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## SUBSIDIARY POINT NO. 1

### 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 is taken up as per the classification of Revenue blocks made into Circle A,B and C and classification of land is made further into first, second and third classes for wet land and dry land as per altitude of the area. The first class wet land and dry land comes within 3500' altitude above the sea level, second class 3501' to 4500' and third class 4501' to 6000'. 6000' and 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:-

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

2. Land Rent:

Circle	Classification	Wetland	Dry land	Banjo
A	Class I	Rs. 30/-	Rs.15/-	Rs.5/- (for all Circles)
	Class II	Rs. 24/-	Rs.12/-	Rs.4/-
	Class III	Rs. 18/-	Rs. 9/-	Rs. 3/-
B	Class I	Rs. 27/-	Rs.12/-	
	Class II	Rs. 21/-	Rs. 9/-	
	Class III	Rs. 15/-	Rs. 6/-	
C	Class I	Rs. 24/-	Rs. 9/-	
	Class II	Rs. 18/-	Rs. 7/-	
	Class III	Rs. 12/-	Rs. 5/-	
Special C	Class I	Rs. 18/-	Rs. 9/-	
	Class II	Rs. 12/-	Rs. 7/-	
	Class III	Rs. 9/-	Rs. 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 26<sup>th</sup> 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 2005-2006 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 2006-07, 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 2006-07 onward (year-wise) if any, on non-agricultural land in urban areas in the form of urban land tax or ground rent or premium for conversion of agricultural land to non-agricultural uses.**
- (b) **The base and tax rate of the above in 2005-06.**

Urban Development & Housing Department collects ground rent for all the sites allotted in urban areas on annual basis. The prevailing rates of ground rent have been annexed vide Annexure-I.

## **4. Local taxation on land and buildings.**

**Base and prevailing rates of local taxation on land & buildings with brief account of procedure for valuation of property, assessment and appeal and revision against assessment and revenue from such taxation from 2002-03 to 2006-07.**

The State Government has not levied any taxation on land and buildings apart from the annual ground rent.

## **5. Stamps and Registration**

**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.**

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. In the Notification No.35/234/LR(S) dated 26.07.2005, the fees and stamp duty was not revised. But registration fee for gift land was revised to 5% on valuation of land as per the rate approved by the Government for the acquisition of land. In June 2007, the above said registration fee of land has been revised to 5% from 4 % vide Notification No. 1/LR&DM(S) dated 16.8.07.

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.   | Upto Rs. 1.00 lakh             | - | Rs. 100/-  |
| ii.  | Rs. 1.00 lakh to Rs. 5.00 lakh | - | Rs. 250/-  |
| iii. | Rs. 5.00 lakhs and above       | - | Rs. 1000/- |

b. For commercial purpose

- |      |                                 |   |             |
|------|---------------------------------|---|-------------|
| i.   | Upto Rs. 1.00 lakh              | - | Rs. 200/-   |
| ii.  | Rs. 1.00 lakh to Rs. 10.00 lakh | - | Rs. 5000/-  |
| iii. | Rs. 10.00 lakhs and above       | - | Rs. 10000/- |

c. Firm Registration Fee - Rs. 1000/- each

## 6. VAT/Sales Tax/Purchase Tax

### (a) Impact of introduction of VAT on the Revenue of the States:

The impact of introduction of VAT on revenue of other States is not known, however in context of state of Sikkim the collection on local sales were as shown below for four years:

Levy	2004 -05	2005 -06	2006 -07	2007-08
Local sales Tax/ VAT	Rs.42.08 crore	Rs.49.35 crore	Rs.69.99 crore	Rs.52.00 crore

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

Compensation of Rs. 1.84 crore and Rs. 4.08 crore were received in the month of June and December, 2005, respectively, from the Ministry of Finance, Government of India. This has enhanced the State finance by making improvement in the BCR.

### (c) Expected impact of changes in CST.

In recent past there has been many changes in regulation, collection and administration of central sales tax. For instance, the declarations to be filed by government departments for concession rate on inter-state purchase in Form 'D' is abolished, levy of local sales tax/VAT at more than one point of sale of declared goods is permitted, rate of tax applicable on inter-state sale under declarations Form 'C' has been reduced to 3%. Among these changes, reduction of rate of 3% is significant because it is beginning of the process of phasing out to zero in 2010-2011. The lower rate (or zero rate) will bring down the cost of goods which will be a gain for the consumers of non-producing states. However, the State Governments are at loss from two sides. First the revenue collected as CST will be lost, and second all export from outside State will also be given refund of input tax.

## 7. State Excise Duties

### (a) Base and prevailing rates (in 2006-07) 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 London Proof Litre (LPL) system. The excise duties on Sikkim made Foreign Liquor (SMFL)/Beer are different for civil market and for Army. The excise duties are also levied on Ayurvedic and Homeopathic medicines, aromatic products etc., which

are based and produced by Sikkim Distilleries Ltd, Rangpo and STP Sangkhola. The Denzong Laboratories Pvt.Ltd., Mazitar, which produced medicines, has closed down since the year 2006.

The rate of excise duty on various products is as follows:

**A. The rate of Excise Duty on S.M.F.L**

For Civil Market

Rs. 63.50 per LPL for Rum/Whisky/Brandy/Gin/Wine/Liquor/Vodka

For Army

Rs. 58.50 per LPL on Whisky/Brandy/Gin & Vodka

Rs. 48.50 per LPL for Rum/Liquor & Wine

For both Civil and Army

Gift pack Rs.45/- per case

**B. The rate of Excise Duty on Indian Made Foreign Liqueur (IMF)**

For Civil Market

Rs. 78.50 per LPL for Rum/Whisky/Brandy/Gin/Vodka

Rs. 68.50 per LPL for Brands of Wine & Liquor

Rs. 66.50 per LPL for Ready to drink Beverages

For Army

Rs. 63.50 per LPL on Whisky/Brandy/Gin/Vodka/Rum/Wine/Liqueur

Rs.100/-per LPL on potable Scotch/Whisky/Brandy/Vodka/Liqueur/ Cordials/ Bitter

All brands of IMFL owned by the companies located outside the State of Sikkim and bottled by local companies.

For Civil Market

Rs. 73.50 per LPL on Rum/Whisky/Gin/Vodka

Rs. 58.50 per LPL on Wine/Liqueur

For Army

Rs. 53.50 per LPL on Whisky/Brandy/Gin & Vodka

Rs. 43.50 per LPL for Rum/Liquor & Wine

Import Pass Fee

Rs. 10/- per LPL on IMFL imported from outside the State of Sikkim

**C. Rate of Excise Duty on Beer**

For Civil Market

Rs. 82/- per case of 7.80 bulk litre

For Army

Rs. 62/- per case of 7.80 bulk litre

Import Pass Fee

Rs.10/- per case of 7.80 bulk litre for beer imported from outside the State of Sikkim

Export Pass Fee

Rs.2 /- per case of 7.80 bulk litre for beer for export outside the State of Sikkim

**D. Rate of Import Pass fee for potable foreign liquor imported from other country**

For Civil and Army

Rs.120/- per bulk litre on Whisky/Brandy/Rum/Vodka/Gin/Liqueurs/Cordials/Bitter

Rs.80/- per bulk litre on wine

Rs.10/- per bulk litre on Beer

**E. Rate of Excise Duty on country Liquor**

30 to 35 UP – Rs12/- per LPL

43 to 65 UP - Rs.10/- per LPL

**F. Rate of Excise duty on Aromatic/ Toilet Preparation 16% advalorem.**

**G. Rate of Excise Duty on Homeopathic Medicines 4% advalorem.**

The Notifications prescribing the above mentioned rates are enclosed at Annexure II.

All manufacturing units are under the strict supervision of the Excise Department at various points. 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 during the last five years with financial implications, 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, is implemented in the State through the Excise ( Abkari ), Health & Family Welfare and Police Departments.

In addition to these, the government has framed various rules for regulation and mobilisation 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 shop) Rules,2005 and

8. Sikkim Excise (Licensing for sale of pachawai) Rules, 2005.

### **8. 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.**

Taxes on Motor vehicles is collected under the provisions of the Sikkim Motor Vehicles (Taxation) Act, 1982 (5 of 1982). The rates of taxes on motor vehicle and Taxes on passenger and goods vehicles have been prescribed vide Notification No. 2/LD/P/2007 dated 06.07.2007. The said Notification is enclosed at Annexure III.

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

The motor vehicle taxes have been fixed duly keeping into account the similar rates applicable in other States in India.

### **9. Electricity Duties**

**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.

### **10. Entertainment Tax**

**Base and prevailing rates of entertainment tax, cinema/ show tax and betting tax etc.**

The prevailing rates of entertainment Tax are as follows:

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

Relevant Notifications are enclosed at Annexure IV.

### **11. Other Taxes and Duties**

**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 No25/LD/2006 dated 31<sup>st</sup> March 2006. The said Notification is enclosed at Annexure V.

### **12. Cesses/Surcharges**

**Particulars of cesses/surcharges levied by the State Govt. (such as mining cess, health cess, education cess & agricultural cess.) Basis and prevailing rates of each cess. 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.**

The Excise (Abkari) Department 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 (enclosed at Annexure VI) ( The Sikkim Educational Cess on Alcoholic Beverages Act, 2007 ). The educational Cess is levied at the rate of Rs. 2.70 per bulk litre on foreign liquor and Rs. 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 collected is utilized specifically for the maintenance of school buildings in addition to the existing level of expenditure on such maintenance.

The Sikkim Ecology Fund and Environment Cess Act 2005 (Act No.1 of 2005) has been notified vide No.1/LD/P/2005 dated 25/04/2005 (enclosed at Annexure VII) and has been enforced w.e.f. 1<sup>st</sup> April, 2007. The concept of the Sikkim Ecology Fund and Environment Cess Act 2005 was evolved by Forest, Environment & Wildlife Management Department with the prime objective of improving the quality, controlling and abating pollution, restoration of ecological balance and environment at large in the state. Accordingly, a procedure for operation of Sikkim Ecology Fund and Environment Cess Act 2005 was drafted and is being scrutinised by the Law Department in which management of the Sikkim Ecology Fund and Environment Cess under section 16(1) has been reflected which covers the improvement of environment and overall ecological restoration for long term sustainability.

