



**GOVERNMENT OF SIKKIM**  
**FINANCE REVENUE & EXPENDITURE DEPARTMENT**  
**GANGTOK**

No. 1(2) 89-90/Bud/Fin/17

Dated: 4<sup>th</sup> August, 2014

**BUDGET CIRCULAR**

The Annual Budget of the State Government for the financial year **2015-16** has to be presented to the Legislative Assembly and have it passed by **March 2015**. Further the Finance, Revenue and Expenditure Department has to assess the availability of resource for financing the Annual Plan **2015-16** and submit to the Government of India before finalization of the Annual Plan. To achieve these objectives, the process of formulation of Budget Estimates for **2015-16** will have to be completed as early as possible. The Heads of the Departments are, therefore, requested to take immediate steps for formulation of Budget for 2015-16 as per following guidelines:-

**CONSOLIDATED ESTIMATE OF REVENUE RECEIPTS (FORM - I)**

The estimates may be arrived based on **trend Growth rate which is estimated at 12%** and also on the policy decisions and other relevant orders. It must include total arrears and outstanding dues to be recovered during the year under report. The additional yield anticipated from revisions of rates etc. may be projected in Form-I as Additional Resource Mobilization. In case any shortfall is anticipated in the revenue realization in the revised estimate of 2014-15, appropriate explanation may be recorded (e.g. post-budget decision of the Government, deficiencies in the tax collection machinery) and the measures taken thereof by the Department. During the financial year 2013-14 some Departments have not realized revenue to the extent estimated by them. **These Departments have to furnish detailed explanations for shortfalls and propose measures to bridge the shortfall of the previous years so as to neutralize the deficit in the budget estimates of the current year. The Departments must take urgent steps to increase their revenue in commensuration to increase in expenditure.**

**CONSOLIDATED ESTIMATE OF EXPENDITURE (FORM-II)**

The consolidated estimates of expenditure under “**Salaries**” may be framed for **Non-Plan and Plan separately** duly certified by Heads of Departments. While calculating Salaries, pay in the pay band as on 1.4.2015 in revised scale should be taken with **Dearness Allowance @ 114%**. In addition, 15% of total of Column 11 of Appendix I (a) may be added to the gross amount to cover expenses on account of Medical expenses, Leave encashment etc. In case of Departments like Human Resource Development, Police, Health and Rural Management and Development, Nominal Rolls may be segregated District wise, Sub-division wise, Institution wise, etc. **No provision should**

**be proposed for posts lying vacant for more than one year. Provision for vacant posts should be made with circumspection so as to avoid savings due to non filling up of the posts.** A separate **CONSOLIDATED** Statement i.e. **ONE STATEMENT FOR EACH DEPARTMENT** should be prepared showing total strength in Appendix I. All Departments must submit statement of existing strength of Muster Roll employees and Work-Charged establishment, etc **separately** under **Non-Plan and Plan** and as per **Appendix III and IV.** New appointments (regular/ workcharged/ MR/ adhoc, etc.) (names not included in the earlier Nominal Rolls) must be clearly specified as ‘New Appointment’ in the remarks column of the Nominal Roll (Appendix Ia, IIIa and IVa).

The expenditure on encashment of unutilized leave at the credit of government employees at the time of retirement/death/termination is classified under the Head “2071-Pension and other Retirement Benefits 01-Civil 115-Leave Encasement Benefits” under demand No. 10 and operated by the Pension Section of the Finance Revenue & Expenditure Department. All Departments must submit a separate detailed estimate of funds required on this account in Appendix II and submit the same to the Pr. Director, GPF/Pension, who will compile these and submit a consolidated statement.

The Works Departments and the Departments operating Stock Suspense/Civil Deposits and other transactions under Public Accounts should furnish a separate statement of the estimated receipt and expenditure under the relevant Major Head showing, i) Opening Balance ii) the transaction during the year, iii) closing balance, to enable the Finance, Revenue & Expenditure Department to project the figures.

The other Non-Plan revenue expenditures may be kept at the current year’s level duly excluding onetime provision made in the current year. However, additional requirement may be specifically indicated in the remarks column.

Some of the Departments may find it necessary to operate new heads of accounts in the Demands for Grants. Proposals for creation of new Heads may be submitted in the proforma prescribed, as this requires approval of the Pr. Accountant General, Sikkim. The following statements should invariably accompany the Budget proposals: -

- |                |   |   |
|----------------|---|---|
| Form – I       | - | Consolidated Estimate of Revenue Receipts   |
| Form – II      | - | Consolidated Estimate of Expenditure (Non–Plan)   |
| Appendix - I   | - | Consolidated abstract showing Nominal Roll of regular employees–Expenditure Head Wise (Non-Plan)      |
| Appendix – II  | - | Estimate of Leave Encashment (This Form to be submitted to the Office of Principal Director, Pension) |
| Appendix – III | - | Consolidated abstract showing Muster Roll employees-Expenditure Head Wise                             |
| Appendix –IV   | - | Consolidated abstract showing Nominal Roll of   |

		employees other than regular employees
Appendix – V	-	Details of Motor Vehicles
Appendix – VI	-	Stock Suspense/Civil Deposits and Other Transactions Under Public Accounts

Abstracts of the details of Appendixes I, III and IV expenditure head wise and strength are also needed to be submitted. Separate forms have been enclosed for each of these forms and appended as Appendix I (a) & I (b), Appendix III (a) & III (b) and Appendix IV (a) & IV (b) respectively.

**The Budget forecast MUST be presented in the formats prescribed in duplicate (two copies ) and in BOOK form in the standard A4 size paper as per above guidelines latest by 5<sup>th</sup> September 2014 along with soft copy in MS Excel format through the concerned Heads of the Departments. The soft copy of all the statements can also be sent by e-mail to [budgetfred@gmail.com](mailto:budgetfred@gmail.com).**

**The schedule of discussions shall be notified in due course.** Departments are requested to issue similar guidelines to the Autonomous Bodies/Organizations/Offices under their administrative control to submit the proposals through them and the same to be included in their budget proposals.

**The Budget Circular along with the forms can be downloaded from the State Government website <http://www.sikkimfred.gov.in>**

Sd/-  
(S. D. Pradhan)  
Principal Director (Budget)

**Copy to :**

1. All the Secretaries/ Heads of Departments.
2. The Registrar General, High Court of Sikkim, Gangtok.
3. The Member Secretary, State Legal Service Authority.
4. The Secretary, Public Service Commission.
5. The Director, Treasury, Pay & Accounts Office, Gangtok.
6. The District & Session Judges East/ North & south/ West.
7. The Director, Internal Audit.
8. The District Collectors, East/ West/ North & South.
9. The Director (Accounts), Finance Rev. & Expenditure Deptt.
10. All Drawing & Disbursing Officers.