97	834.43	750.99	83.44	273.54	2-Sep-09	2010	Sept.'13	36%

	Project Total	1107.97	834.43	750.987	83.443	273.54				
12	Installation of 1*15 MVA transformer and extension bay at 66/11 KV substation at Mamring East	773.00	606.00	545.40	60.60	167.00	9-Mar-10	2011	April '13	93%
	Project Total	773	606	545.4	60.6	167				

Re-Structured Accelerated Power Development and Reform Programme (R-APDRP)

Table XI:3 Re-Structured Accelerated Power Development and Reform Programme (R-APDRP)

Sl. No	Particulars	11 th Five Year Plan	Remarks
1.	Value of project sanctioned	₹ 23.30 Crore	This covers setting up of IT infrastructure in Gangtok, D.T. & Feeder metering, GIS mapping of assets in Gangtok & Upper Tadong, Consumer Indexing, setting up of Consumer Care Centre (CCC) in Gangtok, part expenditure on account of setting up of Data Centre and Data Recovery Centre in Kolkata and Berhampore (WB)

2.	Amount released		
a)	Loan	₹ 7.89 Crore	This will be converted to 100% grant by default upon successful completion of PART A Project.
	R-APDRP PART-B		
1.	No. of projects sanctioned	2	Gangtok and Upper Tadong
2.	Value of Project sanctioned	₹ 68.48 Crore	
3.	No. Of project completed	None	Both recently initiated
4.	Value of Project completed	Not applicable	As above
5.	AT & C Loss (%)	Gangtok-59.12%, Upper Tadong-46.17%	Both are base line figures
6.	Feeder Metering (%)	100%	
7.	D.T.Metering (%)	31.65%	Work currently underway
8.	Amount released		30% of the total sanction amount.
a)	Loan	₹ 20.54 Crore	Initially, entire amount is loan. Will be converted to grant subject to attainment of 15% AT &C loss in the project area i.e. Gangtok and Upper Tadong.
b)	Grant		
c)	Total	₹ 20.54 Crore	

DETAILS OF R-APDRP AT A GALANCE

Summarized financial statement of PART-B

Table XI:4 Details of R-APDRP at a glance

(All amount in Rs. Lakh)

Sl. No	Particulars	Part-B-Gangtok Town	Part-B—Upper Tadong Town	Total
1.	Project cost sanction by Govt. Of India	4419.00	2427.00	6846.00
2.	Loan component from GOI (90%)	3977.00	2184.30	6161.30
3.	Project cost post tender	48.8.69	2651.50	7460.19
4.	State share	831.69	467.20	1298.89

Sl. No	Particulars	Year of Commencement	Year of Completion	Physical Progress
	R-APDRP (PART-B)	2012	2015	10%

Implication of delay on interest burden is not there is this case as the same is serviced directly by the Govt.

41. Please give a note on the method of estimating the T&D losses. It should give the details of the measures taken to minimize them including metering and anti-theft measures. It may also be indicated if Energy Audits have been carried out. The method of estimation of Agricultural consumption should also be indicated giving the details of estimation for the reporting period.

The T & D loss means the transmission and distribution loss. It signifies the technical loss incurred during distribution of electricity. However, losses other than technical loss contribute significantly to overall loss in the system. The other unaccounted loss here is the commercial loss attributed to under billing, theft, pilferage, etc. AT&C loss means Aggregate Technical and Commercial Loss and this encompasses technical loss along with commercial loss in the system and is a true indicator of the system loss.

The methodology of calculating the AT&C loss as per latest Ministry of Power, Govt. of India guideline is as follows:

- Computation of Input Energy
Input energy is computed by metering all the input points of each of the feeders (66 kV both 11 kV)
- Computation of Sales
Sales in terms of billed energy and corresponding billed revenue shall be computed from the billing system.
- Computation of Billing Efficiency

$$\text{Billing Efficiency} = \frac{\text{Total Units Sold(kWh)}}{\text{Total Input (kWh)}}$$

- Computation of Collection Efficiency
- $$\text{Collection Efficiency} = \frac{\text{Revenue Collected (in Rupees)}}{\text{Billed Amount (in Rupees)}}$$
- AT&C Loss is computed from the formula given below and is a function of quantities computed above.

$$\text{AT\&C Loss} = \{1 - (\text{Billing Efficiency} \times \text{Collection Efficiency})\} \times 100$$

42. Copies of the audited annual report, balance sheet and the profit & loss account and the cash flow statement of the each utility for the 2007-08 to 2011-12 may be sent. A separate note on the steps taken by the State to improve the financial position of the Utilities should be enclosed.

As already stated in the reply to questionnaire No.39, in case of Sikkim State, the Energy & Power Department itself looks after the function of generation, transmission & distribution unlike in other states, where these functions are distributed among various power utilities. Hence, the Energy & Power Department being a government department, no audited annual report, balance sheet, profit and loss account and cash flow statement is prepared since the accounts of a government department are based on single entry system.

43. (a) Please give outstanding liabilities and losses of power utilities? Are any steps being taken to reduce their liabilities? If yes, please give details and likely impacts on State's finances during the forecast period of 2015-16 to 2019-20.

Not applicable

- (b) Please give a list of Guarantees given by the State Government for the loans raised by the utilities, the amount of guarantees at the opening of every year, fresh guarantees given during the year and the reduction in amount outstanding during the year due to repayment of loans (or otherwise) for the years 2007-08 to 2012-13.

Not applicable.

XII. PUBLIC SECTOR ENTERPRISES

44. (a) Please list out the names of statutory corporations and Government companies in which the State Government's investments have been made as at the end of 2012-13 and indicate/furnish the relevant amounts in respect of each of these;
- (b) Brief description of their functions and activities
- (c) Extent of State Government's participation in the share capital, with amount of investment and share-holding pattern;
- (d) Extent of privatization done/proposed to be done in these enterprises and realizations expected as a result of privatizations;
- (e) Data on capital base, budgetary support extended by the State government and the amount of interest/dividend accrued/actually paid. The amount of loan overdue with accumulated unpaid interest. Have any overdue loans been converted into equity and the amount and year in which this has been done may be indicated.
- (f) Financial results of each under takings in terms of Profit & Loss;
- (g) Turnover per unit of capital invested in each year from 2007-08 to 2011-12
- (h) The status of audit of accounts may be indicated. If there is a backlog, this may be specifically stated including any steps being taken to clear the backlog.

(i) Please give a note on measures taken to promote the efficiency of Public Sector Enterprises (PSEs).

(j) The road map and action taken for closure of non-working PSUs by March 2011 on the recommendation of 13th Finance Commission (Para 7.95 & 7.97).

(k) Does the State have any strategy for disinvestment? Have any PSEs being closed/merged? If so, the details may be given. Has the State Government formed the task force to design a suitable strategy for disinvestment/privatization and has a Standing Committee been setup to operationalize the recommendation of task force (Para 7.98).

(l) Please give a detailed note on Voluntary Retirement scheme (VRS), if introduced and implemented, indicating the amount of funds earmarked for the scheme and the number of employees who have availed of the scheme.

(m) Does the State have an inventory of land held by the PSEs? If yes, please give PSE wise details.

Names of Statutory Corporations and Government Companies etc. in which the State Government's investments have been made as at the end of 2012-13 along with the amounts invested are as follows:

Table XII:1 Details of Govt. Investments for PSEs.

Sl. No	Name	Investment (in crore)	Share holding pattern	Period upto which accounts have been finalised/audited
1.	State Bank of Sikkim	0.53	Equity share	2005-06
2.	Sikkim Mining Corporation	6.12	Equity share	2006-07
3.	State Trading Corporation of Sikkim	1.61	Equity share	2010-11
4.	Sikkim Time Corporation	13.72	Equity share	2011-12
5.	Sikkim Industrial Development and Investment Corporation	16.83	Equity share	2010-11
6.	Sikkim Livestock Development Corporation	0.22	Equity share	Closed
7.	Sikkim Livestock Development Processing	0.35	Equity share	Info. not available

8.	Sikkim Tourism Development Corporation	7.05	Equity share	2011-12
9.	Sikkim Power Development Corporation	11.36	Equity share	2011-12
10.	Sikkim SC/ST/OBC Finance Development Corporation	4.55	Equity share	2011-12
11.	Sikkim Jewels Limited Company	11.54	Equity share	Closed
12.	Sikkim Distilleries Limited	2.42	Equity share	Info. not available
13.	Star Cinema	0.02	Equity share	Pvt. Firm
14.	Denzong Cinema	0.02	Equity share	Pvt. Firm
15.	Sikkim Flour Mills Ltd.	2.44	Equity share	1994-95(Privatised)
16.	Cold Storage	0.28	Equity share	(Privatised)
17.	Indian Telephone Industries	0.26	Equity share	Non-existing now
18.	Ginger Processing Plant	0.01	Equity share	Non-existing now
19.	Investment in B.O.G Ltd	0.14	Equity share	Non-existing now
20.	Chandmari Workshop & Automobiles Ltd.	0.30	Equity share	1994-95 (Closed)
21.	Sikkim Precision Industries Ltd.	4.30	Equity share	2010-11
22.	Sikkim Himalayan Orchid Ltd.	0.16	Equity share	Info. not available
23.	Sikkim Handloom & Handicraft	1.02	Equity share	Info. not available
24.	Sikkim Flora Ltd.	0.15	Equity share	Info. not available
25.	State Bank of India	-	Equity share	Info. not available
26.	Sikkim Consumers' Co-operative Society	0.99	Equity share	2011-12
27.	Multi-purpose Co-operative Society	1.14	Equity share	2011-12
28.	Investment in State Co-operative Bank (SISCO)	9.36	Equity share	2011-12

29.	Sikkim Dairy Co-operative Society (Sikkim Milk Union)	0.03	Equity share	2011-12
30.	Joint Ventures	0.51	Equity share	Info. not available
31.	Wood Working Centre, Singtam	0.01	Equity share	Closed
32.	Sang-Martam Tea Growers Co-operative Society Ltd.	0.01	Equity share	Info. not available

1. COMMERCE & INDUSTRIES

A. GOVERNMENT FRUIT PRESERVATION FACTORY, SINGTAM.

Brief description of functions and activities.

Government Fruit preservation Factory, Singtam Sikkim was established in 1956 by the then His Highness Maharaja of Sikkim for processing of oranges and to manufacture only orange based finished products, but later on manufacturing of Jams, Jellies, sauces, pickles and tinned fruits of mango, pineapple, plum, peach etc. were introduced. The factory tied up with Indian Airlines, Air India, British Airways, Dabur, Godrej and Glassco for supply of its products besides the defence. During the span of functioning, different management ran the factory since its inception in 1956. After the privatization in 1987, the factory ran on a Joint Venture with a Swiss Company till the year 1999. From 6th of March 1999, the factory has now been functioning under Department of Commerce & Industries.

The main function of the factory is processing and selling its products. Main products are squashes, juices, jams, pickles, sauces and tinned fruit. The most salable products are orange squash, passion fruit squash and dallae chilly pickle. Every year, an average of 100 MT of orange fruit is procured for processing throughout the year. During the current financial year the factory procured 25 MT of dallae chilly and 10 MT of passion fruit pulp. Oranges, dallae chilly, green mango, ginger etc. are purchased from local farmers. Plastic bottles for squashes and packaged water are procured from Sikkim manufactures. Since other raw materials like packing materials and colour/ flavours are not locally available, purchases of these items are made from outside the State.

The main market is the state itself. Various distributors are appointed for different areas for marketing of Sikkim Supreme products. Distributors sell the products to retailers within their territory. Consignee sales agent are appointed in Siliguri for marketing in North Bengal. Packaged drinking water is fetching a very good market in Sikkim. Processing and packing of baby corn is carried out for SIMFED who supplies the corn and packing materials to the factory.

Training in the field of processing fruits & vegetables is imparted by the factory to the local entrepreneurs, self help groups and needy students as part of their curriculum.

Capital investment from State Government as Grant-in-aid

2007-2008	: 49 lakh
2008-2009	: 30 lakh
2009-2010	: 56 lakh
2010-2011	: 20 lakh
2011-2012	: nil
2012-2013	: 40 lakh
2013-2014	: 51.08 lakh

<u>Financial results (in lakh)</u>		<u>turnover (in lakh)</u>
2007-2008	30.42(-)	120
2008-2009	68.38(-)	140
2009-2010	56.22(-)	158
2010-2011	3.40(-)	275
2011-2012	17.32(-)	306
2012-2013	not audited	350

Statutory audit and Central Government audit till the year 2011-12 is completed.

Land under Government Fruit Preservation Factory : 10 acres.

B. SIKKIM INDUSTRIAL DEVELOPMENT & INVESTMENT CORPORATION LTD.

- a) SIDICOO Ltd.(Sikkim Industrial Development & Investment Corporation Ltd.)
As at the end of FY 2012-13, the State Government subscribed to the share capital of Corporation to the extent of ₹ 10.77 crore(comprising of 63 % of the total share capital structure).
- b) SIDICO is performing threefold function of the State Financial Corporation, State Industrial Development Corporation and State Infrastructure Development Corporation.

The main objectives of the Corporation:

- (i) To provide long terms loans for setting up cottage, tiny, small and medium industries. It also assists units for expansion, diversification and modernization.
- (ii) To provide financial assistance for Hotel Industry, Small Hospitals and Nursing Homes.
- (iii) To provide Seed Capital Assistance towards promoter's contribution under the various schemes of SIDBI.
- (iv) Participation in the capital of Joint Ventures Projects.
- (v) Setting up and development of industrial areas and industrial estates.
- (vi) Achieving rapid industrial and economic development of the State.

c) Capital Structure of the Corporation as on 31.3.2013.

Authorized Share Capital	₹ 20.00 crore
Subscribed and paid –up Capital	₹ 17.14 crore

Pattern of Share-holding.

(a) Government of Sikkim	₹ 10.77 crore
(b) Industrial Development Bank of India (IDBI)	₹ 6.37 crore
TOTAL	₹ 17.14 crore

d) N.A

e) The statement of borrowing/outstanding balance and dividend paid stands as under:-

(i) Total borrowing from the State Government as on 31.3.2013 ₹ 202.87 Lakh (includes soft loan of ₹ 200 Lakh placed for directive lending to a unit)

(ii) Total borrowing from SIDIBI as on 31.3.2013 ₹ 23.88 Lakh

(iii) 3 % of the paid-up capital of the Corporation amounting to ₹ 51.43 lakh has been declared as dividends for the FY 2011-12 to the share-holders as follows:-

(a) Government of Sikkim (63% holding) ₹ 32.33 Lakh

(b) IDBI (27% holding) ₹ 19.10 Lakh

f) Profit and Loss of the Corporation during the last five years stands as under :-

2007-08 (Profit)	2008-09 (Profit)	2009-10 (Profit)	2010-11 (Profit)	2011-12 (Profit)
81.00	152.00	23.00	113.00	299.00

g) No investment received from the Government for the last 5 years.

h) The accounts of the Corporation have been audited for the last 5 years and have subsequently been passed in the respective AGM for each corresponding year.

i) The Corporation has been deputing its officers on a regular basis to training programmes organized by the various Banking/Management Organizations to equip them to the latest techniques in management and accounting principles.

j) N.A.

k) N.A

l) The Corporation does have a Voluntary Retirement Scheme (VRS) in place. Based on the same line as the one being operated by the State Government which the Board of Directors of SIDICO adopted vide its 87th meeting held on 1.2.2003. The Corporation has received a grant of ₹ 30.00 lakh (Rupee thirty lakh) only from the Government of Sikkim for the said scheme. As of date, only 3 employees of the Corporation have opted for Voluntary Retirement and they have been paid ₹ 7.09 lakh. The balance amount of ₹ 22.91 lakh is still with the Corporation.

m) N.A.

C. STATE TRADING CORPORATION OF SIKKIM

a) N.A.

b) State Trading Corporation of Sikkim was incorporated in the year 1972 under the proclamation of then the Chogyal of Sikkim. The Corporation was set up with the object of promoting import and export trade in Sikkim. After Sikkim becoming the state of Indian Union, the main activities of the corporation is to procure and supply all the requirements of the State Government Departments.

c) The corporation is wholly state government owned corporation and its 100% share is subscribed by the government of Sikkim.

d) N.A.

e) No budgetary support is provided by the state government. The corporation has till date paid dividend of ₹ 41,01,310.00 (Rupees forty one lakh one thousand three hundred ten) only. There is no loan extended from the government. Loan amounting to ₹ 8,00,000.00 (Rupees eight lakh) only was extended during the year 1971-9172 to 1974-1975. This was converted into equity share capital with the accumulated interest in the year 1989-1990.

f) N.A

g) Turnover per unit of capital invested are as under:-

Year	Turnover(₹)	Capital Invested(₹)	Unit per Capt.Invested
2007-08	67,78,22,429/-	1,11,37,700/-	60.85
2008-09	98,12,17,378/-	1,61,37,700/-	60.80

Year	Turnover(₹)	Capital Invested(₹)	Unit per Capt.Invested
2009-10	96,64,51, 816/-	1,61,37,700/-	59.89
2010-11	96,64,50,816/-	1,61,37,700/-	59.88
2011-12	1,27,69,47,569/-	1,61, 37,700/-	79.13

- h) Auditing of books of account of the Corporation is completed upto the financial year 2010-2011. Auditing of accounts of financial year 2011-2012 is under progress and is expected to be completed by April 2013 end.

Name of PSE: State Trading Corporation of Sikkim (Function: Trading/Supply of Goods like Furniture, cement rod and other stock materials etc.)					
(Rupees in lakh)					
	2007-08	2008-09	2009-10	2010-11	2011-12
Turnover	6778.22	9812.17	9664.51	9664.50	12769.47
Capital Invested	111.37	161.37	161.37	161.37	161.37
Unit Per Capital Invested	60.85	60.85	59.89	59.89	79.13
Profit/Loss					
Name of PSE: Sikkim Time Corporation Limited(Function: Manufacturing /Assembly of watches)					
(Rupees in lakh)					
	2007-08	2008-09	2009-10	2010-11	2011-12
Turnover	74.16	14.26	205.58	140.26	24.00
Capital Invested					
Unit Per Capital Invested					
Profit/Loss	118.69	140.85	93.22	137.59	26.53
Name of PSE: Sikkim Jewels(Function: Manufacturing of Jewel Bearings)					
(Rupees in lakh)					
	2007-08	2008-09	2009-10	2010-11	2011-12
Turnover	2.77	2.26			
Capital Invested					
Unit Per Capital Invested					
Profit/Loss	0.24	0.38	1.64	1.74	0.30

Name of PSE: Sikkim Precision Industries Limited(Function: Manufacturing of Electronic Goods)						
(Rupees in lakh)						
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Turnover	0.192	0.098	0.077	0.056	Nil	Nil

Capital Invested	1379.00	1394.00	149.00	1439.00	Nil	Nil
Unit Per Capital Invested	5.18	10.10	12.95	17.77	Nil	Nil
Profit/Loss	11.65(Loss)	45.63	56.68	95.65	Nil	Nil

Name of PSE: Sikkim Industrial Development and Investment Corporation Limited(Function: State Corporation, State Industrial Development Corporation and State Infrastructure Development Corporation)						
(Rupees in lakh)						
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Turnover						
Capital Invested					Nil	Nil
Unit Per Capital Invested					Nil	Nil
Profit/Loss	81.00	152.00	23.00	113.00	Nil	Nil

2. SIKKIM TOURISM DEVELOPMENT CORPORATION

a) State Governments Investment in STDC

Till 31.03.2013	₹ 646.37 lakh
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b) Sikkim Tourism Development Corporation was constituted on 21st September 1998 and incorporated under the Registration of Companies Act, Sikkim, 1961 on 19th March 2009, with the main purpose of carrying out commercial activities of the Tourism Department. Till 2005, Secretary, Tourism & Civil Aviation Department was the Managing Director of the Corporation & later to give separate identity to Sikkim Tourism Development Corporation a full time post of Chief executive Officer was created with the Board Members vide Notification no. 71/HOME dated 21.11.2005. STDC is managing Helicopter Service, Sikkim House Salt Lake, Sikkim House Middleton Street, Travel Division & attending TTF, Tourism Festivals etc.

c) State Governments Investment in STDC is ₹ 646.37 lakh.

f) Financial result for the year ending 31.03.13 (unaudited) is ₹ 4 lakh profit.

g) Turnover of STDC from 2007-08 to 2011-12

Year	Turnover
2007-08	₹ 139.00 lakh
2008-09	₹ 144.00 lakh
2009-10	₹ 159.00 lakh
2010-11	₹ 204.00 lakh
2011-12	₹ 208.00 lakh

- h) The status of audit of accounts is completed till financial year 2011-12 and for the financial year 2012-13 is under process. The backlog is Rangpo Tourist Lodge with huge amount of sundry debtors of ₹ 10.00 lakh which we are not able to recover from the customer. And also the Sikkim House Middleton street with outstanding dues to the tune of ₹ 14.00 lakh which is not being paid by Assistant Directors posted to Sikkim House Kolkata Middleton street on account of House Rent Charges despite of several reminders they have failed to clear the dues. Although the Board agreed to waive the dues, the office of Accountant General did not accept the recommendation of the Board. The matter is pending, decision with the Tourism Department.
- i) a) From 2013-2014 onwards, each Unit has prepared Budget and corresponding target has been given.
- b) Further, we have entered into Agreement with three (3) Tour Operators, based at Delhi, Kolkata and Lucknow for LTC packages.
- c) STDC has already forwarded five (5) projects to Tourism Department on priority basis for consideration of the Government and onward submission to MOT for approval. STDC is yet to receive intimation from the Department on the status of the projects.
- d) For the first time MOT is funding STDC for Hunar-se-Rojgar, a flagship programme of Government of India.
- e) Web Portal of STDC is to be launched shortly for on-line bookings of Hotels/packages/Heliservice etc. Preliminary meeting was held with SHRA for signing of agreement.
- f) Under the GIS Programme, STDC is integrating with five (5) Tourism Development Societies of the State for promotion and commercialization of tourism sectors of the area, which will ultimately cover Village Tourism and Home Stays. STDC through its portal will sell these sectors, also.
- l) The employees are Governed by STDC Service Manual. Hence not applicable.

3. ANIMAL HUSBANDRY

(a) Name of Corporation:

(i) Sikkim Livestock Processing & Processing & Development Corporation Limited (A Sikkim Govt. undertaking) {SLP & DC Ltd.}

To purchase, sell, hire and construct new slaughter houses or modernize existing slaughter houses and to manage these slaughter houses including levying fees or charges for services rendered and renting out the facilities available in the slaughter houses.

- i) To undertake recovery, processing, production, purchase and sale of by-products of slaughter houses and of fallen animals such as carcasses, skins, hides, edible offal, casings, tallow, bristles, hair, hooves, horns, head, brain, tongue, pluck, liver, spleen, heart, udder,

stomach , testicles, penis, intestines, membranes, glands, blood-meal, meat-meal, bone-meal, meat cum bone-meal, inedible rendering, blood rendering and blood drawing.

- ii) To carry on the business of purchase and sale of animals including cattle, buffaloes, sheep, goats, birds, pigs and of animals feed and fodder; the slaughtering of animals and the sale of wholesale meat of the animals to wholesalers and retailers.
- iii) To organize and make provision for efficient and modern hygienic facilities for the slaughtering of animals in the public and private slaughter houses.
- iv) To undertake marketing, transport, storage services for the purchase and sales of animals and animal feed and fodder in connection with and for the management of slaughter houses.
- v) To provide services for inspection of meat products, examination of carcasses, pre and post mortem facilities, veterinary services, enforcement of the Sikkim Livestock & Livestock Products control Act, 1985 and all rules made there under and of municipal and other regulations, including recovery of slaughtering house fees and other charges on behalf of the municipal and local bodies; and
- vi) To import to and export out of India in accordance with law for the time being in force animals, meat, meat products and by-products of slaughter animals.

(d) No privatization is proposed to be done.

(e) No State Government support is being given.

(f) Till date the undertaking is not in loss. The salary of the employees and other expenditures are met from the lease rent collected.

(g) Proposal for modernization of abattoir at Majhitar, East Sikkim has been sanctioned by Ministry of Food Processing Industries, Govt. of India. Accordingly, they have released first installment of the amount sanctioned. The work is under progress.

Similarly, another proposal for setting up of Poultry Processing Unit at Melli, South Sikkim has also been submitted to MoFPI and presently is under consideration.

(K) State does not have any strategy for disinvestment fir this unit.

(L) Not Applicable.

(M) As per memo no. 18(67)3172/DCE, dated GtK the 3.10.1988, "Land Acquisition Certificate" issued by East District Collectorate, Sikkim Livestock Processing and Development Corporation Ltd. (SLP & DC) owns land at Majhitar, East Sikkim. The proposal for modernization of abattoir is under process.

(II) Sikkim Poultry Dev. Corporation (SPDC)

(b) Brief description of their functions and activities.

SPDC is a Government of Sikkim undertaking organization along with Sikkim Hatcheries (SHL) established during the year 1997 and Commissioned in the year 1999. The main objects of establishment of SPDC are to enhance employment generation and economic uplift ment so as to make the State Self sufficient in Broiler production. For the financial year 2012-12 a sum of ₹ 10 lakh was awarded as Grant in Aid for the office maintenance of

the Chairman/SPDC such as payment of wages of the Office staffs, payment of tour expenses of the Chairman/SPDC and other miscellaneous.

The main function Sikkim hatcheries Ltd., is to supply of Broiler Chicks to the poultry growers of the State. The purchase of fertilized eggs through M/s Uttara Foods and Feeds Pvt. Ltd. The fund is met up from Revolving Fund collected from sale proceed of broiler chicks.

(c) Extent of Sikkim Government participation in share capital with amounts of investment and share holding pattern.

Not applicable.

(d) Extent of privatization done/proposed to be done in these enterprises and realization expected as a result of privatizations.

Not Applicable

(e) Data on capital base, budgetary support extended by the State Government and amount of interest/dividend accrued/actually paid. The amount of loan overdue with accumulated unpaid interest. Have any overdue loans been converted into equity and the amount and year which this has been done may be indent.

In order to function Sikkim Poultry Dev. Corporation for the financial year 2012-13 a sum of ₹ 10 lakh was awarded as Grant in Aid for office maintenance of Chairman/SPDC such as wages of the office staffs, payment of tour expenses and other miscellaneous expenditure.

(f) Financial results of each under taking in terms of profit & loss.

Not Applicable

(g) Turnover per unit of capital investment in each year w.e.f 2007-08 to 2011-12.

N.A

(h) The Status of audit of accounts may be indicated. If there is a back log, this may be specifically stated including any steps being taken to clear.

Detail of Audit report is awaited.

(i) Please give a note on measure taken to promote the efficiency of Public Sector.

The main aims and object to organize this corporation is only to make the State self sufficient in broiler production but also to uplift the livelihood of the unemployed youths and marginal poultry growers.

- (j) **The road map of action taken for closure of non working PSUs by March 2011 on the recommendation of 13th Finance Commission (Para 7,95 & 7,97).**

No proposal for declaring the PSU as NPA.

- (k) **Does the State have any strategy for strategy for disinvestment? Have any PSEs being closed/merged? If so, the details may be given. Has the State government formed the task force to design a suitable strategy for disinvestment/privatization and has a Standing Committee been setup to operationalise the recommendation of task force (para 7,98).**

Not Applicable

- (L) **Please give a detail note of voluntary Retirement Scheme (VRS), if introduce and implemented, indicating the amount of funds earmarked for the scheme and the number of employees who have availed of the scheme.**

Not Applicable

- (m) **Does the State have an inventory of land held by the PSEs? If yes, please give PSE wise detail.**

Not applicable

(II) Sikkim Hatcheries Ltd (SHL)

Sikkim Hatcheries Ltd. Is a government of Sikkim undertaking and Sister Organisation of Sikkim Poultry Development Corporation (SPDC) established during the year 1997 and Commissioned in the year 1999. This organization envisages a hatching and parent stock for supply of hatching eggs to the hatchery unit.

Objectives:

- To attain self reliant State in Poultry and Poultry Product.
- To enhance employment generation and economic upliftment of rural mass especially Women folk, Landless labours and educated unemployment youths of the State.
- To meet the ever growing demand of chicks.

Assets: The Organisation (SHL) have 14 acres of land along with the provision of following assets.

- | | | |
|----|---|--------|
| 1. | Office cum quarter two stories RCC building | = 1 No |
| 2. | 4 th class quarter one unit | = 1 No |
| 3. | Hatchery building | = 1 No |

4.	Hatchery plant	setter 6 sets Hatchers 3 sets	
	Generator 100 KvA(out of order)		= 1 No
		-Do- (Running condition)	= 1 No
5.	Utility Van (Running condition)		= 1 No
6.	-Do- (old) (Out of condition)		= 1 No
7.	Muster Roll Labours		= 7 Nos.
8.	Muster Roll driver		= 1 No
9.	Store House		= 1 No
10.	R.C.C water tank cap – 10,000 Litre		= 1 No.

In order to function Sikkim hatcheries Ltd., since the financial year 2011-12 Grant in Aid was not provided to the Sikkim hatcheries Ltd., Till September 2012 the plant was in operation for the supply of Broiler Chicks to the poultry growers of the State. The purchase of fertilized eggs through M/s Uttar Foods and Feeds Pvt. Ltd. Met up from Revolving Fund collected from sale proceed of broiler chicks.

(e) Financial results of each under taking in terms of profit & Loss.

Sikkim Hatcheries Ltd. Is a Commercial but non profitable organization. The motto of establishment of SHL is to provide healthy broiler chicks to the enthusiastic poultry growers to make the State self sufficient in meat and meat products and also to generate employment opportunity to the educated unemployed.

(f) Turnover per unit of capital investment in each year w.e.f. 2007-08 to 2011-12.

The details of turnover per unit of capital investment in each year w.e.f. 2007-08 till 2011-12 under SHL is enclosed herewith for ready reference.

(g) The status of Audit of Accounts.

Details of Audit report is awaited.

(h) Please give a note on measure taken to promote the efficiency of Public Sector Enterprises (PSEs).

The Central idea of establishment of SHL and SPDC (Sikkim Hatcheries Ltd)., is to make the State Self reliant in poultry and poultry products and also to enhance employment generation and economic upliftment. Due to inadequate fund available from State Government promote on efficiency of public sector enterprises could not be achieved.

(i) The road map of action taken for closure of non working PSUs by March 2011 on the recommendation of 13th Finance Commission (Para 7,95 & 7,97).

For the development of poultry sector as such there is no road map as because no fund was recommended by 13th Financial Commission. Considering every pros and cons, the government has already decided to lease out to the Private Organisation M/s Uttara F & F Pvt. Ltd., for the benefit of poultry growers of the State.

- (j) **Does the State have any strategy for disinvestment? Have any PSEs being closed/merged? If so, the details may be given. Has the State government formed the task force to design a suitable strategy for disinvestment/privatization and has a Standing Committee been set up to operationalise the recommendation of task force (para 7,98).**

Detail information already reflected in SL. No.(i) above.

- (k) **Please give a detail note of voluntary Retirement Scheme (VRS), if introduce and implemented, indicating the amount of funds earmarked for the scheme and the number of employees who have availed of the scheme.**

Not applicable

- (l) **Does the State have an inventory of land held by the PSEs? If yes, please give PSE wise detail.**

Under SHL, 14 Acres of land was acquired during the year 1997 but not utilised by any public sector enterprises.

4. CO-OPERATION

A cooperative is an autonomous association of persons united voluntarily to meet the common economic, social and cultural needs and aspirations through jointly owned and democratically controlled enterprise.

A cooperative is value based and member driven ad democratically self managed for the achievement of a common goal. It stands for service, joint action, self help, self reliant and economic freedom with accountability and transparency.

- I. Multipurpose Coop. Society Ltd. (MPCS)** is one type of primary co-operative society registered under Sikkim Co-operative Societies Act, 1978 and Rule 1981 with a view to cater the credit needs of the members besides engaging in distribution of PDS item and marketing of farm surplus. The day to day management of the co-operatives are taken care of by the elected management committee of the respective societies elected among the chareholder members. Their Capital is realised by way of shares contribution from the members. Only limited Government support were provided to these societies in shape of Grant-in-aid, Share equity participation and subsidies against business handled by them. In view of the above the co-operatives registered under the Sikkim Co-operative Societies Act cannot be categorized as public sector undertaking where 100 percent investment is made by the government.

Under National Policy of Co-operatives, the State Government is required to promote co-operative movement in the true spirit of Co-operative Values and Principles and at the same time extend liberal financial assistance out of the plan.

Sl. No.	Name	Investment (₹ In crore)	Share Holding Pattern	Period upto which accounts have been finalized/audited)
1.	Sikkim Consumer' Cooperative Society	0.98	Equity share	2011-12
2.	Multipurpose Cooperative Society	1.13	Equity share	2011-12
3.	Sikkim State cooperative bank (SISCO)	9.36	Equity share	2011-12
4.	Sikkim Dairy Cooperative Society (Sikkim Milk Union)	0.03	Equity share	2011-12
5.	Sang Martam Tea Growers Cooperative Society Ltd.	0.01	Equity share	-

Sikkim State Co-operative Supply and Marketing Federation Ltd. (SIMFED)

Brief description of functions and activities:-

Sikkim State Co-operative Supply and Marketing Federation Ltd.(SIMFED) was established in the year 1983 under the Sikkim Cooperative Society's act of 1978 and Sikkim Cooperative Societies Rule of 1981.

SIMFED was established as an Apex Marketing Cooperative Society for the State of Sikkim with the main purpose of undertaking wholesale supply of consumer goods to the Multi Purpose Cooperative Societies (MPCS) and Consumer Cooperative Societies (CCS) and to arrange for the bulk marketing of the surplus Agricultural, Horticulture and Floriculture produce of the State of Sikkim.

Management of SIMFED.

SIMFED is managed by a board of Directors. The Board of Directors consists of officials from the government departments and elected members of the MPCS.

The federation is managed by a Board consisting of the following Directors:-

Directors	Nos.
Hon'ble Chairman	1
Representatives from Primary Societies East District: 3 West District: 2 South District: 2 North District: 1	8

Representative from Financing Bank(SISCO Bank)	1
Representative from State Government	4
Managing Director, SIMFED	1

Member Societies of SIMFED

SIMFED has a total of 191 cooperative societies as its member societies.

Sl. No.	Districts	No. of Societies
1	East District	79
2.	South District	39
3.	West District	50
4.	North District	23

Employees of SIMFED

SIMFED has a total of 100 employees to manage the multifarious activities such as purchase, sales, supply, managing branch depots at Rangpo, Jorethang, Gangtok, Mangan, Namchi, Siliguri and New Delhi.

Objectives:

The objectives of SIMFED are as follows:

To arrange for the sale of agricultural produce and other allied products of the members of the affiliated societies and other members to their best advantages.

To purchase and sell agricultural produce and the supply of agricultural inputs such as seeds, fertilizer etc. as required by farmers.

To act as an agent of member societies for the disposal of produce.

To act on behalf of the State Government as agent for receiving, stocking and selling fertilizers dispatched to the State government account from the central pool.

To carry on trading in agricultural produce and other essential commodities as agent of the State Government and distribution of controlled, non controlled commodities procured from outside the state in suitable circumstances or on behalf of the affiliated societies and other cooperatives.

To do such business with non members as may be conducive to the promotion of the economic interest of members under conditions as may be directed upon from time to time by the board of directors by a resolution in writing provided that the registrar does not direct otherwise.

To undertake procurement, processing, grading and marketing of agricultural produce, fruits and vegetables handled by the Federation as and when necessary and to establish and run manufacturing and processing units for the production of consumer goods in collaboration with other cooperatives or directly by itself.

To encourage general thrift, self help and cooperation among the members.

Business of SIMFED

Presently SIMFED is involved in the following businesses:

Procurement of Surplus Agriculture and Horticulture produce and disposal of the same outside the State of Sikkim.

Procurement and supply of seeds, organic manures, agriculture tools and implements, organic pesticides etc. to the Food Security and Agriculture Development Department and Horticulture and Cash Crops Development Department of the Government of Sikkim.

Procurement of all consumer items from the nearest whole sale market at Siliguri and supply of the same to the MPCs and CCS.

Procurement and supply of various construction materials viz. TMT Bars, cement and other hardware items to various government departments.

Procurement and supply of office stationeries, exercise book, furniture's, computers etc.

Supply of uniforms to class IV staff of the Government Departments including Police Department.

Supply of various miscellaneous items required by the Government Departments.

Achievements of SIMFED.

SIMFED has acquired ISO 9001 2008 Certificate and ISO 22000 2005 Certificate from the Bureau Veritas Certification (India) Private Limited.

Status of Audit of Accounts:

SIMFED has finalized its Annual Accounts till 2011-12 and same has been audited by the Auditors of CAG (Audit).

Paid up share capital:-

1. Government of Sikkim	₹ 30950000.00
2. MPCs/CCS	₹ 4639600.00

Details of Share Capital Investment by the Govt. of Sikkim: - Share Certificate No.

Table XII: 2 State Govt. Investment for SIMFED.

Upto 1997	₹ 6700000.00	27
2001-02	₹ 1375000.00(550000+825000)	57/272
2002-03	₹ 2000000.00	307
2003-04	₹ 1400000.00	271
2006-07	₹ 4000000.00	306
Total	₹ 15475000.00	
ADD:BONUS SHARE ISSUED BY	₹ 15475000.00	1

SIMFED on 21.10.2011		
Gross Total	Rs.30950000.00	

Year wise breakup of paid up share capital :- (₹ In crore)

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
Govt. of Sikkim	154.75	154.75	154.75	309.50	309.50	309.50	309.50
MPCS/CCS	0.14	0.20	0.23	0.46	0.46	0.46	0.46

II. SIKKIM STATE COOPERATIVE BANK LTD.(SISCO)

The SISCO Bank which was set up in 1996 came into operation in 1999. The bank has been set up especially to cater the credit needs of the cooperatives with the license from the Reserve Bank of India. It is the first bank of its kind registered in the State Bank of Sikkim with an objective to serve as a balancing centre for all Cooperative Societies within the State and raise Deposits and Share Capital for extending loans to its Member-Cooperative Societies and other individuals for viable projects and schemes both in farm and non-farm sectors. SISCO bank being a Apex, it has unique feature i.e. membership of primary cooperatives and also individuals' membership. As of now, there are 354 primary cooperative societies and 3292 individual are the members of this Apex Bank.

The bank serves as a State Cooperative Bank for the State of Sikkim as well as to function as a development bank providing finance for all kinds of economic activities-Short term, Medium term, Long term including development of agriculture and allied activities, Industries, Trade and Commerce in Sikkim to co-operative Societies, Self Help Groups, Joint Liability Groups, Individual etc. It also undertakes banking business as defined under clause (b) of Section 5 and Section 6(1) of the Banking Regulation Act, 1949 (AACS) and accepts deposit on current, savings, fixed or other accounts from the public, institutions and government departments payable on demand. The bank is fully computerized and has total 14 branches spread across the state.