## SUBSIDIARY POINT NO. 2

### II. LOANS DUE TO GOVERNMENT

#### 13. Details of the overdue loans against major categories showing Principal, Interest, earliest year to which arrears relate (as on 31.3.2007)

The following Loans and Advances made by Government are outstanding as on 31<sup>st</sup> March, 2007;

1. Loans for Medical and Public Health	- Rs. 0.46 crores
2. Loans for Crop Husbandry	- Rs. 0.16 crores
3. Loans for Animal Husbandry	- Rs. 0.15 crores
4. Loans for Dairy Development	- Rs. 0.13 crores
5. Loans for fisheries	- Rs. 0.05 crores
6. Loans for Forestry & Wildlife	- Rs. 0.04 crores
7. Loans for Co-operation	- Rs. 0.43 crores
8. Loans for Village & Small Industries	- Rs. 0.02 crores
9. Loans for consumer Industries	- Rs. 0.93 crores
10. Loans to Industrial Financial Institutions	- Rs. 2.17 crores
11. Loans for Other Transport Services	- Rs. 0.01 crores
12. Loans to Government Servants	- Rs. 0.45 crores
13. Miscellaneous Loans	- <u>Rs. 0.50 crores</u>
<b>Total</b>	<b>- <u>Rs. 5.50 crores</u></b>

## SUBSIDIARY POINT NO. 3

### III. STATE BUDGETARY POSITION

#### 14. 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 Account:-

- (a) Police Welfare Fund
- (b) State Illness Assistance Fund

## SUBSIDIARY POINT NO. 4

### IV. NATURAL CALAMITIES

15. 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. Any specific difficulties with respect to accessing funds from CRF/NCCF may be indicated.

The topography of Sikkim is abound with high hills and mountains such as Mt. Kanchendzonga, which is the highest peak in the country. On account of this feature the State receives heavy rainfall during the monsoon months (June to September) every year. The monsoon months are the natural calamity prone period and most of the natural calamity that occurs is directly or indirectly triggered by the heavy rain the State experiences each year. The major calamities that occur in the State are as follows:

- i. **CLOUD BURSTS:** Occurrence of cloud bursts during the monsoon are common feature in the hills. The sudden burst of heavy showers that hit the high slopes results in the occurrence of mud slides. The water supply lines, hydel project channels, electricity supply lines are the most affected as these structures are built along the ridges. These are washed away by the slide causing shortage of drinking water and electricity supply etc.
- ii. **LAND SLIDES:** The monsoon months are the period of probable occurrence of calamities as past records reveal that major calamities have hit the State during the monsoon months. Due to heavy rain, land slides are a common feature causing extensive damages to life and property as they are un-predictable and can occur in any area. Every year, lives are lost, population displaced and public and Government infrastructure damaged by landslides. Road communication is not spared either. Since the zone in and around the motorable roads is exposed to constant vibration by the heavy vehicles plying along the route the loosen soil easily gives way when it is exposed to incessant rain. During the financial year 2007-08, there was extensive damage to the road network in the South and West districts due to landslides. Road communication to many places were cut-off for over a month.
- iii. **FLOODING:** Flooding occurs in the hills also. The various localities in the region are dotted with “jhoras” or small streams to which storm water drainage are connected to. These are swollen during the heavy rains and coupled with the ever increasing waste/discharge thrown into the stream such as polythene bags and debris brought by the gushing streams from the higher regions, the clogged streams easily overflow their banks and the water from it run into adjoining areas triggering mud slips. Such incidence is prevalent in thickly populated localities and hence the damage is extensive.
- iv. **EARTHQUAKES:** Sikkim being in the Himalayan belt is also prone to earthquakes. The last major earthquake struck at the dawn of 14<sup>th</sup> February 2006 causing wide-spread damage to the infrastructure of the State. Frequent tremors were reported in the south and west districts during the year 2006 also. Though the damages reported were abysmal, it was observed that the landslides hit areas during the following monsoon were along the belt that experienced the tremors the year before. It was hence genuinely felt that the earth-quake contributed to the causes of land slides as it had loosened the soil.
- v. **HAIL STORMS:** Every year crops and other properties are damaged through out the State due to hail storms. The last major damage worth mentioning was in the year 2001 and 2002 during which a total of 22,968 families were reported affected.

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

Sl. No.	Year	Expenditure (Rs. In crores)
1	2002-03	8.47
2	2003-04	7.91

3	2004-05	17.94
4	2005-06	12.10
5	2006-07	17.62
6	2007-08	20.85

#### **SOURCE OF FUNDING:**

The amount of annual contribution to the CRF is as per the allocation fixed by the Finance Committee which has been indicated at Annexure VIII. Of the total contribution indicated, Government of India contributes 75% of the total annual allocation in two instalments and the balance 25% 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 other times when it is assessed by the National Centre for Calamity Management of the Government of India and are satisfied that the expenditure to meet severe cases of calamity is in excess of the balance available in the CRF of the State, the Centre grants special relief assistance from the National Calamity Contingency Fund (NCCF) to tide over the crisis.

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

<b>Sl. No.</b>	<b>Year</b>	<b>Expenditure (Rs. In lakhs)</b>
1	2004-05	990.00
2	2005-06	222.00
3	2006-07	298.00
	<b>TOTAL</b>	<b>1510.00</b>

#### **ASSESSMENT OF DAMAGES (LIFE AND PROPERTY):**

In case of any calamity, the practice is that 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 this 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 from the CRF. In case of damages to infrastructure 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 upto Rs. 2.00 lakhs and by the State Level Relief Committee (SLRC) for relief above Rs. 2.00 lakhs.

#### **SPECIFIC DIFFICULTIES:**

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 have not borne fruit. It has been experienced that temporary restoration works do not often even last for a day during the monsoon as it is washed away by heavy rain. Therefore taking into consideration the cry of the public and the

advice of the line Departments, it is proposed that works of semi-permanent nature be allowed especially in the hilly States.

Further, there are many places in the State where the 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 position of the State is that the area once reported to be sinking is already natural calamity affected. It is hence requested that the difficulties faced may be pondered so that norms may be relaxed for hilly States.

(Statement enclosed vide Annexure VIII)

**16. Please give a note indicating the views of the State Govt. on the specific issues in the TORs related to natural calamities/disaster management viz. “The Commission may review the present arrangements as regards financing of Disaster Management with reference to the National Calamity Contingency Fund and the Calamity Relief Fund and the funds envisaged in the Disaster Management Act, 2005(53 of 2005), and make appropriate recommendations thereon”.**

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. The Special difficulties faces by the State has been highlighted in the detail note at topic no.15. The State would like to request the Commission for the consideration of the following:-

i). The State of Sikkim experiences heavy rainfall especially during the monsoon months. Rain is often accompanied with thunder and lightening on account of which there have been deaths and damages to the houses due to lightening strikes every year. Such deaths need to be covered under the items and norms of expenditure of CRF.

ii). The neighbouring State of West Bengal has been hit by bird flue and there is every chance that an epidemic may spread to Sikkim. If such a situation arises the State Government will have to take up the culling of the birds at a large scale. It is natural that the hatcheries will seek compensation from the Govt.. Relief may have to be given in such cases as in the case of death of poultry due to natural calamity.

iii). Therefore the State urges for the inclusion of item (i) & (ii) above in the scope of Natural Calamities so that the sufferings can be compensated to certain extent.

iv). Sikkim is a small State in the eastern Himalayas, lying between 27°04'46'' and 28°0748'' north latitude and 88°55'25'' east longitude covering an areas of 7069 sq km, 1 cm on the map. Sikkim is fully mountainous and also geologically young and hence its structure is extremely fragile. It is also in the seismic zone IV and susceptible to earthquakes, it is also prone to flash floods and landslides during the monsoon which starts from May to mid October. The State has been representing that the norms for Calamity Relief Fund (CRF) should be considered taking into account the position of Sikkim and give it some consideration. In Sikkim during the monsoon, because of its nature of the land it can be predicted that there are certain areas where disasters is definitely to befall and therefore advance action such as protective measures, jhora training etc. can protect lives and properties of the people of the State. It is requested that while framing norms for CRF mitigation and preventive measures may be included for the State of Sikkim. If this is considered, in the long run lives, properties and hundred of crores of money would be saved as it is said that a stitch in time saves nine. Therefore this may be kindly considered.

(v). As such, the State urges the Commission, in addition to (iii) above to consider for 100% funding by the Centre instead of 75% hither to given by the Govt. of India. The State having high debt-GDSP ratio like Sikkim is finding great difficulty in arranging 25% State share on such calamities.

## SUBSIDIARY POINT NO. 5

### V. STATE PLAN

17. 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?

Committed liabilities arising out of Plan schemes are to be continued in Plan. The expenditure on running and maintenance of all the Plan schemes completed during the Plan period continued to be charged to the Plan till the end of the particular plan period. This practice is also followed for schemes and infrastructures completed under Plan schemes of the Departments like building, roads, irrigation, public works, etc.

18. 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.

#### 1. Department of Health Care, Human Service & Family welfare

- (a) Distribution of free medicines to OPD and IPD patients through Sub-centres, Primary Health centres, District Hospitals and STNM Hospital, Gangtok. There exists 147 Sub-Centres, 24 Primary Health Centres, 04 CHC-cum-district Hospital and State Referral Hospital i.e. STNM Hospital in the State. Free of cost scheduled drugs/medicines are distributed to all patients visiting these Health centres and Hospitals. This scheme is open to all patients visiting the Health centres and Hospitals. In addition to this, free of pathology and diagnostic tests are done for senior citizens both for IPD as well as OPD patients in these Health institutions. For other general public, this facility is extended to only IPD patients. The expenditure on this scheme are met from the Plan as well as Non-Plan fund. The year wise expenditure on this scheme since 2002-03 to 2007-08 is given in the Table -1. In 2007-08 an amount of Rs.3.03 crore was spent on it.
- (b) Sikkim State Illness Assistance Fund: As per the Government of India's directives and guidelines, Sikkim Illness Assistance Fund Association (SIAFA) has been registered in October, 1998. The main objective of the SIAFA is provision of financial assistance to the BPL category of general public of the State referred for medical treatment outside the State. The department has a tie – up with the Peerless Hospital, Kolkata, a super speciality Hospital and all patients of BPL category referred outside the State for medical treatment by the Sikkim Medical Board are sent to this Hospital. However, this scheme is limited to Sikkim subject holders only. Initially, an amount of Rs.50.00 lakhs was provided to this fund by the State Government and Rs.25.00 lakhs was received from the GOI as central contribution. The year wise expenditure on this scheme is given in the Table - 1. In 2007-08 expenditure in this head was Rs.67.31 lakhs.
- (c) Financial Assistance for Medical treatment outside the State: This is a unique scheme of social security initiated by the State Govt. Under this scheme, financial assistance to the tune of Rs.20, 000/- is granted to all patients referred outside the State for medical treatment. However, this scheme is also limited to general public possessing Sikkim subject Certificates only. The scheme is very helpful which can be seen from the increasing trend of expenditure on this scheme given in Table - 1. The expenditure on this

scheme is met from both plan and non-Plan. In 2007-08, the State had spent Rs.1.05 crore for this purpose.

(d) Health Insurance Scheme for BPL: Focusing on the BPL category of general public of the State, the department is actively considering to launch this scheme for which modus operandi is being worked out. In addition, the department is implementing the following CSS schemes:

- i. Family Planning Insurance Scheme.
- ii. Janani Suraksha Yojana (JSY) under the NRHM.
- iii. Compensation of loss of wages for family planning beneficiaries.

