

## **APPENDIX 6**

**(See Rule 87(3))**

### **SIKKIM CONTINGENCY FUND RULES**

In exercise of the powers conferred by section 4 of the Sikkim Contingency Fund Act, 1975, the Governor of Sikkim is pleased to make the following rules:-

1. These rules may be called the Sikkim Contingency Fund Rules, 1975.
2. The Sikkim Contingency Fund shall be held on behalf of the Governor by the Secretary to the Government of Sikkim in the Finance Department.
3. Advances from the Fund shall be made only to meet unforeseen expenditure for such services, the expenditure on which, as authorised by the annual Appropriation Act, is found to be insufficient or where a need has arisen during the current financial year for supplementary or additional new expenditure or expenditure on some new service or scheme, not contemplated in the annual financial statement for the year. The unforeseen expenditure to be sanctioned pending its authorisation by the Legislature under appropriation made by law must be of such an emergent character that its postponement would either be not administratively possible or would involve serious inconvenience or serious loss or damage to public service.
4. A proposal for an advance from the Fund shall be submitted to the Secretary to the Government of Sikkim, Finance Department. The head of the department shall, while referring such a proposal to the Finance Department, prepare a self contained note indicating-
  - (i) brief particulars of the expenditure involved;
  - (ii) the circumstances in which provision could not be included in the Budget;
  - (iii) why its postponement is not possible;
  - (iv) the amount required to be advanced from the Fund with full cost of the proposal for the year or part of the year, as the case may be; and
  - (v) the grant or appropriation under which supplementary provision will eventually have to be obtained.
5. A copy of the order sanctioning the advance, which shall specify the amount, the grant or appropriation to which it relates and give brief particulars by sub-heads and units of appropriation of the expenditure shall be forwarded to the Accountant General.

6. All bills for such expenditure shall conspicuously be labeled as pertaining to the Contingency Fund, quoting the order sanctioning the advance from the Fund, and the usual classification of expenditure on the bills shall also invariably be given by the disbursing officers.

7. Supplementary estimates for all expenditure financed from the Fund shall be presented to the legislature at the earliest opportunity. Such an estimate can either be for the amount equal to the full estimated expenditure for which an advance has been made from the Fund or for a reduced sum owing to certain savings being available within the grant or charged appropriation concerned or because of the estimate of expenditure at the time of sanctioning an advance having been subsequently found to be in excess of requirements or for a token sum only where expenditure involved can be met entirely by savings in the grant or charged appropriation concerned.

Note 1.- While presenting to the State Legislature, supplementary estimates for expenditure financed from the Fund, a note to the following effect shall be made in the explanatory memoranda relating to such estimates:

“A sum of Rs.....has been advanced from the Sikkim Contingency Fund and an equivalent amount is required to enable repayment to be made to that Fund” .

Note 2.- If any new expenditure or expenditure on a new service or scheme not contemplated in the annual financial statement for which an advance from the Contingency Fund has been sanctioned can be met wholly or partly from savings available within the authorised appropriation, the note appended to the estimate submitted shall be in the following form:-

“ The expenditure is on a new item or service or scheme. A sum of Rs.....has been advanced from the Contingency Fund and an equivalent amount is required to enable repayment to be made to that Fund. The amount, namely Rs.....can be found by re-appropriation of savings within the grant/charged appropriation and a token vote only is now required/vote is required for the balance, that is Rs.....only” .

8. If, in any case, after the order sanctioning an advance from the Contingency Fund has been issued in accordance with rule 5 and before action is taken in accordance with Rule 7, it is found that the advance sanctioned will remain wholly or partly unutilised, an application shall be made to the sanctioning authority for canceling or modifying the sanction, as the case may be.

9. All advances sanctioned from the Contingency Fund to meet the expenditure in excess of the provision for any service included in an Appropriation (Vote on Account) Act shall be recouped to the Fund as soon as the Appropriation Act in respect of the expenditure on the service for the whole year, including the excess met from the advances from the Fund, has been passed.

10. As soon as the State Legislature has authorised the expenditure by including it in a Supplementary Appropriation Act, the advance made from the Fund shall be recouped to the Fund and necessary adjustment made in the accounts.

11. As soon as the advance made from the Contingency Fund has been recouped to the Fund, consequent on the enactment of the Appropriation Act, the Finance Department shall inform the Accountant General about it, indicating the number and date of the order under which the original advance was made. A copy of the Appropriation Act shall be forwarded.

12. The heads of departments/offices shall maintain a separate record of all transactions connected with the expenditure out of the advances from the Contingency Fund in the same form or forms as are used for the maintenance of records of expenditure out of the Consolidated Fund and in similar details in respect of major and minor heads and units of appropriation as would have been operated upon had the expenditure been incurred out of the Consolidated Fund. The form or forms referred to above, may however, be so amplified as to enable the disbursing officers to keep a close watch on the progress of expenditure from and out of individual advances from the Fund as also to keep a record of the details in respect of recoupment, when made, of those advances to the Fund.

13. An account of the transactions of the Fund shall be maintained by the Finance Department in a separate register in the form annexed to these rules.

14. Actual expenditure incurred against advances from the Contingency Fund shall be recorded in the account relating to the Contingency Fund in the same details as it would have been shown if it had been paid out of the Consolidated Fund.

## ANNEXURE

(See Rule 13 of Appendix 6)

### Sikkim Contingency Fund

#### Amount of the Fund Rs. 1.00 crores

Sl. No.	Date of transaction	Number and name of grant or appropriation	Number and date of application for advance	Number and date of order making the advance	Amount advanced	Supplementary Appropriation Act providing for the additional expenditure	Amount of advance resumed	Balance after each transaction	Initials of officer-in-charge	Remarks
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)

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Note 1:- The balance should be struck after each transaction.

Note 2:- The amount of the advances should be entered in black ink when made and in red ink when resumed.

**SIKKIM GOVERNMENT GAZETTE**  
**( EXTRAORDINARY ) PUBLISHED BY AUTHORITY**

Ex.Gaz. No.43

Gangtok, October 20 1975

**LEGISLATIVE DEPARTMENT**

**NOTIFICATION**

No.3/L/75

Dated 20th October,1975

The following Act of the Sikkim Legislature having been assented to by the Governor on the 12th October,1975, is hereby published for general information.

Sikkim Act. No. III of 1975

**THE SIKKIM CONTINGENCY FUND ACT 1975**

AN ACT “to provide for the establishment and maintenance of a Contingency Fund for the State of Sikkim. Be it enacted by the Legislature of the State of Sikkim in the Twenty-sixth Year of the Republic of India as follows :-

1. **Short title** :-This Act may be called the Sikkim Contingency Fund Act, 1975.
2. **Establishment Of The Contingency Fund Of The State Of Sikkim** :There shall be established a Contingency Fund in the nature of an imprest entitled the Contingency Fund of the State of Sikkim, into which shall be paid from and out of the Consolidated Fund of Sikkim a sum of one crores of rupees (as amended by the Act 9 of 1997)
3. **Custody Of The Contingency Fund And Withdrawal Therefrom** :The Contingency Fund of the State of Sikkim shall be held on behalf of the Governor by a Secretary to the Government of Sikkim in the Finance Department, and no advance shall be made out of such Fund except for the purposes of meeting unforeseen expenditure pending authorisation of such expenditure by the Legislature of Sikkim.
4. **Power Of Make Rules** :- For the purpose of carrying out the objects of this Act, the State Government may make rules regulating all matters connected with or ancillary to the custody of, the payment of moneys into and withdrawal of moneys from the Contingency Fund of the State of Sikkim.