III. SIKKIMSTATE COOPERATIVE SUPPLY ANDMARKETING FEDERATION (SIMFED)

The SIMFED coordinates bulk-consumer distribution, farm-surplus marketing and farm-input supply functions through Cooperative marketing network. IN addition, the Federation also supplies uniforms, text books furniture and office equipments to the Government Departments through its branch outlets at Namchi, Jorethang, Mangan and Gangtok. For consumer distribution programme SIMFED has its regulated market at Rangpo for distribution of all consumer goods at FOR Regulated market Price to the cooperatives. For marketing of organic fruits and vegetable Complex, Gangtok. The society has also started marketing seasonal cut flowers viz. Cymbidium Orchids, Oriental and Asiatic Liliun, Gentadesia, Gerbera, Roses to Delhi and Kolkata.

IV. DENZONG AGRICULTURE COOPERATIVE SOCIETY LTD. (DACS)

The Denzong Agriculture Cooperative Society Ltd is the oldest society registered in 1965 during the erstwhile Chogyal regime with a view to support producer farmers by creating market outlets to enable them to sell their marketable surplus. Initially, the society was formed by the private individuals wherein majority of their shares were held by the then erstwhile royal family. However, after Sikkim became the 22nd State of the Indian Union, the State Government acquired all the shares of private individual and re-invested to 35 Multipurpose Cooperative Societies in 1992 to give more democratic character of the Society.

The basic objective of the society is to produce all marketable farm surpluses through its member societies by giving remunerative prices to the producer farmers. The society, since its inception has entered into the negotiated Annual Contract with Army to supply all perishable consumer goods requirement like meat, fish, fowl, eggs and vegetables to the Army through its supply points located mostly in snow bound border areas scattered throughout the state with utmost satisfaction of Army personnel stationed in Sikkim. Over and above, with the passage of time the business contract for supply of perishable items to Army has become part and partial function of the society. At present there are 64 cooperative societies including 19 Poultry Growers' cooperative society who are members of DACS Ltd.

V. SIKKIM COOPERATIVE MILK UNION (SCMU)

The SCMU is an Apex body of the Primary Milk Producers' Cooperative Societies formed on Anand Model under the aegis of National Dairy Development Board (NDDB). Its operation is extended to East, West and South Districts of Sikkim except North District. The major objectives of the Union is to procure raw milks from the producers' cooperative societies by giving remunerative prices who were mostly organized in far flung areas of the state. The milk so collected after technically and hygienically processing in the Dairy plants supply to markets in Gangtok and Jorethang. Collection, transportation, processing and marketing of good quality hygienic milk and assisting the producer farmers to market their products is the primary objective of the Union.

5. SC,ST and Other Backward Classes Development Corporation Ltd. (SABCCO)

(b) FUNCTION AND ACTIVITIES OF SABCCO

The Sikkim SC, ST and OBC Development Corporation Ltd.(SABCCO) a Government of Sikkim Undertaking is a Welfare Sector Organization under the aegis of the Social Justice, Empowerment and Welfare Department, Government of Sikkim. It was established during the year 1996 the Registration of Companies Act (SIKKIM) of 1961.

The Sikkim SC, ST & OBC Development Corporation being a Welfare Sector Organization is a non-profit making organization and its objectives are:

- a) To promote economic and development activities for the benefit of Scheduled Castes, Scheduled Tribes, Other Backward Classes including Most Backward Classes and Persons with Disability living below Double Poverty Line.
- b) To assist individuals of groups of individuals belonging to the above mentioned categories by way of loans at low interest for sustainable income and employment generating activities.
- c) To help furthering Government Policies and Programs for the development of Scheduled Castes, Scheduled Tribes, Other Backward Classes including Most Backward Classes and Persons with Disabilities, there by uplifting their standard of living, making them self-reliant thus ensuring social justice and empowerment among the weaker sections.

(c) SHARE HOLDING PATTERN

Share holding pattern of SABBCO is as under:

State Government Share	-	51%
Central Government share	-	49%

(d) There is no any proposal to privatize SABBCO.

(e) Detail of budgetary support extended by State Government since inception and overdue figure as on 31.03.2013.

(Amount Rs. in Lakh)

YEAR	PAID-UP SHARE CAPITAL	GRANT IN AID GOS	YEAR	PAID-UP SHARE CAPITAL	GRANT IN AID GOS
	SJE&W GOS			SJE&W GOS	
1996-97	113.50		2004-05		
1997-98	45.00		2005-06		
1998-99	40.00	178.98	2006-07		
1999-2000	40.00		2007-08		
2000-01	50.00		2008-09	100.00	
2001-02	150.00		2009-10		
2002-03	136.37		2010-11	25.99	
2003-04	50.00		2011-12	0.00	0.00
			2012-13	0.00	0.00
			Total	750.86	178.98

(Amount Rs. in lakh)

OVERDUES OF APEX CORPORATION				
Year	NSFDC	NSTFDC	NBCFDC	NHFDC
As on				
31.03.13	105.85	820.66	488.23	

- No any overdue loans have been converted into equity till date.

(f) Financial results in terms of Profit and Loss

Income Expenditure (Amount ₹ in lakh)				Profit and Loss A/C	
Year	INCOME	EXPNS.	MANGMT.EXPNS	YEARLY LOSS	CUMULT.L OSS
1996-97	2.57	15.69	12.87	13.12	13.12
1997-98	6.39	25.09	14.58	18.69	31.81
1998-99	13.84	39.80	26.58	25.97	57.78
1999-2000	52.35	65.64	28.72	13.35	71.13
2000-01	56.64	102.00	37.47	45.36	1116.49
2001-02	69.65	104.9	48.6	35.27	151.76
2002-03	78.59	118.88	47.52	40.29	192.05
2003-04	93.25	105.98	46.39	12.73	204.78
2004-05	82.06	102.29	44.97	20.24	225.02
2005-06	94.62	115.51	52.38	20.89	245.91
2006-07	99.33	133.95	53.78	34.62	280.53
2007-08	136.18	101.79	52.81.	34.38	314.91
2008-09	134.58	192.83	61.78	58.25	373.16
2009-10	157.85	266.92	82.69	109.07	482.23
2010-11	207.73	359.51	160.48	151.78	634.01
2011-12	230.70	573.9	102.99	343.19	977.20

(g) Turn over-capital investment in each year from 2007-08 to 2011-12.

Term Loan from apex Corporations:

(Amount ₹ in Lakh)

TERM LOAN FROM APEX CORPORATION				
Year	NSFDC	NSTFDC	NBCFDC	NHFDC
2007-08	12.82	284.60	200.00	
2008-09	82.73	542.70	311.31	15.00
2009-10	37.89	406.50	100.00	
2010-11	119.16	0.00	203.02	6.30
2011-12	210.26	192.75	0.00	5.00
2012-13	102.00	0.00	0.00	5.00

SABCCO sanction and disbursement:

(Amount ₹ in lakh)

LOANS SANCTION AND DISBURSED								
Year	SC		ST		OBC/MBC		PWD	
	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.
2007-08	41.02	97	418.55	356	366.45	225		
2008-09	42.03	86	463.8	303	431.2	264	8.00	2
2009-10	45.89	79	307.52	189	161.1	119	3.50	4
2010-11	12.08	28	193.5	132	36.55	23	0.50	1
2011-12	204.25	93	207.45	112	170.65	98		
2012-13	125.76	69					5.00	4

Loan Recovery from beneficiaries

(Amount ₹ in lakh)

RECOVERY FROM BENEFICIARIES				
YEAR	SC	ST	OBC/MBC	PWD
2007-08	59.93	204.61	124.24	
2008-09	47.13	181.17	147.6	
2009-10	61.29	245.27	166.93	
2010-11	80.02	338.48	206.67	
2011-12	92.70	311.24	238.27	5.34
2012-13	109.89	287.15	224.58	2.05

i) Measures taken to promote the efficiency of PSE:

The SABCCO being a welfare sector organizations is non- profit making organization. The interest margin of the loans extended to the beneficiaries is in –adequate to meet the administrative expenses. In addition, major portion of the loan which are old cases did not made their repayment in stipulated period which resulted loss to the Corporation. to initiate remedy Corporation have taken following steps:

- Filling cases under SPDR Act, 2006, for the recovery of dues from loan defaulters.
- Officers are conducting field visits on a regular basis to recover loans.
- At the head office regular meeting are held with defaulters to persuade them to repay the loans.
- Those beneficiaries who are categorized as willful defaulters, the ones who do not come to office when called and those who don't respond positively to our demand notices are issued Final and Legal notices to repay and even if they fail to comply the Corporation takes up the case under SPDR Act for the recovery of dues.
- The corporation has initiated recovery of loans through salary deduction i.e. the salary of the guarantor who is a State Government employee is deducted and adjusted against the respective loan account of the beneficiary.

l) SABCCO has not introduced Voluntary Retirement Scheme (VRS) till date.

XIII. DEBT CONSOLIDATION AND RELIEF FACILITY (DCRF):

1. (a) **Whether FRBMA has been passed? If yes, please specify the date of enactment. A copy of the Act may be enclosed.**

The Sikkim Fiscal Responsibility and Budget Management Act,2010 was enacted on 16th, September, 2010. (Copy is placed at **Annexure X**)

(b) **Whether FRBMA rules have been framed? If yes, a copy of the rules may be enclosed.**

Yes, Copy is available at **Annexure XI**

- (c) **Whether the annual targets specified under FRBM Act and Rules are adhered, details of implementation be provided.**

The FRBM ACT 2010 (Act No.15 of 2010) came into force from 15th day of January ,2011 vide Notification No.24/Fin/Adm dated 03.02.2011. The annual targets specified under FRBM Act their compliance are indicated below:

Table XIII:1 The annual targets specified under FRBM Act & their compliance

Indicators	2011-2012		2012-13		2013-2014	
	Targets set under FRBM ACT	Adherence Actuals	Targets set under FRBM ACT	Adherence Revised Estimates	Target Set under FRBM ACT	Budget Estimates
Revenue Account	Surplus to be maintained	Surplus maintained	Surplus to Be maintained	Surplus maintained	Surplus to be maintained	Surplus maintained
Fiscal Deficit	3.5% of GSDP	2.14% of GSDP	3.5% of GSDP	3.24 % of GSDP	3 % of GSDP	3 % of GSDP
Outstanding guarantees	66882 Lakh	31000 Lakh	83664 Lakh	31000 Lakh	88182 Lakh	15700 Lakh
Outstanding Debt	65.20 % of GSDP	30.39% of GSDP	62.10% of GSDP	29.92 % of GSDP	58.80 % of GSDP	29 % of GSDP

- (d) **If Fiscal Correction Path (FCP) has been drawn up for the period 2005-06 to 2012-13, a copy of the FCP/revised FCP may be furnished.**

The fiscal correction path has been drawn after implementation of the Sikkim Fiscal Responsibility and Budget Management Act 2010. The copies of the FCP for various years are enclosed. **(Annexure XII)**

- (e) **Kindly indicate the actual amount of incentive fund obtained from the Ministry of Finance under the Fiscal Reforms Facility (2000-01 to 2004-05) along with year and the amount drawn under Part A & B of the Fund separately.**

The actual amount released from incentive fund to the State is as under:

- | | |
|-------------------------------|--|
| 1. 1 st instalment | Part A- ₹ 25.46 crore
Part B- ₹ 0.23 crore |
| 2. 2 nd -do- | Part A- ₹ 25.61 crore
Part B- ₹ 0.40 crore |
| 3. 3 rd -do- | Part A- ₹ 25.48 crore
Part B- ₹ 0.44 crore
Part A- ₹ 24.97 crore |

4. 4th -do

Part B- ₹ 0.49 crore

Part A- ₹ 24.58 crore

5. 5th -do

Part B- ₹ 0.49 crore

- (f) Please indicate whether the benefit of the consolidation of the central loan has been availed under DCRF? If yes, please furnish information as per the following table:

The state has availed of the benefit of the consolidation of the central loan under DCRF. The details are as under:-

Sl No	Ministries	Amount of relief
1	Ministry of Road Transport and Highway	₹ 0.39 lakh
2	Ministry of Agriculture	₹ 1514.48 lakh
3	Ministry of Environment and Forest	₹ 7.04 lakh
4	Ministry of Urban Development	₹ 72.79 lakh
	Total	₹ 1594.70 lakh

- (g) Details of debt write-off availed

(₹ in crore)

Year	Whether actual / RE / BE	Base year ratio Revenue Deficit	Revenue Deficit	Reduction of Revenue Deficit from the base year/ previous year	Fiscal Deficit	Amount of debt waiver received
2005-06	No Debt write-off availed.					nil
2006-07						nil
2007-08						nil
2008-09						nil
2009-10						nil
2010-11						nil
2011-12						15.23
2012-13						nil

- (h) **Please give a note on corrective measures together with assumptions adopted by the State Government in drawing up the Fiscal Correction Path. Please indicate the impact of the Fiscal Correction Measures with factual information on public health, nutrition, child care, drinking water supply, primary education and overall capital outlay of the State.**

The information required is already available in the Mid-term Fiscal Reform Programme. The copies of the same are enclosed. **(Annexure same under 45 (d))**

- (i) **Whether the State Government has enjoyed any debt relief in addition to above since 1.4.2000, if so, details thereof.**

No

46. Contingent Liabilities

- (a) **Are there any rules covering the limits to which States Government guarantees may be given. If so, please indicate and give a copy of the rules.**

Yes. The Sikkim Ceiling on Government Guarantees Act-2000 came into force from 16th December 2000. As per the Act, total outstanding Government Guarantee on the 1st day of April of any year should not exceed thrice the State's Tax Revenue Receipt of the second preceding year as in the books of the Accountant General. **(Annexure.XIII)**

- (b) **The total outstanding State Government guarantee (Sector/ Departmentwise) as on 31.03.2013 may be given.**

The total outstanding State Government guarantees as on 31.03.2013 is `285.00.00 crores (Rupees two hundred eighty five crore) only.(Sikkim Industrial Development & investment Corporation Ltd)– ₹ 25.00 crore (SC/ST/OBC Development Corporation Ltd).

- (c) **If there have been any defaults on guaranteed loans and budgetary interventions have had to be made, the details may be given from 2007-08 onwards.**

There are no cases of default on guaranteed loans given after 2007-08.

- (d) **What are the liabilities of the State on award of PPP projects (annuitized value) year wise up to the period of the agreement?**

Not applicable.

XIV. TAXATION EFFORTS:

47. a) **Kindly furnish a note indicating the taxation efforts taken by the States for improving tax GSDP ratio during the last five years.**

The major source of Tax revenue of the State is from Excise duties, Cess and Sales Tax/ VAT. The State Government has been taking vigorous efforts to increase the tax collection by improving the tax collection machinery in these areas. The commercial tax division has since been fully computerized and the online system of collection of taxes is in place. During 2008-09 the collection of Excise duties, taxes on sales trade etc. and other taxes and duties and commodities were, ₹ 46.46 cr, ₹ 101.14 cr and ₹ 22.18 cr respectively. With the tax collection efforts taken by the State Government, the amount of taxes has increase to ₹ 111.12 cr, ₹ 227.08 cr and ₹ 63.15 cr respectively.

- b) **Whether any organised system has been put in place for tax policy analysis and revenue forecasting as a tool to informed decision making of the State Government? If so, details.**

With the introduction of online system of computerization in Commercial Tax Division, the data generated through the system has helped to forecast the revenue in a more scientific way. The efforts are on to introduce similar system for collection of excise duties.

XV. INTRA-STATE REGIONAL DISPARITIES

- a) **Please give a note on different aspects of intra-State regional disparities relating to sectors like Agriculture, Industries and Services and important publicly provided services like Education, Health, Water Supply, Sanitation and other Social Services. Inter-regional and Inter-district wise profile may be given in this regard.**
- b) **Show disparities with objective indicators like literacy rate, IMR, MMR etc.**
- c) **Show inter-regional differences in per capita expenditure in State Budgets in some of the important services.**

Sikkim, one the country's smallest States, is nestled in the Himalayan Mountains and shares an international border with three countries – Bhutan to the southeast, Nepal to the West, and the Tibetan region of China to its north and east. It is connected to the rest of the country through the State of West Bengal which lies to its south and southwest. Although limited in geographic size, the State's location along the Himalayas makes it home to tremendous biodiversity, which straddles five climatic zones from tropical to high alpine, allowing the cultivation of a wide variety of crops and horticultural produce, and the rearing of various animal breeds.

With just over 6 lakh residents, Sikkim is the least populous State in the country, and it also has one of the lowest population densities.

The State has four districts (north, south, east and west) with its capital, Gangtok, located in the East District. It is one of only two States in the north-eastern region (the other is Arunachal Pradesh) that falls entirely under the panchayati raj system, and in 2007 was judged third-best in the country in terms of implementing the system. However, there are pockets in the far north of the State in Lachen and Lachung, where the residents still retain their traditional governance system called the Dzumsa, which is headed by the village headman, the Pipon.

Sikkim's progress has been notable since its merger with India in 1975, and particularly over the last two decades. Despite its limitations of arable land, an industrial base and connectivity with the rest of the country, it has managed to leverage its natural advantages and central resources to bring the growth rate of its economy and per capita income on par with the national economy. So far the development model followed by the State is generating employment opportunities within the State for its youth, and is creating avenues for raising the revenue base to reduce the dependence on central resources for all developmental activity. Given the infrastructure constraint and the narrow resource base, the government is the largest employer.

The State has achieved higher than the national average in many crucial indicators such as a reduction in poverty levels, improvement in health outcomes, universal access to education and a continued thrust on livelihood improvement and skill development.

Sl. No.	Indicators	11 th Plan	Remarks
1	Population	610577	
a	East	283583	
b	West	136435	
C	North	43709	
D	South	146850	
2	Density of Population per Sq. Km.	86	
A	East per Sq. Km.	297	
B	West per Sq. Km.	117	
C	North per Sq. Km.	10	
D	South per Sq. Km.	196	
3	Total Households	129006	
A	East	61567	
B	West	28023	
C	North	8873	
D	South	30543	
4	Scheduled Tribe Population / % of total population	206306 / 34%	

a	East	78436 / 28%	
b	West	57817 / 42%	
c	North	28715 / 66%	
d	South	41392 / 28%	
5	Scheduled Caste Population / % of total population	28275 / 5%	
a	East	15305 / 28%	
b	West	5935 / 4%	
c	North	982 / 2%	
d	South	6053 / 4%	
6	GSDP Growth Rate %11 th Plan period	20.53	MoSPI
7	Agriculture Growth Rate %11 th Plan period	4.06	MoSPI
8	Poverty Ratio % (Planning Commission) Tendulker Ratio	13.1	2009-10
9	Drop Out Rates in Elementary Schools %	18.85	(2010)
10	Literary Rate %	82.20	Census 2011
a	North	78.01 %	
b	West	77.39 %	
c	South	81.42 %	
d	East	83.85 %	
11	Gender Gap in Literacy Rate %	10.78	Census 2011
12	Infant Mortality Rate	26	SRS 2011
13	Total Fertility Rate	2.0	NHFS 2006 III
14	Severe Malnutrition (12-23 months)	3.3	NHFS 2006 III
15	Anemia in children less than 5 years	56.9	NHFS 2006 III

16	Sex Ratio (0-6)	963	Census 2011
17	Per Capita GSDP at Current Prices (₹.) (2011-12 Current Price)	136362	2011-12

Sikkim's progress has been notable particularly over the past decade. Despite its limitations of availability of arable land, an industrial base and connectivity with the rest of the country, it has managed to leverage its natural advantages and central resources to bring the growth rate of its economy and per capita income on par with the national economy. Sikkim industrial policy post-1991 has emphasised disinvestment of loss-making State enterprises; promoting the state as an investment destination (based on the central government's special incentives for industrialisation of the Northeast, and the State's intrinsic advantages); skill development through establishing colleges and organisations to train people; exploiting the tourism-based demand for goods; and focus on self-employment ventures with specific guidance and monitoring of the enterprises set up. The reorientation in policy appeared to have the desired effect as ₹ 3,500 crore in investment flowed into the State and 7,000 jobs were created since 2005-06.

Sikkim is among the fastest-growing States in the country. Since 1999 its per capita income has been almost at par with the national average, and in recent years the growth rate of the State's economy has overtaken the national growth rate.

An overwhelming proportion of Sikkim's population (75 per cent) depends on agriculture and allied activities for its livelihood. The share of agriculture has been declining steadily in the past few decades: its contribution to the economy as a whole is only around 17 per cent (2008-09), down from 21.2 per cent in 2002-03, and from almost 50 per cent in 1980-81.

The State has a very limited industrial base, with fruit processing, brewing and distilling and pharma companies as its main industries, and its contribution to the economy was 28.9 per cent in 2008-09. The tertiary sector's contribution to the GSDP has remained almost constant at 53 per cent during the period 2002-03 to 2008-09, although its growth rates have fluctuated between 6.7 per cent and 10 per cent in this period. Tourism is a major contributor accounting for almost 8 per cent of the GSDP.

Sikkim has a small revenue base, but substantial public expenditure liabilities, as a consequence of which it is heavily dependent on central transfers. Its relatively high level of capital expenditures (compared to the all-India average) has sometimes resulted in very large fiscal deficits.

One of the biggest development challenges in the State is the lack of an infrastructural base. In the absence of air and rail networks to transport people and freight, Sikkim is dependent on its national and State highways and on access through neighbouring West Bengal for connectivity. With the limited size of the local market, the success of attracting investment from private firms depends crucially on good transportation networks and storage chains and on adequate power.

The primary sector has to be given priority in the development process; around 75 per cent of the population lives in villages, so development is only possible with an improvement in agriculture and allied services.

Power is one of few sources of revenue for the State, and could help raise its rate of economic growth and attract private investment into industry which could provide much-needed employment opportunities for the working population.

The mean annual rainfall is minimum at Thangu (82 mm) and maximum at Gangtok (3494 mm). Rainfall is heavy and well-distributed during the months from May to October, and July is the wettest month in most parts of the State. The intensity of rainfall during the south-west monsoon season decreases from south to north, while the distribution of winter rainfall is in the opposite order. The highest annual rainfall for an individual station may exceed 5,000 mm and the average number of rainy days (days with rain of 2.5 mm or more) ranges from 100 at Thangu to 184 at Gangtok.

The underlying strategy for Sikkim for the Twelfth Plan would be economic development and greater self reliance by harnessing the State's natural resources in a sustainable manner. Public participation will be promoted in all government initiatives to foster a sense of ownership among the people. Some of the measures proposed for major sectors during the plan are the following:

Transport infrastructure

Faster movement of people, goods and services is essential to provide impetus to economic activity. This requires strengthening transportation networks to interlink growth centres, promote tourism, and support economic and social needs.

Till 2007, the roads in the State were categorised as Black Topped Road, Water Bound Macadam Road and Earthen Roads. Survey of the entire road networks were carried out and the roads were re-classified into State Highways, Major District Roads and Other District Roads. The roads which had been converted from the mule tracks, approach roads to guest houses, office complexes and amenities have been categorised as bridle and other roads. During the Eleventh Plan the Department completed re-surfacing and up-gradation of 135 Kms of road and constructed 75 Kms of new roads.

11th Plan Achievements

Indicator	2007-08	2008-09	2009-10	2010-11	2011-12
State Highway	8	14	2	0	0
Major District Road	10	18	7	9	42
Other District Road	9	24	13	22	32
Other Roads	0	0	0	0	0
TOTAL	27	56	22	31	74

Some of the proposed projects under the Twelfth Plan include constructing a two-lane National Highway as an alternate to NH 31A; providing two-lane connectivity from Gangtok to the upcoming Greenfield airport at Pakyong and intermediate-lane connectivity to all upcoming marketing centres; strengthening all major district roads to intermediate lane and all bridges to higher carrying capacity; purchasing modern construction equipment and setting up well-equipped laboratories at Gangtok and Jorethang.

12th Plan Targets

Sl.No	Projects	Physical Target (2012-17)	Financial Outlay (Rs in Lakh)
A. CONTINUED SCHEMES			
1	Strengthening	160 Km	32000
2	New Roads	101 Km	11720
3	Replacement of Bridges	2 Nos	400
	Total (A)		44120
B. NEW SCHEMES			
1	Strengthening	70 Km	14000
2	New Roads	20 Km	2400
3	Replacement of Bridges	12 Nos	2056.19
	TOTAL(B)		18456.19
	TOTAL(A+B)		62576.19

The Twelfth Plan period will also see the completion of spillover road construction projects from the last plan, which had been delayed for various reasons, and projects funded by other agencies such as the Special Accelerated Road Development Programme in Northeast Region (SARDP-NE).

Agriculture and Allied Services

Given the importance of the primary sector for most of the population, a major objective would be to raise productivity in agriculture and its allied sectors to improve livelihoods for the large majority dependent on the sector, as well as to eventually make the State self-sufficient in these products.

Nos of Cultivators in the State

Sl.No	District	Nos of Cultivators
1	East	22325
2	West	30728
3	North	4728
4	South	24926

The State Government declared Sikkim as an Organic State in the 11th Five Year Plan. During the Tenth Plan period fertilizer subsidy was tapered and made zero due to which fertilizer consumption went down to 1.6 kg/ha. Further the farmers were made aware of various technologies of recycling the farm waste in order to produce organic manure and the use of bio fertilisers through demonstration, training and exposure visits. The

policies and programmes on organic farming are in tune with the State's natural endowments and aimed at making Sikkim a model organic State. Progress towards an organic State has led to substantial departmental interventions. Greater emphasis on soil testing and soil health management will improve organic crop production, which will help raise farmers' earnings.

11th Plan Achievements

Sl. No.	Programme	Indicator	Growth (%)
1	Food grain production	Productivity	2
2	High-yielding varieties	Area coverage	-5
3	Self-reliance	Seed production in farmers' fields	115
4	Organic farming	Use of chemical fertiliser	-100
		Use of organic sources of nutrients	100
Sl. No.	Programme	Indicator	Growth (%)
5	Plant protection	Chemical pesticide consumption	-27%
		Bio-pesticide consumption	+100% in ICS areas
6	Soil conservation	Land development	Cumulative 1,079 ha
		Reclamation of problem soil	100
		Water conservation	Cumulative 1,923 no.

During the Twelfth Plan, farm productivity will be enhanced through of varieties suitable for organic farming and promote the production of organic seeds in the seed village program. This plan period will also continue the work of the Sikkim Organic Mission launched in 2010-11, through an expansion of the area under organic certification, sensitizing rural inhabitants to different aspects of the program, and the provision of rural compost pits to make farms self-reliant in the production of manures.

12th Plan Targets

Sl. No.	Schemes	Physical Target	Financial Outlay (₹ in Lakh)
I.Crop Husbandry			
1	HYV Programme	38000 ha	360.00
2	Seed Multiplication & Distribution	10,000 Qtls	400.00
3	Agriculture Farm	8 nos	1500.00
4	Organic farming	355000 MT	4500.00

5	Plant protection (Bio- control)	60000 ha	200.00
6	Extension and Training	30,000 nos	340.00
7	Agri-Engineering	250 nos	160.00
8	Soil Testing	20,000	300.00
II.	Storage and Ware House	100 nos	250.00
III.	Agriculture Research & Education	250 nos	500.00
IV.	Soil Conservation		
	Land development	5000 ha	500.00
	Soil Reclamation	15,000 ha	350.00
	Water conservation	1000 nos	500.00

In Sikkim, horticulture covers a range of produces: fruits (including Sikkim mandarin oranges, passion fruit, and other tropical and sub-tropical fruits); vegetables (beans, garden peas, chayote, leaf-mustard, radish, cabbage, cauliflower, tomato and gourds); root and tuber crops (like potato, tapioca, sweet-potato and yams); spices (such as large cardamom, ginger, turmeric, cherry pepper and garlic); flowers (including cymbidium orchids, rose, lilioms, gladioli, anthurium, carnation and gerbera); and medicinal and aromatic plants. The sector has established its importance in the State in improving land use, promoting crop diversification, generating employment and above all providing nutritional security to the people.

11th Plan Achievements

Crops	2007	2008	2009	2010	2011
Fruits'000 MT	14.06	15.67	18.51	20.08	22.24
Vegetables'000 MT	55.01	59.49	70.86	75.20	77.10
Root & tubers'000 MT	38.02	38.55	47.61	49.16	50.55
Spices crops'000 MT	43.21	46.28	49.44	52.37	56.68
Flowers (lakh)	22.82	35.39	107.66	122.70	135.00
a. Cut flowers	21.82	30.35	92.33	90.00	100.00
b. Bulbs/plants					

In horticulture, steps will be taken to increase the area under cultivation of exotic fruit (kiwi and apple) and flowers (cymbidium orchids, roses, gerbera, liliom and alstroemeria) along with measures for the control of pests in Sikkim's indigenous products – oranges and large cardamom. Low-cost, hi-tech greenhouses will be constructed in farmers' fields for the cultivation of vegetables and flowers, and irrigation will be expanded with the construction of community water tanks, roof and rain-water harvesting tanks, dug-out sunken ponds, etc

.12th Plan Targets

Sl.No	Indicators	Unit	12 th Plan Targets	Physical	Financial Outlay (₹ in Lakh)
1	Fruits	000 MT	242.45		13656.17
2	Vegetables	000 MT	467.04		
3	Root & Tuber Crops	000 MT	302.25		
4	Spices	000 MT	399.76		
5	Flowers	Lakh nos.	1775.00		

As most of the rural population is involved in animal husbandry, and measures to increase production and marketing of the produce will include: improving the varieties of livestock, encouraging and supporting the large-scale, commercial production of livestock and poultry products, expanding the cultivation of varieties of feed and fodder, and strengthening and building infrastructure such as modern slaughterhouses, processing units, etc.

Forests

The density of tree cover in many areas of the State is very low, and has been adversely affected by the September 2011 earthquake. To increase the density of tree cover and tackle other issues in this sector during this plan, the department will continue the State Green Mission programme to increase involvement in volunteering for greening activities and the Jari Booti Kosh Scheme (Herbal Medicinal Fund) for the conservation of medicinal plant resources, among other ongoing schemes. It will also promote the scientific management of forests through greater application and use of GIS, remote sensing and other IT tools for day-to-day operations, such as monitoring and evaluation by connecting all check-posts and offices through a network and web-based system, a satellite-based forest-fire monitoring system, and recording the department activities on GPS for greater efficiency.

11th Plan Achievements

Indicators	2003		As per 2009 SFR			
	National	State	2005 (Revised)		2007	
			National	State	National	State
Very Dense Forest	1.56	6.454	1.66	7.05	2.54	7.05
Moderately Dense Forest	10.32	26.832	10.12	30.45	9.71	30.45
Open Forest	8.76	12.683	8.82	9.81	8.77	9.81

Total Forest Cover	20.64	45.97	20.6	47.31	21.02	47.31
% of Total Forest & Tree Cover of Geographic Area	23.68	46.28	23.81	47.59	23.84	47.59
Recorded forest area as % of geographic area	23.57	82.31	23.41	82.31	23.41	82.31

The department will also continue with implementing various other programmes such as the Endangered Species Recovery Programme for trees, survey and documentation of key biodiversity species of both animals and plants, soil and moisture conservation through the centrally sponsored Integrated Water Management Scheme (IWMS), treatment of landslides and soil and moisture conservation, the ten-year Sikkim Biodiversity Conservation and Forest Management Project, and forest management for those dependent on the forest for their livelihoods.
Skill development and education

The overall literacy rate has improved from 68.80% to a high of 82.20% as per 2011 Census estimates. The enrolment of students has also shown a significant rise. It is worthwhile to note that the ratio between boys and girls attending schools improved from 106 girls to 100 boys during 2006 to 109 girls per 100 boys during 2011. Significant progress has been made in increasing enrolment and retention in school system through schemes like the Sarva Shiksha

11th Plan Achievements

SL. NO.	INDICATORS	2007-08	2008-09	2009-10	2010-11	2011-12
1	Schools	765	767	769	776	779
2	Colleges	6	6	6	7	7
3	Enrolment (School Level)	1,18,710	1,17,559	1,16,749	1,18,520	1,18,395
4	Enrolment (College Level)	5,476	4965	3,609	3,749	3,749
5	Teachers (School Level)	7,470	7,799	8,100	8,294	8,294
6	Teachers (College Level)	134	132	156	181	181
7	SCERT	1	1	1	1	1
8	DIETS	1	1	1	3	3

Boy: Girl Student Ratio (girls per 100 boys)

Sl.No	Stage	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
1	Pre Primary	90	90	92	91	92	95	94	92		
2	Primary	100	99	99	101	102	102	102	101	102	100
3	Jr. High School	112	115	118	120	121	125	127	128	128	122

4	Secondary	99	102	104	109	111	110	112	120	117	121
5	Sr. Secondary	90	96	90	92	94	101	106	104	105	112
	Total	100	100	101	103	106	106	107	108	110	109

Status of Schools District Wise

Sl.No	District	Nos of Primary Schools	Nos of Junior High Schools	Nos of Secondary Schools	Nos of Sr. Sec. Schools	Nos of SSA Schools
1	East	107	66	31	22	9
2	West	119	49	29	14	16
3	North	33	18	12	3	13
4	South	111	60	33	12	19

No of literate people district wise

Sl.No	District	Nos of literate people
1	East	214329
2	West	93432
3	North	30450
4	South	106741

Skill development and education are top priorities to improve incomes, and the overall goal is to provide quality education in schools and eradicate illiteracy by 2015. In line with this, a major initiative during the Twelfth Plan will be to improve the quality of teaching-learning process through the Teacher Training Mission which has the goal of having a cadre of fully qualified teachers by 2015. For this, teacher training institutes in the State will be upgraded both in terms of faculty as well as infrastructure, and more such institutes set up to meet future demand. There will be a focus on improving computer education in the State with a suitable programme and special training of all teachers in computers. School infrastructure will be strengthened by providing a playground with galleries in all secondary schools and above; multipurpose halls in all schools; separate toilets for girls and boys, proper drinking water facilities; and child-friendly toilets for students with special needs.

12th Plan Targets

Sl.No	Projects	Financial Outlay (₹ in Lakh)
A	Continued Schemes	
	General Education	
1	Elementary Education	83600.00
2	Secondary Education	82200.00
3	University & Higher Education	24845.00

4	Adult Education	110.00
5	Language Development	123.00
6	CM's Merit Scholarship	22579.00
7	Scholarship (Normal)	1418.00
8	Technical Education	1323.00
B	New Schemes	
1	Establishment of NIT In Sikkim	5000.00
2	E- Counseling	50.00
3	Education Policy	27.00

At the higher education level, the Quality Mission for Higher and Technical Education has the objective of strengthening the Sikkim University, opening new polytechnics in remote areas, and encouraging the development of skill-based learning. To implement the Mission, the State plans to upgrade all government colleges to Institutes of Excellence, to introduce science degree courses in all colleges, and to open four model colleges.

Power

The generation of surplus power by tapping the State's hydro-potential would lead to an improvement in socio-economic conditions, help attract private investment into industry, and generate revenue which would enable the State to define its own projects without having to tap the centre for funds. The Central Water Commission has assessed an 8,000 MW hydro-power potential in the State, but expected installed capacity by the end of the Twelfth Plan has had to be revised downward from 5,500 MW to 3,774.50 MW in keeping with ground realities. Revenue earnings from the sale of power have been estimated at Rs 454 crore by the end of the Twelfth Plan. Many of the existing power houses need repair after the earthquake, as well as renovation to augment the existing installed capacity.

A major component of the Twelfth Plan efforts will go towards building and strengthening the State's intra-State transmission system for the evacuation of a substantial portion of the expansion in generation that is due to come online in the near future. The Twelfth Plan will see implementation and completion of R-APDRP work in Gangtok and Upper Tadong, and the electrification of those village homes under the Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY)

Water supply and Sanitation

State of Sikkim solely depends on "Surface Water Sources". The basic water supply system consists of: (a) spring flows from the water reserves in the underground aquifers. (b) tapping of water sources located at higher altitudes; (c) transporting the water through gravity mains from the source to the lower reaches, treatment to render it harmless and potable, storage and finally distribution to consumers through distribution networks; These underground aquifers are charged with rain water.

11th Plan Achievements

Sl.No	Scheme	2007-08	2008-09	2009-10	2010-11	2011-12
1	Gangtok Water Supply	75%	80%	85%	85%	85%
2	Gangtok Sewerage System	35%	38%	40%	40%	40%
3	Water Supply in Urban Towns	60%	65%	68%	70%	70%
4A	Water Supply in Sub-urban Towns (Other Bazar)	45%	50%	50%	50%	50%
4B	Water Supply in Sub-urban Towns (RMCs)	20%	30%	30%	30%	30%

Water Security & Public Health Engineering Department has been successfully supplying water to all its consumers. However, there still exists scope for improvements in the present system for which a forward planning and implementation of well-designed water policy is essential to obviate any unforeseen future catastrophe of water shortage in the State.

12th Plan Targets

Sl.No	Programmes	Physical Target	Financial Outlay (₹ in Lakh)
A	CONTINUED SCHEMES		
1	Gangtok Water Supply	100%	580.00
2	Gangtok Sewerage System	100%	390.00
3	Water Supply in Urban Towns	100%	860.00
4	Sewerage System in Urban Towns	100%	860.00
5	Water Supply in Urban Towns(Other Bazars)	100%	390.00
6	Water Supply in Sub-urban Towns(RMCs)	75%	850.00
B	NEW SCHEMES		
1	Sewerage System in Urban Towns(Other Bazars)	10%	500.00
2	Fire Fighting & Modernization	30%	200.00
3	Water Auditing & Consumer Metering	40%	0.00
4	Source Protection and Water Conservation	30%	105.00
5	Water Quality Monitoring Mechanism	50%	200.00

6	Demand Management & Grievance Redressal System	40%	300.00
7	Spillover of 11th Plan		3678.82
8	Flow to TSP & SCSP (25%)		3539.09
9	State Share & Land Compensation for New CSS		1703.44

Earthquake relief

This plan period will also include schemes for rebuilding after the earthquake. The centre has promised Rs 1,000 crore but much more may be needed for earthquake proofing of all construction work.

Sl. No	Categories of Projects	No. of Projects	Total Project Cost	Tot. Released	Total Expdt.
1	Reconstruction of State Civil Secretariat at Tashiling, Gangtok.	1	193	100	32.26
2	Reconstruction of Rural Houses	7972	389.83	120	120
3	Renovation and Re-building of State Roads & Bridges and Rural Roads	381/180 PMGSY	216	0	93.76
4	Retrofitting of State Government Buildings, Schools, AWW Centers, Rural Health Centers, Dispensaries, and State Power Projects -	1535	196.17	55	31.31
5	Sewerage schemes	25	5	5	2.03
6	Total		1000	280	279.36

Chief Minister's Sikkim Bhraman

The Chief Minister sanctioned several projects during his tour of the villages in May 2011. Among these are various schemes related to the sub-transmission and distribution networks in the power sector, such as the extension of electricity lines, installation of sub-stations, provision of streetlights in villages, etc. Several road projects were also sanctioned, which will be funded by the Economic Importance scheme, Inter-State Connectivity scheme, Central Road Fund and other sources.

Conclusion

The stated overall objective for the State is to consolidate its move towards sustainable economic development and self-reliance, by harnessing its natural resources. In line with the country's motto which envisages faster, sustainable and more broad-based inclusive growth, Sikkim will aim to catch up with the country on various fronts. Taking

the development strategy to the next level will be, however, based on an awareness of the need to preserve and protect the environment.

Within these overall objectives, the priorities and emphasis will be guided by the goals of the 19 Mission Modes launched in 2010, by continuing projects from the Eleventh Plan, and the lacunae in the development process identified by the Chief Minister in his discussions with local people during his recent village tour of the State.