**TABLE –I**

**EXPENDITURE ON SOCIAL SECURITY SCHEMES INTRODUCED BY THE STATE GOVERNMENT**

**Rs. in lakhs**

SI No	SCHEMES	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
1	<b>Purchase of medicines ( Plan and Non-Plan )</b>	<b>243.00</b>	<b>273.57</b>	<b>254.09</b>	<b>203.33</b>	<b>204.14</b>	<b>302.75</b>
2	<b>State Illness assistance fund</b>	<b>Nil</b>	<b>0.05</b>	<b>7.98</b>	<b>27.29</b>	<b>7.67</b>	<b>67.31</b>
3	<b>Treatment outside State</b>	<b>51.58</b>	<b>89.15</b>	<b>99.90</b>	<b>90.80</b>	<b>90.00</b>	<b>105.00</b>
	<b>Total</b>	<b>295.58</b>	<b>362.77</b>	<b>361.97</b>	<b>321.72</b>	<b>301.71</b>	<b>470.76</b>

**2. Human Resource Development Department.**

(a) Scholarships- There are two types of Post metric Scholarship Schemes for students who are pursuing various Post metric professional and technical courses in the various institutes in and out side the State as notified vide Notification No.166/Sch/HRDD dated 03.08.03.

- i. 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 recognised Board for pursuing under any graduate course of his or her preference.
- ii. General scholarship is awarded to students who secure below 70% - 50% in descending order subject to fulfilment of the eligibility criteria for pursuing specifically notified courses at Diploma Degree and Post Graduate level.

The details of year wise benefits provided along with expenditure from 2002-03 to 2007-08 are as under:-

<b>Financial Year</b>	<b>Expenditure Incurred (Rs. In lakhs)</b>	<b>Number of Beneficiaries</b>
2002-03	66.00	119
2003-04	50.00	142
2004-05	67.50	154

2005-06	60.00	99
2006-07	60.00	246
2007-08	72.80	243
<b>Total</b>	<b>376.30</b>	<b>1003</b>

(b) Text Books and Uniforms

To achieve the goal of compulsory Elementary Education and to provide quality education the State Government has introduced many beneficial schemes.

In this endeavour, uniforms, exercise books and text books are distributed to students up-to Primary level free of cost. On the other hand Text books are distributed at subsidised rate of 50% to the students of Class VI to XII.

Under uniform pants, shirts, tunic, skirts and bakhus are distributed annually whereas raincoats, school bags and pullover are biennial programme.

The physical and financial benefits provided under these schemes for the years 2002-03 to 2007-08 are as under:-

\* Physical figures in actual and financial figures in Rupees in lakhs.

Sl. No.	Schemes	2002-03		2003-04		2004-05		2005-06		2006-07		2007-08	
		Phy	Fin										
1	Exercise Books	99111	43.92	97839	47.23	100774	48.05	96762	51.17	99664	71.97	92005	79.67
2	Uniform	99111	151.72	97839	234.63	100774	150.66	96762	549.95	99664	160.42	92005	572.63
3	Textbook	137806	90.96	137673	119.90	137673	276.10	137778	242.05	140171	310.76	132420	249.63

(c) Tuition fee - Exemptions on the payment of tuition fee is provided to all category of students studying in the schools of Sikkim.

**3. Social Justice, Empowerment and Welfare Department.**

The various social security schemes being implemented by the State Government are the following:-

(a) **Small Family scheme:**

The State Government of Sikkim launched this scheme from the year 1997 for the girl child who has attained the age of 13(thirteen) years. The main objective of the scheme is to control population by delayed marriage and to reduce female morbidity. The scheme also encourages couples to postpone the birth of the first child also to maintain the gap between the first and second child. Under this scheme girl attaining 13 years of age is required to register themselves with department after filling up the prescribed forms. Thereafter, the department will deposit an amount of Rs.8, 000/- in the name of each beneficiary for a period of eight years. From the accumulated interest an incentive of Rs.2000/- will be given to the beneficiary if she marries after the age of 21 years and an additional incentive of Rs.500/- will be given if she marries at the age of 22 years. Further, if she marries at the age of 23 years, an additional incentive of Rs.1000/- will be paid to her. If the beneficiary does not have a child after two years of marriage, she will get an additional incentive of Rs.1000/-. From the accrued interest

Rs.8000/- will be deducted for covering a fresh beneficiary. The beneficiary will get the entire amount along with the interest accrued thereon at the age of fifty years, provided she remains with only two children.

**(b) Working Women's Hostel:**

There are two working women's hostel that is one at Gangtok and other at Namchi, which is being run by Sikkim women's council. The hostel at Gangtok is under the direct administrative control of the department and has the capacity of 74 inmates. The purpose of the hostel is to provide a safe accommodation for women who come from villages or far flung areas and have no place to stay.

**(c) Crèches for working women's children:**

A number of NGOs are running 115 creches throughout the State under the supervision of State Social Welfare Advisory Board. The Central Social welfare Advisory Board provides 90% of the grant and only 10% share is to be borne by the State Government.

**(d) Sikkim State Commission for Women.**

The Sikkim State Commission for women started functioning from November 2002. There is a Chairperson along with five staff for the Commission. The commission is required to organise public hearings, workshops, awareness generation camps etc.

**(e) Widow Remarriage:**

The widow remarriage scheme came into effect from the 1<sup>st</sup> of November 1992. an eligible person (bachelor/widower/divorcee) shall on production of a certificate from the Gram Panchayat or of the priest who solemnised the marriage or marriage officer be entitled to an incentive of rs.10000/-(Rupees Ten thousand)only. However, he will not be entitled to such an incentive if he solemnises a second marriage after death or divorce of the widow remarried earlier.

**(f) Pension to widows of ex-servicemen:**

The State government provides a pension of Rs.100/-per month to the widows of ex-servicemen. The fund is given to the Rajya Sainik Board who disburses the amount to the beneficiaries and then submits the utilisation certificate along with the requirement for the year.

**(g) Disability schemes**

i. Subsistence allowance:

Subsistence allowance is provided to the persons who are identified with various degrees of disabilities like mental retardation, hearing, sight etc. There are presently 1600 beneficiaries who are getting subsistence allowance @ Rs.500/-per month.

ii. Scholarship & Stipend:

Stipend is provided to disabled students studying outside the State @Rs.500/-per month per child and additional Rs.500 for uniform. Scholarship is also being given to children of class I-VI @ Rs.50 per month, Class VII – VIII @Rs.60/- per month, Class IX – X @ Rs.85/- per month. For higher studies scholarship of Rs.800/- per month is provided per child outside the State and Rs.2000/-per annum per child studying within the state.

iii. District Disability Rehabilitation centre:

The DDRC was established during 2001 at STNM Hospital in collaboration with Ali Yuar Jung National Institute for hearing handicapped, Mumbai. It has been taken over by the State

Government since April 2004. The DDRC provides equipments like walking sticks, hearing aids, artificial limbs, wheel chairs, crutches callipers free of cost to the poor and needy disabled citizens.

iv. **Special School for the Deaf:**

Special school for the hearing impaired children has been established in June 2004. There are children studying in the school. It is a residential school where the cost of education, accommodation and general welfare is free.

v. **Sheltered Workshop:**

There is a sheltered workshop at Jorethang being run by the department through disabled persons. These disabled persons are on muster roll wages and make bamboo and cane products like tools, baskets, etc. These products are sold to earn some revenue.

**(h) National Old Age Pension:**

The National Old Age Pension comes under the National Social Assistance Programme which includes Old Age Pension, National family Benefit Scheme and Annapurna scheme. The first two schemes are implemented by the Social Justice Empowerment & Welfare Department and the last one by the Food & Civil Supplies and C.A. Department with the SJEDW as the nodal department.

These are central and State Government scheme where the central component is received as ACA. Under Old Age Pension, persons of 65 years and above who have no regular source of income are provided old age pension of Rs.400/- per month. The below poverty line beneficiaries are selected on the basis of recommendations given by the local area Panchayat and area MLA.

The Indira Gandhi National Old age Pension (IGNOAP) was launched on 19<sup>th</sup> November 2007 where the persons who have reached 65 years are provided with Old Age Pension. Presently there are 15,169 beneficiaries of OAP.

**(i) National family Benefit scheme:**

Under the National family Benefit scheme, a one-time grant of Rs.10000/-(Rupees Ten thousand) only is given to the BPL family whose primary bread earner has passed away.

**(j) Correctional services 50:50% CSS.**

The department has established a Juvenile Observation Home at Sichey Busty after the enforcement of Juvenile Justice Act in Sikkim. This home has a capacity of 25 juveniles at a time. The juveniles are kept in the Home till their case is pending in the juvenile justice Board.

The juveniles are engaged in basket weaving, painting and are provided with facilities of indoor games.

**(k) Grants in aid to Voluntary Organisation:**

The department provides assistance to Voluntary Organisations to undertake welfare works for the under privileged section of the Society/physically challenged persons.

**(l) Grant in aid to Destitute Homes:**

The Department provides grant in aid to 5 destitute homes situated at various districts in the State. The destitute homes are run by NGO's which provides free education, uniform and hostel facilities to the destitute children. Among these, one at Kaluk is run by the Department itself.

**(m) Supplementary Nutrition Programme:**

- i. The nutrition component of SNP has been specifically outlined with the very objective to eradicate malnutrition among the vulnerable group of the society.

- ii. The Supplement food should provide 8-10 gms Protein and 300 Kcals. The beneficiaries to be covered under SNP are the children of age group of 6 month to below 6 years children and Pregnant & Lactating mothers of ICDS projects and Monastic school children.

**(n) Nutrition Programme for Adolescent Girls.**

This programme was launched as a pilot programme only for the East District during 2002-03. Under this scheme free foodgrains @ Rs.6/kg/month/benf was distributed to the adolescent girls and pregnant and lactating mothers having body weight below 35 kgs.

Statement showing details of schemes implemented are enclosed vide Annexure IX

**19. 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.**

The size of Annual Plan, Position of BCR & MCR, level of Borrowing from the financial Year 2002-03 to 2008-09 for financing the State Annual Plan is as under:

Rs. in crore							
Item	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Size of Annual Plan	350.00	405.00	491.07	511.10	550.00	691.14	852.00
BCR	- 9.17	5.40	28.45	62.89	-125.51	- 105.02	8.16
% of State Plan	-2.62	1.33	5.79	12.30	-22.82	-15.20	0.96
MCR	-20.46	-24.96	-27.75	-25.00	-29.00	2.03	2.42
% of State Plan	-5.85	-6.16	-5.65	-4.89	-5.27	0.29	0.28
Borrowings	72.58	79.61	52.75	96.06	211.53	292.79	316.41
% of State Plan	20.74	19.66	10.74	18.79	38.46	42.36	37.14

**SUBSIDIARY POINT NO.6**

**VI. ECONOMY MEASURES AND ADMINISTRATIVE REORGANSIATION**

**20. A board appraisal of economy measures implemented by the State government from 2000-01 onwards. Savings in expenditure expected there from may also be indicated.**

A broad appraisal of economic measures implemented from 2000-01 are as under:-

1. Amalgamation of some departments.
2. Restriction on purchase of Computers & peripherals, furnishing and purchase of new vehicles.
3. Restriction on creation of the new posts.
4. Curtailment of budgetary provision for housing loans of State Govt. employees.
5. Minimisation of expenditure under direction and administration.
6. Increase of revenue through ARM .