XVI. PENSION REFORMS INITIATIVE:

49 (a) Whether New Pension Scheme (NPS) has been implemented with regard to State Government Employees?

New Pension Scheme (NPS) was introduced in Sikkim with effect from 1st. April 2006. This Scheme is applicable to all employees appointed after 1st.April 2006 on regular basis. (**Annexure..XIV**)

(b) Whether New Pension Scheme (NPS) has been implemented with regard to State Public Sector Enterprises and Autonomous Bodies Employees?

Not applicable to this department.

(c) A detailed note on fund management system of New Pension Scheme (NPS). Is the contribution received from the subscriber being transferred to the New Pension Fund through the depository or is it being retained in Public Account? If retained in Public Account, rate of interest paid annually? Is budget provision being made for credit of interest on annual basis? If yes, please give year wise details from 2004-05 to 2012-13.

Fund Management System of NPS:

1. State government has signed an agreement with Pension Fund Regulatory and Development Authority (PFRDA) established by the GOI as the regulator of NPS for the state.
2. Central Record Keeping Agency (CRA) is engaged to maintain records of contribution and its deployment in various pension fund schemes. National Securities Depository Limited (NSDL) has been appointed as CRA for Sikkim.
3. New Pension Scheme Contribution Accounting Network (NPSCAN) is used to access reports on compliance by Drawing & Disbursing Officers(DDOs) regarding mandatory contributions by the subscribers. The NPSCAN is electronically connected to the CRA for issue of PRAN and reconciliation of contributions.
4. Bank of India has been appointed as Pension fund Manager (PFM) of the state.
5. The state has opted for Centralised System of accounting, where there will be single DDO and DTO to manage this scheme
6. 10% of the basic pay + DA should be subscribed towards CPF from monthly salary. Equal amount will be given by the government and interest @ 8% is borne by the government. Detailed of interest credited is annexed herewith (**vide Annexure I**).

7. Fund contributed by state government employees is credited under Head '8342'- Other Deposit- 117-Contributory Pension Fund (Public Account).
8. First instalment of Contributory Pension Fund of 2301 PRAN holders to the tune of ₹ 25.87 crore was transferred to the Fund Manager (Bank of India) in March 13. Monthly contribution of these employees will be transferred on regular basis. Subsequent fund will be transferred on receipt of additional PRAN from NSDL. Yes, budget provision for credit of interest on annual basis is made available (vide annexure I). Year wise details may be seen at **(Annexure I)**

(d) A note on the status of setting up database of employees and pensioners may be provided.

The database of Employees and Pensioners has been completed and integrated with Sikkim Integrated of Financial Management System.(SIFMS) The system will facilitate the preparation of Salary bills of the employees and payment of pension to the pensioners and adjustment of deductions on account of GPF/CPF/GIS on real time basis.

(e) Whether any other pension reforms have been initiated? If so, the date and details of the reform initiative.

Yes, the Sikkim Government Services (Pension) Rules, 1990 has been amended vide Notification No. 40/FIN/PGIPF dated 12.01.2010. The Revised Rule has been made effective from first day of January 2006. A copy is at **(Annexure XIV (i))**

XVII. PUBLIC EXPENDITURE AND FINANCIAL MANAGEMENT (PEFM):

50 What is the status of outcome budgeting. Has it been initiated? If so, number and name of departments covered. How is the outcome budget monitored? Whether any manual has been evolved and guidelines issued?

The outcome budgeting is yet to be initiated.

51 Brief note on:

(a) Status of computerization of treasuries.

All the Treasury Offices and the self drawing departments have been computerized, made online and integrated under one date under Sikkim Integrated Financial Management System (SIFMS)

(b) Whether any initiatives towards departmentalization of accounts. If so, whether Principal Accounts, Pay & Accounts Office have been set up in departmentalized Ministries/Departments.

No. Sikkim being small state, establishment of department wise treasury office is found not necessary for the present time. Five Treasury, and Pay & Accounts Offices located at all four districts are adequate to cater the present need of the government

(c) **Status of computerization of the tax administration. Is there a state wise network for financial management to trace real time transactions?**

Summary of Computerization in Commercial Taxes Division, FRED

Commercial Taxes Division, under FRED, Government of Sikkim initiated the computerization process on 1st April 2005 under NeVAT project. The project was an intranet based system and services given were G2C. On 28th of November 2010 Ministry of Information Technology had approved proposal from Commercial Taxes Division under Mission Mode Project in which the funding condition at the ratio of 90:10 was to be agreed by the State. The project implementation started from 13th April 2011 after proper sanction and completing proper NIT process. Since there were some more software and hardware solutions to be incorporated therefore, a revised proposal was submitted to the Ministry of Information Technology in 2012 after approval of State Government on the same funding pattern. Ministry approved the revised proposal with the condition to extend few more solutions like network redundancy, BI tool and video conferencing and also to strengthen the hardware infrastructure in the CTD like tablets for the use of the check post officials and survey team and construction of video conference room with matching infrastructure ,etc.

The main objective for applying for MMP under NeGP:

- 1) To enable flow of information between
 - i) Government and Citizens (G2C)
 - ii) Government and Businesses (G2B)
 - iii) Government and Government (G2G).
 - 2) Speed – Technology makes communication speedier. Internet, Phones, Cell Phones have reduced the time taken in normal communication.
 - 3) Cost Reduction – Most of the Government expenditure is appropriated towards the cost of stationary. Paper-based communication needs lots of stationary, printers, computers, etc. which calls for continuous heavy expenditure. Internet and Phones makes communication cheaper saving valuable money for the Government.
 - 4) Transparency – Use of ICT makes governing process transparent. All the information of the Government would be made available on the internet. The citizens can see the information whenever they want to see. But this is only possible when every piece of information of the Government is uploaded on the internet and is available for the public to peruse. Current governing process leaves many ways to conceal the information from all the people. ICT helps make the information available online eliminating all the possibilities of concealing of information.
4. Accountability – Once the governing process is made transparent the Government is automatically made accountable. Accountability is answerability of the Government

to the people. It is the answerability for the deeds of the Government. An accountable Government is a responsible Government.

As the administration of commercial taxes like VAT, CST etc. involves handling of a large number of dealers, who act on behalf of the State Departments to collect tax from consumers and deposit it in the State treasury, the Commercial Taxes Department registers these dealers and issues registration certificates. The department fixes the periodicity of the returns to be filed by the dealers. The department adds to the revenue of the State by collecting tax through challans and Net Payments. The Department is responsible for assessments, Tax Refunds, Form Issuance (egg. C form), Tax accounting, Recovery and Appeals. Computerizing all the functionalities of the Department for all types of services e.g. online filing of return, online creation of waybills, online payment etc. which expedites the process and makes the process easier for the Citizens, Dealers and Stake holders (Government). Implementation of the project will make the process of record-keeping, reconciliation, researching and analysis of data easier. It will also facilitate the Dealers to enjoy the benefit of filing online return, online tax payment, online waybill creation from anywhere (where previously they had to come to office). Consequently, the office work load will decrease and time saved can be concentrated on other useful activities like survey, assessment and data analysis which will lead to better collection of taxes.

The Project was implemented in 2011 with the creation of a Project e-Mission Team and a User Acceptance Team. Both Hardware installation and Software development was done simultaneously. For connectivity, RF towers were installed after survey of feasibility of LOS and further in a revised proposal lease line for head office and a broadband dongle will be provided at the circle and check post offices.

The website 'www.sikkimtax.gov.in' and application which was named SeVA (Sikkim electronic Vanijiyakar Administration) was launched and hosted at State Data Centre on 6th of January 2012 wherein the Registration, Waybill, Waybill Endorsement were functional. E>Returns, e-Annual Returns, MIS's, ITC, CST forms, Admin module, NOC, Online Payment, PEC, Cancellation, was incorporated later. Online tax payment started on 18th of October 2012 with the integration of IDBI. Further two more banks AXIS and HDFC got integrated with the SeVa online system on 1st of Jan 2013.

There are few more modules to be released like Audit and Assessments, Survey and inspection, e-TDS, Check post detained, video conferencing, Data Analysis Tool for Research Section which are expected to be completed by July, 2013.

It has been more than one year since implementation of the MMP and transition to the online system of e-governances. The benefits of the project has been noticed with the decrease in the personal interaction with the officials and gradually the office work load is being shared with the dealers which in turn provides ample time for the authorities to concentrate on other productive things to increase the revenue.

(d) Status of debt and guarantee recording and management.

The repayment of debt and payment of interest are being made as per the terms and condition as laid down in the loan agreement. The data relating to the same is managed through systematic computerization. As regards to Government Guarantee, the State Government has given guarantee to only two State PSUs.

(e) Whether any system being followed to track transfers and expenditures on the lines of Central Plan Scheme and Monitoring System (CPSMS) adopted by Government of India.

The State Government has introduced The Sikkim Integrated Financial Management System (SIFMS), which has been made operational and is currently running LIVE on a real time mode in all the Pay & Account Offices. This system enables to capture all receipts, expenditure, transfer of funds etc in real time mode

(f) What is the status of implementation of specific grants recommended by the 13th FC on the following:

i. Incentivising UID programme (Para 12.70).

PROJECT OVERVIEW

Name of the project : Providing Incentives & Facilities under 13th Finance Commission

Grants for issuing UID

Grants under 13 FC : ₹ 110 lakh

Funding mechanism : 13th FC (100% CSS)

Financial time line : Equated annual instalment of ₹ 22 lakh to be released from 2010 to 2014.

Components of the project and cost

(a) Building data base for subsidized Ration Card

(b) Establishment of UID Enrolling stations and associated items

UID PROJECT IN SIKKIM

Government of India has established a Unique Identification Authority of India (UIDAI) under Planning Commission. The main objective behind the establishment of this agency is to provide unique identification number to each and every person residing in India. The UIDAI intends to collect demographic information and biometric data of all resident population of the country.

This initiative by Government of India is also intended to bring about a fundamental change in the delivery mechanism and provide a data base for effective implementation of government schemes and projects. Thus, the long term objective is to integrate all schemes of the government like NREGRA and public documents like ration card with UID.

As in all the States, the UID project is also being implemented in Sikkim, which will bring manifold benefit to the State. At the first instance a data bank, comprising of demographic information's and biometric data of all resident population of the State will be created. This will not only provide data for planning development and policy formulations but also enable the improvement in the delivery mechanism of various schemes like, old age pension, NREGRA, building an electronic ration card management system and others.

In order to implement the UID Project in Sikkim, a High Level UID Implementation Committee under the chairmanship of the Chief Secretary has been formed and the Department of Economics, Statistics, Monitoring and Evaluation has also been declared the Nodal Department. Further, Memorandum of Understanding has also been signed between Government of Sikkim and UIDAI, GOI to implement the project.

PROPOSAL UNDER 13TH FC FOR UID

The 13th Finance Commission, Govt. of India, has earmarked a sum of Rs.1.10 corers for Unique Identification project being implemented in the State of Sikkim. As per the guidelines, the grants will be released in five equal spells of Rs. 22 lakhs over five financial years (2010-2014).

Subsidized ration cards

As per the Planning Commission, the percentage of BPL persons/HHs in the state is 20.33 % which translates to about 1.10 lakh HHs/persons taking 2001 population as base. The nodal department proposes to facilitate the creation of database for making subsidized UID enabled ration cards.

Establishment of UID Enrolling stations in Districts for BPL and APL households:

The UID entails the continuous updating of demographic and biometric information's. Thus, Facilities for enrolling and updating needs to be created at the block level so that the BPL people need not travel far for enrolment. Hence, the nodal Department proposes to establish enrolment stations which will be equipped with necessary hardware's like computers, biometric equipment and other office items. In addition to the biometric equipments, manpower trained in enrolling the residents as well as operating the equipment will be needed. Further, operational costs like stationeries, mobility support for enrolment and updating of data, cartridges, etc will also be procured

Progress achieved so far:

Sl.No.	Items	Physical target
1	Establishment of UID Enrolment Centres & Administrative support	Purchase of 6 sets of biometric equipments like iris capturing machines, finger print capturing machines, mobility support; stationeries cartridges

ii Incentive for reducing IMR (Para 12.75).

As per recommendation of 13th Finance Commission the States were eligible for grants of ₹ 5000.00 crore over the period 2012-15. The grant was linked to actual progress in reduction of Infant Mortality as per the Sample Registration Survey (SRS) conducted annually by Registrar General of India (RGI). The SRS measuring IMR for 2009 would form the baseline.

The eligibility of the states for grant would be based on SRS bulletin for the relevant year and the states were not required to apply for release of grant. The eligibility would be worked out and grant released by Finance Commission Division, Ministry of Finance, Government of India (F.No.31 (1)FCD/2011 dt:18/05/2011).

The State of Sikkim is eligible for the grant as the year-wise IMR figure as per SRS is as follows:

Year	IMR for Sikkim
2009	34
2010	30
2011	26

State has received ₹ 150.37 Crore during the year 2012-13 on the basis of improvement in the IMR figure on the SRS bulletin.

iii Improvement of Administration of Justice.

- (1) Alternative Dispute Redressal Centre (ADR) for the East District at Sichey, Gangtok is under construction. The ADR for the South District at Namchi has been completed and was inaugurated on 23rd, February, 2013.
- (2) Judicial academy;- Land has been acquired. Total DPR of ₹ 52.82 crore has been prepared for completion of the Academy in a phased manner. During 13th Finance Commission award ` 15.00 Crore has been provided and tender for the first phase construction has been completed. Remaining ` 37 Crores is expected to be released under 14th, Finance Commission for which demand is being placed.
- (3) Training of Public Prosecutors: - In 2010-11 06 (Six) P.Ps were trained. In 2011-12, 14 (Fourteen) P.Ps were trained. In 2012-13, 6 (Six) P.Ps have been trained.
- (4) Training of Mediators: - In 2011-12 and 2012-13, 13 (Thirteen) Lawyers in each year have been trained.
- (5) Legal Aid: - In 2011-12, 55 Camps were held with 4289 beneficiaries and in 2012-13, 74 Camps were held with 4289 beneficiaries.
- (6) Lok Adalat: - In 2011-12, 139 Lok Adalats were conducted and 735 cases disposed of. In 2012-12, 105 Lok Adalats were conducted utilizing funds allocated under Thirteenth Finance Commission and 184 cases disposed off.

The Thirteenth Finance Commission had recommended a sum of ₹ 21.78 Crore for Improvement of Administration of Justice during the award period. Till the end of 2012-13, an expenditure of ₹1.74 Crore has been incurred.

iv Setting up a Centre for Innovation in Public Systems (CIPS) and District Innovation Fund.

Refer to Point No 29

DISTRICT INNOVATION FUND.

Major improvements under District Innovation Fund

Under the 13th Finance commission Grants, all the four districts in Sikkim have received District Innovation fund for carrying out innovative activities within their respective districts.

The district Innovation Fund has been recommended by the 13th Finance Commission on the premise that innovation can help accelerate the efforts of administration to reach out to people and make public service delivery more efficient. District Innovation Fund of 45 lakh was released in 2012-13 with districts' own contribution of 5 lakh each.

v Enhancing quality of statistical system.

STEPS TO ENHANCE QUALITY OF STATISTICS

To meet the challenges of the growing economy and the complex social and demographic dynamics, importance of statistics for planning development, good governance, decision making, accountability and management have been recognized since long. Accurate and up to date statistics are essential not only for obtaining an objective picture of a state's economic and social condition but also plays a crucial role in supporting development policies and in measuring the impact of interventions.

Vision of State Statistical System as envisioned by DESME, the Nodal Agency for all statistical activities of the State of Sikkim

"The Vision of the statistical system in the State shall be to establish systems, processes and best practices to provide, within the decentralized structure of the system, reliable, timely and credible social and economic statistics to assist decision making within and outside government, strengthen the efforts to promote economic and social development; and stimulate informed debate relating to conditions affecting the life of people"

The objectives of any statistical system are to provide reliable and timely data sets, and to achieve this, development of an institutional mechanism for meeting the data base requirements of the economy, better institutional capacity to gather and process statistical information, improvement in the quality and performance of the statistical personnel, production of official statistics of quality and utilization of innovative

technologies and standardized procedures and improving the sample survey capabilities, is a must

To enhance the quality of the state statistical systems, interventions in respect of five selected key areas given below, is the need of the hour:

- (i) Improving the Statistical Environment and operation
- (ii) Human Resource Development
- (iii) Developing civil infrastructure
- (iv) Developing IT infrastructure

To improve the statistical environment and quality of the state statistical system of Sikkim, the following action plans are necessary:

- a) Development of a coherent and consistent system of data collection, analysis and dissemination in order to ensure that official statistics matches the data needs at all levels of aggregation from nation level down to sub district level and that it would be comparable both across time and space.
- b) Evolve, wherever required, suitable standards and methodologies and further make them dynamic as the process of strengthening state capacities progress.
- c) To strengthen the coordination mechanism among the data producers taking advantage of the status of DESM&E as the Nodal Agency and the authority managing the statistical system and statistical cadre.
- d) Develop expertise among statistical personnel for independent design of surveys and studies.
- e) Generate base line data and provide subsequent data sets for carrying out meaningful evaluation of development programmes.
- f) Improvement and management of data quality and dissemination of statistics using IMF special data dissemination standard
- g) Creation of state statistical information system wherein all statistical information will converge. This will help in the creation of a centralized database for management of the statistics in the State.

At the same time, the following will optimize the statistical out of the State:

- (a) Necessary resources should be made available to the statistical agencies for computerization and development of necessary software to make them self sufficient in this respect. This will help the statistical organizations to undertake tabulation, compilation and reporting of data. .
- (b) The statistical organization should develop the necessary analytical capabilities to carry out data-analysis relevant to the problems of decision making of the Government.
- (c) The State Governments should closely involve the DESM&E in its decision-making processes. The heads of the department should closely involve their departmental statisticians in their decision-making process.
- (d) In view of the importance of the Block Administrative Centres in administering governance, statistical units of DESM&E will have to established or all statistical works of BACs will have to be brought under the under the technical supervision through the district statistical offices.

- (e) All offices/units will have to be directed to file regularly the statutory statistical returns required by the Acts and Rules and necessary actions under the Acts should be taken against the defaulting units.

vi Grant for setting up of an employees and pensioners data base.

Estimated cost of the project : ₹ 500 lakh 50% of the fund (₹ 250 lakh) was released in the year 2010-11, The work of creating Employees and Pensioners' Data Base, entrusted to the Committee is complete. Report on employees and pensioner's database is approved by the government on 16.1.2013 and sent to the Government of India through Finance Commission Division, Finance, Revenue & Expenditure Department , Government of Sikkim.

ANNEXURES

**GOVERNMENT OF SIKKIM
URBAN DEVELOPMENT AND HOUSING DEPARTMENT
GANGTOK**

NO. 8(20) B/UD&HD/1999

Dated: 01.04.2002

NOTIFICATION

In exercise of the powers conferred by clause (e) of Section 7 of the Sikkim (Repeal and Miscellaneous) Act, 1985, and in suppression of the previous notification on the subject, the State Government hereby imposes the Ground Rent with effect from 1st April, 2002 as follows, namely:-

<u>Sl. No.</u>	<u>Bazar</u>	<u>Ground Rent Rate</u>
1	Gangtok	₹ 50/- per 100 sft.
2	Deorali	- do -
3	Tadong	₹ 30/- per 100 sft.
4	Singtam	- do -
5	Rangpo	- do -
6	Ranipool	- do -
7	Jorethang	- do -
8	Namchi	- do -
9	Gyalshing	- do -
10	Mangan	- do -
11	Naya Bazar	- do -
12	Other Bazars including Rangpo Mandi Bazar	₹ 10/- per 100 sft.

The ground rent of Gangtok, Deorali, Tadong, Singtam, Rangpo, Gyalshing, Jorethang, Nayabazar, Namchi and Mangan shall be collected by the Urban Development and Housing Department as usual. Persons failing to deposit the ground rent within 31st March of a year shall be liable to pay 5% additional surcharge on the rent amount due.

Sd/-

Commissioner-cum-Secretary

Urban Dev. & Housing Department



**GOVERNMENT OF SIKKIM
URBAN DEVELOPMENT & HOUSING DEPARTMENT
GANGTOK.**

No. GOS/UD&HD/6(294)2001/

Dated 28.06.2007

NOTIFICATION

The Governor of Sikkim is hereby please to notify the following regarding unauthorized construction on both Government allotted land and private land, namely:-

- 1) In continuation to the Notification No.6 (294)1927/UD&HD dated 16th September, 2004, no vertical unauthorized constructions on both Government allotted land and private land beyond the above date will be allowed. For vertical construction the maximum permissible number of floors for construction shall be in accordance with Notification No. GOS/UD&HD/6(294)2001 dated 19th October, 2001. The provisions of this Notification shall remain unchanged on both Private and Government land. There is no extension of dead line beyond the Notification dated 16thSeptember, 2004 for regularization of vertical unauthorized constructions.
- 2) No regularization for horizontal unauthorized constructions for buildings constructed on Government allotted land will be considered from the date of issue of this Notification. However, this dead line will not affect constructions on private land wherein horizontal constructions beyond the area provided in the Blue Print Plan shall be considered provided the construction is limited to the individual's land holding and adequate road set-back as prescribed by law is maintained, gaps are maintained from neighbouring structures, also such extension does not encroach on Government land and there is no complaint from the adjacent neighbours etc. All action will be taken up strictly as per the provisions laid down in the Sikkim Building Construction Regulation, 1991. Further all unauthorized constructions on Government land hereafter shall be liable for demolition in accordance with the Regulation 38 of the Sikkim Building Construction Regulation, 1991.
- 3) The Office of the Urban Development & Housing Department, Government of Sikkim will ensure that all such cases mentioned in paragraph (1) and paragraph (2) regarding unauthorized constructions will be taken up and the formalities completed within 90 (ninety) days w.e.f. the date of issue of this notification in accordance with the relevant rules in force.
- 4) The Regularization fee to be imposed if required will be as prescribed in the Notification No.6 (294)1927/UD&HD dated 16th September, 2004

**“SCHEDULE I”
REVISED
[See Section 12(a)]
Items exempted from payment of VAT**

Sl.No	Description of Goods
1.	All Agricultural inputs broadly classified as equipments, seeds & fertilizers other than those specified elsewhere. Bio-fertilizers and Micronutrients also plant growth promoters and regulators, herbicide, rodenticide, weedicide, insecticide.
2.	Aids & implements used by handicapped persons.
3.	Aquatic feed, poultry feed, cattle feed including grass, hay & straw, Husk of pulses, concentrates & additives, wheat bran & de-oiled cakes.
4.	Atta, Maida, Suji & Basan
5.	Bangles except those made of precious metals.
6.	Beehives
7.	Betel leaves.
8.	Books, periodicals, journals, newspapers including maps, charts & globe.
10.	Broomsticks (unbranded).
11.	Chalk lamps
12.	Charcoal.
13.	Clay lamps.
14.	Coarse grains including food-grains such as paddy, rice, wheat, maize & pulses.
15.	Condoms and contraceptives
16.	Cotton & Silk yarn in hank.
17.	Curd, Lassi, Buttermilk & separated milk.
18.	Earthen pot.
19.	Electrical energy.
20.	Fire wood.
21.	Fisher, Fishnet fabrics & fish seeds, prawn/shrimp seeds
22.	Fresh milk and pasteurized milk
23.	Fresh plants, saplings and Fresh flowers.
24.	Fresh vegetables & fruits.
25.	Garlic & ginger.
26.	Goods taken under Customs bond for re-export after manufacturing or otherwise.
27.	Gur and jaggery.
28.	Handicrafts; other than specified in any other schedule.
29.	Handmade safety matches.
30.	Human Blood & blood plasma.
31.	Idols made of clay.
32.	Indigenous handmade musical instruments.
33.	Khadi & handloom garments/products.
34.	Kumkum, Bindi, Alta & Sindur.
35.	Meat, fish, prawn & other aquatic products when not cured or frozen, eggs & livestock.
36.	National Flag.
37.	Non-judicial stamp paper sola by Govt. Treasuries, postal items like envelope, postcard etc. sold by Govt. rupee note & Cheques.
38.	Organic manure.
39.	Pappad.

40.	PDS commodities (except Kerosene)
41.	Puffed rice, commonly known as Muri, flattened or beaten rice, commonly known as Chiura.
42.	Rakhi.
43.	Raw wool.
44.	Religious pictures not for use as calendar.
45.	Sacred threads including sacred scarves locally known as khadas.
46.	Salt (branded or otherwise)
47.	Salted cooked food (Namkeens) made wholly of flour, atta, suji or besan that is to say singara, nimki, kachuri, khasta kachuri, luchi, momo, aloo puri, chop, pyazee & pakoras.
48.	Sattu
49.	Semen including frozen semen.
50.	Silkworm laying, cocoon & raw silk.
51.	Slate and slate pencils.
52.	Sugar.
53.	Tender green coconut
54.	Textiles.

SCHEDULE II

[See Section 12 (b)]

The goods mentioned below are liable to VAT at the rate of 1 per cent

Sl.No	Description of goods
1.	Bullions
2.	Gold and silver and ornaments
3.	Platinum jewellery
4.	Precious stones

SCHEDULE III

REVISED

[See Section 12 (c)]

The goods mentioned below are liable to VAT at the rate of 4 per cent

Sl.No.	Description of goods
1.	All equipments for communications such as a private branch exchange (PBX) & Elect. Private Automatic Branch Exch. (EPABX) etc.
2.	All intangible goods like copyright, patent, rep. licence etc.
3.	All kinds of bricks including fly ash bricks, refractory bricks & earthen tile roofing.
4.	All metal castings.
5.	All types of yarn other than cotton & silk yarn in hank & sewing thread.
6.	All utensils including pressure cookers/pans except utensils made of precious metals.
7.	Animal Hair-but to be a part of skin & hide or raw wool.
8.	Areca nut powder and betel nut.
9.	Asafetida (Hing).
10.	Bamboo.
11.	Bearings.
12.	Bed Sheet, pillow covers, towels, blankets, handkerchief, mates, napkins and other

	makeups.
13.	Bedil leaves.
14.	Belting
15.	Bicycles, tricycles, cycle rickshaws & parts, tyres and tubes thereof.
16.	Biomass briquettes
17.	Bitumen.
18.	Bone meal.
19.	Buckets made of iron and steels, aluminum, plastic or other materials (except precious materials)
20.	Bulk drugs.
21.	Candles.
22.	Centrifugal & mono-bloc & submersible pumpsets & parts thereof
23.	Chemical fertilizers & pesticides.
24.	Clay including fireclay, fine china clay and ball clay.
25.	Coal tar.
26.	Coffee beans & seeds, cocoa pod, green tea leaf & chicory.
27.	Coir & Coir products excluding coir mattresses.
28.	Combs.
29.	Computer stationary
30.	Cottage cheese.
31.	Cotton & cotton waste.
32.	Crucibles.
33.	Cups and glasses of paper band plastics.
34.	Declared goods as specified in Section 14 of the Central Sales Tax Act, 1956,
35.	Drugs and medicines including vaccines, syringes and dressings, medicated ointments produced under drugs license, light liquid paraffin of IP grade.
36.	Edible oil, cakes.
37.	Electrodes.
38.	Embroidery or zari articles, that is to say, imi, zari, kasab, saima, debka, chumki, gota sitara, naqsl, kora, glass bead, badla.
39.	Exercise book, graph book & laboratory note book.
40.	Feeding bottle, nipples.
41.	Ferrous & non –ferrous metals & alloys non metals, such aluminum, copper, zinc & extrusions of those.
42.	Fibre of all types and fibre waste.
43.	Fly ash.
44.	Fried and roasted gram.
45.	Hand pumps 7 spare parts.
46.	Herb, bark, dry plant, dry root, commonly known as jari booti and dry flower.
47.	Honey.
48.	Hose pipes and fittings thereof.
49.	Hosiery goods.
50.	Bran of cereals.
51.	Haven samagri including agarbatti, dhoop, sambrani or lobhana.
52.	Ice.
53.	Insulators.
54.	I.T. products including computers, telephones & parts thereof, teleprinters & wireless equipments and parts thereof, cell phone DVD and CD
55.	Imitation Jewellery

56.	Kattha.
57.	Kerosene lamp/lantern, petromax, glass chimney.
58.	Khandsari.
59.	Khoya/khoa.
60.	Knitting wool
61.	Lignite.
62.	Lime, Lime stone, clinker & dolomite
63.	Linear alkyl benzene, L.A.B Sulphonic Acid, Alfa Olefin sulphonate.
64.	Medical equipments/devices and implants including dental equipments.
65.	Medical plastic footwear, Hawai Chhapals & straps thereof.
66.	Napa Slabs and Shahabad stones, (rough flooring stones)
67.	Newars.
68.	Non-mechanized boats used by fisherman for fishing.
69.	Nuts, bolts, screws and fasteners
70.	Oil seeds
71.	Papers and newsprint & paperboard.
72.	PDS Kerosene
73.	Pipes of all varieties and fittings including G.I. pipes, C.I. pipes, ductile pipes, PVC etc.
74.	Pizza bread
75.	Plastic granules, plastic powder and master batches.
76.	Porridge.
77.	Printed materials including diary, calendar etc.
78.	Printing ink excluding toner and cartridges.
79.	Processed meat, Poultry & fish
80.	Processed vegetables, fruits etc. including jams, jelly, pickle, fruits squash, paste, fruit drink and fruit juice (whether in sealed container or otherwise).
81.	Railway coaches, engines, wagons and parts thereof.
82.	Readymade garments.
83.	Refractory monolithic.
84.	Renewable energy devices and spare parts
85.	Rice bran.
86.	River sand, stones and stone chips.
87.	Sale of old cars.
88.	Safety matches.
89.	Sewing machine, its parts and accessories.
90.	Ship & other water vessels.
91.	Silk fabrics excluding handlooms silks unless covered by AED
92.	Skimmed milk powder and UHT milk.
93.	Solvent oils other than organic solvent oil
94.	Spectacles, parts & components thereof contact lens & lens cleaner.
95.	Spices of all varieties and forms including cardamom, cumin seed, aniseed, turmeric & dry chillies excluding garlic and ginger
96.	Sports goods excluding apparels and footwear.
97.	Stainless Steel sheets.
98.	Starch
99.	Sweetmeat
100.	Tamarind seed and powder
101.	Tea.
102.	Tools and wear parts such as twist drills, taps, reamers, spanners, screw-drivers,

	files, cuttings pilers, hammers, cutters, dies, button bits, tungsten, carbide war parts, ceramic industrial wear parts and the like.
103.	Toys excluding electronic toys.
104.	Transformers.
105.	Tractors, threshers, harvesters & attachments & parts thereof.
106.	Transmission towers.
107.	Umbrella except garden umbrella.
108.	Vanaspati (Hydrogenated Vegetable Oil)
109.	Vegetable oil including gingili oil and bran oil
110.	Wet dates.
111.	Wooden crates.
112.	Works contact in the nature of printing works.
113.	Writing ink.
114.	Writing instruments, geometry boxes, crayons and pencil sharpeners.

**SCHEDULE IV
REVISED**

[See Section 12(d)]

The goods mentioned below are liable to VAT at the rate of 4 per cent

INDUSTRIAL INPUTS AND INFORMATION TECHNOLOGY PRODUCTS

Sl.No.	Description of goods
1.	Acetyls and hemiacetals, whether or not with other oxygen function and their halogenated, nitrated, nitro sated derivatives.
2.	Acrylic hydrocarbons.
3.	Acrylic polymers in primary forms.
4.	Activated carbon, activated natural mineral products, animal black, including spend animal black.
5.	Aerials, antennas and parts.
6.	Aldehydes whether or not with other oxygen function, cyclic polymers of aldehydes, paraformaldehyde.
7.	Alkali or alkaline earth metals, rare earth metals, scandium and yttrium, whether or not intermixed or inter alloyed, mercury.
8.	Aluminium hydroxide, Aluminium oxide.
9.	Aluminium ores and concentrates.
10.	Amino-function compounds.
11.	Amino-resins, polyphenylene oxide, phenolic resins and polyurethanes in primary forms.
12.	Amino hardener, Epoxy hardener, Accelator, Epoxy resins, Epoxy hardener & UF resin.
13.	Ammonia, anhydrous or aquaous solution
14.	Animal (including fish) fats, oils, crude, refined or purified.
15.	Animals and vegetable fats boiled, oxidized, dehydrated, sulphurised, blown, polymerized by heat in vaccine or in inert gas.
16.	Articles for packing of goods of plastics including tin contains and glass containers, namely boxes, cases, crates, containers, carboy, bottles, jerry cans * stoppers, lids, caps, jars, phials of glass of a kind used for the packing goods and other closures of glass (including crown corks, screw caps and pouring stoppers) capsules for bottles, threaded bungs, seals,.
17.	Artificial corundum, whether or not chemically defined.

18.	Artificial graphite, colloidal or semi-colloidal graphite, preparations based on graphite or other carbon in the form of pastes.
19.	Begasse.
20.	Benzole.
21.	Borates, perxoborates (perborates)
22.	Butadine.
23.	Calcium Carbonates
24.	Carbon (carbon blacks & other forms of carbon not elsewhere specified or included)
25.	Carbonates, peroxocarbonates (percarbonates), commercial ammonium carbonates containing ammonium carbonate.
26.	Carboxamide-function compounds including saccharin and its salt and imine function compounds.
27.	Carboxamide-function compounds, amide-function compounds of carbonic acid.
28.	Carboxylic acids with additional oxygen function and their anhydrides, halides, peroxides and peroxyacid, their halogenated derivatives.
29.	Cartons, Boxes(including flattened or folded cartons), boxes (including flattened or folded boxes), cases, bags, packing container.
30.	Casein, Caseinates, and other casein derivatives, casein glues.
31.	Castor Oil.
32.	Cathode ray oscilloscopes, Spectrum analysers, cross talk meters, distortion factor meters, psophometers, network & logic analysers, and Signal analysers.
33.	Cellulose and its chemical derivatives & cellulose ethers, not elsewhere specified in primary forms
34.	Chemical elements doped for use in electronics in the form of discs, wafers or similar forms, chemical compounds doped for use.
35.	Chlorates and perchlorates, Bromates and perbromates, iodate and periodates.
36.	Chlorides, chloride oxides and chloride hydroxides, bromides, iodate and periodates
37.	Chromium ores and concentrates
38.	Chromium oxides and hydroxides
39.	Chromium Sulphate.
40.	Cobalt ores and concentrates
41.	Cobalt oxides and hydroxides commercial cobalt oxides
42.	Compounded rubber, unvulcanised, in primary forms or in plates, sheets or strips
43.	Compounds, inorganic or organic of rare earth metals of yttrium or of scandium or of mixtures of these metals
44.	Computer systems and peripherals, Electronic devices.
45.	Copper ores and concentrates
46.	Copper Sulphate
47.	Creosole oils
48.	Cyanides, cyanide oxides and complex cyanides
49.	Cyclic alcohols and their halogenated, sulphonated, nitrated or nitrated derivatives
50.	Cyclic Hydrocarbons.
51.	DC Micromotors, Stepper motors of 37.5 watts.
52.	DATA/Graphic Display tubes, other than picture tubes and parts
53.	Deicing, preparations, wetting agents, penetrators.

54.	Denatured ethyl alcohol or any strength
55.	Diazo-AZO or azoxy-compounds.
56.	Di-Ethylene Glycol, Mono-Ethylene Glycol, Tri-Ethylene Glycol, Ethylene Glycol, Heavy Ethylene Glycol.
57.	Diodes, transistors & similar semi-conductor devices, light emitting diodes, mounted piezo-electric crystals.
58.	Diphosphorous pentoxide, phosphoric acid and polyphosphoric acids
59.	Dithionites and sulphoxylates.
60.	Dyes, Basic dyes.
61.	Electrical apparatus for line telephony or line telegraphy including line telephone etc, telecommunication apparatus for carrier-current line system or for digital line systems, video phones. Electrical capacitors, fixed, variable and parts.
62.	Electrical resistors.
63.	Electronic calculators.
64.	Electronic integrated circuits and Micro-assemblies
65.	Electroplating material.
66.	Enzymes, prepared enzymes not elsewhere specified or included.
67.	Esters or other inorganic acids excluding ester of hydrogen halides and their salts, their halogenated, sulphonated, nitrated derivatives.
68.	Ethers, ether-alcohols peroxides, ketone peroxides(whether or not chemically defined) & their halogenated.
69.	Ethylene Diamine Tetra Acetic Acid, Nitrilo Triacetic acid and their derivatives.
70.	Ethylene oxide.
71.	Ethylene, Propylene.
72.	Epoxydes, epoxy alcohols, epoxy phenols & epoxy ethers, with a three membered ring and their halogenated sulphonated.
73.	Finishing agents, dye carriers to accelerate the dyeing or fixing of dye-stuffs and other products & preparations, textile papers.
74.	Flexible plain films
75.	Fluorides, fluorosilicates, fluoaluminates and other complex fluorine salts.
76.	Fluorides, chlorine, bromine and iodine.
77.	Fluorides, cyanates and thiocyanates.
78.	Glass frit and other glass in the form of powder, granules or flakes.
79.	Glycerol, crude glycerol waters and glycerol lyes.
80.	Glycosides, natural or reproduced by synthesis and their salts,, esters, and other derivatives.
81.	Granulated slag(slag sand) from mfg. of iron or steel.
82.	Halides and halide oxides of non-metals
83.	Halogenated, derivatives of Hydrocarbons.
84.	Halogenated, sulphonated nitrated or nitrosated derivatives of phenols or phenol-alcohols.
85.	HDPE
86.	Heterogenated, sulphonated nitrated or nitrosated derivatives of phenols or phenol-alcohols.
87.	Heterocyclic compounds with nitrogen heteroatom(s) only
88.	Heterocyclic compounds with oxygen heteroatom(s) only
89.	Hydrazine & hydroxylamine and their inorganic salt other inorganic bases, other metal oxides, hydroxides, and peroxides.
90.	Hydrogen chloride (hydrochloric acid), chlorosulphuric acid.

91.	Hydrogen, rare gases & other non-metals.
92.	Hydroxide and peroxide of magnesium, oxides, hydroxides and
93.	Hypochlorites, commercial calcium hypochlorite, chlorites, hypobromites.
94.	Industrial cables(High voltage cables, XLPE Cables, Jelly filled cables, optical fibres)
95.	Industrial monocarboxylic fatty acids, acids oils from refining, industrial fatty alcohols.
96.	Iron oxides and hydroxides.
97.	IT software or any media.
98.	LCD panels, LED panels and parts.
99.	Lead ores and concentrates.
100.	Liquid crystal devices, flat panel display devices and parts.
101.	LLDPE/LDPE.
102.	Maize starch, maize gluten, maize germ & oil.
103.	Manganese ores and concentrates, including ferruginous manganese ores and concentrates with a manganese content of 20%/
104.	Manganese oxides.
105.	Mechanical wood pulp, chemical wood pulp, semi-chemical wood pulps, & pulps of other fibrous cellulosic materials.
106.	Methanol.
107.	Micro-phones, multimedia speakers, headphones etc. & their parts.
108.	Mixed PVC stabilizer.
109.	Molybdenum ores and concentrates.
110.	Naphthalene.
111.	Natural gas in gaseous state other than compressed natural gas (used as transport fuel).
112.	Natural Gas in liquefied state (except LPG, propane and butane).
113.	Natural polymers (for example, alginic acid) and modified natural polymers (for example, hardened proteins, chemicals).
114.	Natural rubber, balata, gutta percha, guayule, chicle and similar natural gums, in primary forms or in plates, sheets or strips.
115.	Nickle ores and concentrates.
116.	Niobium, tantalum, vanadium or zirconium ores and concentrates.
117.	Nitric acid, sulphonitric acids.
118.	Nitric function compounds.
119.	Nitrites, nitrates.
120.	Nitrocellulose lacquers in aqueous & non-aqueous medium.
121.	Normal paraffin & wax.
122.	Nucleic acids and their salts, other heterocyclic compounds.
123.	Oils and other products of the distillation of high temperature coal tax, similar products in which the weight of the aromatic constituents exceeds that of the non-aromatic constituents.
124.	Optical fibre and optical fibre bundies, cables.
125.	Organic composite solvents/thinners.
126.	Organic derivatives of hydrazine or of hydroxylamine.
127.	Organic-sulpher compounds.
128.	Other inorganic acid and inorganic oxygen compounds of non-metals.
129.	Other ores and concentrates.
130.	Oxides of boron, boric acids.
131.	Oxygen-function amino-compounds.
132.	Paper cones, paper pines.

133.	Paper printed labels, paperboard printed labels.
134.	Paper self-adhesive tape and printed wrappers used for packing.
135.	Partially oriented yarn, polyester texturised yarn and waste thereof.
136.	Permanent magnets and articles.
137.	Petroleum resins, coumarone-indene resins, polyterpenes, polysulphides, polysulphones.
138.	Phenols and its salts.
139.	Phosphides, whether or not chemically defined excluding Ferro phosphorus.
140.	Phosphinates (hypophosphite), phosphonates (phosphates) and polyphosphates.
141.	Phosphoric ester and their salts, including lacto phosphates, their halogenated, sulphonated, nitrated or nitro sated derivatives.
142.	Polyacetals, other polyethers and epoxide resin, in primary forms, polycarbonates, alkyd resins, polyalkylesters & polyesters.
143.	Polymides in primary forms.
144.	Polyorboxylic acids, their anhydrides, halides, peroxides and perkoxyacides, f their halogenated, sulphonated, nitrated derivatives.
145.	Polyster Staple fibre & Polyster Staple fire fill.
146.	Polyster fibre staple waste.
147.	Polyethylene & Terephthalate chips.
148.	Polymers of propylene & ethylene in primary forms.
149.	Polymers of vinyl chloride or of other halogenated olefins, in primary forms.
150.	Potassium dischromate.
151.	Power coating, stoving enamels, stoving primers & stoving thinners.
152.	Precious metal ores and concentrates.
153.	Prepared driers.
154.	Prepared liquid pigments and dye solutions.
155.	Prepared rubber accelerators, compound plasticizers for rubber or plastics, not elsewhere specified or included anti-oxidising.
156.	Prepared unrecorded media for sound recording.
157.	Printed Circuits.
158.	PVC /XLPE insulated wires & cables.
159.	Quaternary ammonium slats and hydroxides, lecithin and other phosphoaminolipids.
160.	Radio communication receivers, Radio Pagers.
161.	Radioactive chemical elements and radioactive isotopes (including the fissile chemical elements and isotopes) & compounds.
162.	Reaction initiators, reaction accelerators and catalytic preparations not elsewhere specified or included.
163.	Reclaimed rubber in primary forms or in plates, sheets, or strips.
164.	Reducers and blanket wash/roler wash used in the printing industry.
165.	Residual lyes from mfg. of wood pulp whether or not concentrated, desugared or chemically treated, including lignin sulphonate.
166.	Retarders used in the printing industry.
167.	Rosin and resin acids and derivatives, thereof, rosin spirit and oils, run gums.
168.	Sacks and bags of a kind used for packing of goods of jute, or of other textile based fibres,
169.	Saturated acyclic monocarboxylic acids and their anhydrides, halides, peroxides and peroxyacids, their halogenated, sulphonated derivatives.

170.	Self-adhesive plates, sheets, film, strips of plastics whether or not in rolls.
171.	Signal Generators and parts.
172.	Silicon in primary forms.
173.	Soda ash.
174.	Sodium bichromate.
175.	Sodium dichromate.
176.	Sodium hydroxide (caustic soda),potassium hydroxide (caustic potash) & sodium silicate, peroxides of sodium or potassium.
177.	Sulphides of non-metals, commercial phosphorus trisulphite.
178.	Sulphides, Polysulphides.
179.	Sulphites, thiosulphates.
180.	Sulphonamides.
181.	Sulphonated, nitrated for nitro sated derivatives of hydrocarbons whether or not halogenated.
182.	Sulphur, sublimed or precipited, colloidal sulphur.
183.	Sulphuric acid and anhydrides.
184.	Switches, Connectors, Relays for up to 5 amps.
185.	Synthetic organic colouring matter whether or not chemically defined, preparations based on synthetic organic colouring.
186.	Synthetic organic tanning substances, inorganic tanning substances, tanning preparations, whether or not containing natural.
187.	Synthetic rubber and factice derived from oils in primary forms or in plastic, sheets or strips, mixtures of any products.
188.	Tanning extracts of vegetable origin, tannins and their salts, ethters, esters and other derivatives.
189.	Telephone answering matches.
190.	Tin ores and concentrates.
191.	Titanium ores and concentrates.
192.	Titanium oxides.
193.	Toluole.
194.	Transmissions apparatus other than apparatus for radio or T.V. broadcasting, transmission apparatus incorporating reception apparatus, digital still image video cameras.
195.	Tungsten ores and concentrates.
196.	Turpentine oil.
197.	Uninterrupted power supply.
198.	Unsaturated acyclic monocarboxylic acids, cyclic monocarboxylic acids, their anhydrides, halides, peroxides, and peroxyacids.
199.	Uranium or thorium ores and concentrates.
200.	Vegetable alkaloids, natural or reproduced by synthesis and their salts, ethers, esters and other derivatives.
201.	Vegetable waxes (other than triglycerides), bees wax, other insect waxes and spermaceti, whether or not refined or coloured.
202.	Veneer.
203.	Wood tar, wood tar oils and wood creosote, wood naptha, vegetable pitch, brewer's pitch and similar preparations based on resin acids.
204.	Wool tops, acrylic tops, viscose tops, nylon tops and blended tops.
205.	Word processing machines, Electronic typewriters.
206.	Xylole.
207.	Zinc ores and concentrates.
208.	Zinc oxides.
209.	Zipper, polyster buttons, elastic & paper foam.

SCHEDULE V
REVISED
[See Section 12 (e)]

The goods mentioned below are liable to VAT at the rate of 12.5 per cent

Sl. No.	Description of goods
1.	Abrasives including grinding stones, abrasive sheets, wheels, sections, sand paper, emery paper, emery cloth, emery powder, emery paste, water paper and the like.
2.	Absolute alcohol, methyl alcohol, rectified spirit, neutral spirit and denatured spirit.
3.	Adhesive of all kinds including gum, glue, adhesive solution, gum paste, lapping compound, liquid M-seal epoxy, shellac, vulcanizing solution and adhesive tapes, self adhesive taps, gum tapes, gummed tapes and resin other than those specified elsewhere in this schedule or in any other schedule.
4.	Advertisement hoarding
5.	Aero planes and other aircrafts including helicopters and all kinds of parachutes, dirigibles, all kinds of gliders, all types of flying machine, aircrafts launching gear, parts and accessories thereof.
6.	(i) Air conditioning plants, air conditioners and other air conditioning appliances, air coolers, room coolers including all cooling appliances, apparatus and instructions; (ii) Refrigeration plants and all kinds of refrigerating appliances and equipments including refrigerators, deep freezers, mechanical water coolers, coffee coolers, walk-in-coolers; (iii) Cold storage plants and equipments including refrigeration materials like polystyrene and polyurethanes foam materials used in refrigerators and cold storage equipments;(iv) Water coolers cum heater units; (v) Parts and accessories of items (i) to (iv) above.
7.	Air purifiers, cupboard fresheners and deodorizers, whether odorous or with odour.
8.	Anti-bed sore made of PVC, rubber or other materials.
9.	Apparatus for making coffee under pressure, commonly known as espresso.
10.	Arms, ammunition and explosives of all kinds including (i)rifles, pistols and bayonets, truncheons and ammunition used therewith (ii) Hand grenades;(iii) Air guns, air rifles and pellets used therewith; (iv) gelatin sticks, RDX, gun powder, detonators caps, igniter, electric detonators, fuses and other blasting powder and the like.
11.	Articles and other goods of aluminium, brass, bronze, copper, cadmium, lead and zinc other than specified in any other Schedule.
12.	Articles made of ivory, horn, coconut shell, straw, bamboo, cane, rosewood, sandalwood and other woods other than those specifically included in any other entry in this schedule.
13.	Asbestos sheets and products, cements products including products in combination with other materials not elsewhere mentioned in this schedule.
14.	Asphaltic roofing.
15.	Baby and adult diapers.

16.	Bakery products including biscuit of all varieties, cakes, pastries, other than those specified in any other schedule.
17.	Baking powder, bread improver, cake gel, vinegar, wheat gluten and edible gelatine used for confectionery and ice creams.
18.	Batteries and parts hereof, dry cells, button cells, solar cells of all kinds, parts and accessories thereof including zinc calottes and carbon rods.
19.	Beds, pillows and quilts made of cotton or silk.
20.	Binoculars, monocular, opera glasses, optical telescope, astronomical instruments, microscopes & optical lenses other than lenses for spectacles.
21.	Bleaching powder of all varieties and descriptions.
22.	Boards such as planner boards, graph boards, writing cum projecting boards, white mark ceramic steel dry wipe boards
23.	Bulldozers, excavators, earthmovers, dumpers, dippers, pipe-layers, scrappers and the like, and parts and accessories thereof.
24.	Cables of all types, other than those specifically included in this schedule or in any other schedule.
25.	Cement including white cement and their substitutes and cement concrete mixture.
26.	Chinaware, porcelain ware and stoneware articles.
27.	Cigar cases and cigarette cases, pipe holders, tobacco pipes, cigarette filters and hookah.
28.	Cinematographic equipments, including video cameras, projectors, over-load projections, enlargers, plates and cloth required or use therewith, sound-recording and reproducing equipments, parts and accessories thereof and lenses, exposed films, films-strips, arc or cinema carbons, cinema slides, paper boards required for use therewith.
29.	Citronella oil.
30.	Clip boards, clutch pencil, black lead, date stamps, dusters, index file clips, poker, office files of all kinds, paper cutter, black board, black board dusters.
31.	Coconut products (others than sweets and confectionery and those specifically included under any other items in this schedules.)
32.	Coffee powder including French coffee and coffee drink.
33.	Computers cleaning kit.
34.	Conduit pipes and its fittings.
35.	Confectionery including toffee, chocolate and sweets of all kinds, ice-candy, ice-cake, ice-jelly, kulfi and frozen confectionery, frozen desert, chewing gum, bubble gum and the like.
36.	Cooked food including beverages other than liquor, served in, or supplied from, any-(a) Hotel (b) Restaurant, (c) Refreshment room, (d) Club or (e) Eating house.
37.	Cooking gas other than those specified elsewhere.
38.	Cosmetics and toilet articles that are to say – Talcum powder, prickly heat powder, similar medicated body powder, shampoo of all varieties and forms. Hair and body cleaning powder of all kinds, Sandal wood oil, Ramachom oil, cinnamon oil, Perfumes, scents, snow and cream. Eau de cologne, solid colognes, Beauty boxes, face packs, cleansing liquids and moisturizers. Make-up articles (including talcum powder), complexion rouge, bleaching agents. Hair oil, hair dyes, hair sprayers, hair removers, hair creams, Lipsticks, nail polishers and varnishes, polish removers, eyeliners, eyelashes and body deodorants.

39.	Cushion, mattress, pillows, seat cover and other articles made wholly or partially of artificial or synthetic resin or plastic foam or rubber foam.
40.	Deccan hemp products other than Deccan hemp fibre.
41.	Detergents whether cake, liquid or powder, toilet soap, washing soap, laundry brighteners, abir, blue, stain busters, stain removers and all kinds of cleaning powder and liquids.
42.	Dextrose monohydrate or powder for food drink having dextrose monohydrate as major ingredient.
43.	Diesel locomotive and parts and accessories thereof.
44.	Doors, windows, ventilators, partitions, stands, ladders, etc. made of any materials.
45.	Dry fruits, nuts and kernel such as almond, pista, dry grapes, figs, apricot, walnut, cashew kernel other than those specified elsewhere in this schedule.
46.	Duplicating machines, photo copying machines, reprographics copies including roneo machines, reprographic copies including duplicators and any other apparatus for obtaining duplicate copies, parts and accessories thereof, ribbons, plates used therewith.
47.	Electric motor, spare parts and accessories.
48.	Electrical domestic and commercial appliances including-food processors like mixer, grinder ovens, frying pans, roti-maker, rice cooker and deep fat fryer, Curd maker, hot food cabinet water heater including immersion heater. Electric kettle, electric knife. Cooking ranges washing machine, dish washer, Electric iron, electric hair drier, electric hair remover, shavers. Electric time switches, mechanical timers. Vacuum cleaners, Water purifier, Drier, Coffee roasting appliances. Floor polishers. Massage apparatus. Sharpeners, vending machine other than those specifically included under any other entry in this schedule or in any other schedule.
49.	Electrical goods of all kinds used in the generation, transmission, distribution with the consumption of electricity, including all kinds of investors, voltage stabilizers, wire and cables, holders, plugs, sockets, switches, capping, reapers, bends, junction boxes, coupling boxes, meter boxes, switch boxes, fuse switch boxes, distribution boxes, power meters, meter boards, switch boards, panel boards, distribution boards, electrical relays, single phasing presenters, wooden plugs, lightning arresters, electrical earthenware and porcelain ware, circuit breakers, starters, chokes, power supply indicators, winding wires and strips, jointing materials, heating elements, general lighting system (GLS) lamps, bulbs, tubes, light fittings, chandlers and their shades, fans, air circulations, protectors, stands, fixtures, fittings, battens, brackets, sound or visual signaling apparatus such as bells, sirens, indicator panels, burglar or fire alarms other than those specifically included.
50.	Electronic goods (i) electronic systems, instruments, apparatus and appliances including television, audio & video cassette tape recorder, compact disc writer, audio & video cassettes, audio & video magnetic tapes and CDs, video cassette players, automatic teller machines, music systems, amplifier, graphic equalizer, synthesizer, tuner, tape deck, record player, record changer, compact disc player, speaker, sales register;(ii) Components, spare parts and accessories thereof including cathode ray tube, electronic wires, sleeves, castings, capping, cables, switches, pugs, holders, jacks, connectors, chokes, starters, relays, fuses, head cleaners and lubricants of all kinds other than those specifically included in any other entry in this schedules or in any other schedule.

51.	Electroplated nickel, chromium silver or German silver goods.
52.	Empty gas cylinders.
53.	Fax machines and their parts and accessories.
54.	Fibre glasses sheets and articles made of fibre glasses other than those specifically included in this schedule or in any other schedule.
55.	Fire fighting equipments and devices.
56.	Fire works including coloured matches.
57.	Floors and wall tiles of all varieties (i) Ceramic tiles, glazed floor, roofing and wall tiles; (ii) Cuddappah stone slabs (iii) (a) Granite blocks (rough or raw)⊗(b) Polished granite slabs, including tomb stones, monument slab and head stone; (iv)Black stone, kota stone or other natural stone; (v) Marbles, that is to say; (a) Marble bounders or lumps, (b) Marble slabs (c) Marble chips (d) Marble dusts (e) marble floor tiles and wall tiles (f) Other articles made of marbles; (vi) Mosaic tiles, chips and powder.
58.	Floor coverings, that is to say; (i) Carpets, durries, druggets, kalins,galichas, carpentry and rugs whether tufted, piled or otherwise whether made from cotton, silk, synthetic other fibres, whether machine made; handmade or made on handlooms but excluding jute carpets, coir carpets or matting,(ii) Laminated, impregnated or coated matting materials such as linoleum including PVC (vinyl) material.
59.	Foam rubber products, plastic foam products, or other synthetic foam products of every description including; (i) Sheets; (ii) cushions (iii) pillows and (iv) mattresses.
60.	Food 0 (i) Ready to serve foods and food preparation including instant foods, pickles, chatnis, sauces, sweets, confectionery, chocolates, toffees and savories like chips and popcorn; (ii) Sweets made of groundnuts, gingelly; (iii)kernels; (iv)semi-cooked or semi-processed food stuffs like coconut milk, coconut milk powder, food mixes, noodle, vermicelli and macaroni including spaghetti and cornflakes, vegetative and animal preparations sold in sealed containers; (v) Food colours, essences of all kinds and powders or tablets used for making food preparations; (iv) Paste of onion, ginger or garlic and similar other pastes and combination thereof, including curry paste, when sold in sealed container.
61.	Footwear of all kinds excluding plastics footwear and hawai chappals.
62.	Fruit oils like-grape oil, orange oil, lemon oil, lime oil, carrot oil etc. (ii) Leaves oil such as mint oil, curry leaf oil etc.
63.	Fur, skins with fur and articles made of fur, skin and leather.
64.	Furnaces and boilers of all types including fluidized bed boilers and ignifluid boilers using agricultural waste as fuel but not including boilers using municipal waste only as fuel.
65.	Furniture made from any material whether sold in assembled or unassembled form and ready assemble, and parts thereof, Explanation; Slotted angles, gussets, plates, panels and strips which when assembled form furniture or equipments, shall be deemed furniture or office equipments as the case may be, for the purpose of this item.

66.	Garden and beach umbrellas and parts thereof.
67.	Garnet sand.
68.	Gas stove, burners and other accessories thereof.
69.	Gases liquefied or not other than those specifically mentioned in this schedule or in any other schedule.
70.	Glass and glassware other than those specified elsewhere in this schedule or in any other schedule.
71.	Glycerin.
72.	Hair - (i) Human hair; (ii) Wigs.
73.	Handlooms machinery and parts and accessories thereof.
74.	Helmets.
75.	Hollow polyester fiber.
76.	Instant tea and instant coffee.
77.	Insulated flexible air ducts made of PVC or other materials.
78.	Internal combustion engine, marine engine, diesel engine, oil engine, generators, their spare parts, other than those specifically mentioned in this schedule.
79.	Jute-cum-polypropylene coverings.
80.	Key chains and key holders.
81.	Kitchen ware including crockery, cutlery, non-stick wares, heat resistant cookware, casseroles, pressure stoves, gas stoves.
82.	Laboratory regents, disinfectants.
83.	Laminated board of sheet of all varieties and description including expanded polystyrene all kinds of mica, sun mica, Formica, decolam etc.
84.	Leather goods.
85.	Lifts, elevators, hoists, whether operate by electricity, hydraulic power, mechanical power or steam.
86.	Light roofing sheets (obtained by immersing paper mat in bitumen).
87.	Lighters of all kinds including spark lighters.
88.	Liquefied petroleum gas.
89.	Locks, padlocks and key (all kinds).
90.	Low sulphur heavy stock (LSHS).
91.	Lubricants.
92.	Machinery of all kinds (other than those specifically mentioned in this schedule) worked by (i) Electricity (ii) Nuclear power (iii) Hydro-dynamic and steam power (iv) Diesel or petrol (v) Furnace oil (vi)Kerosene (vii) Coal including coke and charcoal (viii) Any other form of fuel or power (exluding human or animal labour) (ix) Parts and accessories of machineries and tools used with the machineries mentioined in sub-itmes ((i) and (iii) above
93.	Maize products that are to say – Monohydrate, malto dextrine, hydrol corn steep liquor
94.	Measuring devices such as (i) vernier caliper, screw gauge, depth gauge, coating thickness gauge, dial indicator, outside micro meter, mitutoya cyclinder gauge, precision thread rink gauge, precision ply gauge, colour comparator, water meters, gas meters, industrial thermometers, parts and accessories of such machine and weights used thereof (iii)Dipping measures, metric pouring measures, conical measures, cylindrical measures (iv) Meter scales, measuring taps, steel yard and survey chains.
95.	Mercury

96.	Menthol
97.	Metallic products other than those specified elsewhere in this schedule or in any other schedule.
98.	Metal, alloys, metal powders including metal pastes of all types and grades and metal scraps other than those falling under declare goods.
99.	Micro cellular rubber
100.	Milk products including, condensed milk, ghee, cheese, butter oil, margarine, whether or not bottled, canned or packed.
101.	Mosquito repellents including electric or electronic mosquito repellents, gadgets and insect repellents, devices and parts and accessories thereof.
102.	Motor coolant and transformer oil
103.	Motor vehicle, chassis of motor vehicles, motor cycles, motor combinations, motor scooter, mopeds, motoretts, three wheelers motor vessels, motor engine, trailers, motor bodies built on chassis on motor vehicles and bodies built on motor vessels, components, spare parts an accessories thereof.
104.	Motor, operated electrically or otherwise and pump operated with or without motor, including spare parts, components and accessories of such motor and pump.
105.	Musical instruments, electrical and electronic.
106.	Naphtha.
107.	Natural & synthetic essential oils not elsewhere specified in this schedule or any other schedule.
108.	Non-alcoholic beverages and their powders, concentrates and tables including; (i) Aerated water, soda water; mineral water, water sold in sealed containers or pouches (ii) soft drinks (iii) Health drinks of al varieties, (iv) Other non alcoholic beverages, not falling under any other entry in this schedule or in any other schedule.
109.	Office machines, equipments and apparatuses including franking, address-printing, tabulating, cash registering, Cheque writing, accounting, statistical, indexing, punching machines, stapler machines, card punching and paper shredding machines and apparatuses, paper pins, pen stands, pencil lead, pencil sharpeners, permanent markers, refill leads, stamp racks, stapler pins, rulers of all kinds, gulli and pin studs.
110.	Optical goods, that is to say-sun glasses and goggles.
111.	Paints, lacquers, olishes, and enamels not otherwise specified in this schedule, including power paints, stiff paste paints and liquid paints (ii) colours (iii) Pigments, including water pigments and leather finishes (iv) Dry distempers, including cement based water –paints,oilbound distempers, plastic emulsion paints; (v) Varnishes, French polish, bituminous and coal-tar blacks; (vi) Cellulose lacquers, nitro-cellulose lacquers,clear and pigments and nitro-cellulose ancillaries in liquid, semi-solid or pasty forms; (vii)bale-oil, white oil; (viii) Diluents and thinners including natural and synthetic drying and semi drying oils such as double boiled linseed oil, blown linseed oil, stand oil, sulphurised linseed oil, parilla oil, whale oil and tung oil; (ix) Glaxlers putty, grafting putty, resin cements, caulking compounds andother mastics, painters of all kinds.
112.	Pan masala, pan chutney, scented supari and the like.
113.	Paper envelops whether printed or not, paper cups, pulp moulded products such as eggs tray and other paper products.
114.	Perambulator including push chair for babies and spare parts, accessories and

	components thereof
115.	Photographic cameras and enlargers, flash light apparatus, photo blocks, and films, including x-ray films and film packs and plates, x-ray machine, scanner, medical imaging equipments, chemicals used in the photographic development and primary process, paper and clothe, photo albums, stamp album, photo framers, photo mounts and other parts and accessories required for use therewith
116	Tooth paste, tooth powder (whether medicated or not). Tooth brush and other dentifrices, mouth washes and deodorants.
117.	Torch light and bulbs.
118.	Electric toys.
119	Transport equipments other than those specifically mentioned in this schedule.
120	Typewriters, typewriter ribbon used therewith, whether or not in spools, correcting fluids and spare parts.
121	Types and tubes other than those for bicycles, tri-cycles, cycles rickshaws and wheel-chairs, flaps
122	Vacuum flasks of all kinds and descriptions including refills for such flacks and thermally insulated flasks,
123.	Vegetable, minerals and other preparations, tonics, food supplements, appetizers, dietical foods and all other preparations for human consumption in liquid, pill, powder forms, whether prepared according to pharmacopial standards or other articles, other than those specified elsewhere in this schedules.
124	Watches, clocks, time-piece(whether or not in combination with any other devices), stop watches, tome switches, mechanical timers, time-records, auto-print time punching clocks, time-registers, instrument panel clocks of all kinds including all such electronic devices, parts and accessories thereof, watch bands, watch bracelets, watch chains, watch straps.
125	Water-distilled water, medicinal water, ionic water, battery water, de-mineralised water
126	Water filter of all varieties and descriptions.
127	Water proofing, damp proofing and weather proofing compounds.
128.	Water supply and sanitary equipments and fittings of every description including storage tanks, sinks, wash basins, wash basin pedestal, tapes, pipe-fittings, bath showers, bidets, water closet pans, flushing cisterns, urinals, commodes, man-hole covers used in connection with drainage and sewerage disposals, parts and accessories thereof.
129	Welding rods
130	Wireless reception instruments and apparatus, transistor radio, radio, radiograms and transistors and components thereof including all electrical valves, accumulators, amplifiers and loud speakers which are used exclusively in such instruments and apparatus.
131.	Yeast-fresh, dried or compressed, yeast extract-paste or powder and yeast cell wall.
132	Tobacco other than bidis and raw tobacco leaves.
133.	Misc. item not covered in any other schedules.

SIKKIM



**GOVERNMENT
EXTRAORDINARY
PUBLISHED BY AUTHORITY**

Gangtok

Wednesday, 26 March, 2008

No. 96

**GOVERNMENT OF SIKKIM
EXCISE (ABK) DEPARTMENT
GANGTOK.**

No.19 Excise (Abk)

Dated: 25.03.2008

NOTIFICATION

In exercise of the powers conferred by section 23 of the Sikkim Excise Act, 1992 (2 of 1992) and in supersession of all earlier Notifications issued on the subject, the State Government hereby imposes the rate of Excise Duty, Import Pass fee, Export Pass fee and Bottling fee of all brands of Indian Made Foreign

Liquor and Beer manufactured in the state of Sikkim, imported from other States and potable foreign liquor including similar potable alcoholic Foreign liquor blended, matured, compounded, sophisticated outside India and bottled in any State of India and also imported in Sikkim for consumption to Civil Market, Army Units and Para Military Force stationed in the state of Sikkim, as under namely:

1		All brands of IMFL manufactured by Local companies	Local Civil (rate in ₹ /LPL/BL	Local Defence (rate in ₹ /LPL/BL
	a	Whisky, Brandy, Gin, Vodka, Rum, Liqueur	66 LPL	61 LPL
			₹.445.50	₹. 411.75
	b	Wine	30 LPL -	
			₹.65.70	
		All brands of IMFL owned by the companies located outside the state of Sikkim and bottled by local companies.		
	a	Whisky, Brandy, Gin, Vodka, Rum Liqueur	.66 LPL	53.5 LPL
		Wine	₹.445.50	₹.361.13
	b		43.50	38.00 LPL
3		IMFL imported from other states		

	a	Whisky, Brandy, Gin, Vodka & Rum, Liqueur	66 LPL	58.50 LPI
			₹ 445.50	₹ 394.88
	b	Wine	68.50 LPL	63.50 LPL
	c	Ready to drink beverages	70 LPL	
			₹ 38.50	
4		Beer manufactured in Sikkim and imported from other states. Rate in Rs. per case of 7.80 BL	₹ 88 per case	₹ 65 per BL
5	a	Scotch bottled in any state of India		
		Whisky(Scotch)Brandy, Cognac, Vodka, Gin, Liqueurs, Cordials, bitters and Rum	125.00 LPL	100.00 LPL
			₹ 843.75	₹ 675.00
	b	Wine	80.00 LPL	65.00 LPL
6.	(i)	Import Pass fee on IMFL imported from other states.	₹ 30 LPL ₹ 202.50	₹ 30 LPL ₹ 202.50
	(II)	Bottling fee on IMFL owned by the companies located outside the state of Sikkim and bottled by local companies.	₹ 15 LPL	
			₹ 101.25	
	(iii)	Export pass fee on IMFL Rs. 06 per case	₹ 06 per case	
	(iv)	Export Pass fee on beer	₹ 03 per case	
	(v)	Import pass fee on beer imported from other States.	₹ 05 B.L.	

The Notification shall come into force with effect from 1.4.2008.

(M.K. Pradhan)
 COMMISSIONER
 EXCISE (ABKARI) DEPARTMENT
 GOVERNMENT OF SIKKIM

SIKKIM



**GOVERNMENT
EXTRAORDINARY
PUBLISHED BY AUTHORITY**

GANGTOK

FRIDAY 16TH APRIL 2010

No. 148

**GOVERNMENT OF SIKKIM
EXCISE (ABK) DEPARTMENT
GANGTOK**

No. 39 Ex (Abk)

Dated:29/3/2010

NOTIFICATION

In exercise of the powers conferred by clause (b) and (f) of section 77 read with section 13 of the Sikkim Excise Act 1992, (2 of 1992), the State Government hereby makes the following rules further to amend the Sikkim Excise (Indian Made Foreign Liquor Imported from Other States) Licensing of Warehouse Rules, 2005 namely:-

**Short title 1.
and commencement**

(1) This rule may be called the Sikkim Excise (Indian Made Foreign Liquor Imported from Other States Licensing of Warehouse) Amendment Rules, 2010.

(2) It extends to the whole of Sikkim.

(3) It shall come into force on such date as the Government may, by notification, appoint.

Amendment of rule 92.

In the Sikkim Excise (Indian Made Foreign Liquor Imported from Other States Licensing of Warehouse) Rules, 2005, after the existing clause (d) of sub-rule (5) of rule 9, the following clauses shall be inserted, namely:-

“(e) All bottles containing IMFL, and Beer of different capacity and sizes imported by licensed warehouse from outside the state and sold in the State shall have a hologram prescribed for the purpose.

(f) The cost of hologram will be borne by the licensee of the warehouse.

(g) Holograms will be ordered by the Excise Department and supplied to the licensee who will affix the hologram in the liquor bottles before export or sale as the case maybe from their premises. Administrative charges of the department will be borne by the licensee as per the rate prescribed by the Government from time to time.

(h) The cost of each hologram is subject to change from time to time.

(i) The officer in charge of the Warehouse will verify and ensure that bottles are not removed from the Warehouse without affixing hologram. Issue without hologram is illegal.

(j) The annual fee for registration/renewal of hologram by any firm will be Rs. 1 (One) Lakh to be paid through challan. The fee is subject to enhancement from time to time as the State Government may consider appropriate.”

(Nalini.G. Pradhan)
Secretary to the Government of Sikkim
Excise (Abk) Department

SIKKIM



**GOVERNMENT
EXTRAORDINARY
PUBLISHED BY AUTHORITY**

GANGTOK

FRIDAY 16TH APRIL 2010

No. 150

**GOVERNMENT OF SIKKIM
EXCISE (ABK) DEPARTMENT
GANGTOK**

No. 41 Ex (Abk)

Dated: 29/3/2010

NOTIFICATION

In exercise of the powers conferred by clause (a) of section 77 read with section 10 of the Sikkim Excise Act 1992, (2 of 1992), the State Government hereby makes the following rules further to amend the Sikkim Excise (Brewery) Rules 2000, namely:-

Short title 1

(1) This rule may be called the Sikkim Excise (Brewery) and Amendment Rules, 2010

Commencement

(2) It extends to the whole of Sikkim.

(3) It shall come into force on such date as the Government may, by notification, appoint.

Amendment of 2.

In the Sikkim Excise (Brewery) Rules 2000, in rule 36, after the rule 36 existing sub rule (7) the following new-sub rules shall be inserted, namely:

“(8) All liquor bottles containing beer of different capacity and size shall have hologram prescribed for the purpose;

(9) The cost of holograms will be borne by the licensee of the Brewery and added in their cost price separately;

(10) Holograms will be ordered by the Excise Department and supplied to the licensee who will affix the hologram on the beer bottles before export or sale as the case may be from their premises to the concerned licensed importer/distributor. Administrative charges of the department will be borne by the licensee as per the rate prescribed by the Government from time to time;

(11) The officer in charge of the Brewery will verify and ensure that no beer is removed from the Brewery if holograms are not affixed on the bottles. Issue without Hologram is illegal;

(12) The cost of each hologram is subject to change from time to time;

(13) The annual fee for registration/renewal of hologram by any firm will be Rs. 1 (One) Lakh to be paid through challan. The fee is subject to enhancement from time to time as the State Government may consider appropriate;

(14) Renewal will be affected annually by the Commissioner of Excise subject to satisfactory performance by the firm."

3. The existing sub rule (8) shall be renumbered as sub rule (15)

(Nalini.G. Pradhan)
Secretary to the Government of Sikkim
Excise (Abk) Department

SIKKIM



**GOVERNMENT
EXTRAORDINARY
PUBLISHED BY AUTHORITY**

GANGTOK

FRIDAY 16TH APRIL 2010

No. 151

**GOVERNMENT OF SIKKIM
EXCISE (ABK) DEPARTMENT
GANGTOK**

No. 42 Ex (Abk)

Dated: 29/3/2010

NOTIFICATION

In exercise of the powers conferred by clause (a) of section 77 read with section 10 of the Sikkim Excise Act 1992, (2 of 1992), the State Government hereby makes the following rules further to amend the Sikkim Excise (Distillery for Manufacture of Spirit and Foreign Liquor) Rules 2000, namely:-

- | | | |
|--|-----|--|
| Short title and 1. Commencement Rules, 2010. | (1) | This rule may be called the Sikkim Excise (Distillery for Manufacture of Spirit and Foreign Liquor) Amendment |
| | (2) | It extends to the whole of Sikkim. |
| | (3) | It shall come into force on such date as the Government may, by notification appoint. |
| Amendment of rule 36 | (2) | In the Sikkim Excise (Distillery for Manufacture of Spirit and Foreign Liquor) Rules, 2000 after the existing sub- rule (11) of rule 36, the following new sub-rules shall be inserted, namely:-
“(12) All liquor bottles containing liquor of different capacity and size shall have hologram prescribed for the purpose.

(13) The cost of holograms will be borne by the licensee of the Distillery and added in their cost price separately.

(14) Holograms will be ordered by the Excise Department and Supplied to the licensee who will affix the hologram in the liquor Bottles before export or sale as the case may be |

from their Premises to the concerned licensed importer/distributor.

Administrative charges of the department will be borne by the licensee as per the rate prescribed by the Government from time to time.

(15) The officer in charge of the Distilleries will verify and ensure that no liquor is removed from the distillery if holograms are not affixed on the bottles. Issue without Hologram is illegal.

(16) The cost of each hologram is subject to change from time to time.

(17) The annual fee for registration/renewal of hologram by any firm will be Rs. 1 (One) Lakh to be paid through challan. The fee is subject to enhancement from time to time as the state Government may consider appropriate.

(18) Renewal will be affected annually by the Commissioner of Excise subject to satisfactory performance by the firm.”

(Nalini.G. Pradhan)
Secretary to the Government of Sikkim
Excise (Abk) Department

SIKKIM



**GOVERNMENT
EXTRAORDINARY
PUBLISHED BY AUTHORITY**

GAZETTE

GANGTOK

FRI DAY, 23RD JULY, 2010

No. 358

**EXCISE (ABKARI) DEPARTMENT
GOVERNMENT OF SIKKIM
GANGTOK**

No 5 /Excise (Abk) Dated:

Dated :09/07/2010

NOTIFICATION

In pursuance of the Notifications No.39 Ex(Abk), No.41 Ex (Abk) and No.42 Ex (Abk) dated 29.3.2010 of the Government of Sikkim, the State Government hereby prescribes the administrative charges of Rs. 0.10 paise per hologram.

**Nalini G.Pradhan
Secretary to the Government of Sikkim
Excise (Abk) Department**

SIKKIM



**GOVERNMENT
EXTRAORDINARY
GAZETTE
PUBLISHED BY AUTHORITY**

GANGTOK

SATURDAY 02ND APRIL 2011

No. 182

**EXCISE (ABKARI) DEPARTMENT
GOVERNMENT OF SIKKIM
GANGTOK**

No: 20 / Excise (Abk)

Dated: 01.04.2011.

NOTIFICATION

In exercise of the powers conferred by clause (a) of section 77 read with section 10 of the Sikkim Excise Act, 1992, (2 of 1992), the State Government hereby makes the following rules further to amend the Sikkim Excise (Distillery for Manufacture of Spirit and Foreign Liquor) Rules ,2000, namely:-

- | | | |
|-------------------------|-----------|--|
| Short title extent | 1. | (1) This rule may be called the Sikkim Excise (Distillery and Commencement for Manufactured of Spirit and Foreign Liquor) |
| Amendment, Rules, 2011. | | (2) It extends to the whole of Sikkim. |
| | | (3) It shall come into force at once. |
| Amendment of rule 36 | 2. | In the Sikkim Excise (Distillery for Manufacture of Spirit and Foreign Liquor) Rules, 2000, in the sub rule (14) of rule 36 the following new proviso shall be inserted, namely; -
“ Provided that the consignment of Liquor exported to Bhutan and Nepal shall be exempted from affixing of Hologram on the Bottles”. |

**S.D Basi, IAS
Pr. Secretary to the Govt of Sikkim
Excise (ABK) Department**

SIKKIM



GOVERNMENT
EXTRAORDINARY
PUBLISHED BY AUTHORITY

GAZETTE

GANGTOK	SATURDAY, 02 ND APRIL, 2001	NO. 183
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GOVERNMENT OF SIKKIM
EXCISE (ABK) DEPARTMENT
GANGTOK.