7. Introduction of conveyance allowance in lieu of Govt. vehicle at the option of entitled officers.
8. Introduction of VRS in 2003(one time).
9. Introduction of Contributory pension Scheme for fresh appointments w.e.f. 1.4.2006.

**21. Important measures of administrative re-organisation, if any, carried out during the year from 2000-01 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.**

A. During the year 2004, the State Government vide Notification No.45/Home/2004 dated 24.5.2004 amalgamated various departments into one with a view to improve service delivery, efficiency of official task and cost reduction. A copy of Notification is enclosed at Annexure X

B. On the recommendations of a Cabinet Sub-Committee on decentralization of powers to Panchayati Raj Institutions, De-Centralisation of Financial Powers to Panchayati Raj was implemented from 1<sup>st</sup> August 2003. This was done with the basic aim of delegating more Administrative and Financial powers to Panchayats at the Zilla and Gram Levels.

C. Based on the recommendations of a Committee consisting of Heads of all major Works Department and the Accountant General, Sikkim, decentralisation of the payment system at the District level has been done from 1<sup>st</sup> August, 2003.

D. VRS was introduced by the State Government vide Notification No. J (95)107/GEN/DOP dated: 5.01.2003 vide Annexure XI. This scheme was open to all regular State Government employees who had completed 10 years of regular service. The scheme was introduced with an aim of trimming down the Government Workforce as a part of Fiscal Reform Programme. An amount of Rupees Seven Crores was spent specifically for this scheme by the State Government out of the State Plan. The posts of the Government Servants who were given VRS would also be abolished. The number of employees who availed of this scheme was 138 during 2002-03. Total Expenditure Incurred on VRS is Rs.700.00 lakhs during 2002-03. VRS was also introduced for PSUs in the subsequent year with provision of Rs.7.00 crores.

#### **SUBSIDIARY POINT NO. 7**

#### **VII. SUBSIDIES**

**22. (a) Please indicate head-wise budgetary subsidies given by the State Government from 1997-98 onwards to each of the sectors and its basis/rates, purpose/objectives and the beneficiaries.**

**Commerce & Industries Department**

Head-wise budgetary subsidies given by the State Government from 1997-08 onwards to each of the sectors and the beneficiaries are indicated in the following table. The purpose/objectives of giving the subsidies are to encourage/attract the industrial units and to offset the higher cost of establishment. The details on the basis/rates of the subsidies are given in the Notification No.18/LD/2000 dated 6.7.2000, No.G.O/2/DI/2002-2003/901 dated 17.2.03, the Sikkim Industrial Promotion and Incentive (Amendment) Act,2003 and Notification No. 11/LD/P/07 dated 1.5.07, copies of which is attached at Annexure XII.

Year	Budget Provision/Rs.	Beneficiaries	Amt/subsidy given to each beneficiary/Rs.	Head/sector/nature of subsidy
1997-98	100000	M/S Angi Bhutia, tibet road	12500	Capital investment subsidy
		M/S aho Yangthang Rice Mill	6318	Power subsidy
		M/S Indrakhill Paper Works	8957	Power subsidy
		Sarda Barns	32265	Power subsidy
		Onchung Cable	14183	Power subsidy
		Deep Printers	17394	Capital investment subsidy
		M/S Aritar Rice Mill	2368	Power subsidy
		M/S Aritar Rice Mill	2368	Power subsidy
1998-99	50000	M/S Thupden Cable, Tathangchen	11250	Investment subsidy
		M/S Tshering Diki Enterprises	4579	Power subsidy
		M/S Rajen Enterprises, Tibet Toad	12183	Power subsidy
		M/S Loday Factory	6014	Power subsidy
		M/S LD Enterprise, SNOD Complex	2995	Power subsidy
		M/S Thapa Mills, 10th Mile Makha	6837	Power subsidy
		Rajen Enterprises	4945	Investment subsidy
1999-00	50000	M/S Cable, Tibet Road	15828	Power subsidy
		M/S Phempo thukpa, Tibet Road	5071	Power subsidy
		M/S Khanchenzcha Noodles Factor, Nam Nam	11041	Power subsidy
		M/S Bhandari Mills, Rongli	4443	Power subsidy
		M/S Sikkim Shoe Factory, Gangtok	4886	Power subsidy
2000-01	100000	M/S Coldline Projects	60000	Consultancy Fee
		M/S Khanchenzonga, Nam Nam	1799	Power subsidy
		M/S Ruchi Diagnostics	14163	Power subsidy
		M/S Tshering Diki Still Enterprises, Tadong	22522	Power subsidy
2001-02	147000	M/S Dikling Mills, Pakyong	11344	Power subsidy
		M/S Metro Prints	31497	Power subsidy
		M/S Sikkim sangam auto Works	1458	Power subsidy
		M/S Ruchi Diagnostics	13903	Power subsidy
		M/S Dikkary Industries	12527	Power subsidy
		M/S High altitude Spices	6143	Power subsidy
		M/S Phempo thukpa Factory, Tibet Road	2941	Power subsidy
		M/S Bhaichung, Machong	1406	Power subsidy
		M/s Chandra Mills, West Sikkim	4643	Power subsidy
		M/S Kanchanjanga Flour Mill, Tadong	25000	Power subsidy
		M/S Kharka Mill	7010	Power subsidy

		M/S Ruchi Diagnostics	9641	Power subsidy
2002-03	15000	M/S Dikkary Industries, Tibet road	11471	Power subsidy
		M/S Raju Mills, Daramdin	3105	Power subsidy
2003-04	430000	Professional Service of Dr. MR Prakash Gurrall for Growth Centre.	1500	Consultancy Fee
2004-05	0			
2005-06	2755000	M/S Mount Distilleries	1383147	Subsidy on working Capital interest/Power subsidy/ capital investment/ captive power Generator
		M/s Uttam Cold Storage	507011	Power subsidy
		M/S Sikkim Diary Products (P) Ltd.	544560	Power subsidy
		M/S Kanchenzonga Flour Mill	119622	Power subsidy
		M/S Sikkim Time Corporation	144002	Power subsidy
		M/S High altitude Spices, Ravangla	10000	Power subsidy
2006-07	1014000	M/S Ruchi Diagnostics	140000	Capital Investment Subsidy
		M/S Sheela Foam (P) Ltd.	176716	Power subsidy
		M/S SICPA	200000	Power subsidy
		M/S Mount Distilleries	200000	Local Employment Promotion Grant
		M/S Uttam Cold Storage	94280	Power subsidy
		Pokherel Noodles	34810	Power subsidy
		M/S Khangri Noodles	25930	Power subsidy
		M/S Khanal Multi-Mill, Machong	3350	Power subsidy
2007-08	400000	M/S Tenzing Fabrication, Gyalsing	5247	Capital Investment subsidy
		M/S Kailash roller Mills	197984	Power subsidy
		M/S Khangri Noodles, U/Chandmari	39600	Local Employment Promotion Grant
		M/S Rainbow (P) Ltd.	119589	Subsidy on Diesel Generator Set.

**(b) Please specify the subsidies of different types – direct or indirect – being paid/borne by the State Government and its basis/rates, purpose/objective, and since when these are being paid, from 2000-01 onwards, together with assessment(s), if any made as to their usefulness and quantification of the benefits flowing from these subsidies. The form (whether in the form of concessional interest rates, prices/cheques for services/or outright grant) may also be indicated.**

Subsidies of different types – direct or indirect – being paid/ borne by the State Govt. and since when these are being paid are as follows:

### **1. Commerce and Industries Department**

<b><u>Direct Subsidies</u></b>	-	<b><u>Effective date</u></b>
1. Subsidy on interest	-	3.7.2000
2. subsidy on Power	-	- do -

3. Subsidy on Registration fee On Promotion Council, ISO, Commodity Board, Chamber Of Commerce	-	- do -
4. Investment Subsidy	-	17.2.03
5. Subsidy on captive power generating sets	-	2003
6. Subsidy on cost incurred on Quality control measures	-	- do -
7. Subsidy on consultancy service	-	- do -
8. Subsidy on study tours and Implant training	-	2003
9. Subsidy on State Transport	-	- do -
10. Subsidy for technical know-how	-	- do -
<b><u>Indirect Subsidies/concessions</u></b>	-	<b><u>Effective date</u></b>
1. Price Preference	-	3.7.2000
2. Exemption on security deposit/ or earnest money	-	- do -
3. ISO/ISI Certification	-	- do -
4. Exemption from Income Tax	-	16.2.74
5. Exemption from Excise Duty	-	17.2.03
6. Insurance Premium on capital Investment	-	- do -
7. Special Incentive to the pioneer unit	-	2003
8. Special incentives for women entrepreneurs	-	- do -
9. Stipendiary support for EDP	-	- do -
10. Reimbursement of Stamp Duty and Registration Fee	-	- do -
11. Local employment promotion grant	-	- do -
12. Allotment of developed land	-	- do -
13. Special incentives for Agro and Food Processing Industries	-	- do -
14. Concession on State and central Sales Tax	-	- do -
15. Deferment of VAT	-	1.5.07

The basis/rates of the subsidies have been indicated in the notifications referred in reply to point no. 22(a). The purpose/objective of giving the subsidies is to encourage/attract the private sector industrial units and to offset the higher cost of establishment. Comprehensive assessment as to the usefulness of the subsidies and quantification of the benefits flowing from these subsidies has not yet been made though preliminary assessment in regard to the usefulness and benefits are made before sanctioning the subsidies. The relevant form appropriate to the nomenclature of the subsidies is applied.

## **2. Food & Civil Supplies & Consumer Affairs Department.**

### **(a) SUBSIDIES ADMINISTERED BY FOOD AND CIVIL SUPPLIES & C.A. DEPARTMENT.**

The main objective of the department is to ensure supply of essential commodities throughout the State to the entitled consumers. Further, the department has also has the responsibility to vigil over black marketing, hoarding etc. of any essential commodities and to curb such irregularities and mal practices under the Essential Commodities Act.

Procurement, distribution, transportation, storage, price controlling and the establishment of necessary infrastructure in terms of godowns, fair price shops etc. are taken care of by the Department of Food and Civil Supplies and Consumer Affairs.

The subsidies borne by the State Government through the Food and Civil Supplies and C.A. Department are provided under the following schemes. All these subsidies are direct and are provided as per the Food Security Policy Decision of the Government.

### **(b) TARGETED PUBLIC DISTRIBUTION SYSTEM (T.P.D.S.):**

#### **1. Below Poverty Line (BPL):**

The existing allocation of rice under this scheme is 9420.00 quintals per month from the Government of India. Under this scheme the State Government has been benefiting to 26,914 poor families of the State at the distribution scale of 35.00 Kgs. per family per month.

The identification of BPL families is done through Gram Sabha with due involvement of Panchayati Raj Institution. Distinctive ration cards have been issued to these beneficiaries. As such the distribution of BPL rice is implemented on the basis of the lists received from the Gram Sabha through the concerned District Collectors of the four Districts of the State. The scale of distribution per family per month is 35.00 Kgs. @ Rs.4/- per Kg.