No.21/ Excise(Abk)

Dated: 01.04.2011

NOTIFICATION

In exercise of the powers conferred by clause (a) of section 77 read with section 10 of the Sikkim Excise Act, 1992, 2 of 1992), the State Government hereby makes the following rules further to amend the Sikkim Excise (Brewery) rules, 2000, namely:-

- | | | |
|----------------------------|----|---|
| Short title extent and (1) | 1. | This rule may be called the Sikkim Excise (Brewery) amendment rules, 2011. |
| Commencement | 2. | It extends to the whole of Sikkim. |
| | 3. | It shall come into force at once. |
| Amendment of rule 36 (2) | | In the Sikkim Excise (Brewery) Rules, 2000, in sub rule(10) of rule, 36, the following new proviso shall be inserted, namely;-

“ Provided that the consignment of Beer exported to Bhutan and Nepal shall be exempted from affixing of Hologram on the Bottles.” |

S.D.BASI, IAS
PR. SECRETARY TO THE GOVT. OF SIKKIM
EXCISE (ABK) DEPARTMENT

SIKKIM



GOVERNMENT

GAZETTE

EXTRAORDINARY

PUBLISHED BY AUTHORITY

Gangtok

Thursday 8th September, 2011

No. 505

GOVERNMENT OF SIKKIM
LAW DEPARTMENT
GANGTOK

No. 16/LD/P/11

Dated: 07.09.2011

NOTIFICATION

The following Act passed by the Sikkim Legislative Assembly and having received the assent of the Governor on 3rd day of September, 2011 is hereby published for general information:-

THE SIKKIM MOTOR VEHICLES TAXATION (AMENDMENT) ACT, 2011**(ACT NO. 16 of 2011)****AN****ACT**

Further to amend the Sikkim Motor Vehicles Taxation Act, 1982

Be it enacted by the Legislature of Sikkim in the Sixty-second year of the Republic of India as follows:-

1.Short title, extent and commencement	<p>This Act may be called the Sikkim Motor Vehicles Taxation (Amendment) Act, 2011</p> <p>It extends to the whole of Sikkim</p> <p>It shall be deemed to have come into force on the 1st day of February, 2011.</p>
2.Amendment of Schedules I and II	<p>In the Sikkim Motor Vehicles Taxation Act, 1982, for the existing Schedule – I</p> <p>and Schedule II the following Schedules shall be substituted, namely :-</p>

SCHEDULE – I

(See section 4)

Sl. No.	Description of motor vehicles	Rate of tax payable for one year
1	Vehicles for carrying passengers not plying for hire or reward:-	
	(1) Motor cycle and motor cycle combinations:	
	a) engine capacity upto 80 cc	Rs.150
	b) engine capacity from 81 cc to 170 cc	Rs.300
	c) engine capacity from 171 ccs to 250 cc	Rs.450
	d) engine capacity above 250 cc	Rs.600
	(2) Motor cars:-	
	a) engine capacity upto 900 cc	Rs.1500
	b) engine capacity – 901 cc to 1490	Rs.1800
	c) engine capacity – 1491 cc to 2000 cc	Rs.3000
	d) engine capacity – 2001 cc and above	Rs.4500
	(3) Omnibus registered as non transport vehicle:	
	a) with seating capacity upto 10	Rs.2000
	b) with seating capacity beyond 10	Rs.2000 plus Rs.200 for each additional seat beyond 10
	(4) Omnibus registered as educational institute bus:	
	a) with seating capacity upto 10	Rs.2000
	b) with seating capacity beyond 10	Rs.2000 plus Rs.200 for each additional seat beyond 10
	(5) Private Service Vehicle:	
	a) with seating capacity upto 10	Rs.2000
	b) with seating capacity beyond 10	Rs.2000 plus Rs.200 for each additional seat beyond 10
	2.Vehicles for carrying passengers plying for hire or reward:	
	(1) State carriages:	
	a) for maxi cab, each seat based on seating capacity noted in the registration certificate. Provided that	Rs.250

	the maxi cab shall have a stage carriage permit duly issued by the concerned Transport Authority.	
	b) for other vehicles, each seat based on the seating capacity noted in the registration certificate.	Rs.200
	(2) Contract carriages (including those owned by motor Training schools):	
	a) seating capacity upto 4 seats:	
	i) for three wheelers	Rs.300
	ii) for meter taxi	Rs.700
	iii) for vehicle other than meter taxi	Rs.850
	b) seating capacity more than 4 seats:	
	i) meter taxi upto 5 seats	Rs.900
	ii) other than meter taxi.	Rs.1200 for five seats plus Rs.250 for each additional seat beyond five
	3 Vehicle for transport of goods.	
	a) Upto 500 kgs GVW (gross vehicle weight)	Rs.1000
	b) Exceeding 500 kgs but not exceeding 2000 kgs GVW	Rs.1000 plus Rs.110 for every additional 250 kgs or part there of above 500 kgs.
	c) Exceeding 2000 kgs but not exceeding 4000 kgs GVW	Rs.1620 plus Rs.130 for every additional 250 kgs or part there of above 2000 kgs.
	d) Exceeding 4000 kgs but not exceeding 8000 kgs GVW	Rs.2660 plus Rs.85 for every additional 250 kgs or part there of above 4000 kgs.
	e) Exceeding 8000 kgs GVW	Rs.4020 plus Rs.110 for every additional 250 kgs or part there of above 8000 kgs.

4.	Tractors not used solely for agricultural purposes, cranes Breakdown vans, forklift, vehicles/trailers fitted with equipment like rig/generator/ compressor, tower-wagon, tree trimming Vehicles, mobile carne, audio visual van, earth moving Vehicles, chassis and any other vehicle not specified elsewhere In this schedule:-	
	a) Upto 500 kgs unladen weight.	Rs.500
	b) Exceeding 500 kgs but not exceeding 2000 kgs unladen weight.	Rs.500 plus Rs.120 for every additional 250 kgs or part thereof above 500 kgs.
	c) Exceeding 2000 kgs but not exceeding 4000 kgs unladen weight.	Rs.1220 plus Rs.125 for every additional 250 kgs or part thereof above 2000 kg.
	d) Exceeding 4000 kgs but not exceeding 8000 kgs unladen weight.	Rs.2220 plus Rs.290 for every additional 250 kgs or part thereof above 4000 kgs.
	e) Exceeding 8000 kgs unladen weight.	Rs.6860 plus Rs.320 for every additional 250 kgs or part thereof above 8000 kgs.
5.	Trailers.	
	a) Upto 1000 kgs GVW (gross vehicle weight)	Rs.500
	b) Exceeding 1000 kgs but not exceeding 2000	Rs.500 plus Rs.50 for every Additional 250 kgs or part thereof Above 1000 kgs.
	c) Exceeding 2000 kgs but not exceeding 4000	Rs.700 plus Rs.80 for everyAdditional 250 kgs or part thereof Above 2000 kgs
	d) Exceeding 4000 kgs but not exceeding 8000	Rs.1340 plus Rs.150 for every Additional 250 kgs or part thereof Above 4000 kgs.
	e) Exceeding 8000 kgs gross vehicle weight	Rs.3740 plus Rs.200 for every Additional 250 kgs or part thereof Above 8000 kgs.

6.	Luxury Tourist Vehicle (Motor cab):	
	a) Seating capacity of 4 persons including driver	Rs.3250
	b) Seating capacity beyond 4 and up to 7 persons including driver	Rs.3250 for 4 plus Rs.250 for every Additional seat up to 7 including Driver
7.	Ambulance	
	a) Engine capacity upto 900cc	Rs.1500
	b) Engine capacity – 901 cc to 1490cc	Rs.2000
	c) Engine capacity – 1491cc and 2200cc	Rs.2500
	d) Engine capacity – 2201cc to 3000cc	Rs.3000
	e) Engine capacity – 3001 and above	Rs.3500”
	“ SCHEDULE - II	
1.	Additional tax for new registration/replacement (Non Commercial):	
	(a) Two wheeler	1 percent of the cost of the vehicle As per invoice.
	(b) Vehicles costing less than Rs.4 lakhs	2 percent of the cost of the vehicles As per invoice.
	(c) Vehicles costing between Rs.4 lakhs and Rs.10 lakhs	3 percent of the cost of the vehicle As per invoice.
	(d) Vehicles costing more than Rs.10 lakhs	4 percent of the cost of the vehicle As per invoice.
2.	Light Motor Vehicle (Government and public sector undertaking) :	
	Additional tax for new registration:	
	(a) Vehicles costing less than Rs.4 lakhs	No additional tax
	(b) Vehicles costing between Rs.4 lakhs and Rs.10 lakhs	1 percent of the cost of the Vehicle as per invoice.
	(c) Vehicles costing more than Rs.10 lakhs	3 percent of the cost of the vehicle As per invoice.
3.	Light Motor Vehicle (Commercial/Taxis)	
	Additional tax for new registration	1 percent of the cost

	(a) All vehicle	of the vehicle As per invoice.
4.	Goods Vehicle(Light/Medium/Heavy Goods) Additional tax for new registration	1 percent of the cost of the vehicle As per invoice.
5.	Stage Carriage (Buses) Additional tax for new registration	1 percent of the cost of the vehicle As per invoice.
6.	Educational Institute Buses. Additional tax for new registration	1 percent of the cost of the vehicle As per invoice.
7.	Private Service Vehicles (Omni bus registered as non Commercial vehicle) Additional tax for new registration	1 percent of the cost of the vehicle As per invoice.
8.	Tractors/Trailers/Cranes/Other equipments Additional tax for new registration	2 percent of the cost of the vehicle As per invoice.
9.	Ambulance/Fire tenders/Public Utility Vehicles Additional tax for new registration	1 percent of the cost of the vehicle As per invoice.

Additional tax will not be applicable to vehicles already registered in Sikkim and brought for change of ownership/replacement and allotment of new registration number”.

Note: The difference of excess amount paid by the vehicle owners who have already registered the vehicles by paying the new taxes will be adjusted while renewing the token tax in the upcoming years.

**R.K. PURKAYASTHA,SSJS
L.R.-CUM-SECRETARY,
LAW DEPARTMENT**



**GOVERNMENT OF SIKKIM
OFFICE OF THE PRINCIPAL CHIEF CONSERVATOR OF FORESTS-CUM-SECRETARY,
FOREST, ENV. & WILDLIFE MANAGEMENT DEPARTMENT
GANGTOK SIKKIM**

No.14/ADM/FEWMD

Date. 4/10/08

NOTIFICATION

In exercise of the power conferred by Section 22 read with Sub-Section (2) of Section 16 of the Sikkim Ecology Fund and Environment Cess Act, 2005(1 of 2005), the State Government hereby makes the following rules, namely:-

1. Short title and Commencement.

1) These rules may be called the Sikkim Ecology Fund and Environment Cess (management of Fund) rules 2008.

2) They shall come into force at once.

2. Definitions.

In these rules, unless the context otherwise

Requires:-

1) a) "Act" means the Sikkim Ecology Fund and Environment Cess Act 2005 (1 of 2005);

b) "Authority" means the Sikkim Ecology Fund and Environment Cess Authority Constituted under section 3 of the Act;

c) "Work Committee" means Committee constituted under rule 8;

d) "Chairperson" means the chairperson of Sikkim Ecology Fund and Environment Cess Management Authority;

e) "Form" means form prescribed by The Sikkim Ecology Fund and Environment Cess Management Authority.

f) "fees" means fee prescribed in the Schedule by Notification;

- g) "member" means the member of the Sikkim Ecology Fund and Environment Cess Management Authority constituted under Sub-Section (3) of Section 3;
- h) "Nodal Officer" means the Nodal Officer appointed for the Management of Sikkim Ecology Fund and Environment Cess;
- i) "Section" means a section of the Act;
- j) "words and expression used but not defined in these rules and defined in the Act shall have meaning respectively assigned to them in this Act.

3. Manner of selection and appointment of the

Chair- Management Person

- 1) The Chairperson of the Sikkim Ecology Fund Environment and Cess

Authority shall be appointed by the State Government by notification under the Act.

- 2) Every appointment of the Chairperson should be not below the rank of Additional Principal Chief Conservator of Forests.

4. Terms of Office of the Chair-
Person

- 1) The Chairperson of the Authority shall hold the office for a term of five fixed years and shall be eligible for re-appointment; Provided that no Chairperson shall hold office as such after he attains the age of sixty years or for a term of five years from the date he enters upon his office whichever is earlier.

- 2) Chairperson may resign from his office by giving at least one month's notice in writing to the State Government.

5. Management of fund.

- (1) The Principal Chief Conservator of Forest, Forests, Environment and Wildlife Management Department shall be the authority for management of fund water & sub-section (1) of Section 16 of the Act. He shall be assisted by the Conservator of Forest (Land Use and Environment) who shall be the Nodal officer for Ecology Fund and Environment Cess Management.

- (2) The account/relevant record shall be maintained by the Chief Account Officer, Forest, Environment and Wildlife Management Department, Government of Sikkim. All financial transactions shall be done as per the provision of the Sikkim Financial Rules. However, if deemed necessary, specific forms for submission of financial/physical target achievement may be prescribed duly approved by the

Sikkim Ecology Fund and Environment Cess Management Authority. The funds shall be judiciously utilised for the purpose of protecting environment and improving the quality of environment controlling and abating environmental pollution and taking adequate measures for restoration of ecological balance on long term sustainability. The following are the base areas for fund utilization, namely:-

(a) Environmental Education:-

- i) support for National Green Corps;
 - ii) support for existing of National Green Corps nature clubs of schools and extension thereof;
 - iii) generation of literature for the improvement of local environment;
 - iv) improvement and protection of school environment programme;
- (b) Restoration of ecologically fragile spring water resources of the State.
- © Creation of green belt/wind break corridor along the industrial zone.
- (d) Treatment of pollution of nallah/jhoras.
- (e) Celebration of World Environment Day/Van Mahaotsava Wildlife week etc.
- (f) Improvement of popular good will, cooperation of forest workers.
- (g) Grazing-alternatives & livelihood issues alternatives.
- (h) Control on Basmeey/shifting cultivation practice.
- (i) Control and management of private forests.
- (j) Improvement of tree lands of agriculture area.
- (k) Village forest/sacred groves improvement.
- (l) Re-conditioning of hills/landscape.
- (m) Control of Landslide and Erosion.
- (n) Control of avalanche.
- (o) Improvement of conifer forests.

- (p) Forest research.
- (q) Capacity building of field staff, Joint Forest Management Committee, Gram Panchayat, and Local youth.
- (r) Ex-gratia payment of wildlife kills.
- (s) Promotion of Eco-Tourism development.
- (t) Environment Information System support for Forests, Environment & Wildlife Management Department, Government of Sikkim.
- (u) Honorarium Perks for State Environment, Impact Assessment Authority and State level Expert Appraisal Committee under Environment Clearance Notification No. S.O. 1533 (E) dated 14th September, 2006.
- (v)i. Promotion of highly rare and endangered medicinal herbs.
- ii. Promotion and improvement of highly endangered local species such as Oak, Hemlock, Dhar, Khamari, Juniper, Taxus. Etc.
- (w) Improvement of ecosystem.
- (x) Monitoring of abiotic factors including glacier, snow, precipitation, silt yield etc.
- (y) support for ex-situ conservation.
- (z) Any other activity/work of which Principal Chief Conservator of Forest may deem fit.

6. Meeting of the Authority and
the Quorum.

- (1) There shall be an Annual General Meeting of the Authority in the month of April/May every year or as may be felt necessary by the Chairperson. In the Annual General Meeting of the Authority, the Conservator of Forests (Environment)/Nodal Officer on behalf of the Authority shall place.
 - (a) an administrative report on the activities of the authority since, the last General meeting;
 - (b) the Budget estimate of the Authority for the next financial year and proposal, if any, for the revision of the budget estimates for the current fiscal year.
 - (c) The audit report with the audited account of the Authority for the period in respect of the which audit has been completed;

(d) Any other business that may be brought forward for discussion at the meeting with the approval of the chairperson.

(2) The meeting of the Authority shall be presided over by the Chairman or in his absence by a member elected from amongst themselves by the members present at the meeting;

(3) At least three meetings of the Authority shall be held in a year.

(4) Not less than fifteen clear days notice for every meeting of the Authority shall be given to each member.

(5) Six members (including one nominee of Development Planning, Economic Reforms and North East Council Affairs Department and Finance Revenue and Expenditure Department, Government of Sikkim shall constitute the quorum at any meeting of the Authority.

(6) In case of difference of opinion amongst members in a meeting, the opinion of the majority shall prevail. The Chairman may refer any question, which in his opinion is of sufficient importance to justify such reference for the decision of the Government and the decision of the Government shall be binding on the Authority.

(7) Any business which may be required to be placed before a meeting of the Authority may be carried out by circulation amongst all the members and any resolution as circulated and approved by the majority of the members signing shall be as effectual and binding as if such resolution had been passed at a meeting of the Authority. Provided that at least representatives of Development Planning, Economic Reforms and North East Council Affairs Department and Finance Revenue and Expenditure Department, Government of Sikkim have recorded their views on the resolution.

(8) The proceedings of the meetings of the Authority shall be recorded by an officer of the Authority entrusted with the work in the form of minutes and such minutes shall be forwarded to

(a) all members (b) Government of Sikkim, within a month after the meeting.

7. Power and duties of the

Chairperson.

(1) The Chairperson of the Authority shall be responsible for management and execution of the works under Ecology Fund and Environmental Cess Management.

(2) It shall be the duty of the Chairperson to ensure that all accounts are kept in proper form as per the provision of the Sikkim Financial Rules.

(3) The Chairperson shall prescribe the duties of all officers of the authority and shall exercise such supervision and disciplinary control as may be necessary.

(4) The Chairperson may sign all contracts on behalf of the State Government.

(5) It shall be the duty of Chairman to guide and coordinate and exercise general supervision overall planning, execution and monitoring.

8. Work Committee.

There shall be a work committee consisting of the following members namely:-

(1) Additional Principal Chief Conservator of Forests (Environment) Forest, Environment and Wildlife Management Department, Government of Sikkim.

(2) Chief Conservator of Forest (Environment) Forest, Environment and Wildlife Management Department, Government of Sikkim.

(3) Chief conservator of Forest (Territorial).

(4) Conservator of Forest (Land Use & Environment), Forest, Environment and Wildlife Management Department, Govt. of Sikkim.

(5) Chief Account Officer, Forest, Environment and Wildlife Management Department, Government of Sikkim.

(6) Special Secretary (Income Tax and Commercial Tax)

(7) All Divisional Forest Officers (Land Use and Environment), North/East/West/South/Environment & Pollution Control.

All matters relating to creation, execution and maintenance of ecological restoration, improvement and mitigation of jhora, plantation, landscape, protection etc. shall be examined by the work committee who shall record, verify and justify the recommendation for consideration by the authority.

9. Powers and function

Of the Authority

The function of the Authority shall be-

- (a) to protect and improve the quality of environment, controlling and abating environmental pollution and take measures for restoration of ecological balance of the state through effective coordination of different departments/Community and other authorities under the Act;
- (b) to formulate methodologies for improvement of environment and rejuvenation of ecological balance through environmental education, Information system, treatment, capacity building, improvement of popular goodwill and corporation, outsource control and improvement protections of village forest, sacred grove improvement, landscaping and reconditioning of hills, control of land, erosion and avalanche and conservation of rare flora, forest research and technology development of silviculture, provide Exgratia payment of wildlife kills, promotion of rare and endangered medicinal plants and improvement of hi-tech nursery;
- (c) to amend, alter, modify, cancel and make rules and regulations under relevant chapters of the Act;
- (d) to prepare and execute details, plans, estimates and programmes for ecological improvement and restoration;
- (e) to prepare the annual budget estimates process for sanction;
- (f) to give sanction on technical issues;
- (g) to appoint committee for execution of the work;
- (h) to prepare all business for transaction at the Annual General Meeting of the authority.

10. Financial resources

(1) There shall be a fund to be called The Sikkim Ecology Fund established under Sub-section (1) of Section 13 of the Act.

(2) All money received/transferred from the Government treasury, collected or as Environment Cess other account whatsoever, shall be credited to The Sikkim Ecology Fund and Environment Cess Fund.

11. Audit

(1) The accounts of the authority shall be audited in May every year or as soon hereafter as possible by Audit Office as is done in case of other business.

(2) The Audited accounts with the Audit Report shall be considered by the Authority in a meeting and shall be placed before the Annual General Meeting of the Authority. Copies of these accounts and audit report together with the Authority Comments therein shall be submitted to the Finance, Revenue and Expenditure Department, Government of Sikkim not later than 31st December every year.

12. Estimation & Building

Every year the Authority shall cause to be prepared the revised estimates of the current financial year and the budget estimate for the next financial year by April every year.

(S.T. LACHUNGPA, IFS)
PCCF-cum-Secretary
Forest, Env. & Wildlife Management Department
Government of Sikkim

SIKKIM



**GOVERNMENT GAZETTE
EXTRAORDINARY
PUBLISHED BY AUTHORITY**

Gangtok,

Friday, 12th September, 1997

No.210

**GOVERNMENT OF SIKKIM
LAW DEPARTMENT
GANGTOK**

No.7/LD/RC/97

Dated the 22nd August, 1997

The notification which had been published in an Extraordinary issue of Gazette of India Part II, Section 3, Sub-Section (ii) dated 26th September, 1996 is hereby republished for general information:-

MINISTRY OF LABOUR

NOTIFICATION

New Delhi, the 26th September, 1996

S.O 2899-In exercise of powers conferred by sub-section (1) of section 3 of Building and Other Construction Worker's Welfare Cess Act, 1996 (28 of 1996) and in supersession of the notification of the Government of India in the Ministry of Labour No.S.O. 1767 dated the 17th May, 1996, the Central Government specifies a cess for the purposes of the Building and other Construction Workers (Regulation of Employment and Other Conditions of Service) Act, 1996(27 of 1996), at the rate of 1 per cent, of the cost of construction incurred by an employer.

(F.No.S-61011/9/95-RW OPart)
D.K. TREHAN
Labour & Employment Adviser

B.C. SHARMA
Secretary to the Govt. of Sikkim,
Law Department
F.No.11(256) LD/81-97

THE GAZETTE OF INDIA: PART II, SEC 3, SUB-SEC (ii)

NOTIFICATION

New Delhi, the 26th September, 1996 S.O. 2899-In exercise of powers conferred by sub-section (1) of section 3 of the Building and Other Construction Workers' Welfare Cess Act, 1996 (28 of 1996) and in supersession of the notification of the Government of India in the Ministry of Labour No.s.o. 1767 dated the 17th May, 1996, the Central Government specifies a cess for the Purposes of the Building and other Construction Workers (Regulation of Employment and Other conditions of Service) Act, 1996 (27 of 1995), at the rate of 1 percent of the cost of construction incurred by an employer.

[F.No. s-61011/9/95 RW(Part)]

D.K. TREHAN, Labour & Employment Adviser

SIKKIM



GOVERNMENT GAZETTE
EXTRAORDINARY
PUBLISHED BY AUTHORITY

Gangtok

Saturday, 27th February, 2010

No.64

GOVERNMENT OF SIKKIM
LABOUR DEPARTMENT
GANGTOK

No.13/DL

Dated: 26/02/2010

NOTIFICATION

In exercise of the powers conferred by sub-section 93) of section 18 of the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (27 of 1996), the State Government hereby constitutes the Sikkim Building and Other Construction Workers' Welfare Board for the purposes of the said Act consisting of the following members, namely:-

- | | | | |
|----|--|---|---|
| 1. | Minister-in-Charge, Labour Department, Govt. of Sikkim | - | Chairman |
| 2. | Welfare Commissioner, Government of India | - | Member representing Government of India |
| 3. | Secretary, Labour Department Govt. of Sikkim | - | Members representing State Govt. |
| 4. | Additional Secretary, Labour Department, Govt. of Sikkim | - | -do- |
| 5. | Joint Secretary, Finance Deptt. Govt. of Sikkim | - | -do- |
| 6. | Director, Industries & Commerce Deptt., Govt. of Sikkim | - | -do- |
| 7. | Joint Secretary, Urban Dev. & Housing Deptt., Govt. of Sikkim | - | -do- |
| 8. | General Manager, National Hydro Electric Power Corporation, Teesta | | Members representing |

	Stage V. Singtam	employers
9.	Managing Director, SIPLA Pharmaceuticals limited, Kumret East Sikkim	-do-
10.	General Manger, Teesta Urjja Limited, North Sikkim	-do-
11.	Managing Director, Zydus Pharmaceuticals limited Bageykhola, East Sikkim.	-do-
12.	Shri Norzang Lepcha	Member Representing workers
13.	Shri Hari Prasad Chhetri	-do-
14.	Miss Hema Regmi	-do-
15.	Shri M.B. Limboo	-do-

R.K. PURKAYASTHA
SECRETARY
LABOUR DEPARTMENT
F.NO. GOS/DL/55/07-08.

s.g.p.g.-64/Gazette/100 Cps./27.02.2010



**DEPARTMENT OF LABOUR
GOVERNMENT OF SIKKIM
GANGTOK -737101**

No: 2/DL

Dated :06/09/2010

CIRCULAR

To,

All Secretaries/HODs/Department,
Government of Sikkim,
Gangtok.

Sub: Implementation of Building & Other Construction Workers (Regulation of Employment & Conditions of Service) Act, 1996 and the Rules and Building & Other Construction Workers' Welfare Cess Act, 1996 and the Rules.

The State Government is required to implement the provisions of the Building & Other Construction Workers' (Regulation of Employment & Conditions of Service) Act, 1996 and the Rules framed there under and also the Building & Other Construction Workers' Welfare Cess Act, 1996 and the Rules framed there under in view of the direction of the Hon'ble Supreme Court passed in Writ Petition NO.318 of 2006 and as has already been notified in SIKKIM HERALD issue R.O. NO. 348/IPR/PUB/Classi/10-11, Dt.09.08.2010, different authorities constituted under the Act and the requirement of the registration has been indicated.

The Building Other Construction Workers Welfare Cess Act, 1996 was followed by a Notification issued by the Ministry of Labour, Government of India, vide S.O. 2899 dated 26th Sept, 1996 which was published in the Sikkim Government Gazette on 12th September, 1997, Volume NO. 210, whereby it was provided that under sub section (1) of Section 3 of Building & Other Construction Workers Welfare Cess Act, 1996 and in supersession of Notification of Government of India in the Ministry of Labour No.S.O. 1767, DATED 17TH May, 1996, the Central Government specified a Cess for the purpose of Building * & Other Construction Welfare (Regulation of Employment & Conditions of Service) Act, 1996 at the rate of 1% of the cost of construction incurred by an employer or any executing agency as the case maybe. As per Rule 5 of the Cess Rule, 1996, it is provided that proceeds of the Cess collected under Rule 4 shall be transferred by such Government Office/ Establishment as the case may be to the Building & Other Construction Welfare Board, which has been constituted vide Notification No.13/DI, dated 26.02.2010 and published in the Extraordinary-Gazette NO.64, dated 27.02.2010. The account Payee Cheque/bank draft of the deducted cess amount shall be issued in the name of the Secretary, Sikkim Building & Other Construction Welfare Board, Labour Department, Government of Sikkim. Therefore, all concerned are required to implements the said provision by deducting the Cess from the cost of construction and forward the

same to the said Welfare Board of the Labour Department, Government of Sikkim constituted vide Notification No.13/DL dated 26.02.2010.

Further, for the purpose of implementation of the said laws list of all contractors/ establishments registered with concerned Department including list of contractors/establishments executing different building and construction works, projects or projects/work being executed by Department, etc. are required to be forwarded to the Labour Department, Government of Sikkim indicating the cost of the construction of the work.

Please note further that in the event of any contractor/establishment having submitted bill for payment in connection with execution of building and other construction work, 1% of the cost of construction is required to be deducted by the Department before the bills are cleared, being the amount payable as Cess in terms of provision of Section 3 of Building & Other Construction Workers' Welfare Cess Act read with Rule 4 of the Building & Other Construction Workers' Welfare Cess Rules, 1998.

Further, henceforth all the Works Department or any other Department/Establishment as the case may be while entering into any agreement with any Contractors/Establishment for execution of any building and other construction works or making other arrangement for execution of any building & other construction works including works being executed departmentally shall in compliance of the provisions of Building & Other Construction Workers (Regulation of Employment & Conditions Of Service) Act, 1996 and Building & Other Construction Workers' Welfare Cess Act, 1996 and Building & Other Construction Workers' Welfare Cess Act, 1996 ensure deduction @1% of the cost of construction as Cess in terms of notification notified by the Central Government as already indicated.

It is to be noted that the provisions of these laws are to be implemented by the state Government as per the directives of the Hon'ble Supreme Court of India and the Hon'ble Supreme Court itself is directly monitoring the implementation of provisions of these Acts. In view of this, non compliance of the provisions of these laws may have adverse effect.

This Circular should be further circulated to all the Contractors/ Establishments under the concerned Department and also to inform them that henceforth, no labour Clearance Certificates for the release of the Running Bills and Final Bills under process with the Department, will be issued by the labour Department if the 1% Cess is not deducted out of the cost of the construction.

BY ORDER

SECRETARY
LABOUR DEPARTMENT



**GOVERNMENT OF SIKKIM
HC,HS &FAMILY WELFARE DEPARTMENT
GANGTOK - SIKKIM**

No...95/HC,HS&FW

Date. 12/09/2013.

NOTIFICATION

In partial modification of Notification No.58/HC,HS & FW dated: 05/10/2010, the State Government is hereby pleased to revise and fix the user charges for tests/investigations/medical and surgical procedures and to abolish the bed charges of Rs.150/-per day for general bed for all general public irrespective of possession of Sikkim Subject Certificate, Certificate of Identification and Voter Identity Card of Sikkim in the government hospitals and health centres in Sikkim, with immediate effect, as under, namely:-

1. Revised rate of user charges for various investigations/test procedures in government hospitals and health centres in Sikkim are as under:-

Sl. No.	Name of Investigation/Test/Medical and Surgical procedure	Rate (in rupees)	Remarks
I	Haematology		
1.	Total Leukocyte Count	5.00	
2.	Differential Count	5.00	
3.	ESR	5.00	
4.	Haemoglobin	5.00	
5.	HB%, TLC, DLC,ESR	20.00	
6.	Malarial Parasite	5.00	
7.	Peripheral Blood Picture (GBP)	20.00	
8.	Platelet Count	5.00	
9.	PCV (Packed Cell Volume)	5.00	
10.	Test for Sickling	Free	
11.	Bleeding Time	5.00	
12.	Clotting Time	5.00	

13.	Prothrombin Time	20.00
14.	Reticulocyte Count	20.00
15.	ABO and RH Grouping	20.00
16.	Coombs Test (Direct)	20.00
17.	Coombs Test (indirect)	20.00
18.	Activated Partial Thromboplastin Time (APTT)	25.00
19.	Glycosylated Haemoglobin	50.00
20.	CPK (CK-MB)	10.00
21.	Rheumatoid Factor	20.00
22.	Mantoux Test	20.00
23.	VDRL	20.00
24.	C. Reactive Protein	20.00
25.	Urine for HCG	20.00
26.	HBs AG	50.00
27.	Anti HCV	20.00
28.	Rapid Test for typhoid	50.00
29.	TPHA	50.00
II	Cardiology	
1.	ECHO	300.00
2.	TMT	300.00
3.	Halter Monitor	400.00
4.	Cardiac Markers	1500.00
III	Metabolic Function	
1.	Serum Glucose (F/PP/Random)	10.00
2.	Serum Uric Acid	10.00
3.	Serum Calcium	10.00
4.	Inorganic Phosphorus	15.00
IV	Psychiatry	
1.	Electroencephalogram (EFC)	300.00
V	Renal and Prostrate Functions	

1.	Serum Urea	10.00
2.	Serum Creatinine	10.00
3.	Serum Acid Phosphatase	10.00
4.	Bence Jones Protein	10.00
5.	24 Hours Proteinuria	50.00
6.	Serum Sodium	10.00
7.	Serum Potassium	15.00
8.	Serum Chloride	15.00
VI	Liver Function Tests	
1.	Serum Bilirubin (Total & Direct)	10.00
2.	Serum Protein (Albumin + Globulin)	10.00
3.	SGPT	10.00
4.	SGOT	10.00
5.	Serum Gamma Glutamyl Transferase	15.00
6.	Serum Alkaline Phosphatase	10.00
7.	Complete Liver function Test	10.00
VII	Lipid Profile	
1.	Serum Cholesterol	10.00
2.	HDL	10.00
3.	Triglycerides	10.00
4.	Grams Stain	10.00
5.	Leprosy Test	Free
6.	KOH Preparation (Microscope)	15.00
7.	Fungal Culture	50.00
8.	Blood Culture	100.00
VIII	Urine Examination	
1.	Routine ALB/Sugar/Microscopy	10.00
2.	Bile Salt	10.00
3.	Bile Pigment	10.00
4.	Ketone Bodies	10.00

5.	Propoblinogen	10.00
6.	Urobilinogen	10.00
7.	Urinary Uric Acid	10.00
8.	Creatinine Clearance	10.00
IX	Stool Examination	
1.	Routine (OVA/CYST)	10.00
2.	Occult Blood	10.00
3.	Reducing Substance	10.00
X	Special Investigation, Thyroid Profile	
1.	T3 T4 TSH	100.00
2.	Free T3, Free T4, TSH	150.00
3.	TSH only	50.00
4.	ALPH Feto Protein	100.00
5.	Anti Nuclear Antibodies	100.00
6.	Biopsy (Small)	50.00
7.	ADA	100.00
8.	Biopsy (Large)	100.00
XI	Cytology	
1.	FNAC	50.00
2.	PAP Smear	50.00
3.	Cytology or Sputum/Fluids	50.00
4.	Ascitic Fluid, Pleural Fluid, Synovial Fluid	50.00
XII	Radiology	
1.	X-Ray (per plate)	30.00
2.	Dental X-Ray	30.00
3.	Ultrasound	200.00
4.	CT Scan	600.00
5.	MRI	2000.00
XIII	Dental Procedures	
1.	RCT	200.00

2.	Complete Denture Upper & Lower	1000.00
3.	Orthodontic Treatment Braces	2000.00
4.	Reduction and Stabilisation of fracture of mandible/maxilla	1000.00
5.	Surgical Extration of tooth	1000.00
6.	Apisectomy of teeth	1000.00
7.	Extration and scaling of teeth	100.00
8.	GI/Silver Amalgam Filling	100.00
XIV	Registration Fee	5.00
XV	Room/Bed Charges	
1.	Private Ward (per room)	200.00
2.	ICCU	100.00
3.	General	0.00
XVI	Ambulance Charges	

STNM Hospital and District Hospital: Rs.10.00 per Kilometre without fuel within a radius of 5(five)Kilometres from Hospital and Rs.2.00 per Kilometre with fuel beyond 5(five) Kilometres.

2. The rate of user charges to be levied on non-authorized category of patients for availing various medical operations/procedures at government health institutions in Sikkim. These rates shall also be applicable for health insurance claim purposes.

Sl. No.	Particulars	Rate (in rupees)	Remarks
1.	Medicines, Drugs and Consumable items		As per approved scheme of rates of Central Health Stores Organisation(CH SO).
2.	Minor Operations/Procedures such as, Incision & drainage (minor), Lumber Puncture, Plural Effusion, Aspiration, Aspiration (Therapeutic), Abdominal, Aspiration(Therapeutic), Bone Marrow Aspiration, Inter Costal Drainage, Liver Biopsy, Foreign Body Removal & any other type of minor operation/procedures certified by the treating/operating Specialist/Medical Officer as minor operation/procedure.	300.00	

3.	Major Operations/Procedures such as, Laparoscopic Cholecystectomy, Appendectomy, Ceasarean Section, Hysterectomy, Major Orthopaedic Operations or any other Operation/Procedure certified by the Operating Specialist as Major operation/procedure.	5000.00	
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The criteria for admissibility of free supply of drugs and medicines in the government hospitals and health centres shall remain the same as prescribed in the earlier Notification No.58/HC, HS & FW dated 05/10/2010.

By order and in the name of the Governor.

Sd/-
(DR. K. BHANDARI, DM)
DIRECTOR GENERAL-CUM-SECRETARY TO THE GOVERNMENT OF SIKKIM
HEALTH CARE, HUMAN SERVICES & FAMILY WELFARE DEPARTMENT

ANALYSIS FOR MAINTENANCE OF BRIDGES

ANALYSIS FOR RCC 10 m length X 4 m width = 40 SQM

(Amount in ₹)

SL. NO	PARTICULARS	UNIT	AREA IN SQM	QTY	RATE	ESTIMATED COST
1	Cleaning, removing of dirt from drainage spout etc all complete i/c of removal of damaged wearing coat for relaying of mastic asphalt as per the direction of Engineer Incharge	Nos	40	20	230	4600.00
2	Repairing of damage railing, drainage spout etc	LS				7500.00
3	Painting of bridge with exterior weather shield cost as per the direction of engineer incgarge	SQM	40	60	39.5	2370.00
4	Additional Scaffolding for painting	LS		75% of painting cost		1778.00
5	Greasing of bearings	LS				5000.00
6	Laying of Mastic Aspalt over the bridge deck	SQM		40	405.7	16228.00
	TOTAL		10	RM		37476.00
	COST PER RM		1	RM		3748.00

ANALYSIS FOR PSC GIRDER BRIDGE 10 m length X 5.50 m wide = 55 SQM

(Amount in ₹)

SL. NO	PARTICULARS	UNIT	AREA IN SQM	QTY	RATE	ESTIMATED COST
1	Cleaning, removing of dirt from drainage spout etc all complete i/c of removal of damaged wearing coat for relaying of mastic asphalt as per the direction of Engineer In charge	Nos	55	25	230	5750.00
2	Repairing of damage railing, drainage spout etc	LS				7500.00
3	Painting of bridge with exterior weather shield cost on the repair portion and top only as per the direction of engineer incharge	SQM	55	33	39.5	1303.50
4	Greasing of bearing	LS				5000.00

5	Laying of Mastic Aspalt over the bridge deck	SQM		55	405.7	22313.50
	TOTAL		10	RM		41867.00
	COST PER RM		1	RM		4187.00

ANALYSIS FOR STEEL BRIDGE 10 m length X 4 m wide = 40 SQM

(Amount in ₹)

SL. NO	PARTICULARS	UNIT	AREA IN SQM	QTY	RATE	ESTIMATED COST
1	Cleaning, removing of dirt from drainage spout etc all complete i/c of removal of wearing coat for laying of mastic asphalt as per the direction of Engineer Incharge	Nos	40	20	230	4600.00
2	Repairing of damage railing, drainage spout etc	LS				7500.00
3	Painting of bridge with exterior weather shield cost on the repair portion and top only as per the direction of engineer incharge	SQM	40	30	39.5	1185.00
4	Providing and painting with alumunium paints in steel members all complete	SQM	160	240	34.22	8212.80
5	Greasing of bearing/ Tightening of nuts and bolts/ etc	LS				5000.00
6	Laying of Mastic Aspalt over the bridge deck.	SQM		40	405.7	16228.00
	TOTAL		10	RM		42725.80
	COST PER RM		1	RM		4273.00

Analysis for Maintenance of Roads-2013(Revised as per SPWD SOR 2012.)

STATE HIGHWAY (BLACK TOPPED)

For 1 kms

Area = 4 x 1000 = 4000 sqm
Assuming potholes/damages by slip etc : 25% of 4000sqm = 1000sqm/kms

Sl No	Particulars	Unit	Qty	Rate	Amount (in ₹)	
1	Labour Cost:					
	Brushing,cleaning-ord carrying Firewood chips, sand & Bitumen	Labour nos	2	200	Rs. 400.00	
	Fire ord labour	nos	6	200	Rs. 1,200.00	
	Mason-II	nos	2	220	Rs. 440.00	
	Mason-II	nos	1.5	220	Rs. 330.00	
					Rs. 2,370.00	
	L/Overhead		@	16.67%	Rs. 395.08	
				A	Rs. 2,765.08	
2	Material Cost					
	Bitumen consumption 100sqm=3345kg Therefore,bitumen 600=12007kg=12.82drums	for for				
	Bitumen	dru m	13	8000	Rs. 104,000.00	
	Stonechips	cum	17	2500	Rs. 42,500.00	
	Sand	cum	7	1500	Rs. 10,500.00	
	Firewood	pile	16	2000	Rs. 32,000.00	
					Rs. 189,000.00	
	wastage @ 5%			5%	Rs. 9,450.00	
	Hire charges for Road Roller	days	1.5	8000	Rs. 12,000.00	
	Fuel for roller @ 7.5lit/hrs	lit	60	50.50	Rs. 3,030.00	
					B	Rs. 213,480.00
					Total(A+ B)	Rs. 216,245.08
Sundries	@		1.50%	Rs. 3,243.68		
Water Supply & electricity	@		1.50%	Rs. 3,243.68		
T&P @ 4%	@		4%	Rs. 8,649.80		
Transportation	@		1.50%	Rs. 3,243.68		
				Rs. 234,625.91		
				say	<u>Rs. 235,000.00</u>	

Analysis for Maintenance of Roads-2013(Revised as per SPWD SOR 2012)

MDR/ODR (BLACKTOPPED)

For 1 kms

Area	.=	3.75 x 1000	=	3750.00	sqm
Add 10% for curves & bends	=			375.00	sqm
				4125.00	sqm

Assuming potholes/damages by slip etc : 20% of 4125.00 sqm = 825 937.5sqm/kms

SI No	Particulars	Unit	Qty	Rate	Amount
1	Labour Cost:				
	Brushing,cleaning-ord Labour carrying chips,sand&Bitumen	nos	2	200.00	Rs. 400.00
	Fire ord labour	nos	4	200.00	Rs. 800.00
	Mason-II	nos	2	220.00	Rs. 440.00
	Mason-II	nos	1	220.00	Rs. 220.00
					Rs. 1,860.00
	L/Overhead		@	16.67%	Rs. 310.06
				A	Rs. 2,170.06
2	Material Cost				
	Bitumen consumption for 100sqm=3345kg Therefore,bitumen for 562=1879kg=12drums (60%of 937.5sqm)				
	Bitumen	drum s	12 15.	8000.00	Rs. 96,000.00
	Stonechips	cum	5	2500.00	Rs. 38,750.00
	Sand	cum	5	1500.00	Rs. 7,500.00
	Firewood	pile	14	2000.00	Rs. 28,000.00
					Rs.170,250.00
	wastage @ 5%			5%	Rs. 8,512.50
	Hire charges for Road Roller	days	1	8000.00	Rs. 8,000.00

	Fuel for roller @ 7.5lit/hrs	lit	60	50.50	Rs. 3,030.00
				B	Rs. 189,792.50
				Total(A+B)	Rs. 191,962.56
	Sundries	@		1.50%	Rs. 2,879.44
	Water Supply & electricity	@		1.50%	Rs. 2,879.44
	T&P @ 4%	@		4%	Rs. 7,678.50
	Transportation	@		1.50%	Rs. 2,879.44
					Rs.
					208,279.38
					<u>Rs.</u>
				say	<u>208,000.00</u>

Analysis for Maintenance of Roads-2013(As per SOR 2012)

MDR/ODR (WBM/METALLED/Earthen)

For 1 kms

Area = 3.75 x 1000 = 3750.00 sqm

Add 10% for curves & bends = 375.00 sqm

4125.00 sqm

Assuming potholes/damages by slip etc : 50% of 4125.00 sqm

= 2062.5 sqm/kms

SI No	Particulars	Unit	Qty	Rate	Amount
1	Labour Cost:				
	Digging pot holes carrying chips & screanning	nos	6	200.00	1,200.00
	Ordinary labour	nos	4	200.00	800.00
	Mason-II	nos	2	220.00	440.00
	Mason-I	nos	1	220.00	220.00
					2,660.00
	L/Overhead		@	16.67%	443.42
				A	3,103.42
2	Material Cost				
	Stonechips	cum	31	2500.00	77,500.00
	Screanning	cum	10	1500.00	15,000.00

					92,500.00
wastage @ 5%				5%	4,625.00
Hire charges for Road Roller	days	1		8000.00	8,000.00
Fuel for roller @ 7.5lit/hrs	lit	60		50.500	3,030.00
				B	108,155.00
				Total(A+B)	111,258.42
Sundries	@			1.50%	1,668.88
Water Supply & electricity	@			1.50%	1,668.88
T&P @ 4%	@			4%	4,450.34
Transportation	@			1.50%	1,668.88
					120,715.39
				say	<u>121,000.00</u>

SIKKIM



GOVERNMENT

GAZETTE

EXTRAORDINARY
PUBLISHED BY AUTHORITY

Gangtok	Wednesday, 23 rd May, 2012	No. 243
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GOVERNMENT OF SIKKIM
ENERGY & POWER DEPARTMENT
GANGTOK.

No. 33/P/GEN/97/PART-V

Dated 22.5.2012

NOTIFICATION

The Sikkim state Electricity regulatory commission vide their order no.TR-1/2012-13 dated 30.03.2012 is pleased to revise the tariff for consumption of electricity as per the Tariff Schedule annexed hereto. The revised tariff schedule is effective from 01.04.2012. It will be applicable for reading taken for electricity consumption on or after 01.04.2012.

The rates of charges, conditions of supply and other matters specified in the schedule annexed hereto shall replace the existing rates and charges and corresponding provisions in the existing schedule and in the existing agreement, if any, with the Energy and Power Department, Government of Sikkim with effect from 01.04.2012.

This supersedes all the earlier notifications except Notification No. 41 of dated 12.02.2010 on electricity Tariff.

**A.K.Giri,
PCE-CUM-SECRETARY
ENERGY & POWER DEPARTMENT**

TARIFF SCHEDULE

- I. Domestic Supply(DS)
Type of consumer

Power supply to private house; residential flats and Government residential buildings for light. Heating/electrical appliances, fans etc for domestic purpose. This schedule can also be made applicable to the charitable organization after verifying the genuineness of their non-commercial aspects by the concerned division office.

(a) Nature of service

Low Tension AC 400/230 volts, 50 cycles/sec(HZ)

(b) Rates:

Units Consumption	Paisa per KWH(Unit)
(i) Upto 50 unit	110
(ii) 51 to 100 unit	225
(iii) 101 to 200 unit	345
(iv) 201 to 400 unit	415
(iv) Consumption exceeding 400 units	440

Unit Consumption	Paisa per KWH(Unit)
(i) Upto 50 units	275
(ii) 51 to 200 units	440
(iii) 201 to 400 units	470
(iv) Consumption exceeding 400 units	500

(c) Monthly minimum charge:

(i) Single phase supply Rs. 40.00

(ii) Three phase supply Rs. 200.00

(d) Monthly rebate (if paid within the due date) 10% on gross amount

(e) Annual surcharge (Charge on the gross arrear 10%
outstanding every march end)

If electricity supplied in domestic-premises is used for commercial purpose, the entire supply shall be charged under commercial supply.

II. Commercial Supply (CS)
Type of consumer

Supply of energy for light, fan, heating and power appliances in commercial and non-domestic establishments such as shops, business, houses, restaurants, petrol pumps, service stations garages, auditoriums, cinema houses, nursing homes, dispensaries, doctors clinic which are used for privates gains, telephone exchange, nurseries, showrooms, zlx-ray plants, libraries banks, video parlours, salons, beauty parlours, health clubs or any house of profit as identified by the Assistant Engineer/Executive Engineer concerned of the Department.

a) Nature of supply
Low Tension AC 400/230 volts, 50 cycles/Sec(Hz)

(b) Rate:

- (c) Monthly minimum charge:
 (i) Single phase supply Rs. 150.00
 (ii) Three phase supply Rs. 400.00
- (d) Monthly rebate (if paid within the due date) 10% on gross amount
- (e) Annual Surcharge (on the gross arrear outstanding every march end) 10%

III. LT Industrial Supply (LTIS)

Type of consumer

Power supply to the industries like poultry, agriculture load or any other units of such kind under small-scale industries having connected load not exceeding 25 KVA in total.

- (a) Nature of service:

Low Tension 400/230 volts, 3 phase, 50 cycles/Sec(Hz)

- (b) Rate:

Consumption	Paisa per KWH(Unit)	
	Rural	Urban
i) Upto 500 units	220	445
ii) 501 to 1000 units	385	505
iii) 1001 and above	495	565

Note: Executive Engineer concerned should certify the connections to be of a village or city/town/bazaar before the connection is granted and should bill accordingly. In case of dispute the case may be referred to the District Collector of the district for Judgement.

- (c) Monthly minimum (if paid within the due date) a) Rural Rs. 50/KVA/Month
b) Urban Rs. 90/KVA/Mon
- (d) Monthly rebate (if paid within the due date) 10% on gross amount
- (e) Annual surcharge (on the gross arrear outstanding every March end). 10%

IV. High Tension Supply (HTS)

type of consumer

all types of supply with contract demand at single point having supply voltage above 3.3 KV 3 phase.

- (a) Nature of supply:
 High Tension AC, above 3.3. KV , 3 phase , 50 cycles/Sec(HZ)

Executive Engineer should sanction the demand in the Requisition and Agreement form of the Department before the service connection is issued based on the availability of quantum of Power. The demand sanctioned by the executive Engineer will be considered as the contract

demand. A maximum demand indicator will be installed at the consumer premises to record the maximum demand on monthly basis. If in a month, the recorded maximum demand exceeds the contract demand, that portion of the demand in excess of the contract demand will be billed at twice the prevailing demand charges.

(b) Rate:

Units consumption	Paisa per KWH(Unit)
(i) Upto 100 KVA Demand charge plus Energy charge	145/KVA/Month 250 Paisa/KWh/Month
(ii) Above 100 to 250 KVA Demand Charge plus Energy charge	180/KVA/Month 290 Paisa/KWh/Month
(iii) Above 250 KVA Demand charge plus Energy charge	220/KVA/Month 330 Paisa/KWh/Month

(c) Monthly minimum charge	Demand charge
(d) Monthly rebate on energy charges (if paid within the due date)	10%
(e) Annual Surcharge (on the gross arrear outstanding every March end)	15%

V. Bulk Supply (BS): (Non-commercial supply)

Type of consumer

Available for general mixed loads to M.E.S. and other Military Establishments, borders roads, SAP. All government Non residential buildings, Hospitals, aerodromes and other similar establishment as identified as such supply by the concerned Executive Engineer.

(a) Nature of service:

Low Tension AC 400/230 volts or High Tension above 3.3. KV.

Executive Engineer should sanction the demand in the Requisition and Agreement form of the Department before the service connection is issued.

(b) Rate:

All consumptions	Paisa per KWH(Unit)
i) LT	500 paisa /unit
ii) HT	515 paisa/unit

(c) Monthly minimum charge:	
(i) For LT supply (430/230 volts)	145/KVA of sanction load
(ii) For HT supply (11 KV or 66 KV)	130/KVA of sanction load
(d) Monthly rebate (if paid within the due date)	10% on gross amount

- (e) Annual Surcharge (on the gross arrear outstanding every March end) 15%

VI. Supply to Army Pensioners

Type of Consumer

provided to the army pensioners or their surviving widows based on the list provided by Sikkim Rajya Board.

- (a) nature of service:

Low tension AC 230/400 volts, 50 cycles /Sec(Hz)

- (b) Rate:

Domestic supply rate is applicable

- (i) Upto 100 units to be billed to Secretary , Rajya Sainik Board

- (ii) 101 and above to be billed to the Consumer

Minimum charges, surcharges, and rebate etc. will be applicable as per domestic supply category.

VII. Supply to Blind

type of consumer

Service connection provided to a house of a family whose head of the family is blind and the same is certified by the National Association for blinds.

- (a) nature of service:

Low tension AC 230/400 volts , 50 cycles/sec(Hz)

- (b) Rate:

Domestic supply rate is applicable.

- (i) upto 100 units to be billed to Secretary, Social Justice, Empowerment & Welfare Deptt

- (ii) 101 and above to be billed to the Consumer

Minimum charges, surcharges, and rebate etc. will be applicable as per domestic supply category.

VIII. Supply to the places of Worship (SPW)

Type of consumer

supply of power to Gumpas, Manilakhangs, Tsamkhangs, Mandirs, Churches, and Mosque identified by the State Ecclesiastical Department.

- (a) Nature of service

Low tension 400/230 volts, 50 cycles/Sec(Hz)

(b) Rate:

Unit consumption slab	Paisa per KWH(Unit)
<p>Domestic rate is applicable</p> <p>Places of worship having:</p> <p>i) Having 3 lights points:</p> <p>a) upto 100 units</p> <p>b) Above 101 units</p> <p>(ii) Having 4 to 6 lights points</p> <p>a) upto 150 units</p> <p>b) Above 151 units</p> <p>(iii) Having 7 to 12 points;</p> <p>a) upto 300 units</p> <p>b) Above 301 units</p> <p>(iv) Having 13 and more light points</p> <p>a) upto 500 units</p> <p>b) above 501 units</p> <p>A) to be billed to Secretary, Ecclesiastical Deptt. and to be submitted to the head of department in the district.</p> <p>B) To be billed to Head of the Place of worship</p>	<p>Domestic rate is applicable</p>

Domestic rate is applicable.

Minimum charges, surcharges and rebate etc. will be applicable as per domestic supply category.

IX. PUBLIC LIGHTING ENERGY CONSUMPTION CHARGES

It has been decided that the electrical energy consumption charges of public lighting street light etc. in urban area shall be paid by the Urban Development & Housing Department. Similarly, the consumption of electrical energy for street light etc. in rural areas shall be paid by the concerned Panchayat/rural management & Development Department. The necessary meter/metering equipments shall be provided by the Energy & Power Department and for which the standard (Tariff schedule) charges is also applicable in accordance with rules and regulations of the department;.

Rate;

- | | | |
|------|-------------|-----------------------|
| (i) | Rural Areas | 210 Paisa /KWH (Unit) |
| (ii) | Urban Areas | 385 Paisa /KWH (Unit) |

TEMPORARY SUPPLY

Type of consumer

Available for temporary purposes and for the period not exceeding two months in the first instance but can be extended for the further-period not exceeding one month on each occasion.

Approval of the Temporary connection is more than approved period, such use of electricity will be treated as theft of power.

(a) Nature of Service.

Low Tension AC 400/230 volts, 50 Hz/HT AC whichever is applicable and possible at the discretion of the department.

(b) Rate:

Tariff under schedule DS/CS/LTIS/HT for corresponding permanent supply plus 25 percent additional charges on the total bill.

XI. SCHEDULE FOR MISCELLANEOUS CHARGES.

Service connection

Following procedures should be strictly followed while giving the new service connection.

On receipt of written application with requisite, Revenue Stamp from any intending consumer addressed to the Assistant Engineer (commercial /revenue) the department will issued the Requisition and Agreement form of the Department. This form will be issued on production of BR for Rs. 5/- (Rupees Five) only. He/she will complete the form in all respect and submit to the office of the Assistant Engineer. Assistant engineer will issue the service connection estimate with the approval of the Executive Engineer. If the sub-station of the area or any other connected Electrical network is under capacity, the department can decline the service connection till the capacity is increased as required. If the demand is more than 25 KVA the department reserves the right to ask the applicant to provide suitable sub- station at his/her cost.

The Energy and Power Department also reserves the right to disconnect the service connection of any consumer if he/she increases the load above sanctioned load without written approval of the department and will treat such cases as theft of power.

Single connection will be provided to the legal landlord of the building. However, in case Government/Semi Government Undertakings offices in the rented buildings/flats, separate service connection in the name of the head of the office can be provided with the approval of the concerned executive Engineer.

XII. METER RENT/ MONTH

(i)	Energy Meter	
a)	Single Phase	Rs. 20.00
b)	Three Phase	Rs. 60.00

- | | | | |
|-------|--------------------------|--|------------|
| (ii) | Maximum demand indicator | | Rs.175.00 |
| (iii) | Time Switch | | Rs. 120.00 |

XIII. TESTING OF METERS

- | | | | |
|-----|----------------------------|------|------------|
| i. | Energy Meters | 1 Ph | Rs. 100.00 |
| ii) | Other metering instruments | 3 Ph | Rs. 200.00 |

XIV. DISCONNECTION AND RECONNECTION

- | | | | |
|-----|----------------------------|--|------------|
| i) | DS and CS category | | Rs. 100.00 |
| ii) | LTIS,HTS and Bulk category | | Rs. 200.00 |

Unless otherwise demanded by the department replacement of meters or shifting the position of meter boards etc, can be entertained exclusively on the specific written request of the consumer against a payment of Rs. 100.00 each time which does not include the cost of requirement and labour and the same will extra.

XV. REPLACEMENT OF FUSES

Service for replacement of fuses in the main –cut outs available against the following payments:-

- | | | | |
|-----|--------------|--|---|
| i) | Low Tension | | Rs. 10 for single phase
Rs. 15 for 3 phase |
| ii) | High Tension | | Rs. 30 |

XVI. RESEALING OF METERS

If by any reason the seal affixed in the meter or cut-outs installed and secured by the department are found tampered with, the department reserves the right to disconnect the service connection immediately and impose penalty as applicable under the Electricity Act, 2003, In addition the consumer is liable for payment for resealing charge @ Rs. 20.00 per call of such services.

XVII. SECURITY DEPOSIT

Security deposit shall be deposited, by the depositor, by the consumer, in the following rates for the meters provided by the Department.

- | | | | |
|----|------------------------|---------|---------|
| 1. | Electronic Meter | 3 Phase | Rs. 500 |
| | | 1 Phase | Rs. 200 |
| 2. | Electromagnetic Meters | 3 Phase | Rs. 150 |
| | | 1 phase | Rs. 75 |

The Security deposit will be forfeited and the line will be disconnected if the consumer tampers the meter. The line will be reconnected only after the fresh security deposit is deposited and other applicable charges are paid.

XVIII. OTHER CONDITIONS FOR SUPPLY OF ELECTRICAL ENERGY

a). Meter found out of order:

In the event of meter being found out of order (which includes meter ceasing to record, running fast or slow, creeping or running reverse direction) and where the actual errors on reading cannot be ascertained the meter will declared faulty and the correct quantum of energy consumption shall be determined by taking the average consumption for the previous three months.

If the average consumption for the three months cannot be taken due to the meter ceasing to record the consumption or any other reason, then the correct consumption will be determined based on the average consumption for succeeding three months (after installation of meter) then the matter shall be decided by the concerned Chief Engineer of the department upon the written intimation either form the concerned Executive Engineer or from concerned consumer. However, the bill should be paid on or before the due date. The amount so paid will be considered as advance to the credit of the consumer's account until such time as the billed amounts in dispute are fully settle. After determining the correct consumption due billing will be made and necessary adjustment shall be done in the next bill issued.

This method shall be applicable to all categories of consumers.

(b) Defaulting consumer:

The Department shall not give type of service connection to a defaulting consumer.

(c) Fixing the position of meter/metering equipments:

During the inspection of Assistant Engineer of the Department the point of entry of supply of mains and position of meter, cut-out/metering equipments etc. will be decided and should not be changed later on without written permission from department.

The department will in no case fix the meter, main-cut out metering equipments nor allow the same to remain in any position where the employees are prohibited from entering or where there is difficulty of access of employees.

(d) Notification/application before connection:

The consumer must give not less than 2 months notice before the supply or additional supply is required. In the case of HTS/LTIS/BS consumers, longer notice which may extend to six months or more may be required to enable the department to make necessary arrangement for such supply which will subject to its availability in the system and seven clear days notice shall be given by the Assistant Engineer of the area to the applicant for the purpose of inspecting the premises and investigating the feasibility of power supply. It service can be effected by extending service line alone, the consumer will be given a written permission from the office of the Assistant Engineer about providing the service connection to his premises.

(e) sketch of the premises:

i) a neat sketch of the premises should also submit the proposed internal electrification of the building showing the light points, light plug points, power plug points, fan/exhaust fan points, main isolator position , distribution control system location and other fittings etc.

ii) In the case of industrial/workshop etc. the consumer should submit a neat sketch showing the location of all E & M equipments and its motor capacity if any etc. in addition to the above.

iii) Load sanction.

Depending on the availability of the quantum of electrical energy in the system, the loads be sanctioned for all categories of consumers by the authorize officer of the department.

XIX. LAND – Free of cost for service connection and other association facilities.

The consumer shall provide the necessary land to the department belonging to his/her on free of cost basis and afford al reasonable facilities for bringing in the direct cables or over head lines from the departments T&D system for servicing the consumers but also cables or overhead lines connecting the department's other consumers and shall permit the department to provide the department to provide all requisite switch gear thereto on the above premises and furnish supply to such other consumers through cables/overhead lines and terminals situated on the consumers' premises.

b) If such inspection reveals any b) commission of malpractice as specified in the “ Malpractice clauses mentioned below, this may be dealt as per the relevant clauses which are indicated in malpractice.

c) the department shall not be responsible for any loss or damage or inconvenience caused to the consumer on account of such disconnection of supply.

XXI. INTERFERENCE WITH SUPPLY MAINS AND APPARATUS

a) A consumer shall not interfere with the supply main or apparatus including the metering arrangements, which may have been installed in his/her premises.

b) The consumer shall not keep connected to the department supply system if any apparatus to which the department has taken reasonable objection or which the department may consider likely to interfere or affect injudiciously the department's equipments installed in his/her premises or the Departments' supply to other consumer.

c) The consumer shall not keep the unbalanced loading of three phase of supply taken by him/her from Department.

d) The consumer shall not make such use of supply given to him/her by the department as to act prejudicially to the departments/ supply system in any manner whatsoever.

XXII. MALPRACTICE

i) Contravention of any provision of the terms conditions of supply the Indian electricity Act, 1910, the Indian Electricity Rules, 1956 or any other law/rule governing the supply and sue of electricity regulating order shall be treated as malpractice and the consumer indulging in any such malpractice shall be liable at law/ rule/order. Subject to generality as above.

- ii) Cases mentioned hereunder, shall be generally treated as malpractice:-
- a) Exceeding the sanctioned /contract load authorized by the department without the permission of the department.
 - b) Addition, alteration and extension of electrical installation in the consumer's premises without permission of the department or extension to any premises other than the one for which supply sanctioned/contracted for.
 - c) Unauthorized supply of electricity to any service which is including the service line disconnected by the department against electricity revenue arrear or any other offended clauses and the same service line reconnected without permission of the department.
 - d) Non-compliance of orders in force imposing restriction of use of energy for rational and equitable distribution thereof.
 - e) Use of electricity for any purpose other than that for which supply is contracted/sanctioned
 - f) Resale of energy without the permission of the department.
 - g) Theft of energy.
 - h) Obstruction to lawful entry of authorized officer/employee of the department into consumers' premises.
 - i) Interfering and tampering with the meter and metering system.

XXIII. PAYMENT OF COMPENSATION FOR MALPRACTICES.

Where a consumer is found to be indulging in malpractice with regard to use of electricity and use of device to commit theft of energy etc. the chief Engineer/Electrical Inspector of the department will decide about the payment of compensation amount to be imposed against such consumer as per the relevant rules and regulations.

XXIV. INSTITUTION OF PROSECUTION

Any officer employee authorized to inspect and deal with cases of malpractice and theft of energy may launch prosecution as an aggrieved person as mentioned in section 50 of the Indian Electricity Act, 1910.

XXV. READING OF METER AND PREPARATIONS OF BILL.

- a) The meter reading will be taken once in a month. The reading of meter will be recorded by meter reader in a card provided near the meter and open to inspection by consumer, bill for energy consumption charges will be prepared based on the reading noted in the card.
- b) Any complaint with regard to the accuracy of the bill the same shall be intimated immediately by the consumer to the Assistant Engineer. Who has issued the bill quoting the bill number/ account number date etc.
- c) If the consumer does not receive the electricity bill he shall inform the Assistant Engineer concerned about the non- receipt of his bill and on such representation, a copy will be supplied to him.

XXVI. DISCONNECTION OF SUPPLY FOR NON-PAYMENT OF ELECTRICITY BILL AND LEGAL ACTION.

If the consumer fail to pay any bill presented to him/her the department shall be at liberty to take action under sub-section (1) of section 24 of Indian Electricity Act, 2003 for disconnection of supply. The disconnection notice is printed in the bill fo0rm and further notice will not be issued by the department for disconnection.

XXVII. FAILURE OF POWER SUPPLY

The Department shall not be responsible for loss, damage or compensation what so ever out of failure of supply.

XXVIII. RESTRICTION OF POWER SUPPLY

The supply of electricity is liable to be curtailed or staggered or cut off al together as may be ordered by the State government or any other enactment as amended from time to time governing the supply and use of electricity.

XXIX.CONSUMER NUMBER

Consumer number is given to all the consumers. The same is written in the Meter reading card also. Consumer must know his/her consumer no. and should quote the consumer no. while corresponding with the department for prompt attention by the department.

XXX. FUSE CALL

In case the department's main fuse or fuses fail, the consumer or his representative may give the intimation in the adjacent control room either in person or through phone, Employees bearing the identity cards of the department are allowed to replace those fuses. Consumers are not allowed to replace those fuses and they will render themselves liable to pay heavy penalty if the departments' seals are been found broken. In attending the fuse off calls. Top most priority will be given to cases of fire due to short circuit accident, arcing in consumers' main etc.

XXXI. THEFT OF POWER

Theft of power is a criminal offence under electricity act. Whoever commit the theft of power shall be punishable in accordance with I.E. Act.

XXXII. SUPPLY WITHOUT METER.

Where a supply to the consumer is given without meter the consumption of Electrical Energy in KWH will be computed in the manner indicated below.

1. Government office building

$$\text{Sanctioned load (KW) X 6 hrs. X } \frac{60}{100}$$

2. Other consumers

$$\text{Sanctioned load (KW) X 8 hrs. X 30 days X } \frac{60}{100}$$

**LAW DEPARTMENT
GOVERNMENT OF SIKKIM, GANGTOK**

No. 15/LD/P/2010

27th September 2010

NOTIFICATION

The following Act passed by the Sikkim Legislative Assembly and having received the assent of the Governor on 16th of September, 2010 is hereby published for general information:-

THE SIKKIM FISCAL RESPONSIBILITY AND BUDGET MANAGEMENT ACT, 2010

(ACT No. 15 of 2010)

AN

ACT

To provide for the responsibility of the State Government of ensure fiscal stability and sustainability through maintaining balance in revenue account and planned reduction of fiscal deficit and prudent and sustainable debt management consistent with fiscal stability through limits on State Government's borrowings, including off-budget and achieving greater transparency in fiscal operation of the Government and conduct of fiscal policy in a medium term fiscal framework and for matters connected therewith or incidental thereto.

Be it enacted by the Legislative of the State of Sikkim in the Sixty-first year of the Republic of India as follows”

Short title and Commencement	<p>1. (1) This Act may be called the Sikkim Fiscal Responsibility and Budget Management Act, 2010</p> <p>(2) It extends to the whole of Sikkim</p> <p>(3) It shall come into force on such date as the Government may, by notification in the Official Gazette, appoint.</p>
Definitions	<p>2. In this Act, unless the context otherwise requires,-</p> <p>(a) “budget” means the annual financial statement laid before the Legislative Assembly under article 202 of the Constitution of India;</p> <p>(b) “current year” means the financial year preceding the ensuing year;</p> <p>(c) “ensuing year” means the financial year for which the budget is being presented;</p> <p>(d) “financial year” means the year beginning on the 1st day of April and ending on 31st day of March next following;</p> <p>(e) “fiscal deficit” means the excess of,-</p> <p>(i) Total disbursements from the Consolidated Fund of the State (excluding repayment of debt) over total receipts into the Consolidated Fund excluding the debt a financial year; or</p>

	<p>(ii) Total expenditure from the Consolidated Fund of the State (including loans and advances but excluding debt repayment) over own tax and non- tax revenue receipts, devolution and other grants from the Government of India to the State, and non- debt capital receipts during a financial year which represents the borrowing requirements, net of repayment of debt of the State Government during the financial year;</p> <p>(f) “fiscal indicator” means the measures such as numerical ceilings and proportions to gross State domestic product, as may be prescribed, for evaluation of the fiscal position of the State Government;</p> <p>(g) “Government” means the State Government of Sikkim;</p> <p>(h) “Legislative Assembly” means the Legislative Assembly of the State Sikkim;</p> <p>(i) “prescribed” means prescribed by rules made under this Act;</p> <p>(j) “previous year” means the year preceding the current year.</p> <p>(k) “revenue deficit” means the difference between revenue expenditure and revenue receipts;</p> <p>(l) “State” means the State of Sikkim;</p> <p>(m) “total liabilities” means the liabilities under the Consolidated Fund of the State and the Public Account of the State.</p>
<p>Medium Term Fiscal Plan to be laid before the Legislative Assembly</p>	<p>3. (1) The Government shall, in each financial year, lay before the Legislative Assembly a Medium Term Fiscal Plan along with the Budget.</p>
	<p>(2) The Medium Term Fiscal Plan shall set forth a three-year rolling target for the prescribed fiscal indicators with specification of underlying assumptions relating to parameters underlying projections for receipts and expenditure and the band within which they can vary while remaining consistent with targets.</p>
	<p>(3) In particular and without prejudice to the provisions contained in sub-section (2), the Medium Term Fiscal Plan shall include an assessment of sustainability relating to,-</p> <p>(i) the balance between revenue receipts and revenue expenditure ;</p> <p>(ii) the use of capital receipts including borrowings for generating productive assets.</p> <p>(4) The Medium Term Fiscal Plan shall, inter-alia, contain:-</p> <p>(i) the medium term fiscal objectives of the Government ;</p> <p>(II) an evaluation of the performance of the prescribed fiscal indicators in the previous year vis-à-vis the targets set out earlier, and the likely performance in the current year as per revised estimates;</p>

	<p>(iii) a statement on recent economic trends and future prospects for growth and development affecting fiscal position of the Government;</p> <p>(iv) The strategic priorities of the Government in the fiscal matters for the ensuing financial year;</p> <p>(v) The policies of the Government for the ensuing financial year relating to taxation, expenditure, borrowings and other liabilities, subsidies, lending and investments, guarantees and activities of Public Sector Undertakings which have potential budgetary implication and the key fiscal measures and targets pertaining to each of these;</p> <p>(vi) An evaluation as to how the current policies of the Government are in conformity with the fiscal management of principles set out in section 4 and the fiscal objectives set out in the Medium Term Fiscal Plan;</p> <p>(5) The Medium Term Fiscal Plan shall be in such form as may be prescribed.</p>
<p>Fiscal Management Principles</p>	<p>4. (1) the Government shall take appropriate measures to eliminate the revenue deficit and contain fiscal deficit and outstanding debt to sustainable levels.</p> <p>(2) The Government shall be guided by the following fiscal management principles, namely:-</p> <p>(a) to maintain State Government debt at prudent and sustainable level;</p> <p>(b) to manage guarantees and other contingent liabilities prudently, with particular reference to quality and level of such liabilities;</p> <p>(c) to ensure that borrowings are used for productive purpose and accumulation of capital assets, and are not applied to finance current expenditure;</p> <p>(d) to ensure that the policy decisions of the Government have due regard to the financial implications on the future generations;</p> <p>(e) to maintain the integrity of the tax system by minimizing special incentives, concessions and exemptions;</p> <p>(f) to pursue tax policies with due regard to economic efficiency and compliance costs;</p> <p>(g) to pursue non-tax policies with due regard to cost recovery and equity;</p> <p>(h) to pursue expenditure policies that would provide impetus to economic growth, poverty, reduction and improvement in human welfare;</p>

	<p>(i) to build up a revenue surplus for use in capital formation and productive expenditure;</p> <p>(j) to ensure maintenance of the physical assets of the Government;</p> <p>(k) to maintain transparency by disclosing sufficient information to allow public to scrutinize the State of the Public Finances;</p> <p>(l) to minimize the fiscal risk associated with management of public sector undertakings and the utilities providing public goods and services;</p> <p>(m) to ensure discharge of current liabilities in a timely manner;</p> <p>(n) to formulate a realistic budget with due regard to the general economic outlook and revenue prospects and minimize deviations during the course of the year.</p>
<p>Fiscal Management Targets</p>	<p>5. (1) In particular, and without prejudice to the generality of the foregoing provisions, the Government shall,-</p> <p>(a) Maintain revenue account balance beginning from the year 2011-12;</p> <p>(b) Reduce the fiscal deficit to 3.5. percent of the estimated Gross State Domestic Product in each of the financial year starting from 2011-12 and reduce the fiscal deficit to not more than three percent of the estimated Gross State Domestic Product at the end of 31st March 2014 and adhere to it thereafter;</p> <p>(c) Cap the total outstanding guarantees within the specified limit under the Sikkim Ceiling on Government Guarantees Act, 2000 (21 of 2000);</p> <p>(d) Ensure that the outstanding debt-GSDP ratio follows a sustainable path emanating from the above targets of the deficit as specified by the Government beginning from the fiscal year 2011-12.</p> <p>Provided that revenue deficit and fiscal deficit may exceed the limits specified under this section due to ground or grounds of unforeseen demands on the finances of the Government due to national security or natural calamity subject to the condition that the excess beyond limits arising due to natural calamities does not exceed the actual fiscal cost that can be attributed to the calamities:</p> <p>Provided further that the ground or grounds specified in the above proviso shall be placed before the Legislative Assembly as soon as may be, after it becomes likely that such deficit amount may exceed the aforesaid limits, with an accompanying report stating the extent of excess , and reasons therefore.</p>

<p>Measures for Fiscal Transparency</p>	<p>6.(1) The Government shall take suitable measures to ensure greater transparency in its fiscal operations, in public interest, in the preparation of the Budget:</p> <p>Provided that the Government shall have the power to reserve any such information which would adversely affect the interest of the State Exchequer.</p> <p>(2) in particular, and without prejudice to the generality of the foregoing provision, the Government shall, at the time of presentation of the Budget, disclose in a statement in the form as may be prescribed-</p> <p>(a) the key fiscal indicators including those mentioned in section 5;</p> <p>(b) the significant changes in the accounting standards; policies and practices affecting or likely to affect the computation of prescribed fiscal indicators;</p> <p>(c) as far as practicable and consistent with protection of public interest, the contingent liabilities created by way of guarantees.</p>
<p>Measures to enforce compliance</p>	<p>7.(1) The Budget and policies announced at the time of the budget, shall be consistent with objectives and targets specified in the Medium Term Fiscal Plan for the coming and future years.</p> <p>(2) The Minister-in-charge of the Department of Finance shall review every quarter, the trends in receipts and expenditure in relation to the budget, remedial measures to be taken to achieve the budget targets and every half year place before the Legislative Assembly the outcome of such review. The review report should be in such form as may be prescribed.</p> <p>(3) While placing before the Legislative Assembly the outcome of such review, the Minister-in-charge of the Department of Finance shall make a statement explaining,-</p> <p>(a) any deviation in meeting the obligations cast on the Government under this Act;</p> <p>(b) whether such deviation is substantial and relates to the actual or the potential budgetary outcomes; and</p> <p>(c) the remedial measures the Government proposes to take.</p> <p>(4) Any measure proposed in the course of the financial year, which may lead to an increase in revenue deficit, either through enhanced expenditure or loss of revenue, shall be accompanied by remedial measures, which will neutralize such increase or loss and such measures shall be clearly mentioned.</p>

	<p>(5) In case the revenue deficit and fiscal deficit exceed in the case of unforeseen demands on the finances of the Government, the Government shall identify the net fiscal cost arising due to natural calamity and such cost would provide ceiling for extent of non-compliance to the specified limits.</p> <p>(6) Whenever supplementary estimates are presented to the Legislative Assembly, the Government shall also present an accompanying statement indicating the corresponding curtailment of expenditure and/or augmentation of revenue to offset the fiscal impact of the supplementary estimates.</p> <p>(7) The Government may assign to an independent external agency the task of carrying out the periodical review for the compliance of the provision of this Act in the manner as may be prescribes.</p>
<p>Power to make rules</p>	<p>8.(1) The Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Act.</p> <p>(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:-</p> <ul style="list-style-type: none"> (a) the measures for evaluation of fiscal indicators of the Government under clause (f) of section 2; (b) the form of Medium Term Fiscal Plan under sub-section(5) of section3; (c) the form of review report under sub-section (2) of Section 6; (d) The form of review under sub-section (2) of Section 7; (e) Any other matter which is required to be prescribed not inconsistent with the provision of this Act.
<p>Rules to be laid before Legislative Assembly</p>	<p>9. Every rule or order made under this Act shall, as soon as possible, after it is made, be placed on the table of the Legislative Assembly and if, before the expiry of the session in which it is so placed or in the next session, the Legislative Assembly makes any modification in any such rule or order, or the Legislative Assembly decides</p>

	that the rule or order should not be made, the rule or order shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under the rule or order.
Protection of action taken in good faith	10. No suit, prosecution of this Act shall be in addition to, and not in derogation of, the provisions of any other law for the time being in force.
Application of other laws not barred	11. The provisions of this Act shall be in additions to, and not in derogation of, the provisions of any other law for the time being in force.
Power to remove difficulties	<p>12. (1) If any difficulty arises in giving effect to the provision of this Act, the Government may, by order published in the Official Gazette make such provisions not inconsistent with the provision of this Act as may appear to be necessary or expedient for removing the difficulty:</p> <p>(2) Every order made under this section shall be laid, as soon as may be after it is made, before Legislative Assembly.</p> <p style="text-align: right;">R.K.PURKAYASTHA (SSJS) L.R-CUM-SECRETARY LAW DEPARTMENT FILE NO. 16(82)LD/P/2010</p>

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Gangtok

Friday 25th March, 2011

No.142

**FINANCE, REVENUE & EXPENDITURE DEPARTMENT
GOVERNMENT OF SIKKIM
GANGTOK**

No.28/Fin/Adm.

Dated:23/03/2011

NOTIFICATION

In exercise of the powers conferred by section 8 of the Sikkim Fiscal Responsibility and Budget management Act, 2010 (No 15 of 2010) the State Government hereby makes the following rules, namely:-

1. Short title and commencement :-

- 1) These rules may be called the Sikkim Fiscal responsibility and Budget Management Rules, 2011.
- 2) They shall come into force at once.

2. Definitions- In these rules, unless the context otherwise requires :-

- (1) a) " Act" means the Sikkim Fiscal Responsibility and Budget Management Act,2010;
- b) "Form" means a form appended to these rules;
- c) "Section" means a section of the act;
- (2) Words and expression used herein but not defined and defined in the Act shall have the meanings respectively assigned to them in the Act.

3. Medium Term Fiscal Plan.-

(1) The Medium Term Fiscal Plan , as required under sub-section (5) of section 3, of the Act shall be in Form F-2 indicating three years rolling targets in respect of the following fiscal indicators, namely:-

- a) Revenue deficit as a percentage of Gross State Domestic Product.
- b) Fiscal deficit as a percentage of Gross State Domestic Product.
- c) Total outstanding debt as a percentage of Gross State Domestic Product.
- d) Primary deficit/surplus as a percentage of Gross State Domestic Product.

(2) The Medium Term Fiscal Plan shall also explain the assumptions underlying the above mentioned targets for fiscal indicators and an assessment of sustainability relating to the items indicated in sub-section (2) of section 3 of the Act.

(3) The Medium Term Fiscal Plan shall contain the medium term fiscal objectives of the Government, the evaluation of performance of the prescribed fiscal indicators etc. as indicated in sub-section (4) of section 3 of the Act, in the Form F-1.

4. Disclosures:-

- (1) The State Government shall, at the time of presenting the budget, make disclosures as required under section 6 of the Act together with the following statements, namely-

- a) a statement of select indicators of fiscal situation in Form D-1;
- b) A statement on components of State Government Liabilities in Form D-2;
- c) A statement on guarantees given by the Government in Form D-3;
- d) A statement giving details of number of employees in Government , public sector and aided institutions and related salaries and pensions in Form D-4.