The procurement rate (Ex-FCI) of BPL rice is Rs.565/- per quintal and the end retail price is Rs. 4/- per Kg. The State Government is bearing the subsidy of Rs. 255/-per quintal for the welfare of economically backward citizens. The monthly expenditure borne by the State Government under the scheme comes to 9420 quintals X Rs 255 per quintal = Rs 24, 02,100.00

#### **2. Antodaya Anna Yojana (AAY):**

The Government of India allocates 5,780 quintals of rice to the State of Sikkim per month under Antodaya Anna Yojana Scheme.

##### **a. Mukhya Mantri Antodaya Anna Yojana (MMAAY):**

Identification of beneficiaries under this scheme is also done through Gram Sabhas. The beneficiaries under this scheme are selected from the utmost poor families from within the BPL families and special cards have been issued with distinctive hologram of the department. Under this scheme, rice is provided to 9914 beneficiaries at the scale of 35.00 Kgs per family per month at free of cost thereby, bearing the total cost from the State subsidy. The total allocation of rice under this scheme is 3470.00 quintals per month.

The procurement rate (Ex-FCI) of MMAAY rice is Rs.300/- per quintal. The State Government is bearing the total subsidy of Rs.346/- per quintal for the welfare of poorest of the poor citizens of the State.

The monthly subsidies borne by the State Government under the Scheme works out to 3470 quintals X 346 per quintal = Rs 12,00,620.00

***b. Expanded Antodaya Anna Yojana (EAAY):***

Selection of beneficiaries is done through the normal procedures of Gram Sabha and who hail from the poorer section from within the BPL families. No distinctive card has been issued to these beneficiaries apart from existing BPL cards. Rice is provided to 6600 beneficiaries at the scale of 35.00 kgs. Per family per month @ Rs.3/- per kg thereby bearing the subsidy of Rs. 101/- per quintal per month for total in-borne handling and miscellaneous charges incurred.

The procurement rate (Ex-FCI) under this scheme is Rs.300.00 per quintal and the consumer rate is Rs.3/- per kg.

The monthly subsidies borne by the State Government under this scheme comes to Rs 2310 quintals X 101 per quintal = Rs 2,33,310.00

**3. Mukhya Mantri Khadya Suraksha Abhiyan Scheme (MMKSA):**

No separate allocation under this scheme is being done from Government of India. However, the State Government has been releasing rice to 25480 marginal and economically backward beneficiaries apart from Gram Sabha from within the APL (Above Poverty Line) quota of rice at the scale of 35 Kgs. per family per month @ Rs.4/- per Kg. No separate ration cards have been issued to these beneficiaries under this scheme.

The procurement rate (Ex-FCI) of rice under this scheme is Rs. 830/- per quintal and the end retail subsidised price for the eligible beneficiaries is Rs.4/-per kg. The State Government has been bearing the subsidy of Rs. 520/- per quintal per month.

The monthly subsidies borne by the State Government under this scheme comes to 8918 quintals X Rs 520 per quintal = Rs 46,37,360.00

**4. Annapurna Scheme :( APS)**

Under Annapurna Scheme destitute senior citizens of above the age of 65 who are eligible for National Old Age Pension but have not been covered so far are provided 10 kgs of rice free of cost every month. Around 2400 identified senior destitute citizens have been provided with separate distinctive Ration Cards. In order they are not subjected to mal – trade practice, rice is distributed from the 26 departmental Food Godowns of the Government of Sikkim spread all over the State. Even the destitute senior citizens can collect their quota as per their convenience in one lot on quarterly basis.

The procurement rate (Ex-FCI) of rice under this scheme is Rs.565/- per quintal which is distributed free of cost. The State Government bears the subsidy of Rs. 620/- per quintal per month inclusive of all in-borne costs.

**5. Welfare Institutions Scheme: (W.I.)**

Under Welfare Institutions Scheme the Government of India allocates 113.90.00 quintals of rice per month to the recognised destitute homes, charitable hostels, orphanages as well as monasteries and religious places of the State. The beneficiaries falling under this scheme are benefited with 2.00 kgs of subsidised rice per inmate per month.

The monthly subsidies borne by the State government under the scheme comes to 113.90 quintals X Rs 255 per quintal = Rs 29,045.00

The procurement rate (Ex-FCI) of rice under this scheme is Rs.565/- per quintal and the end retail price available to the consumer is Rs.4/- per Kg. per month. The State Government bears the subsidy of Rs.255/- per quintal per month. Details of the Statement of Subsidies are as under:

The Subsidies provided by different departments, besides above, is given below:-

Rupees in lakhs

### 1. Co-operation Department

	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Asstt to Credit Cooperatives	0.00	0.00	0.00	0.00	0.00	10.03	0.35	0.27	0.23	0.00	1.00	0.00
1. Godown	0.76	1.00	5.00	3.20	3.88	17.38	0.00	0.00	0.00	0.00	0.00	0.00
2. Transport	0.03	0.79	3.60	5.00	0.00	8.18	2.48	14.91	15.00	2.92	20.00	20.00
3. Marketing Asstt.	0.00	0.40	3.50	2.25	0.50	15.00	1.90	5.52	10.00	51.66	10.00	20.00
4. Consumers Cooperative Misc.	1.94	0.71	3.00	7.20	11.50	23.10	2.00	2.00	0.20	4.20	2.00	0.01
5. Other Cooperative Misc	1.20	0.50	0.00	0.00	1.50	4.36	7.32	0.40	0.90	0.60	0.00	0.01
6. Diary Cooperative	10.00	1.00	8.00	1.00	12.50	8.50	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>13.93</b>	<b>4.40</b>	<b>23.10</b>	<b>18.65</b>	<b>29.88</b>	<b>86.55</b>	<b>14.05</b>	<b>23.10</b>	<b>26.33</b>	<b>59.38</b>	<b>33.00</b>	<b>40.02</b>

### 2. Agriculture Department

	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Manures & fertilizers-Subsidy	59.38	27.74	23.39	52.35	42.93	23.92	21.55	29.02	24.78	23.79	0.00	0.00

### 3. Horticulture Department

	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Subsidy Grant to the Farmers	9.10	0.91	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subsidy on Bank Finance scheme	2.31	4.02	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Asstt. to Panc. Raj for subsidy grant to farmers	0.00	1.50	9.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Marketing subsidy 2435	0.00	0.00	3.92	0.00	0.56	1.63	1.53	3.00	1.49	0.00	0.00	0.00
<b>TOTAL</b>	<b>11.41</b>	<b>6.43</b>	<b>13.42</b>	<b>0.00</b>	<b>0.56</b>	<b>1.63</b>	<b>1.53</b>	<b>3.00</b>	<b>1.49</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

### 4. Food & civil Supplies & Consumer Affairs Department.

	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Food subsidies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	60.00	204.80	204.80

Subsidies on sale of Rice	0.00	0.00	0.00	199.20	700.00	441.17	669.97	797.10	953.41	508.31	744.73	778.00
Subsidy on sale of Petrol. Prod.& other cons. Goods (Rice)	528.00	1700.00	2666.98	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	528.00	1700.00	2666.98	199.20	700.00	441.17	669.97	797.10	953.41	568.31	949.53	982.80

**(c) The annual cost of any subsidy by the State government to its enterprises may be indicated separately from 2000-01 onwards.**

No subsidy is given by the State Govt. to its enterprises (PSEs).

### SUBSIDIARY POINT NO. 8

## VIII. NORMS FOR MAINTENANCE OF CAPITAL ASSETS

### 23. (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 2002-03.**

**(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.**

So far, no fixed norm for maintenance of minor irrigation channels in the State has been evolved. The present amount Rs. 67.91 lakhs available for maintenance in the budget for 2008-09 works out to approximately Rs.8, 288/-per kilometre or about Rs.405 per hectore.

Keeping in view the difficult hilly of the State, the norms for maintenance have been worked out as per current schedule of rates for i) open concrete channel, ii) for piped channel and iii) open concrete channel using half round RCC Hume pipes at the base. These works out to Rs. 1,36,855/-, Rs.28,500/- and Rs.71,500/- per km respectively. Taking the average, the maintenance norms for Sikkim works out to Rs.78, 952 /- per km of Irrigation channel. The details of the norms are given in Annexure –XIII. The total length of MIC as on 31.3.2008 is 819,368 km. Therefore, the annual maintenance fund required is Rs. 647.00 lakhs per year.

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

### **(B) 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.

(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 2002-03.

(c) Please indicate the prevailing norms for the maintenance of roads & buildings, 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.

(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 at present are indicated below:

(a) State Highway - 304 km@ Rs. 1, 19,800/- per km = Rs. 3.64 crores

(b) Others - 1701 km@ Rs. 1, 07,700/- per km. = Rs. 21.96 crores.

(Analysis is at Annexure – XIV)

(ii) **Buildings & Housing** – Norms prescribed by the Department for chalking out Annual Maintenance cost of the government building has been worked out at the rate of 5% of the Capital cost of the building. Depending on the type and finish, the buildings under annual maintenance has been classified as Category A, B and C. Plinth area rates for different categories of buildings are as under;

Category A – Rs13, 500/- per Sq mtr for high quality finish.

Category B – Rs 11,600/- per Sq mtr for standard finish.

Category C – Rs. 9,500/- per Sq mtr for ordinary finish.

#### **Annual Maintenance cost.**

Capital cost of the building = plinth area of building x plinth area rate

Annual Maintenance cost = 5% on the capital cost of the building.

The norms as indicated above are in force since 1980.

Norms have not been reviewed recently.

Buildings & Housing: Liability of the beneficiary of the buildings for maintenance of buildings under the legislation in force is Nil.

### **SUBSIDIARY POINT NO. 9**

#### **IX. MANAGEMENT OF SRTC**

24. (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. As per preliminary study, the present share/ratio in between above two is 30:70.

**25. (a) Please give the fare structure per passenger per Km of the State Road Transport Undertakings for different categories of operator's viz. Rural, Urban, City, Deluxe, Semi-deluxe, Luxury coaches, Express, Ordinary. Please indicate the frequency and extent of revision during 2002-03 to 2006-07.**

The fare structures per passenger per km of the Sikkim Nationalised Transport have been given in Notification No. 1/T, dated: 29/3/08 (Annexure ...XV..) No revision in fare structure was made during 2002-03 to 2006-07.