5. Measures to enforce compliance.-

In case the outcome of the quarterly reviews of trends in receipts and expenditure, at the end of the second quarter of any financial year shows that-

- (i) The total non-debt receipts are less than 40 percent of Budget Estimates for that year; or
- (ii) The fiscal deficit is higher than 45 percent of the Budget Estimates for that year;
- (iii) The revenue deficit is higher than 45 percent of the Budget Estimates for that year; then Department of Finance shall present a statement in the Legislature during the session immediately following the end of the second quarter detailing the corrective measures taken and the prospects for the fiscal deficit of that financial year.

Form F-1
(see Rule 3)
Medium Term Fiscal Plan

- 1. Fiscal Policy Overview- [This section will present an overview of the fiscal policy currently in vogue]
- 2. Fiscal policy for the ensuing year.- this section shall have, inter alia, following components.-

(1) Tax Policy

This will include major changes proposed to be introduced in direct and indirect taxes in the ensuing financial year. It shall contain an assessment of exemption in various taxes and how fat it relates to principles regarding tax exemptions.

(2) Expenditure Policy

Under expenditure policy, major priorities in the allocation of expenditure shall be elaborated. It may also contain an assessment of principles regarding the benefits and target group of beneficiaries. It should describe the steps taken towards expenditure restructuring relating to both size and sectoral allocations aimed at removing inefficiencies arising from misallocations, design and implementation of schemes, delivery of services.

(3) Government Borrowings , Lending and Investments

In this sub-paragraph, the policy relating to government internal borrowings, lending and recovery of loans and advances etc. Shall be indicated.

(4) Other liabilities- This sub-paragraph shall include information relating to guarantees and off budget borrowings of Government having potential budgetary implication. It would also include details relating to one-time settlement of such liabilities, measures to limit the guarantees etc.

(5) Levy of User charges

Any change proposed in the levy of user charges of public services shall be spelt out.

3. Strategic priorities for the ensuing year.-

(1) Resource mobilization for the ensuing financial year through tax, non-tax and other receipts shall be spelt out.

(2) The broad principles underlying the expenditure management during the ensuing year shall be spelt out.

4. Rationale for Policy changes.-

(1) The rationale for policy changes consistent with the Medium Fiscal Plan, in respect of taxes proposed in the ensuing shall be spelt out.

(2) The rationale for major policy changes in respect of budgeted expenditure including expenditure on subsidies and pensions shall be indicated.

(3) Rationale for changes, if any, proposed in the management of the public debt shall be indicated.

(4) The need for changes, if any, proposed in respect of the charges for public utilities shall be spelt out.

5. Policy Evaluation.-

The paragraph shall contain an evaluation of the changes proposed in the fiscal policy for the ensuing year with reference to fiscal deficit reduction and objectives set out in the Medium Term Fiscal Plan.

Form F-2

(see Rule 3)

	Previous Year(Y-2) Actuals	Current Year (Y-1) Revised Estimates	Ensuing Year (Y) Budget Estimates	Targets for Next Two Years	
				Y+1	Y+2
Revenue Deficit as Percentage of GDP					

Fiscal Deficit as Percentage of GSDP					
Primary Deficit as Percentage of GSDP					
Total Debt Stock as Percentage of GSDP					

1. Fiscal Indicators- Rolling Targets
2. Assumption underlying the Fiscal Indicators
 - (1) Revenue receipts
 - (a) Tax- revenue-Sectoral and GSDP growth rate;
 - (b) Non-tax-revenue-Policy;
 - (c) Share of own tax revenue to total tax revenue;
 - (d) Share of own non-tax, revenue to total non-tax revenue.
 - (2) Capital receipts –Debt stock, repayment, fresh loans and policy stance.
 - (a) Loans and advances from the Centre;
 - (b) Special securities issues to the NSSF;
 - (c) Recovery of loans and advance;
 - (d) Borrowings from financial institutions;
 - (e) Other receipts(net)-small savings, provident funds,etc;
 - (f) Outstanding Liabilities-Internal Debt and Other Liabilities.
 - (3) Total expenditure –Policy Stances
 - (a) Revenue account
 - i) Interest payments
 - ii) Major subsidies
 - iii) Salaries
 - iv) Pensions
 - (b) Capital account
 - i) Loans and advances
 - ii) Capital Outlay
 - (4) Gross State Domestic Product Growth
3. Assessment of sustainability relating to.-
 - (1) The balance between receipts and expenditure in general and revenue receipts and revenue expenditure in particular. The Medium Term Fiscal Policy Statement may specify the tax-GSDP ratio, own tax-GSDP ratio and State's share in Central tax-GSDP ratio for the current year and subsequent two years with an assessment of the changes required for achieving. It may discuss the non-tax revenues and the policies concerning the same. Expenditure on revenue account, both plan and non-plan may be also discussed with particular emphasis on the measures proposed to meet the overall objectives. It may discuss policies to contain expenditure on salaries, pension, subsidies and interest payments. An assessment of the capital receipts shall be made, including the borrowings and other liabilities, as per policies spelt out. The statement shall also give projections for GSDP and discuss it on the basis of assumptions underlying the indicators in achieving the sustainability objective.

- (2) The use of capital receipts including borrowings for generating productive assets. The Medium Term Fiscal Policy Statement may specify the proposed use of receipts for generating productive assets in different categories. It may also spell out the proposed changes among these categories and discuss them in terms of the overall policy of the government.

By order and in the name of Governor.

(R. ONGMU),IAS
PRINCIPAL SECRETARY
FINANCE, REVENUE & EXPDT.DEPARTMENT

Form D-1
(see Rule 4)
Select Fiscal Indicators

SL.NO	ITEM	PREVIOUS YEAR (ACTUAL)	CURRENT YEAR (RE)
1	Gross Fiscal Deficit as Percentage to GSDP		
2	Revenue Deficit as Percentage of GSDP		
3	Revenue Deficit as Percentage of GSDP		
4	Revenue Deficit as Percentage of TRR		
5	Debt Stock as Percentage of GSDP		
6	Total Liabilities as Percentage of Gross Fiscal Deficit		
7	Capital Outlay as Percentage of Gross Fiscal Deficit		
8	Interest Payment as Percentage of TRR		
9	Salary Expenditure as Percentage of TRR		
10	Pension Exp. As Percentage of TRR		
11	Non-development Expenditure as Percentage of Aggregate Disbursements		
12	Non-tax-revenue as Percentage of TRR		

**Form D-2
(see Rule 4)**

Components of State Government Liabilities

Category	Raised during the fiscal year		Repayment during the fiscal year		Outstanding Amount (End March)	
	Previous Year (Actuals)	Current Year (Revised Estimate)	Previous Year (Actuals)	Current Year (Revised Estimate)	Previous Year (Actuals)	Current Year (Revised Estimate)
Internal debt						
Loan from Centre						
State Provident Fund						
Insurance and Pension Funds						
Reserve Funds/ Deposits						
Other Liabilities						

**Form D-3
(See Rule 4)**

Guarantees given by the Government

Sl.No	Name of Institution to which Guarantee is give	Maximum Guarantee given	Remarks

Form D-4
(see Rule 4)

Number of Employees in State Government, Public Sector Undertakings & Aided Institutions

SI.No	Sector Name	Total Employees as on 31.03	Related Expenditure during (Rs. In Lakhs)	
			On Salary	On pension

SGPG- 142/Gazette/30 Cps/25.03.2011



GOVERNMENT OF SIKKIM
FINANCE, REVENUE AND EXPENDITURE DEPARTMENT
GANGTOK

Medium Terms Fiscal Plan for Sikkim 2012-2013 to 2014-2015

To be presented before the Sikkim Legislative Assembly as required under sub section (1) of section 3 of the Sikkim Fiscal Responsibility and Budget Management Act. 2010 (15 of 2010)

Medium Term Fiscal Plan for Sikkim: 2012-13

1. Introduction – Fiscal Policy Overview

The Government of Sikkim while emphasizing on economic development in the State, has also been committed to preservation of ecology and environment, preservation of Sikkimese culture and tradition, and provision of social security. The human development achieved by the state in terms of literacy rate and health status has been impressive¹ and its track record in social sector achievements has been remarkable. The State experienced a devastating earthquake in 2011, which adversely affected the economy and required large scale rebuilding and reconstruction activities. Despite the earthquake, the State managed to keep its growth trend. The per capita income of the state has more than doubled from Rs.30730 in 2004-05 to Rs.78614 in 2009-10 at current prices in 2009-10². The Gross State Domestic Product (GSDP) at constant prices recorded a growth rate of 13.48 per cent during the period of 2004-05 to 2009-10.

The Government of Sikkim enacted the Fiscal Responsibility and Budget Management Act (FRBM) in the fiscal year 2010-11 and placed the first Medium Term Fiscal Plan (MTFP) document in the State Assembly along with the 2011-12 budget. This is the second MTFP. The Medium Term Fiscal Plan (MTFP) Statement presented in the legislature as stipulated in the FRBM Act provides detailed information on fiscal policy choices made by the Government in the ensuing budget year and the fiscal stance of the Government in two future years beyond the budget year in a transparent manner. The FRBM Act was enacted to ensure fiscal stability and sustainability while ensuring efficient provision of public services. Ensuring sustainable fiscal balance while providing for the required level of physical and social infrastructure is the key feature of a growth oriented fiscal policy. While incurring fiscal deficit is inevitable for investments in priority sectors, containing it at a sustainable level is important to avoid large debt burden in the future. At the same time, it is important to allocate adequate resources for social and physical infrastructure to create an enabling environment for investments which would create employment and incomes for the people of the state.

The Thirteenth Finance Commission (TFC) recommended a fiscal adjustment path for Sikkim limiting the fiscal deficit at the targeted level to ensure sustainable level of debt during 2010-15. The fiscal path provides quantitative targets to be adhered to by the state with regard to deficit measures and debt level. The fiscal management in terms of expenditure rationalization and revenue generation measures have helped in achieving perceptible improvement in fiscal situation of the State in the past, which has been recognised by the TFC in their report while recommending performance incentive grant for Sikkim. In addition to this grant the TFC also recommended for various state specific grants, which assume significance for the State. While adopting the FRBM Act fulfilled the necessary condition to avail such grants, it is also important to adhere to the stipulated fiscal path. However, it is important to mention here that the State faces considerable cost disabilities in service provisions. The adverse effect earthquake last year and the cost of rebuilding and restructuring have been quite large.

¹ The Human Development Index of Sikkim was at 0.532 as against all India at 0.602 (National Human Development Report: 2001). The literacy rate of Sikkim has improved from 56.9 per cent in 1993-94 to 85 per cent (Budget Speech -2010) and has an Infant Mortality rate of 33 per 1000.

² CSO estimates of 2004-05 series at current prices

The MTFP 2012-13 presents the fiscal policy objectives and projected fiscal targets in the ensuing budget year and two outward years. A detailed review of the macroeconomic and fiscal performance of Sikkim for the period from 2004-05 to 2011-12 was undertaken in the MTFP. Based on the review of state finances and the level of fiscal imbalance, the Medium Term Fiscal Plan was prepared for the period from 2012-13 to 2014-15. The assumptions with regard to the revenue augmentation and expenditure restructuring parameters for the preparation of the MTFP are arrived at on the basis of the recent data covering the period from 2004-05 to 2012-13 (BE) and taking into consideration the policy announcements relating to revenue augmentation measures and expenditure priorities.

The MTFP is divided into following sections. In Section 2, the economic growth achieved by the State in recent years is analyzed. The Section 3 contains the fiscal policy overview, tax, expenditure, and borrowing policies for the ensuing year and the priorities in the medium term. This section follows the Form F-1 of the Medium Term Fiscal Policy as per the Sikkim FRBM Act, Rule 3. In Section 4, Medium Term Fiscal Plan containing the projection of fiscal variables and assumptions underlying the projections has been given. This follows the Form F 2 of the Medium Term Fiscal Policy as per the Sikkim FRBM Act, Rule 3. The concluding remarks are contained in section 5. The disclosures, following the Medium Term Fiscal Policy as per the Sikkim FRBM Act Rule 3 and Rule 4, are given in the Section called Disclosures.

2. Macroeconomic Outlook

Reviewing the macroeconomic performance and the interface between macro economy and state level fiscal policy is essential for designing the MTFP. The revenue performance and expenditure structuring depend upon the size, composition and the growth of the state economy. It is also important to keep in mind that the state level fiscal policy has crucial impact on development of different sectors and macroeconomic performance. The Sikkimese economy has been evolving as a service sector driven economy and the sectors like construction and power moving ahead fast. The inter-sectoral composition of GSDP since 2004-05 shows that the service sector accounts for half of the State GSDP and the share of secondary sector has grown to about 40 per cent in 2010-11 (Table 1). The share of primary sector has been declining over the years and the share of mining and quarrying activities remained very small. TFC has assumed a nominal growth rate of 11.08 per cent in GSDP for Sikkim during the period 2010-15. However, based on the trend of growth in Sikkim, a higher growth rate of GSDP for Sikkim is definitely attainable. However the MTFP is based on the GSDP growth path prescribed by the TFC for Sikkim.

Table 1
Composition of GSDP (Constant Prices)

(Per cent)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Primary, of Which	18.71	17.75	16.77	16.19	14.56	11.74	11.30
Agriculture	18.59	17.64	16.65	16.08	14.41	11.62	11.18

Mining & Quarrying	0.12	0.11	0.11	0.11	0.15	0.12	0.13
Secondary, of which	28.72	29.24	29.54	30.17	34.93	38.43	38.86
Manufacturing	3.86	3.60	3.66	3.90	3.65	2.80	2.66
Construction	19.23	19.86	19.44	18.69	15.52	12.88	13.54
Electricity & Water supply	5.62	5.78	6.44	7.58	15.76	22.75	22.66
Tertiary, of Which	52.57	53.01	53.69	53.64	50.50	49.83	49.84
Transport	2.69	2.63	2.59	2.48	2.26	1.89	1.83
Trade, Hotel and Restaurant	5.19	4.84	4.62	4.51	4.07	3.26	3.12
Banking & Insurance	2.58	2.95	3.59	4.04	3.64	3.13	3.25
Real Estate	9.99	9.38	9.19	9.94	9.49	7.53	7.34
Public Admn	14.60	15.14	15.51	14.79	14.15	18.21	17.43
Other Services	16.09	16.52	16.40	15.81	14.70	13.72	14.25
GSDP	100.00	100.00	100.00	100.00	100.00	100.00	100.00

Source: CSO; The GSDP is 2004-05 base.

3. Fiscal Profile of the State

3.1 Fiscal Policy Overview

The fiscal trend since 2004-05 presented in Table 4 shows that the State while maintaining surplus in the revenue account continues to incur fiscal deficit³. The general fiscal trend in the State reveals that attempts have been made to achieve fiscal consolidation in recent years. The Government of Sikkim introduced FRBM Act in 2011-12 to reduce the fiscal deficit and contain the debt burden. Due to prudent fiscal management the State was able to achieve considerable improvement as shown in the reduction of fiscal deficit and rise in revenue surplus. This was recognized by the TFC, which recommended for performance based incentive grant for the State. The surplus in the revenue account, which declined from 11.69 per cent to GSDP in 2008-09 to 2.47 per cent in 2010-11, seems to have improved to 13.16 per cent in 2011-12 revised estimates and is budgeted to rise further to 17.52 per cent in 2012-13. Similarly the fiscal deficit which was at the level of 7.25 per cent relative to GSDP in 2008-09 declined to 5.60 per cent in 2010-11. However, this level of fiscal deficit was not considered to be sustainable from the FRBM Act point of view. The fiscal deficit at 4.75 per cent

³ The GSDP data used to find the relevant ratios is of 2004-05 series given by the CSO. The series was revised by CSO for Sikkim since 2008-09. So it is pertinent to compare the fiscal performance of the State starting with 2008-09.

relative to GSDP as shown in the revised estimates for the year 2011-12 was also higher as compared to the fiscal target stipulated in the MTFP. The year 2011-12, however, was not a normal year for the State. The earthquake that devastated part of the State adversely affected the finances of the State in terms reduction in collection of own revenues and higher expenditures aimed at rehabilitation and reconstruction activities.

The TFC in their fiscal consolidation path for Sikkim has targeted the fiscal deficit to decline and recommended it to be at the level of 3.5 per cent to GSDP in 2011-12 and 2012-13 and further reduce to 3 per cent in 2013-14 and 2014-15. The State FRBM act, enacted in 2010-11, stipulates to reduce the fiscal deficit to 3 per cent of GSDP by 2013-14. Also necessary amendment in the Act is done to comply with the numerical debt to GSDP ratio path proposed by the TFC. The MTFP 2012-13 is compliant with the TFC proposed path of fiscal consolidation. This indicates the resolve of the State Government to come back to the fiscal consolidation path despite the setbacks faced during the last year.

Table 2
Fiscal Profile of Sikkim: An Overview

(% to GSDP)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12 (RE)	2012-13 (BE)
Revenues	58.14	54.60	55.67	59.76	54.44	49.48	38.07	54.90	58.21
Own Revenue	13.13	13.10	15.96	16.35	15.22	14.16	9.23	8.10	9.28
Own Tax Revenues	6.72	7.39	8.01	7.89	6.17	4.72	4.95	4.01	5.06
Own Non-Tax Revenues	6.40	5.72	7.95	8.46	9.05	9.44	4.28	4.09	4.22
Central Transfers	45.02	41.49	39.71	43.40	39.22	35.32	28.84	46.80	48.93
Tax Devolution	6.17	9.14	10.31	13.77	11.28	7.90	9.29	9.75	10.36
Grants	38.84	32.36	29.40	29.63	27.95	27.42	19.55	37.05	38.56
Revenue Expenditure	48.43	44.73	45.07	45.76	42.75	38.58	35.60	41.74	40.69
Interest Payment	5.70	5.15	5.33	4.70	4.78	3.26	3.30	2.86	2.89
Pension	1.77	2.08	2.28	2.00	1.84	2.65	2.83	2.58	3.43
Capital Expenditure	20.38	17.34	15.07	16.56	18.94	14.45	8.07	18.59	21.02

Capital Outlay	20.3 3	17.3 5	15.1 0	16.5 8	18.94	13.68	7.98	17.82	20.96
Net Lending	0.05	-0.01	-0.04	-0.02	0.00	0.77	0.09	0.77	0.07
Revenue Deficit	-9.71	-9.87	-10.59	-14.00	-11.69	-10.89	-2.47	-13.16	-17.52
Fiscal Deficit	10.67	7.47	4.47	2.56	7.25	3.56	5.60	4.75	3.50
Primary Deficit	4.97	2.32	-0.86	-2.13	2.47	0.30	2.29	1.89	0.61
Outstanding Debt	61.87	60.30	61.15	62.31	59.86	48.37	42.99	41.75	41.03

Source (Basic Data): Finance Accounts and State Budget 2012-13

Note: The GSDP figures are of revised 2004-05 series given by CSO.

Negative sign indicates revenue surplus

3.2 Revenue Mobilisation

The major share of the total revenue of the State Government comes from the central transfers. On an average the central transfers constitutes little more than there fourths of the total State revenues. The central transfer, which constituted 39.22 per cent in 2008-09 relative to GSDP, have grown to 46.80 per cent in the revised estimates of 2011-12 and is budgeted at 48.93 per cent in 2012-13. Own tax and own non-tax revenue are expected to be 9.28 and 4.22 (net of lottery expenditure) per cent of GSDP respectively as per the BE of 2012-13. A disaggregated analysis of revenue performance of the state is undertaken to determine the revenue prospects while preparing the MTFP aligned with the provisions of FRBM act of Sikkim.

Composition of own tax revenue is given in Table 3. The sales tax/VAT is the major source of own tax revenue in Sikkim. The relative share of the VAT had increased from about 41 per cent in 2004-05 to 51 per cent in 2010-11. Its share in the revised estimates for the year 2011-12 has considerably declined due to the disruption experienced to business and trade activities due to the earthquake in the State. However, its share is set rebound in the budget estimates for the year 2012-13. The State excise is another important source of revenue for the State, share of which has increased in recent years. During the same time period the motor vehicle tax has evolved as one of the major state taxes. The trend growth rates of individual tax components explain the change in tax structure in the state. The sales tax, state excise and motor vehicle tax have shown high growth rates during this period.

Table 3
Composition of Own Tax Revenue

(Per cent)

	2004 -05	2005 -06	2006 -07	2007 -08	2008 -09	2009 -10	2010 -11	2011 -12 (RE)	2012 -13 (BE)	Growth (04-05 to 12- 13)
Own Tax Revenues	100	100	100	100	100	100	100	100	100	
Sales Tax	41.2	38.5	43.1	41.1	50.8	54.1	51.1	39.3	53.0	15.79
State Excise Duties	28.0	22.4	19.2	19.2	23.3	25.6	25.3	37.2	26.9	16.81
Motor Vehicle Tax	2.8	2.9	3.4	3.1	3.5	3.5	3.8	6.0	4.2	20.76
Stamp Duty and Registration Fees	1.2	1.5	1.5	2.2	2.2	2.0	2.0	1.3	2.1	16.94
Other Taxes	2.0	2.2	5.9	10.0	12.9	14.4	17.6	16.2	13.8	47.58

Revenue performance of the state could also be judged from the buoyancy of taxes that shows a functional relationship between the growth of GSDP and revenue mobilization. The buoyancy coefficient explains the percentage growth in tax revenue in response to one percentage growth in GSDP. This relationship assumes that the State GSDP is the proxy for tax base. The buoyancy coefficients of own tax revenue and its components for the period 2004-05 to BE 2012-13, given in the Table 4 indicate that, the own taxes of the State have not grown aligned with the growth of the GSDP. The disruption in 2011-12 due to the earthquake has adversely affected collection state tax revenues. However, the pattern of growth in state suggests that, probably the investments taking place in hydro-electric sector though contributing to the growth numbers, their effects were yet to be felt in terms rise in business and trade activities in the State. The growth process is expected to provide impetus to rise in trade and business activities and thus higher tax collection in the future years. The MTFP after calibrating the growth potential of the GSDP and other tax measures announced in BE 2011-12 makes suitable adjustment in tax buoyancies for projection of tax revenues in the medium term.

Table 4

Buoyancy of Taxes: 2004-05 to 2012-13

Own Tax Revenues	0.587
Sales Tax	0.736
State Excise Duties	0.804
Motor Vehicle Tax	0.939
Stamp Duty and Registration Fees	0.758
Other Taxes	1.926

Source (Basic Data): Finance Accounts and State Budget 2012-13

The own non-tax revenue is an important source of revenue for the State as it constitutes more than half of the own revenue receipts. Income from State lottery, power sector, road transport, and interest receipts has been the main source of non-tax revenue (Table 5). The relative share of lottery income (net), a significant source of revenue for the State, seems to have increasing from the 2009-10 level. The Government initiatives like broad basing the lottery operations with the introduction of the on-line lotteries, and introduction of on-line casino operations with the passage of Sikkim Casino Games (Control & Tax) Act 2002 are expected to yield increasing revenue from lottery operations. The relative share of income from power sector has declined in recent years. The hydro power projects being constructed in the State are expected to make significant contribution in the coming years. The Government has rationalized the power tariff by raising it by 16 %, which would help improving the income from this source. The share of road transport in own non-tax revenue has been growing over the years. The income from forestry and wild life, though declined in between, seems to have been recovering in the recent years.

Table 5
Composition of States' Own Non-tax Revenues

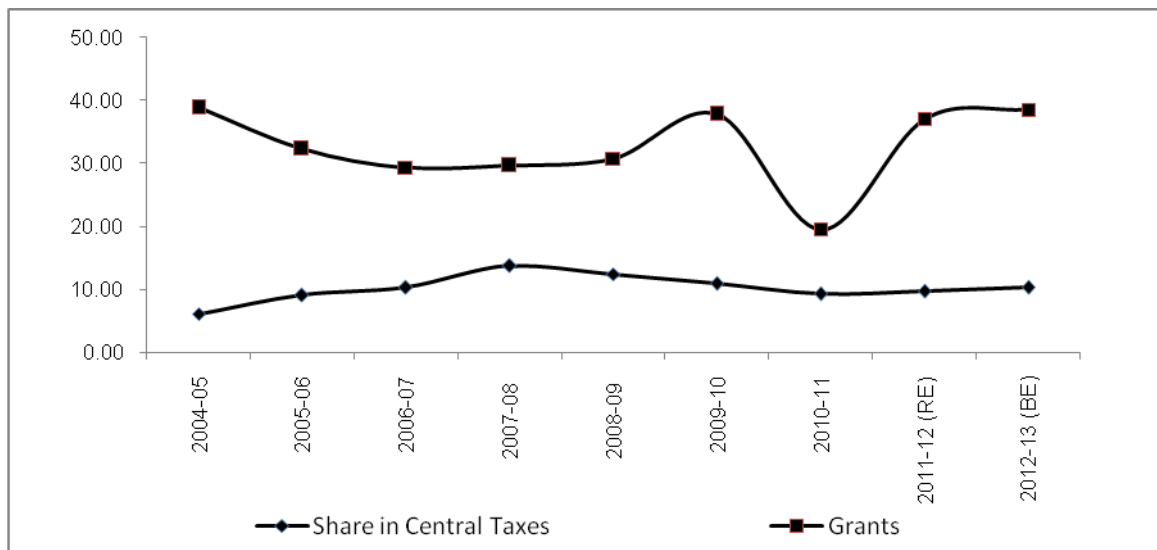
(Per Cent)

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12 (RE)	2012-13 (BE)
Own Non-Tax Revenue	100	100	100	100	100	100	100	100	100
Interest Receipts	7.2	5.5	3.1	7.1	8.9	9.9	11.6	11.3	7.2
Dividends and Profits	0.8	1.0	0.4	0.3	0.4	0.1	1.0	0.0	0.1
Police	3.9	12.4	8.1	6.9	4.0	3.3	4.0	15.5	15.2
Public Works	2.2	2.7	2.2	2.0	1.7	0.6	1.4	1.7	1.5
Administrative Services	3.4	2.6	1.5	1.2	0.9	1.0	1.9	2.2	1.0
Net Lottery Income	28.0	19.5	29.1	14.5	15.0	9.2	17.6	16.4	17.0
Edu, Sports, Art & Cult.	0.7	0.8	0.6	0.6	0.6	0.4	0.7	0.6	0.5
Medical and Pub. Health	0.9	0.8	0.3	0.5	0.3	0.2	0.3	0.4	0.4
Water Sup. and Sanitation	1.0	1.0	1.2	1.0	0.9	0.6	1.1	1.2	1.2
Urban Development	0.8	0.6	0.4	0.6	0.5	0.7	1.0	0.6	0.6

Forestry and Wildlife	7.1	8.8	5.5	5.2	3.9	2.0	5.1	4.3	4.6
Plantations	1.5	1.8	1.1	1.0	0.8	0.4	1.2	0.8	1.1
Other Rural Dev. Prog.	0.7	1.1	0.6	0.5	0.4	0.6	0.5	0.7	0.8
Power	19.2	24.6	33.9	46.1	52.9	64.2	36.3	29.3	34.0
Road Transport	19.3	12.0	8.6	7.4	6.0	4.6	10.2	10.5	9.9
Tourism	0.7	0.7	0.5	0.6	0.7	0.4	1.2	0.8	1.7
Others	2.6	4.1	2.7	4.6	1.9	2.0	4.9	3.6	3.3

Source (Basic Data): Finance Accounts and State Budget 2012-13

Figure 1
Central Transfers as Percentage of GSDP



The Figure 1 presents central transfers to the State of Sikkim. From the Figure it is evident that while the share in central taxes remained at about 10 per cent of GSDP, the grants from the centre have increased considerably. The TFC recommended various state specific grants for Sikkim and performance incentive grant. In 2011-12 the State had received State specific grants for Sikkim for development of tourism, innovation of Suspension Foot Bridges under North Districts of Sikkim, water Security and public health engineering, police training and infrastructure, residential facility for police, boarder area development, State Capacity building Institute, and conservation of heritage and culture. The State has also received the first year performance incentive grant, which was recommended by the TFC in response to prudent fiscal management of the State. These grants have contributed substantially to the overall revenues of the State and facilitated building infrastructure in the sectors for which grants are targeted. The State has received the TFC grants for universalisation

of elementary education, environment related grants including forest, renewable energy, and water sector management, incentive grants to improve quality of public expenditure, and grants for maintenance of roads and bridges for the year 2011-12.

3.3 Expenditure Profile

The expenditure profile of government Sikkim is presented in Table 6. The revenue expenditure, which had declined from 42.75 per cent relative to GSDP in 2008-09 to 35.60 per cent in 2010-11, is set rise in revised estimates for the year 2011-12 and budget estimates for the year 2012-13. The revenue expenditure is expected to be at 40.69 per cent to the GSDP in 2012-13 (BE). The revenue expenditure profile shows that there is an increase in the expenditure on general, economic and social services to GSDP ratio in the revised estimates for the year 2011-12 as compared to the year 2010-11. However, the budget estimates for these heads of expenditure in 2012-13 seems to have declined. The MTFP elaborates on the expenditure restructuring in the medium term where emphasis has been given to priority sector development spending.

Table 6
Expenditure Profile

(Per cent to GSDP)

	2004 -05	2005 -06	2006 -07	2007 -08	2008 -09	2009 -10	2010- 11	2011- 12 (RE)	2012- 13 (BE)
Revenue Expenditure	48.4 3	44.7 3	45.0 7	45.7 6	42.7 5	38.5 8	35.60	41.74	40.69
General Services	14.9 2	14.4 1	15.4 9	15.4 8	13.8 2	13.8 7	12.12	11.78	13.34
Interest Payment	5.70	5.15	5.33	4.70	4.78	3.26	3.30	2.86	2.89
Pension	1.77	2.08	2.28	2.00	1.84	2.65	2.83	2.58	3.43
Other General Services Excluding Salary	7.45	7.18	7.88	8.78	7.19	7.96	5.98	6.34	7.02
Social Services	17.6 3	16.9 5	16.4 6	17.4 9	16.7 3	14.5 8	14.44	17.06	15.07
Education	8.84	9.42	9.27	9.06	8.37	8.27	9.56	7.72	7.53
Medical and Public Health	2.79	2.31	2.28	2.59	2.33	2.28	1.84	1.85	1.78
Other Social Services	6.00	5.21	4.91	5.83	6.03	4.03	3.04	7.50	5.77
Economic Services	15.8 8	13.3 7	13.1 2	12.7 9	12.2 1	10.1 3	8.80	12.38	11.56

Compensation and Assignment to LBs	0.00	0.00	0.00	0.00	0.00	0.00	0.23	0.52	0.71
Capital Expenditure	20.38	17.34	15.07	16.56	18.94	14.45	8.07	18.59	21.02
Capital Outlay	20.33	17.35	15.10	16.58	18.94	13.68	7.98	17.82	20.96
Net Lending	0.05	-0.01	-0.04	-0.02	0.00	0.77	0.09	0.77	0.07

Source (Basic Data): Finance Accounts and State Budget 2012-13

The capital expenditure, leaving the year 2010-11, shows a rising trend in recent years. The capital expenditure, which was 18.94 per cent to GSDP in 2008-09, declined to 8.07 per cent in 2010-11. However, it has almost recovered to the 2008-09 level in revised estimates of 2011-12 and is expected to increase to 21.02 per cent in 2012-13 (BE) (See Table 6). The composition of capital expenditure is shown in Table 7. From the table it is evident that sectors like water supply and sanitation, transport, energy, and tourism have been the focus for the capital expenditure. The education and rural development sectors also have attracted relatively higher capital expenditure. While building social and physical infrastructure remains as core development strategy in the State, the stipulations of FRBM Act to achieve fiscal discipline and sustainable level of debt and deficit requires limiting the level of capital expenditure. Concerted efforts are needed to restructure government spending in a manner so that sufficient fiscal space is created to enable the government to spend on critical areas. The MTFP is prepared based on this rationale.

Table 7
Composition of Capital Expenditure

(Per Cent)

	2004 -05	2005 -06	2006 -07	2007 -08	2008 -09	2009 -10	2010 -11	2011 -12 (RE)	2012 -13 (BE)
Capital Expenditure	100	100	100	100	100	100	100	100	100
General Services	4.7	5.0	6.5	9.5	12.6	13.7	12.6	3.6	12.3
Social Services	37.2	31.5	36.6	32.6	31.1	34.0	36.8	46.9	40.9
Education	8.3	7.2	7.7	4.7	4.8	4.2	8.7	6.8	6.6
Health	1.0	2.3	0.6	0.6	1.1	0.5	7.1	8.6	7.7
Water supply, Sanitation, Housing & Urban Development	27.4	22.0	27.2	25.6	24.7	27.9	20.5	30.8	25.9

Information, Publicity & Broadcasting (21)	0.0	0.0	0.0	0.0	0.0	0.2	0.2	0.1	0.1
Welfare of SC/STBC	0.3	0.0	0.9	0.3	0.5	0.2	0.1	0.1	0.5
Social Security	0.2	0.0	0.1	1.3	0.1	0.9	0.1	0.4	0.0
Economic Services	58.1	63.5	57.0	58.0	56.2	52.3	50.7	49.6	46.8
Agricultural	1.1	1.5	1.8	1.7	1.5	2.3	1.4	2.6	1.9
Rural Development	3.3	1.9	7.7	9.2	4.0	5.2	5.0	4.2	1.9
Special Areas Programmes	0.9	7.2	8.0	5.5	1.7	1.8	2.5	1.8	1.3
Irrigation	0.7	0.6	0.8	0.7	0.8	0.5	1.2	0.6	0.7
Energy	28.2	25.5	11.7	11.4	10.1	11.1	7.3	6.7	7.1
Industries and Minerals	1.9	2.3	1.1	0.6	1.1	0.8	0.4	0.2	0.3
Transport	20.3	20.7	19.1	20.4	29.1	22.8	21.8	23.4	22.9
Science & Technology	0.0	0.0	0.1	0.4	0.3	0.2	0.0	0.0	0.1
Tourism	1.7	3.9	6.7	8.0	7.6	7.6	11.0	10.1	10.5

Source (Basic Data): Finance Accounts and State Budget 2012-13

3.4 Outstanding Debt and Government Guarantee

Outstanding debt of the Government of Sikkim has declined from 59.86 per cent in 2008-09 to 42.99 per cent in 2010-11 for which audited data is available (Table 2). The debt-GSDP ratio was worked out using the revised GSDP series with 2004-05 base provided by the CSO. The outstanding debt is estimated to fall further in RE 2010-11 and BE 2011-12. The FRBM Act of the state stipulates to maintain the outstanding debt at prudent and sustainable level. The fiscal management in the past has put a control on the debt burden of the State. The TFC in their revised fiscal roadmap have worked out the yearly outstanding debt burden for all the states aligning with the fiscal path. The outstanding debt burden for Sikkim in the year 2011-12 as per the TFC fiscal roadmap is 65.20 per cent relative to GSDP, which declines to 55.90 per cent in 2014-15, the terminal year of the MTFP. The debt-GSDP ratio in the State, as worked out using the new GSDP series with the base year of 2004-05, remains lower than that of the TFC numbers. The debt restructuring formula introduced by the Twelfth Finance Commission has lowered the average cost of debt of the state. Decline in the average cost of debt will result in higher fiscal space for the state government through reduction in the volume of interest payments, which has declined from 4.78 per cent in 2008-09 relative to GSDP to 3.30 per cent in 2010-11.

The accumulated stock of debt is the outcome of the fiscal profile that has emerged over the years. The structure of outstanding debt has an important bearing on interest payment as different debt instruments carry different rates of interest depending on the type of borrowing and maturity structure. The share of market borrowing in the state has increased over the years while the share of loans and advances from the Central government has declined in the last two years (Table 8). The share of high cost debt instruments like small savings, provident funds, etc. has shown a rising trend since 2008-09.

Table 8
Composition of Debt and Liabilities

(Per Cent)

	2008-09	2009-10	2010-11	2011-12 (RE)
A. Public Debt	76.87	78.15	74.63	73.53
Internal Debt	61.34	65.86	63.94	63.35
Loans and Adv. from the Central Govt.	15.53	12.28	10.69	10.18
B. Other Liabilities	23.13	21.85	25.37	26.47
Small Savings, Provident Fund etc	18.94	17.96	21.00	21.97
Reserve Fund	1.32	1.04	0.85	0.79
Deposits	2.87	2.85	3.51	3.71
Total Public Debt & Other Liabilities	100	100	100	100

Source (Basic Data): Finance Accounts and State Budget 2012-13

The Planning Commission of India has indicated six parameters to determine the quality of debt stock of any State.

1. The Debt Stock should be below 30 per cent of the GSDP.
2. Debt should be below 300 per cent of the Total Revenue Receipts (TRR).
3. The interest payment should be less than 18 per cent as a ratio of TRR.
4. The debt growth should not be more than 1.25 times the growth in revenues.
5. The revenue component of the fiscal deficit should not be more than 50 per cent.
6. The fiscal deficit should not be more than 25 per cent of the TRR.

The degree of debt overhang for Sikkim as examined taking into consideration these criteria is given in Table 9. The debt ratio remained much above 30 per cent of GSDP in recent years. However, the debt as a percentage of TRR remained much below 300 per cent and declining sharply in recent years and was as low as 76.05 per cent in 2011-12 (RE). The interest payment as a percentage of TRR remained below 18 per cent as indicated in the Planning Commission parameters. The state government could generate a revenue surplus and the ratio of debt growth to revenue growth is below the permissible target of 1.25. The state's fiscal deficit remained below 25 per cent of the TRR.

Guarantees given by the State Government

As per the Sikkim Government Guarantee Act, 2000, the ceiling on total outstanding government guarantee in a year is restricted to three times of the State's tax revenue receipts of the second preceding year. The outstanding sums guaranteed by the State government on 31st March 2011 were Rs.246.69 crore (see Finance Accounts – 2010-11, Government of Sikkim), which was lower than the tax revenue of the State in the year 2008-09. However, the guarantee has increased to Rs. 310 crore in 2011-12 but remained within the permissible limit prescribed in the Guarantee Act-2000, when compared with the revenue receipts of the second preceding year.

Table 9
Indicators of Debt Management

(Per Cent)

	2008-09	2009-10	2010-11	2011-12 (RE)
Debt Stock as per cent of GSDP	59.86	48.37	42.99	41.75
Debt as a per cent of TRR	109.95	97.76	112.93	76.05
Interest payment as a per cent of TRR	8.78	6.58	8.68	5.21
Growth rate of debt	23.79	18.61	5.98	7.78
Growth rate of revenue	17.39	33.40	-8.26	60.05
Ratio debt growth-revenue growth	1.37	0.56	-0.72	0.13
FD as a per cent of TRR	13.31	7.20	14.70	8.66

4. Medium Term Fiscal Plan: 2012-13 to 2014-15

4.1 Fiscal Indicators

Table 10 (follows Form F2 of the Act)

Fiscal Indicators-Rolling Targets

		Previous Year (Y-2) Actuals	Current Year (Y-1) Revised Estimates	Ensuing Year (Y) Budget Estimates	Targets for Year (Y+1)	Targets for Year (Y+2)
		2010-11	2011-12 (RE)	2012-13 (BE)	2013-14	2014-15
1	Revenue deficit as percentage of GSDP	-2.47	-13.16	-17.52	-17.82	-18.16

2	Revenue deficit as percentage of Total Revenue Receipts (TRR)	-6.50	-23.97	-30.11	-29.30	-28.54
3	Fiscal deficit as percentage to GSDP	5.60	4.75	3.50	3.00	3.00
4	Total Outstanding Liabilities as percentage of GSDP	42.99	41.75	41.03	39.88	38.85

Notes:

1. GSDP is the Gross Domestic Product at current prices as per revised series of 2004-05 base
2. The negative sign in revenue deficit indicates surplus.