**(b) Please give the rates of concession granted to students, handicapped, freedom fighters, journalists, M.Ps, Members of State Legislature and any other categories. Information may be given separately for each category 2002-03 to 2006-07.**

Rates of concession granted to different passenger categories for the period 2002-03 to 2006-07 are as follows:-

Sl. No.	Passenger categories	Rate of fare concession
1.	Students	25%
2.	Blind	100%
3.	Deaf & dumb	100%
4.	Mentally retarded with Companion	100%
5.	Cancer/thalassmia patient With companion	100%
6.	Physically challenged/leprosy Patient	100%
7.	Freedom fighter and attendant	100%
8.	Widows of freedom fighter	100%
9.	War widows and dependents	100%
10.	Journalist	100%
11.	Senior Citizens(recipient of Old age pension)	100%
12.	Ex-Serviceman and widows of ex-serviceman.	100%

**26. 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 2002-03 to 2006-07 may be given.**

The rate of Motor vehicle Tax and Passenger Tax/Addl. Motor Vehicles Tax had been issued vide Notification No. 2/LD/P/2007 dated: 6.7.07 and applicable from the date of issue of Notification. The hike in the fares of the SNT was made in March 2008.

**27. Please give a note on steps taken, if any, for improving the financial position**

**of the Undertaking during the year 2000-01 to 2008-09 (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 the financial position of SNT during 2000-01 to 2008-09.

(1) SNT has been constantly achieving the revenue target set forth by the Government. SNT is required to maintain a very fine balance while fulfilling the dual role, on the one hand as a department established to perform in the interest of the government and the general public and on the other hand as an organisation like in any other State Transport Undertaking (STUSs) set up with the primary objective of providing service as well as generating revenue. The backbone of any transport organisation is its fleet strength. The financial performance of the organisation to a great extent depends in this key factor. It also correspondingly affects other critical parameter such as vehicle productivity, staff productivity, vehicle staff ratio, load factor etc.

As far as augmentation of the fleet is concerned, SNT has not been able to achieve its requirement during the 9<sup>th</sup> and 10<sup>th</sup> Five Year Plans due to inadequate allocation of funds in the budget. This has depleted the fleet strength of the department considerably over the years. Besides, SNT has large number of vehicles which are over aged and this makes the operational cost extremely high.

During the 11<sup>th</sup> Plan, augmentation of the fleet is to be made for improving the financial position.

i. Voluntary Retirement Schemes(VRS)

With the onset of the VRS introduced by the Government, 88 staff members had applied for VRS, however, due to fund constraint only the case of 08 (eight) persons had been considered.

ii. Revision of tariffs to increase profitability has been made with effect from March 2008.

iii. Expansion and Renovation.

Proposal for up-gradation of Inter State Bus Terminus (ISBT) at Gangtok is envisaged during the 11th Plan.

iv. An agreement has been signed between CIRT Pune for carrying out consultancy study on "Suggesting Performance Improvement Measures for SNT".

**28. 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 2002-03 to 2006-07 be given.**

There being no SRTC, no guarantee is given/loan obtained.

## SUBSIDIARY POINT NO. 10

### **X. POWER SECTOR**

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

The State Electricity Regulatory Commission has not been set up in the State.

- 30. 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.**
- 31. 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.**
- 32. 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.**
- 33. 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.**

**Note to Point No. 30, 31, 32, 33 & 35:** Instructions noted. Utilities do not exist in the State.

Power Sector is directly taken care of by Govt. Department viz. Energy & Power Department.

- 34. 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.**

A brief note on the method of estimating the Transmission and Distribution losses is as under:-

- a. All the 11KV feeders are metered.
- b. 100% metering of consumers has also been completed.
- c. Some of the distribution sub stations are metered and the rest of sub stations are being provided with meters by the department.
- d. The losses in the LT distribution lines feeding the consumers are being monitored so as to minimise them. The department is also taking up re-conductoring of the LT conductors in many locations to reduce the losses. The department is making efforts to maintain HT/LT ratio as 1:2 for reduction of losses.

As regards Energy auditing, the department had engaged The Energy and Resources Institute (TERI), New Delhi for estimating the Transmission and Distribution loss of the State Power Network during the year 2005-06. The study was carried out in five numbers of 11 KV feeders which represented all major consumer categories i.e. domestic, commercial, Industrial and Combined domestic/Commercial geographically

spread over the entire State. The total transmission and distribution loss estimated was 12.89%.

- 35. Copies of the audited annual report, balance sheet and the profit & loss account and the cash flow statement of the each utility for the 2002-03 to 2006-07 may be sent. A separate note on the steps taken by the State to improve the financial position of the Utilities should be enclosed.**

(Note furnished vide Point No. 30, 31, 32 & 33).

- 36. 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 2002-03 to 2007-08.**

As already stated above, Utilities do not exist in the State. However, a PSE viz. Sikkim Power Development Corporation Ltd. has been set up for development of hydel projects. The State Government has given guarantee for Rs. 50.00 crores to the Sikkim Power Development Corporation Ltd. (SDPC) for raising bonds for development of Hydel Projects during the year 1998-99.

#### **SUBSIDIARY POINT NO. 11.**

#### **XI. PUBLIC SECTOR ENTERPRISES**

- 37. (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 2007-08 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 2002-03 to 2006-07.**
- (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.**

Names of Statutory Corporations and Government Companies etc. in which the State Government's investments have been made as at the end of 2007-08 along with the amounts invested are as follows:

Sl. No.	Name	Investment (Rs. In crores)	Share holding pattern	Period upto which accounts have been finalised/audited
1	State Bank of Sikkim	0.58	Equity share	2005-06
2	Sikkim Mining Corporation	6.12	Equity share	2006-07

3	State Trading Corporation of Sikkim	1.11	Equity share	2003-04
4	Sikkim Time Corporation	15.48	Equity share	2003-04
5	Sikkim Industrial Development and Investment Corporation	10.77	Equity share	2005-06
6	Sikkim Livestock Development Corporation	0.22	Equity share	Closed
7	Sikkim Livestock Development Processing	0.69	Equity share	Info. not available
8	Sikkim Tourism Development Corporation	8.00	Equity share	2005-06
9	Sikkim Power Development Corporation	3.40	Equity share	2004-05
10	Sikkim SC/ST/OBC Finance Development Corporation	11.55	Equity share	2005-06
11	Sikkim Jewels Limited Company	9.81	Equity share	2005-06
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.	3.79	Equity share	2004-05
22	Sikkim Himalayan Orchid Ltd.	0.16	Equity share	Info. not available
23	Sikkim Flora Ltd.	0.15	Equity share	Info. not available
24	State Bank of India	-	Equity share	Info. not available
25	Sikkim Consumers' Co-operative Society	0.17	Equity share	Info. not available
26	Multi-purpose Co-operative Society	1.12	Equity share	Info. not available
27	Investment in State Co-operative Bank (SISCO)	9.36	Equity share	Info. not available

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

Concerned Departments /Organisations have been instructed to clear the back-log of audit without any delay.

There is no proposal of privatisation of the Enterprises at the moment. Sikkim Flour Mills and Cold Storage have been privatised.

Data on Capital base, budgetary support and amount of interest/ dividend, etc have been furnished vide Statement No. 41 of the State format which is attached herewith. Except an amount of Rs. 2.03 crores which is lying against Sikkim Industrial & Investment Corporation towards Loan, there is no outstanding loan against above PSEs. Out of Rs. 2.03 crores, Rs. 0.03 crores was given about 20years back as interest free loan and Rs. 2.00 crore was given to Sikkim Vanaspati Ltd. through SIDICO during November 1992 as a Soft loan (@6% interest). Sikkim Vanaspati Ltd. closed down their operations from January 1995 and requested the Government to write off the loan. Accordingly the figure of accumulated un-paid interest has not been worked out. Against the balance amount, SIDICO has requested the Government for conversion of over-due loan of Rs. 0.03 crore into equity, which is under consideration.

Financial results in terms of profit and loss have been indicated in Statement No. 41.

(Rs. in Crores)

<b>Name of PSE: State Bank of Sikkim. Function: Banking / Govt. Treasury.</b>					
	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
1. Turnover	12.08	14.80	15.90	24.20	27.38
2. Capital Invested					
(i) State Government	0.58	0.58	0.58	0.58	0.58
(ii). Others	0.00	0.00	0.00	0.00	0.00
3. Turnover per Unit	20.83	25.52	27.41	41.72	47.21

<b>Name of PSE: STCS . Function: Trading / Supply of goods like furniture, cement, rod and other stock materials etc.</b>			
1. Turnover	18.24	15.41	Accounts not finalised
2. Capital Invested			
(i).State Government	1.11	1.11	
(ii). Others	0.00	0.00	
3. Turnover per Unit	16.43	13.88	

<b>Name of PSE: Sikkim Mining Corporation. Function: Mining.</b>	
1. Turnover	Closed during 2006-07
2. Capital Invested	
(i).State Government	
(ii). Others	
3. Turnover per Unit	

<b>Name of PSE: Sikkim Jewels Ltd. Function: Manufacturing of Jewel Bearings.</b>					
	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
1. Turnover	2.16	2.43	3.40	3.21	2.92
2. Capital Invested					
(i).State Government	5.99	6.49	6.80	7.90	9.81
(ii). Others	0.00	0.00	0.00	0.00	0.78
3. Turnover per Unit	0.37	0.37	0.50	0.41	0.28

<b>Name of PSE: Sikkim Time Corporation Ltd. Function: Manufacturing/ Assembly of watches.</b>					
	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
1. Turnover	2.96	2.54	1.13	0.47	0.38
2. Capital Invested					
(i).State Government	11.23	11.23	11.23	11.99	12.68
(ii). Others	0.00	0.00	0.00	0.00	0.00
3. Turnover per Unit	0.26	0.23	0.10	0.04	0.03

<b>Name of PSE: Sikkim Precision Industries Ltd. Function. Manufacturing of Electronic Goods</b>					
	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
1. Turnover	0.40	0.33	0.25	0.54	0.66
2. Capital Invested					
(i).State Government	3.70	3.70	3.70	3.79	3.79
(ii). Others	0.00	0.00	0.00	0.00	0.00
3. Turnover per Unit	0.10	0.09	0.07	0.14	0.17

<b>Name of PSE: SIDICO. Function: Financing Institution.</b>					
	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
1. Turnover	1.19	3.45	1.73	1.58	1.77
2. Capital Invested					
(i).State Government	9.67	10.17	10.67	10.77	10.77
(ii). Others	6.37	6.37	6.37	6.37	6.37
3. Turnover per Unit	0.07	0.21	0.10	0.09	0.10

<b>Name of PSE: SC/ST/OBC Dev. Corporation LTD. Function; Financing Institution</b>					
	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
1. Turnover	0.79	0.93	0.82	0.95	0.99
2. Capital Invested					
(i).State Government	9.00	9.55	9.55	9.55	9.55
(ii). Others	0.00	0.00	0.00	0.00	0.00
3. Turnover per Unit	0.09	0.10	0.09	0.10	0.10

<b>Name of PSE: STDC. Function: Promotion of Tourism</b>					
	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
1. Turnover	0.98	1.53	0.99	1.02	1.10
2. Capital Invested					
(i).State Government	3.50	6.06	6.46	7.46	7.76
(ii). Others	0.00	0.00	0.00	0.00	0.00
3. Turnover per Unit	0.28	0.25	0.15	0.14	0.14

<b>Name of PSE: SPDC. Function: Power generation</b>					
	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
1. Turnover	All the projects are in construction phase				
2. Capital Invested					
(i).State Government					
(ii). Others					
3. Turnover per Unit					

<b>Name of PSE: SLPDC. Function: Animal Husbandary.</b>					
	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
1. Turnover	0.04	0.03	0.04	0.04	0.02
2. Capital Invested					
(i) State Government	0.69	0.69	0.69	0.69	0.69
(ii). Others	0.00	0.00	0.00	0.00	0.00
3. Turnover per Unit	0.06	0.04	0.06	0.06	0.03

<b>Name of PSE: Sikkim Flour Mills Ltd. Function : Production of Flour</b>					
	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
1. Turnover	Closed				
2. Capital Invested					
(i).State Government					
(ii). Others					
3. Turnover per Unit					

<b>Name of PSE: CWAL. Function: Repairs of vehicles</b>					
	<b>2002-03</b>	<b>2003-04</b>	<b>2004-05</b>	<b>2005-06</b>	<b>2006-07</b>
1. Turnover	Closed				
2. Capital Invested					
(i) State Government					
(ii). Others					
3. Turnover per Unit					

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

A committee has been set up to look into the details of the PSEs and recommend measures to improve the efficiency of the PSEs. Concerned administrative departments have been providing continuous supervision to promote the functioning of the PSEs. Timely auditing of accounts are being undertaken.

**(b) Does the State have any strategy for disinvestment? Have any PSEs being closed/merged? If so, the details may be given.**

The State Government is considering the proposal for disinvestment of the sick units. The following PSEs have been closed:

- i. Sikkim Mining Corporation

- ii. Sikkim Live Stock Development Corporation
- iii. Chandmari Car workshop & Automobiles Limited
- iv. Sikkim Flour Mills Limited

**(c) 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**

One time VRS has been introduced for the employees of various PSEs during 2003-04. Funds earmarked for the scheme was Rs.7.00 crores.

### SUBSIDIARY POINT NO. 12

#### **XII. DEBT CONSOLIDATION AND RELIEF FACILITY (DCRF):**

**39. (a) Whether FRBMA has been passed? If yes, please specify the date of enactment.**

**A copy of the Act may be enclosed.**

FRBM Act has not been introduced.

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

No.

**(c) If Fiscal Correction Path (FCP) has been drawn up for the period 2005-06 to 2009-10, a copy of the FCP/revised FCP may be furnished.**

No.

**(d) 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:

i) 1 <sup>st</sup> Instalment released	-	Part A- Rs.25.46 crore Part B- Rs. 0.23 crore Total – Rs.25.69 crore.
ii) 2 <sup>nd</sup> Instalment released	-	Part A- Rs.25.61 crore Part B- Rs. 0.40 crore Total – Rs.26.01 crore
i) 3 <sup>rd</sup> Instalment released	-	Part A- Rs.25.48 crore Part B- Rs. 0.44 crore Total – Rs.25.92 crore.
ii) 4 <sup>th</sup> Instalment released	-	Part A- Rs.24.97 crore Part B- Rs. 0.49 crore Total – Rs.25.46 crore
ii) 5 <sup>th</sup> Instalment released	-	Part A- Rs.24.58 crore Part B- Rs. 0.49 crore Total – Rs.25.07 crore

**Grand Total:** Rs. 128.15 crore.

(e) 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:

(Rs. in lakh)

Year	Annual repayment schedule prior to consolidation	Interest payment due prior to consolidation	New amortization schedule after consideration	Schedule of interest payment after reset of interest at 7.5% per annum
2005-06	Nil	Nil	Nil	Nil
2006-07	Nil	Nil	Nil	Nil
2007-08	Nil	Nil	Nil	Nil
2008-09	Nil	Nil	Nil	Nil
2009-10	Nil	Nil	Nil	Nil

**Benefit under DCRF have not been availed.**

(f) Details of debt write-off availed

(Rs. 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	Nil	Nil	Nil	Nil	Nil	Nil
2006-07	Nil	Nil	Nil	Nil	Nil	Nil
2007-08	Nil	Nil	Nil	Nil	Nil	Nil
2008-09	Nil	Nil	Nil	Nil	Nil	Nil
2009-10	Nil	Nil	Nil	Nil	Nil	Nil

**No Debt write-off availed.**

(g) 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 State Govt. has adopted the following measures for fiscal correction:

1. Revision of excise duty on all kinds of India made Foreign Liquor and Beer manufactured in the State and imported from other States vide Notification no. 9(Excise/ABK) dated 21.2.06 enclosed vide annexure II.
2. Revision of Import Pass Fee on India Made Foreign Liquor vide Notification No.07-08/Excise/ABK dated 7.7.2004 enclosed vide Annexure II.

3. Revision in the rate of Motor Vehicle Taxation vide Notification no. 2/LD/P/2007 dated 6.7.2007 vide Annexure III.
4. Levy of Sikkim Education Cess on Alcoholic beverages vide Notification No. 9/LD/P/07 dated 26.4.07 enclosed at Annexure VI
5. Levy of Sikkim Ecology Fund and Environment Cess vide Notification No. 1/LD/P/2005 dated 25.4.05 enclosed at Annexure VII.
6. Imposition of Tax on Profession, Trades, Callings and Employment vide Notification No. 25/LD/2006 dated 31.3.06 vide Annexure V.

With the revision of the taxes and imposition of tax and cess as indicated above the tax revenue of the State has increased. However, in certain cases, like State Excise, the State have to face market competition with the neighbouring States and the anticipated growth could not be achieved in the later years.

**(h) Please give the status of consolidated sinking fund as recommended by the 12th Finance Commission.**

The balance at the end of 2006-07 is Rs. 78.66 lakh and the likely balance at the end of 2008-09 will be Rs. 102.12 crores.

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

No.

**40. 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 16<sup>th</sup> December 2000 (copy at Annexure- XVI ). As per the Act, total outstanding Government Guarantee on the 1<sup>st</sup> 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.

**(b) The total outstanding State Government guarantees as on 31.03.2008 may be given.**

The total outstanding State Government guarantees as on 31.03.2008 is Rs. 75.00 crores (Rupees seventy five crore) only.(Sikkim Power Development Corporation – Rs.50.00 crore and Sikkim State SC/ST/OBC Development Corporation – Rs.25.00 crore).

**(c) If there have been any defaults on guaranteed loans and budgetary interventions have had to be made, the details may be given from 2002-03 onwards.**

There was no default on guaranteed loans given after 2002-03 and there was default in 4 cases which has been paid by the Govt. with interest for guarantee given prior to 2002-03 as under

<b>Sikkim Vanaspati Pvt. Ltd.</b>	-	Rs. 11.05 crores.
<b>Sikkim Jewels Ltd.</b>	-	Rs. 5.30 crores
<b>Sikkim Time Corporation</b>	-	Rs. 6.50 crores
<b>Red Orchid Pvt. Ltd.</b>	-	Rs. 0.08 crores.

**(d) Status of the Guarantee Redemption Fund as recommended by the Twelfth Finance Commission.**

The Sikkim Guarantee Redemption Fund Act has been passed and implemented from – 2005-06. The total Amount in the fund as on 31.03.2008 is Rs.5.72 crores.

### **SUBSIDIARY POINT NO. 13**

#### **XIII. TAXATION EFFORTS:**

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

Number of measures have been taken by the Govt. to improve Tax GSDP ratio, these are, revision of rates of Land Revenue and registration fees and introduction of Professional tax as a result of which the State was able to maintain the Tax GSDP ratio almost at constant level during the period from 2002-03 to 2006-07.

- (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.**

No.

### **SUBSIDIARY POINT NO. 14**

#### **XIV. INTRA-STATE REGIONAL DISPARITIES**

- 42. (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.**

The State is wholly hilly state with no plain land. The agro-climatic condition ranges from sub-tropical type in the lower valley to alpine in the upper regions. No single crop can suit to all the elevations. Less than 30% of the land is classified as Capacity Class I land. Cultivation is done in the sloping topography almost without bench terracing.

The total area of the State of Sikkim is 7096 sq. kms. out of which only about 11% is available for cultivation. Major agriculture crops in the State are paddy and maize, both are used by the farmers for subsistence and the major portion of maize is used as cattle feed.

The State has three agro-climatic zones namely; low altitude (upto 2000 feet), mid altitude (upto 4500 feet), high altitude (above 4500 feet). The State is divided in to four districts, East, West, North and South all the four districts have these three types of agro-climatic zones. The climatic and weather conditions vary in all the four districts. The north district receives moderate to heavy rainfall from 100 cms to 300 cms whereas parts of south district are draught borne receiving rainfall less than 100 cms. The altitude of the State varies from 300 mtrs to 8500 mtrs within a short aerial distance of about 100 kms. Thus the State is characterized by areas of heavy rainfall coupled with steep slopes and rain shadow areas with moderate slopes, these geographical weather conditions made agriculture production difficult. Even though there is a very high degree of bio-diversity but capacity for mass production is very limited. This makes the State deficit in food grain production. The average land holding in the State is 1.57 hectare, which means that majority of the farmers are small and marginal.

The soil condition within the State varies from one district to another. The high rate of runoff causes rapid depletion of top fertile soil. Most of the places, the soil is acidic which results in reduced production.



sector, 5970 in East district, 4306 in West district, 1020 in North district and 3873 in South districts are the beneficiaries covered under old age pension.

#### **SUBSIDIARY POINT NO. 15**

#### **XV. QUALITY OF EXPENDITURE:**

**43. What is the present status of outcome budgeting. Has it been initiated?**

**(a) If so, number and name of departments covered. How is the outcome budget monitored? Whether any manual has been evolved and guidelines issued?**

Outcome budgeting has not been initiated.

#### **SUBSIDIARY POINT NO. 16**

#### **XVI. PENSION REFORMS INITIATIVE:**

**44. Whether pension reform has been already initiated? If so, the date and details of the reform initiative. If no, whether this is under consideration.**

The Pension reform has already been initiated with the introduction of State Government (Contributory Pension) Rules 2006. For perusal of the details regarding the new Pension System Notification No. 70/Pen/ 117/05 dated 18.05.2006 may be seen (Annexure - XVII).

#### **SUBSIDIARY POINT NO. 17**

#### **XVII. USER CHARGES:**

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

The Urban Development and Housing Department levies the following user charges:

- Parking Fees
- Pay and Use Toilets
- Rent from Premises
- Ropeway Lease Rent
- Advertisements and Hoardings
- Sanitation Fees

Further following user charges are also collected by State Government.

- i. Licence fee on Govt. Quarter
- ii. Vehicle user charge
- iii. Road machinery
- iv. Electricity.

Copies of the Notifications/Rules are enclosed at (Annexure XVIII)

**HOME DEPARTMENT:-**

New Sikkim House, New Delhi

(Figures in Rs.)