The fiscal outcomes in terms of selected performance indicators for previous year, current year, rolling targets for ensuing budget year and two outward years are presented in the Form F-1 following the stipulations of the Sikkim FRBM Act. The fiscal indicators show the commitment of the Government to achieve the targets of the fiscal path chalked out by the Thirteenth Finance Commission (TFC) starting from the year 2012-13. After the enactment of the FRBM Act of Sikkim in 2010, this is the second MTFP document that contains fiscal projections for the period 2012-13 (BE) to 2014-15. The projection of 3.5 per cent fiscal deficit relative to GSDP for the year 2011-12 could not have been achieved, as is evident in revised figures for the year, due to reason beyond the control of the State Government. As the flow of tourists and associated economic activities influence the collection of tax revenue in Sikkim, the devastating earthquake and general economic slowdown affected the growth of tax revenue adversely. As per the recommendations of the TFC, the timeline for achievement of fiscal targets has been shifted to the year 2014-15. The Government of Sikkim is committed to adhere to the fiscal path suggested by the TFC to achieve the fiscal consolidation by 2014-15.

The detailed projection of fiscal variables presented in Table 11 shows that while revenue account has been on surplus throughout, the capital expenditure has remained the major factor determining the fiscal deficit. Investments in physical and social infrastructure have received larger attention in the State for which capital expenditure has grown steadily. Although the focus on investments in infrastructure will remain a key factor in fiscal policy of the Government, the immediate requirement of aligning with the FRBM Act will have some impact on capital expenditure. Higher growth in the economy which would further improve the revenue situation coupled with prudent expenditure management is expected to reduce the fiscal pressure and improve the capital expenditure in future years.

Table 11
Medium Term Fiscal Plan: 2012-13 to 2014-15
(AS Percent to GSDP)

	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue Receipts	38.07	54.90	58.21	60.82	63.63
Own Tax Revenues	4.95	4.01	5.06	5.06	5.07
Income Tax	0.01	0.00	0.00	0.00	0.00
Sales Tax	2.53	1.58	2.68	2.64	2.60
State Excise Duties	1.25	1.50	1.36	1.33	1.31
Motor Vehicle Tax	0.19	0.24	0.21	0.21	0.21
Stamp Duty and Registration Fees	0.10	0.05	0.11	0.11	0.11
Other Taxes	0.87	0.65	0.70	0.76	0.84
Own Non-Tax Revenues	4.28	4.09	4.22	4.32	4.42
Central Taransfers	28.84	46.80	48.93	51.44	54.15
Tax Share	9.29	9.75	10.36	11.58	12.94
Grants	19.55	37.05	38.56	39.86	41.21
Revenue Expenditure	35.60	41.74	40.69	43.00	45.47
General Services	12.12	11.78	13.34	14.14	14.99
Interest Payment	3.30	2.86	2.89	3.00	2.92
Pension	2.83	2.58	3.43	4.00	4.66
Other General Services	5.98	6.34	7.02	7.13	7.41
Social Services	14.44	17.06	15.07	16.14	17.29
Education	9.56	7.72	7.53	8.03	8.57
Medical and Public Health	1.84	1.85	1.78	1.84	1.91
Other Social Services	3.04	7.50	5.77	6.27	6.81
Economic Services	8.80	12.38	11.56	12.08	12.62
Compensation and Assignment to LBs	0.23	0.52	0.71	0.64	0.58
Capital Expenditure	8.07	18.59	21.02	20.82	21.16
Capital Outlay	7.98	17.82	20.96	20.76	21.10

Net Lending	0.09	0.77	0.07	0.06	0.05
Revenue Deficit	-2.47	-13.16	-17.52	-17.82	-18.16
Fiscal Deficit	5.60	4.75	3.50	3.00	3.00
Primary Deficit	2.29	1.89	0.61	0.00	0.08
Outstanding Debt	42.99	41.75	41.03	39.88	38.85

Notes: 1. GSDP is the Gross Domestic Product at current prices as per revised series of 2004-05 base

2. The negative sign in revenue deficit indicates surplus.

4.2 Assumption Underlying the Fiscal Indicators

The Thirteenth Finance commission, which had drawn up a revised roadmap for fiscal consolidation, expected that the States would be able to get back to their fiscal correction path by 2011-12 and continue to adhere to the fiscal path. The revised fiscal roadmap allowed the correction till 2014-15. The State of Sikkim was expected to achieve 3.5 per cent fiscal deficit relative to GSDP by 2011-12 and reach at 3 per cent level by 2013-14. Despite the natural calamity that visited the State in 2011 and adversely affected the state finance, the budget estimates for the year 2012-13 projects to achieve the stipulated 3.5 per cent of fiscal deficit. Fiscal correction measures are required to continue to adhere to the fiscal correction path.

The first year of the MTFP is the budget year. While preparing the MTFP it was assumed that economy of Sikkim will grow at the rate of GSDP growth prescribed by the TFC on a year on year basis for the period from 2010-11 to 2013-14. For the purpose of MTFP, instead of taking aggregate own revenue, prescriptive buoyancy based growth rates of individual taxes are used for projection purpose. The prescriptive buoyancies for individual taxes like sales tax, motor vehicle tax, stamps and registration duties have been increased keeping in mind the scope for improvement in these taxes. For excise duty and other taxes, the observed buoyancies for the period between 2004-05 and 2012-13 (BE) were taken as prescriptive buoyancies. The sales tax collection target in 2012-13 budget has been increased considerably from Rs.99 crores in 2011-12 RE to Rs.187.14 crore. The higher tax collection target was based on the Government's attempt to streamline the tax administration and expansion of tax base. The Government has initiated major e-governance programmes in the tax departments to introduce online registration, e-filing of returns and electronic control and evaluation majors. The Government has also completing an automated check gate to improve the control of interstate movement of goods. The impact of these majors is likely to be felt starting with 2011-12.

The MTFP proposes to keep the trend growth rate of non-tax revenues for the period from 2004-05 to 2011-12 (BE) for the purpose of projection. In the case of central transfers also, the recommended State specific grants by the TFC are factored in during the projection year. For the share in central taxes budgetary figures for the year 2012-13 are taken and these are allowed to grow at observed rate of trend growth rate during 2004-05 to 2012-13 (BE).

Expenditure Restructuring under MTFP

The profile of expenditure in the State during 2004-05 to 2010-11 indicates that the Government was able to control the revenue expenditure. However, due to higher emphasis on

priority sector spending the revenue expenditure as percentage to GSDP has increased in R.E 2011-12 and B.E 2012-13. The MTFP proposes to strengthen this approach by providing more resources to high priority development expenditures. The restructuring of expenditure, however, has to be done keeping in consideration the fiscal targets to be achieved by the State in the medium term. The MTFP aims to keep the Government's priority of emphasizing on development expenditure. The MTFP does not attempt to compress the revenue expenditure as the surplus in the revenue account has been large and the measures to compress the expenditure may adversely affect the spending in the development sector in revenue account. The encouraging trend that comes out of the expenditure structure is the rise in share of social and economic services in resource allocation.

In the Budget for the year 2012-13, the Government has announced a number of new schemes and increased allocations to the existing schemes in the social and economic sectors. These schemes are under agriculture and allied sectors, health, education, tourism, rural development, road and bridges, energy and power, animal husbandry, and cooperatives. The details of budget announcements are available in the Budget Speech. The budget announcements underline the focus areas for the Government in the medium term. Based upon the announced policies of the State Government, the MTFP proposes to strengthen social and economic sector expenditure further by making adequate provisions for essential services, particularly education and health. The social sector expenditure as percent of GSDP increases from 15.07 per cent in BE 2012-13 to 17.29 per cent in 2014-15. Similarly the expenditure under economic services has increased from 11.56 per cent in BE 2012-13 to 12.62 per cent in 2014.15. The general services also experience a rise.

The restructuring of expenditure based on Government priorities during the MTFP period results in rise of revenue expenditure from 40.69 per cent to GSDP in BE 2012-13 to 45.47 per cent in 2014-15 (Table 11). The rise in revenue expenditure during the projection period is not very sharp. The fiscal management required the Government to take a balanced view between keeping the focus on social and economic sectors intact and remain in the fiscal correction path. Thus while there is rise in these expenditure in these priority sectors the spending under general service is set to decline during the MTFP period relative to GSDP.

The capital expenditure has considerably increased in the budget projections for the year 2012-13. The capital expenditure has increased from 18.59 per cent in 2011-12 (RE) to 21.02 per cent in 2012-13 (BE). As the Government hopes to achieve a 3.5 per cent fiscal deficit in relative to GSDP in the budget year and a 3 per cent fiscal deficit in two outward years, it was necessary to put a limit on the capital expenditure. The capital expenditure is projected to reduce marginally to 20.82 per cent relative to GSDP in 2013-14 and grow to a level of 21.10 per cent in 2014-15, the last year of the MTFP. However, the capital expenditure continues to grow in terms of nominal numbers. The MTFP keeps the requirements of infrastructural development in the State and immediate need for rebuilding of the earthquake affected infrastructure while projecting the capital expenditure.

Debt and Deficit under MTFP

The revenue augmentation measures and the expected central devolution discussed above are expected to generate a revenue surplus profile as given in Table11. With the prescriptive buoyancy of own tax revenues and growth of expenditure suggested, the State is expected to increase its revenue surplus further during the MTFP period. The fiscal deficit as per the BE 2012-13 is estimated to be 3.5 per cent of GSDP, while in the year 2013-14 and 2014-15, the fiscal deficit target is fixed at 3 per cent to comply with the Sikkim State specific path of fiscal adjustment prescribed by the TFC. The emerged fiscal profile shows a decline in the debt stock to GSDP ratio from 41.03 per cent in 2012-13 (BE) to 39.88 per cent in 2013-14 and finally to 38.85 per cent in

2014-15. This debt-GSDP ratio path complies with the debt path for Sikkim proposed by the TFC. The TFC has assumed a debt-GSDP ratio of 65.2 in 2011-12, 62.1 in 2012-13, 58.8 in 2013-14, and 55.90 per cent in 2014-15 (see Report of TFC, Annex 9.1, pp 409). Also during this period, the capital expenditure to GSDP ratio is expected not to increase substantially. It needs to be emphasized here that the State Government is committed to achieving the objectives of the FRBM Act to reduce fiscal deficit and stabilize the debt burden and conform to the debt target proposed by the TFC in their fiscal consolidation path for Sikkim.

Box 1

Proposed MTFP Targets

Macro Parameters

- Nominal Growth of GSDP as prescribed by the TFC.

Revenue Resources

- Sales tax assumes a buoyancy of 0.850 as against the observed buoyancy of 0.736
- The state excise duty assumes a buoyancy of 0.804
- The stamp duty and registration fees assumes a buoyancy of 1.00
- Motor Vehicle tax assumes a buoyancy of 1.00
- Other taxes assumes a buoyancy of 1.926

Expenditure Projections

- Pension payments are projected on the basis of the historical growth rates for pension payments for the period from 2004-05 to 2012-13 (BE). The observed growth of pension during this period was 30 per cent.
- The interest payments have been estimated on the basis of the effective rate of interest calculated on the base year (2012-13) value of interest payment divided by the stock of debt of the previous year.
- The growth rates in the area of high priority development expenditure in social services and within that, in health and education, are assumed to continue during the MTFP period.
- Social services expenditures will grow at the rate of 19.14 per cent per annum.
- Education expenditure will grow at the rate of 18.70 per cent per annum
- Health expenditure will grow at the rate of 15.29 per cent per annum.
- Capital expenditure to GSDP ratio is expected to decline marginally from 21.02 per cent in 2012.13 (BE) to 20.82 per cent in 2013.14 and be at a level 21.16 per cent in 2014.15.

Deficit and Debt targets

- The MTFP 2012-13 to 2014-15 projects the revenue surplus to increase from 17.52 per cent to the GSDP to 18.16 per cent.
- The fiscal deficit is projected to reduce from 3.5 to 3 per cent of GSDP
- The outstanding debt to GSDP ratio is expected to decline from 41.03 per cent to 38.85 per cent.

5. Conclusion

The MTFP based on detailed analysis of the state finances and the revenue and expenditure policies announced in the BE 2012-13 provides the fiscal stance of the Government of Sikkim. The revenue augmentation measures, expenditure side restructuring based on the priorities expressed in the budget, and the resultant borrowing requirements are elaborated in the MTFP. In the revenue side, the need for improving revenue receipts is reflected in the changes in tax policies and tax administration measures. The expenditure restructuring based on new policies in social and infrastructure sectors reflect the Government priority. The MTFP makes projections for two outward years beyond the BE 2012-13 keeping the requirement of achieving fiscal prudence to continue on the proposed fiscal roadmap of the TFC. The MTFP proposes to achieve the 3 per cent fiscal deficit relative to GSDP and generate surplus in the revenue account. The need for continuously adhere to the fiscal roadmap required limiting the capital expenditure as percentage of GSDP to the level projected in 2012-13 (BE). As the growth prospective for the state looks bright in the coming year, the State will be able to increase the capital expenditure. This is captured in the year 2014-15, when the capital expenditure as percentage of GSDP increases as compared to the year 2013-14. The debt burden of the State is already below the projections made by the TFC. With the decline in debt servicing obligation for the state based on realistic assumption with regard to the average cost of debt and the level of fiscal deficit, the debt burden is further projected to decline. Given the fact that the State has been adhering to the ceiling put by the legislature for providing Guarantee, the MTFP suggest that the State Government continue with the present policy to avoid any pressure in lieu of contingent liabilities. To conclude, the Government of Sikkim is committed to achieve fiscal prudence in the future years and the fiscal policies enunciated in BE 2012-13 reflects this commitment.

Disclosures Form D-1

(See Rule 4)

Select Fiscal Indicators

Sl. No.	Item	Previous Year	Current Year
		2010-11 (Actuals)	2011-12(RE)
1	Gross Fiscal Deficit as Percentage to GSDP	5.60	4.75

2	Revenue Deficit as Percentage of GSDP	-2.47	-13.16
3	Revenue Deficit as Percentage of Gross Fiscal Deficit	-44.20	-276.94
4	Revenue deficit as Percentage of TRR	-6.50	-23.97
5	Debt Stock as Percentage of GSDP	41.11	39.87
6	Total Liabilities as Percentage to GSDP	42.99	41.75
7	Capital Outlay as Percentage of Gross Fiscal Deficit	142.63	374.89
8	Interest Payment as Percentage of TRR	8.68	5.21
9	Salary Expenditure as Percentage of TRR	36.42	22.82
10	Pension Exp. As Percentage of TRR	7.44	4.69
11	Non-development Expenditure as Percentage of Aggregate Disbursements	30.11	20.84
12	Non-tax Revenue as Percentage of TRR	11.25	7.45

Form D-2

(See Rule 4)

Components of State Government Liabilities

Rs. Crore

Category	Raised during the fiscal year		Repayment during the fiscal year		Outstanding Amount (End March)	
	Previous Year (Actuals)	Current year (RE)	Previous Year (Actuals)	Current year (RE)	Previous Year (Actuals)	Current year (RE)
Internal Debt	94.96	150.27	51.31	44.881	1553.70	1659.09
Loan from Centre	0.07	10.6	73.23	3.7756	259.78	266.60
State Provident Funds	162.67	192.385	64.16	127.1925	510.28	575.47
Reserve Funds/Deposits	110.99	113.1909	94.19	101.4882	106.09	117.79
Other Liabilities						

Form D-3

(See Rule 4)

Guarantees Given by the Government (Rs. Crore)

SI.No	Name of the Institution to which Guarantees is given	Maximum Guarantee given	Remarks.
1	Sikkim Industrial Development & Investment Corporation Ltd.	285.00	
2	Scheduled Castes Scheduled Tribes and Other Backward Classes Development Corporation Ltd. (SABCO)	25.00	
	Total	310.00	

Form D-4

(See Rule 4)

Number of Employees in Public Sector Undertakings & Aided Institutions and Expenditure of State Government

SI.No	Sector Name	Total Employees as on 31.3.2012	Related Expenditure Rs. Crore	
			On Salary	On Pension
1 (a)	Regular government Employees	31930		
(b)	Government Aided.	1732		
(c)	Temporary Employees	14938	1177.37	239.66
2	State Bank of Sikkim	334	10.33	
3	Govt. Fruit Preservation Factory	92	8.60	
4	Sikkim Hatcheries Pvt. Ltd	9	0.60	
5	Sikkim Poultry Dev corp.	4	0.60	

6	Sikkim Handloom and Handicraft Dev. Corp.	8	0.34	
7	Denzong Agricultural Co operative Society.	40	0.37	0.01
8	Sikkim State Co- Operative Bank Ltd.	48	1.44	0.15
9	Sikkim Co- Operative Milk Producers' Ltd.	123	1.84	
10	Sikkim Schedule Caste & Schedule Tribe and Other Backward Classes Dev. Co operation Ltd. (SABCO)	23	0.84	
11	State Trading Corporation of Sikkim.	85	2.63	
12	Sikkim Industrial Dev and Investment Corporation Ltd.	45	1.71	
13	Sikkim Tourism Dev. Corporation Ltd.	82	0.94	0.69
14	Sikkim State Co-Operative Supply & Marketing Federation Ltd.	84	1.80	
15	Sikkim Power Dev. Corporation Ltd.	70	0.85	
16	Sikkim Consumers' Co operative Society Ltd.	27	0.32	
	Total	49674	1210.58	240.51

**GOVERNMENT OF SIKKIM
LAW DEPARTMENT
GANGTOK**

No.21/LD/2000

Dated:16.12.2000.

NOTIFICATION

The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 13th day of December, 2000 is hereby published for general information:-

THE SIKKIM CEILING ON GOVERNMENT GUARANTEES ACT, 2000

(ACT NO. 21 OF 2000)

AN

ACT

to provide ceiling on Government Guarantees and other matters connected therewith.

Be it enacted by the Legislature of Sikkim in the Fifty-first year of the Republic of India as follows:-

Short title and commencement	1 (1) This Act may be called Sikkim Ceiling on Government Guarantee Act 2000. (2) It shall come into force at once.
Definitions	2 In this Act, unless the context otherwise requires:- "Default risk " means the probability of default by the borrower on (a) whose behalf the Government Guarantee is given, depending on the Amount borrowed, the type of industry and the economic situations. "Government" means the State Government of Sikkim. "Government Guarantee" includes the guarantee given by the State (b) Government on behalf of Departmental Undertakings, Public Sector Undertakings, Local Authorities, Statutory Boards and Corporations and Co-operative institution
Ceiling on Government Guarantees	3. The total outstanding Government Guarantees as on the first day of April of any year shall not exceed thrice the State's tax revenue receipts of the second preceding year as in the books of the Accountant General of Sikkim.

Prohibition	4 Notwithstanding anything contained in any other law, no Government Guarantee shall be given in respect of a loan of any private individual, institutions or company.
Guarantee	5 (1) The Government shall charge a minimum of one percent as guarantee Commission which shall not be waived under any circumstances (2) The Government may, by notification in the Official Gazette specify Commission at an enhanced rate depending on the default risk of the Project.

By Order of the Governor.

T.D. Rinzing
Secretary to the Government of Sikkim
Law Department
F.No. 16(82)LDF/2000

SIKKIM



GOVERNMENT

GAZETTE

EXTRAORDINARY

PUBLISHED BY AUTHORITY

GANGTOK

WEDNESDAY 24TH MAY, 2006

NO.140.

GOVERNMENT OF SIKKIM
FINANCE, REVENUE & EXPENDITURE DEPARTMENT
GANGTOK

No. 70/Pen/117/Pen/05

Dated 18/05/2006.

NOTIFICATION

In exercise of the powers conferred by the proviso to article 309 of the constitution of India, the Governor of Sikkim, hereby makes the following rules, namely:-

Short title and
commencement

Application

Definition

1. (1) These rules may be called the Sikkim Government Servant's (Contributory Pension) rules, 2006.
(2) They shall be deemed to have come into force on the 1st day of April, 2006.
2. Save as otherwise provided in these rules, these rules shall apply to Government Servants, appointed on or after 01.04.2006 to posts in connection with the affairs of the State of Sikkim which are borne on new contributory pensionable establishment, but shall not apply to:-
3. In these rules, unless the context otherwise requires:-
 - (a) "All India Service" means the service known as the Indian administrative Service or the Indian Police Service or any service specified in Section 2A of the All India Service Act, 1951;

- (b) "Persons employed on contract" means the persons governed by the terms and condition of contract appointment prescribed under the Sikkim Govt. Establishment Rules, 1974.
- (c) "Contributory pension scheme" means the mandatory contribution of 10% of basic ; dearness pay and dearness allowance from the salary of the employee and the matching contribution of the same amount from the State Government;
- (d) "Calendar year" means the year beginning on the first day of January and ending on the 31st day of December of that year.
- (e) "Director" means the Director Pension, Group Insurance and Provident Fund;
- (f) "Financial Year "means the year the beginning on the 1st day of April and ending on the 31st day of the March of that year;
- (g) "ledger accounts" means the book of accounts for maintaining the accounts of individual government servant who are members of the Contributory Pension Scheme;
- (h) "Public Deposit Account" means the revenue head under which deposit of the accrued fund shall be credited;
- (i) "Superannuation "means those appointments made specifically pertaining to a particular work and expenditure thereof charged to the work contingencies.

Compulsory
subscription to
Pension fund

4. (1) It would be mandatory for all new government employees who are recruited on or after 01.04.2006, to become member of the scheme. Each employee will pay a monthly contribution of 10% of their basic pay, dearness pay and dearness allowance from his salary to the contributory pension scheme.

- (2) Matching contribution will be made by the State Government for each employee.
- (3) The contribution towards contributory pension scheme shall be recovered from the salary of the employees every month.
- (4) Director, Pension Group Insurance and Provident Fund, (hereinafter referred to as the PGIPF) will maintain the accounts for the contributory as in the case of General Provident Fund.
- (5) The contribution would be deposited in a non-with drawal pension account. As an interim measure, the amount of contribution towards the pension accounts shall be retained in an interest bearing Public Deposit Account. Interest rates shall be paid as per the rates applicable to interest bearing Public Deposit Accounts. Final arrangements will be made as per provision of rule 12 of these rules.

Exit from Scheme

5.

A Government Servant can exit from the scheme on attaining the age of superannuation i.e. after the age of 58 (fifty-eight) years. At exit, it would be mandatory for him to invest 40% pension wealth towards purchasing an annuity from Regulated Life Insurance company, which will [provide for pension for lifetime of the employee and his families/dependents.

Particulars of the employees and nomination

6.

Immediately on joining the Government service, the government servant will be required to provide particulars such as his name, designation, scale of pay, date of birth, nominee for the fund, relationship of the nominee etc. in the prescribed form(annex-I). The Head of Department concerned will be responsible for obtaining this information from all government servant covered under the new pension scheme. Information for all those who have joined service during the month shall be submitted by the head of Department concerned in the prescribed format (annexure-II) to the Office of Director PGIPF by the 7th of the following month.

Allotment of Account
Number

7.

On receipt of Annexure-II from the head of Office, the office of PGIPF will allot a unique 11 digit Permanent Pension Account Number (hereinafter referred to as PPAN)to each employee appointed in the State Government on or after 1.4.2006. The first four digits of this number will indicate the calendar year of joining Government service by the employees, the next two digits would represent the Departmental code and the last five digits will be running serial number of the individual government servant allotted by the office of PGIPF. The format of PPAN is presently as under.

Calendar Year

Department Code

Serial No.

Recovery of the deposit

8. (1) The Head of Department shall prepare separate pay bill register in respect of the government servants joining government service on or after 01.04.2006 and attach a schedule of government servants' contribution in prescribed form (Annexure-III).
- (2) Along with the salary bill for the government servants, who join service on or after 01.04.06, the Head of the Department shall also prepare a separate bill for drawal of matching contribution to be paid by the government for credit to respective pension account.
- (3) The bill for drawal of matching contribution should also be supported by schedule of recovery in the prescribed form(annexure-IV)

Maintenance of account and
preparation of Database

9. (1)

On receipt of the salary bill in respect of govt.Servant joining service on or after 01.04.06, the Pay and Accounts Office (herein-after referred to as the PAO) shall exercise the usual check and pass the bill for payment. The schedules relating pension contribution will be detached from the bills and then be furnished to the office of PGIPF for posting the credit of

contribution in the detail ledger account of the individual employee.

- (2) The office of the PGIPF on receipt of schedules from the PAO will update its database and generate exception report for missing credits, mismatches etc. which will be sent back to head of Department concerned for further action.
- (3) The district PAO shall send the schedules relating to Pension contribution every month by 15th of next month to the office of Director, PGIPF.
- (4) At end of each financial year, the office of Director, PGIPF shall prepare Annual account statement for each employee showing the opening balance details monthly deductions and governments matching contributions, interest earned and the closing balance.

Reconciliation with public deposit Account

10. At the close of each financial year, the office of PGIPF will reconcile the figures of contribution posted in the ledger accounts with the balance in the Public Deposit account.

Withdrawals

11. No withdrawals will be allowed till attaining the age of superannuation i.e. upto 58 (fifty eight) years. In the event of untimely death of an employee, payment will be made to the lawful nominees. In case an employee leaves service voluntarily, no withdrawal will be allowed till his attaining the age of 58 years provided that in case of removal/dismissal from the service of an employee, government share shall stand withdrawn and be deposited in General Revenue head of the State. The employee may withdraw his share.

Management of fund

12. (1) The State Government may appoint its own pension fund regulatory and development authority and Intermediaries. A separate set of regulations will be notified for this purpose.
- (2) The State Government can exercise the option to join the new contributory pension scheme of the Central Government as notified vide Extraordinary Government of India Gazette number 42, dated 29.1.2004 and as may be modified from time to time.
- (3) notwithstanding anything contained in these rules, in the event of the State Government exercising the option to join the Central Government's contributory pension scheme, the contributions towards pension fund deposited in the interest bearing PD account of State Government will be transferred to the intermediaries registered and regulated by Pension Fund Regulatory and Development authority constituted by the Central Government and thereafter, regular contribution will also be transferred to them. The functions relating to record keeping will be assigned to the Central record keeping agency, registered and regulated by the aforesaid authority. On death or retirement on superannuation or otherwise; the retirement benefits will be paid by the intermediaries, registered and regulated by the central Pension Fund regulatory and Development authority as per rules specified by the pension fund Regulatory and Development Authority for this purpose. On this account, there will be no financial liability of the State Government.

Note: 1 State Government contribution of the equal matching share to be booked by the individual department, under their respective salary head, till any such further arrangements.

2. For crediting the recoveries made from the employees and their matching share of the State Government contribution towards the contributory pension scheme, the head of account will be "8342"- Other Deposits-117 – Defined contribution Pension Scheme for Government Employees"

3. It is proposed that the new Contributory Pension Scheme, be made effective from 01.04.2006 as proposed, Before this date, the State Government Notification to this effect is to be issued.

4. Department code for the purpose of PPAN (Personal Pension Account Number) will be notified after the scheme becomes effective.

By order.

**(T.T.Dorjee) IAS,
Principal Secretary
Finance, Revenue & Expenditure Department**

**GOVERNMENT OF SIKKIM
OFFICE OF THE DIRECTOR PENSION, GROUP INSURANCE & PROVIDENT FUND
FINANCE, REVENUE & EXPENDITURE DEPARTMENT
GANGTOK**

NO.40/FIN/PGIPF

DATED: 12/01/2010

NOTIFICATION

In exercise of the power conferred by the provision to Article 309 of Constitution of India, the Governor of Sikkim hereby makes the following rules, namely :-

1. Short Title and Commencement

- (i) These rules may be called the Sikkim Government Services (Revised Pension) Rules, 2010.
- (ii) They shall be deemed to have come into force on the first day of January 2006.

2. Applicability

These rules shall apply to State Government Employees governed by the Sikkim Government Services (Pension) Rules, 1990.

3. Emoluments

- (i) The term 'Emoluments' for purposes of calculating various pensionary benefits other than various kinds of Gratuity shall have the same meaning as in rule 23 of the Sikkim Government Services (Pension) Rules, 1990.
- (ii) Basic pay in the revised pay structure means, the pay drawn in the prescribed pay band plus the applicable grade pay but does not include any other types of pay like special pay, etc.
- (iii) In the case of all kinds of Gratuity, DA admissible on the date of retirement/death be treated as emoluments along with the (emoluments) as defined in sub-rule (i) and (ii) above.

4. Pension

- (i) A Government servant retiring in accordance with the provision of the State Government Services (Pension) Rules, 1990 before completing qualifying service of ten years shall not be entitled to pension but he shall continue to be entitled to service gratuity in terms of rule 31 of the State Government Services (Pension) Rules, 1990.
- (ii) Linkage of full pension with 33 years of qualifying service shall be dispensed with. Once a Government servant has rendered the minimum qualifying service of twenty years,

pension shall be paid at 50% of the emolument or average emoluments received during the last 10 (Ten) months, whichever is more beneficial to the Government servant.

- (iii) In cases where Government servant becomes entitled to pension on completion of 10 (ten) years of qualifying service in accordance with sub-rule 2 of rule 34 of the State Government Services (Pension) Rules, 1990, pension in those cases shall be paid at 50% of the emoluments or average emoluments, whichever is more beneficial to the Government servant.
- (iv) The revised provision for calculation of pension in sub-rule (ii) and (iii) of above shall come into force with effect from the date of issue of this notification and shall be applicable to Government servants retiring on or after that date. The Government servants who have retired on or after 1.1.2006 but before the date of issue of this notification will continue to be governed by the rules/orders which were in force immediately before coming into effect of their orders.
- (v) The amount of pension shall be subject to a minimum of Rs.3700/- (Rs. Three Thousand Seven Hundred) and maximum up to 50% of highest pay in the Government (The highest pay of the Govt. is Rs.77000/- since 1.1.2006).
- (vi) The provisions of sub-rule (1),(2),(3),(4) and (5) of rule 34 of the Sikkim Government Service (Pension) Rules 1990 shall stand modified to the extent mentioned in sub-rule (i) to sub-rule (v) above. The other provisions contained in rule 34 shall continue to apply.
- (vii) The quantum of pension available to the old pensioners shall be increased as follows:
- | Age of Pensioner | Additional quantum of pension |
|--------------------------------------|-------------------------------|
| From 80 years to less than 85 years | 20% of basic pension |
| From 85 years to less than 90 years | 30% of basic pension |
| From 90 years to less than 95 years | 40% of basic pension |
| From 95 years to less than 100 years | 50% of basic pension |
| 100 years or more | 100% of basic pension |

The Pension Sanctioning Authorities should ensure that the date of birth and the age of a pensioner is invariably indicated in the pension payment order to facilitate payment of additional pension by the Pension Disbursing Authority as soon as it become due. The amount of additional pension will be shown distinctly in the pension payment order.

For example, in case where a pensioner is more than 80 (eighty) years of age and his pension is Rs.10,000/- pm, the pension will be shown as (i) Basic pension= Rs.10000 and (ii) Additional pension =Rs.2000/- pm. The pension on his attaining the age of 85 (eighty five) years will be shown as (i) Basic pension= Rs.10,000/- and (ii) Additional pension=Rs.3000/- pm.

5. Gratuity

The maximum limit of all kinds of gratuity shall be Rs. 10 lakh (Rupees Ten lakhs). Accordingly, first proviso under sub-rule (2) of rule 35 of Pension Rules shall stand modified to the effect that the amount of retirement gratuity or death gratuity payable under this rule shall in no case exceed Rs. 10 lakh (Rupees ten lakh).

6. Addition to Qualifying Service

In view of revised provisions for computation of pension in rule 4 above, the extant benefit of adding years of qualifying service for the purpose of computation of pension shall stand withdrawn with effect from the date of issue of this notification, sub-rule (3) of rule 26 of the State Government Services (Pension) Rules, 1990 shall stand modified to this extent.

7. Family Pension

(i) Family pension shall be calculated at a uniform rate of 30% of basic pay in all cases and shall be subject to a minimum of Rs 3700/- (Rs. Three Thousand Seven Hundred) pm and maximum of 30% of the highest pay in the Government. Sub-rule (2) and (3) of rule 30 of the Sikkim Government Services (Pension) Rules, 1990, shall stand modified to this extent.

(ii) The enhanced family pension under sub-rule (4) of rule 40 of the Sikkim Government Services (Pension) Rules, 1990, shall be payable to the family of a Government servant who dies in service from the date of death of the Government servant for a period of ten years, without any upper age limit. Sub-clause (i) of clause (a) of sub-rule (4) of rule 40 of Sikkim Government Services (Pension) Rules, 1990 stand modified to this extent. There will be no change in the period for payment of enhanced family pension to the family in the case of death of a pensioner.

(iii) The quantum of family pension available to the old family pensioners shall be increased as follows, namely:-

Age of Family Pensioner	Additional quantum of Family pension
From 80 years to less than 85 years	20% of basic Family pension
From 85 years to less than 90 years	30% of basic Family pension
From 90 years to less than 95 years	40% of basic Family pension
From 95 years to less than 100 years	50% of basic Family pension
100 years or more	100% of basic Family pension

The Pension Sanctioning Authorities should ensure that the date of birth and the age of a family pensioner are invariably indicated in the Form 3 (regarding details of family) and the pension payment order to facilitate payment of additional family pension by the pension disbursing authority as soon as it becomes due. The amount of additional family pension will be shown distinctly in the pension payment order. For example, in case where a family pensioner is more than 80 years of age and his/her family pension is Rs 10,000 pm the pension will be shown as (i) Basic Family pension=Rs.10,000 and (ii) Additional Family pension=Rs. 2000 p.m. The family pension on his/her attaining the age of 85 years will be shown as (i) Basic Family pension='Rs.10,000 and (ii) Additional Family pension=Rs.3000 p.m.

(iv) For the purpose grant of Family Pension, the 'Family' shall be categorized as under:-

Category I

- (a) Widow or widower up to the date of death or re-marriage, whichever is earlier.
- (b) Son/daughter (including widowed daughter) up to the date of his/her marriage/re-marriage or till the date he/she starts earning or till the age of 25 (twenty five) years whichever is the earliest.

Category II

(c) Unmarried/Widowed/Divorced daughter not covered by Category I above, up to the date of marriage/re-marriage or till the date she starts earning or up to the date of death, whichever is earliest.

(d) Parents who were wholly dependent on the Government servant when he/she was alive provided the deceased employee had left behind neither a widow nor a child. Family pension to dependent parents unmarried/divorced/widowed daughter will continue till the date of death.

Family pension to unmarried/widowed/divorced daughters in Category II and dependent parents shall be payable only after the other eligible family members in Category I have ceased to be eligible to receive family pension and there is no disabled child to receive the family pension. Grant of family pension to children in respective categories shall be payable in order of their date of birth and younger of them will not be eligible for family pension unless the next above him/her has become ineligible for grant of family pension in that category.

(v) The dependency criteria for the purpose of family pension shall be the minimum family pension along with dearness relief thereon.

(vi) The childless widow of a deceased Government employee shall continue to be paid family pension even after her remarriage subject to condition that the family pension shall cease once her independent income from all other sources becomes equal to or higher than the minimum prescribed family pension in the State Government. The family pensioner in such cases would be required to give a declaration regarding her income from other sources to the pension disbursing authority every six months.

(v) In the case of Family Pensioner who are in receipt of more than one pension under sub-rule (4) of rule 40 of Sikkim Government Service (Pension) Rule 1990, The floor ceiling limit of Rs.3700/-Per month will apply to each pension taken separately.

8. Commutation of Pension

(i) A Government servant shall continue to be entitled to commute for a lump sum payment up to 40% of his pension.

(ii) The existing Table of Commutation Value for Pension Annexed to the Sikkim Service (Commutation of Pension) Rules, 1985 shall be substituted by a new Table of Annex-I of issue of this notification.

(iii) The revised Table of Commutation value for Pension will be used for all commutations of pension which become absolute after the date of issue of this notification; the pre-revised Table of Commutation Value for pension will be used for payment of commutation of pension based on pre-revised pay/pension. Such pensioners shall have an option to commute the amount of pension that has become additionally commutable on account of retrospective revision of pay/pension on implementation of the recommendations of the Fourth State Pay Commission. On exercising such an option by the pensioner, the revised Table of Commutation Value for Pension will be used for the commutation of the additional amount of pension that has become commutable on account of retrospective revision of pay/pension. In all cases where the date of retirement/commutation of pension is on or after the date of issue of this notification, the revised Table of Commutation Value for Pension will be used for commutation of entire pension.

(iv) Provisions of Sikkim Service (Commutation of Pension) Rules, 1985 shall stand modified in accordance with sub-rule (2) and (3) above.

9. Special Provision for those who retain the Pre-Revised Scale of Pay

The pension and death cum retirement gratuity of those, who have elected to continue to draw pay in the pre-revised scale of pay in terms of rule 11 of the Sikkim Government Service(Revised Pay) Rules, 2009 and have retired or will be retiring after 1.1.2006, shall be regulated as follows, namely:-

(i) The term 'Emoluments' will include Dearness pay and DA up to average AICPI 536 (Base year 1982=100)

(i) Pension will be calculated at 50% of emoluments or average emoluments rules whichever is more beneficial to the employee.

(ii) Death-cum-retirement gratuity shall be admissible with reference to emoluments at subrule (1) above plus dearness allowance, under the order in force immediately before coming into effect of these orders. The maximum amount of gratuity shall not exceed Rs.3,50,000/- (Rs. Three Lakhs Fifty Thousand) in terms of Finance, Revenue and Expenditure Department Notification No. 01/Fin/Adm dated 19/5/2006

(iii) Commutation of pension shall be admissible in accordance with the orders in force immediately before coming into effect of these rules.

(iv) Family pension shall be allowed in accordance with orders applicable prior to the issue of these orders and shall be calculated with reference to basic pay in to average AICPI 536 (Base year 1982=100) shall be added. The amount so arrived at will be regarded as the family pension for regulating payment of dearness relief beyond average AICPI 536.

10. Fixation of Pension/Family Pension for pre 2006

(a) The Pension/Family Pension of pre 2006 pensioners/family pensioners will be consolidated w.e.f 1st January 2006 by adding together:-

(i) Existing pension/family pension

(ii) Dearness pension where applicable

(iii) Dearness relief of 24% of basic pension plus dearness pension as admissible

(iv) Fitment weight age at the rate of 40% of existing pension/family pension (excluding Dearness pension)

(b) The Fixation of pension will be subject to the provision that the revised pension, in no case, shall be lower than fifty percent of the minimum of the pay in the pay band plus the grade pay corresponding to the pre-revised pay scale from which the pensioner had retired.

11. Dearness Relief

Pension/Family Pension in terms of these orders will qualify for Dearness Relief beyond average AICPI 536 under the revised pattern being introduced on the recommendations of the Fourth State Pay Commission.

12. Medical Allowances

Medical Relief of Rs. 100/ p.m will now be enhanced to Rs. 1000/ p.m. The enhanced medical allowances come into force from 1st April 2009.

By Order.

Sd/-
(R. Ongmu), IAS
Principal Secretary
Finance, Rev.and Expenditure Department.
Government of Sikkim.