Sl. No.	Type of Suite	Rate per day		Yearly Collection
		Official	Private	
1.	VIP Suite	800/-	1000/-	
2.	Ordinary (Double Bed)	400/-	500/-	15,00,000/-
3.	Ordinary(Single beg)	300/-	350/-	

**Circuit House**

Sl.No.	Type of Suite	Rate per day	Yearly Collection
		All purpose	
1.	VIP	800/-	14,00,000/-
2.	Ordinary (Double Bed)	600/-	

**State Guest House**

Sl. No.	Type of Suite	Rate per day	Yearly Collection
		All purpose	
1.	VIP Suite	800/-	7,00,000/-
2.	Ordinary (Double bed)	500/-	

**Chintan Bhawan**

Sl.No.	Type	Rate per day	Yearly Collection
1.	Conference Hall only	15,000/-	
2.	Bnaquet Hall only	15,000/-	10,20,000/-
3.	Conference + Banquet Hall	20,000/-	
4.	Meeting Hall	5,000/-	

**Hire Charges of Govt. vehicles allotted to the officers**

Sl.No.	Type	Rate per day	Yearly Collection
1.	Monthly charges within Sikkim	700/-per month	3,95,000/-
2.	For Private use outside Sikkim	500/-per day	3,00,000/-

**WATER SECURITY & PHE DEPARTMENT:-**

Sector-wise rates of user charges:-

**Sector: Urban Water Supply**

Sl. No.	Number of Taps	Domestic	Commercial
1.	1-3 Taps	Rs.80/-	Rs.160/-
2.	4-7 Taps	Rs.130/-	Rs.260/-

3.	8-12 Taps	Rs.225/-	Rs.350/-
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**Sector: Urban Sanitation**

Sl.No.	Number of Toilets	Rates
1.	One Toilet	Rs. 30/-
2.	Each additional Toilet	Rs. 25/-

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

No users association has been formed till date.

**SUBSIDIARY POINT NO. 18**

**XVIII. ADMINISTRATIVE REFORMS:**

**46. (a) Innovations introduced by Departments/Agencies of the State Governments in the last six years (2002-03 onwards) and how have these impacted on improvements in service delivery, efficiency and cost reduction.**

Single Window system has been introduced in many departments. This has brought tremendous improvement in service delivery, efficiency, cost reduction and convenience to the general public. Various Capacity Building programmes have been implemented which has resulted into efficiency in administering service delivery.

**(b) Are there any schemes to give incentives for innovation? If so what has been the impact.**

No.

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

No.

**SUBSIDIARY POINT NO. 19**

**XIX. INTEGRATED FINANCIAL MANAGEMENT:**

**47. (a) Status of computerization of treasuries.**

Treasuries have been partially computerised. Remaining offices like Provident Fund, Pension etc. are yet to be computerised.

**(b) Status of compensation of the tax administration.**

No.

**(c) Status of debt and guarantee recording and management.**

Debt and guarantee recording has been computerised and the system is functional.

**(d) System being followed to track transfers and expenditures.**

The system followed by the Govt. to track the record of transfers and expenditure is working satisfactorily.

## ANNEXURES

Annexure – I

**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 1<sup>st</sup> April,2002 as follows, namely:-

<u>Sl. No.</u>	<u>Bazar</u>	<u>Ground Rent Rate</u>
1	Gangtok	Rs.50/- per 100 sft.
2	Deorali	- do -
3	Tadong	Rs.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	Rs.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 31<sup>st</sup> 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  
EXCISE (ABK) DEPARTMENT  
GANGTOK**

No..... 9...../Excise (Abk)

Dated. 21/02/2006

**NOTIFICATION**

In exercise of the powers conferred by Section 23 of the Sikkim Excise Act, 1992 (2 of 1992) and in suppression of all earlier Notifications issued on the subject, the Government of Sikkim is pleased to revise the rate of Excise Duty on all brands of India Made foreign Liqueur and Beer manufactured in the State of Sikkim and imported from other States for Civil market, Army/Para Military forces stationed within the State of Sikkim, including SAP, Police Check Post, SIB and SSB as under:

	<b>All brands of IMFL manufactured /bottled by Local Companies</b>	<b>Local Civil ( rate in Rs./LPL)</b>	<b>Local Army ( rate in Rs./LPL)</b>
	a. Whisky, Brandy, Gin & Vodka	63.50	58.50
	b. Rum, Liquor, & Wine	63.50	48.50
<b>2.</b>	<b>All brands of IMFL owned by the companies located outside the State of Sikkim and bottled by Local Companies</b>		
	a. Whisky, Brandy, Gin & Vodka	73.50	53.50
	b. Rum	73.50	43.50
	c. Liquor, & Wine	58.50	43.50
<b>3.</b>	<b>IMFL imported from other States</b>		
	a. Whisky, Brandy, Gin Vodka & Rum	78.50	63.50
	b. Liquor, & Wine	68.50	63.50
	c. Ready to drink beverages	66.50	-
<b>4.</b>	<b>Beer manufactured in Sikkim and imported to other States</b>		
	( Rate in rupees per cases of 7.80 BL)	82.00	62.00

This Notification shall come into force with effect from today i.e., 21/02/2006 (forenoon).

By order,

Sd/-

(M. SHARMA)  
COMMISSIONER  
EXCISE (ABK) DEPARTMENT

**GOVERNMENT OF SIKKIM  
EXCISE (ABK) DEPARTMENT  
GANGTOK**

No...07...../Excise (Abk)

Dated. 07/07/2004

**NOTIFICATION**

In exercise of the powers conferred by Section 23 of the Sikkim Excise Act, 1992 (2 of 1992) and in suppression of all earlier Notifications issued on the subject, the Government of Sikkim is pleased to revise the rate of Import Pass Fee on all brands of India Made foreign Liqueur and Beer imported from other States for Civil market, Army/Para Military forces stationed within the State of Sikkim as under:

**1. Import Pass Fee**

- (a) IMFL imported from other States      Rs. 10.00/LPL  
(b) Beer imported from other States      Rs. 10.00 per case of 7.80 BL.

This Notification shall come into force with effect from today i.e., 07/07/2004 (forenoon).

By order,

Sd/-  
(M. SHARMA)  
COMMISSIONER  
EXCISE (ABK) DEPARTMENT  
GOVERNMENT OF SIKKIM  
FILE NO. GOS/60/EX (ABK) ADM/03-04

**GOVERNMENT OF SIKKIM  
EXCISE (ABK) DEPARTMENT  
GANGTOK**

No...08...../Excise (Abk)

Dated. 07/07/2004

**NOTIFICATION**

In exercise of the powers conferred by Section 23 of the Sikkim Excise Act, 1992 (2 of 1992) and in suppression of all earlier Notifications issued on the subject, the Government of Sikkim has been pleased to revise the rate of Export Pass Fee on all brands of India Made foreign Liqueur and Beer manufactured in Sikkim and exported to other States as under:

**1. Export Pass Fee**

- |                                    |   |                               |
|------------------------------------|---|-------------------------------|
| ( a ). IMFL manufactured in Sikkim | - | Nil                           |
| ( b ). Beer manufactured in Sikkim | - | Rs. 2.00 per case of 7.80 BL. |

This Notification shall come into force with effect from today i.e 21/02/2006 (forenoon).

By order,

Sd/-  
(M. SHARMA)  
COMMISSIONER  
EXCISE (ABK) DEPARTMENT  
GOVERNMENT OF SIKKIM  
FILE NO. GOS/60/EX (ABK) ADM/03-04

# SIKKIM

## GOVERNMENT GAZETTE

EXTRAORDINARY  
PUBLISHED BY AUTHORITY

Gangtok

Saturday 1st July 2007

No. 332

EXCISE (ABK) DEPARTMENT  
GOVERNMENT OF SIKKIM  
GANGTOK

No. 07/Excise (Abk)

Dated. 27/07/2007

### NOTIFICATION

In exercise of the powers conferred by Section 29 of the Sikkim Excise Act, 1992 (2 of 1992) the State Government, on being satisfied that it is necessary in the public interest so to do, hereby exempts potable foreign liquor including similar potable Alcoholic Foreign Liquor blended, matured, compounded, sophisticated outside India from the whole of Excise duty leviable under Notification No. 7/ Ex (Abk) dated 27.7.2001. In exercise of power conferred by section 23 of the Sikkim Excise Act, the State government hereby imposes the following Import Pass Fee on the following portable Foreign Liquor as under:

Sl. No.	Kind of Liquor	<u>Import Pass Fee</u>
a.	Whisky, Brandy, Rum, Vodka, Gin, Liqueur, Cordials and Bitters	- Rs. 120/- (Rupees one hundred twenty) per bulk litre.
b.	Wine	- Rs.80/- (Rupees eighty) per bulk litre
c.	Beer	- Rs. 10/- (Rupees ten) per bulk litre

This Notification shall come into force on the 1<sup>st</sup> August, 2007

Sd/-  
Nalini G Pradhan  
Secretary Excise to the Government of Sikkim  
File No. GOS/21/Excise (Abk) Adm/07-08

**EXCISE (ABK) DEPARTMENT  
GOVERNMENT OF SIKKIM  
GANGTOK**

No...13...../Excise (Abk)

Dated. 22/10/1997

**NOTIFICATION**

In exercise of the powers conferred by Section 23 of the Sikkim Excise Act,1992 ( 2 of 1992) and in suppression of this Department's earlier Notifications the Government of Sikkim has been pleased to enhance the rates of Excise Duty duly merging the Vend Fee on all strengths of Country Liquor being manufactured by SDL, Rangpoo and other outstill distillation units of Majitar ( South Sikkim ), Rothak (West Sikkim ) and Middle Camp ( East Sikkim ) as under :

<b>Kind of Liquor</b>	<b><u>Enhanced Rate</u></b>
30 ° U.P.C.L	Rs. 12/-per London Proof Liter
35 ° U.P.C.L	Rs. 12/-per London Proof Liter
43 ° U.P.C.L	Rs. 10-per London Proof Liter
45 ° U.P.C.L	Rs. 10-per London Proof Liter
65 ° U.P.C.L	Rs. 10-per London Proof Liter
65 ° U.P.C.L	Rs. 10-per London Proof Liter

This Notification shall come into force on the 24<sup>th</sup> day of October, 1997.

By order,

Sd/-  
(M. SHARMA)  
ADDITIONAL COMMISSIONER  
EXCISE (ABK) DEPARTMENT  
GOVERNMENT OF SIKKIM

**SIKKIM**

**GOVERNMENT**  **GAZETTE**

**EXTRAORDINARY  
PUBLISHED BY AUTHORITY**

**Gangtok**

**Saturday 21st July 2007**

**No. 324**

**LAW DEPARTMENT  
GOVERNMENT OF SIKKIM  
GANGTOK**

**No. 2/LD/P/2007**

**Dated: 06.07.2007**

The following Act passed by the Sikkim Legislative Assembly and having received the assent of the Governor on the 16<sup>th</sup> day of April 2007 is hereby published for general information:-

**THE SIKKIM MOTOR VEHICLES TAXATION (AMENDMENT) ACT 2007**

**(Act No. 2 of 2007)**

**AN  
ACT**

further to amend the Sikkim Motor Vehicles Taxation Act, 1982.

Be it enacted by the Legislature of Sikkim in the fifty-eight year of the Republic of India as follows:-

**Short title, extent  
and commencement**

1. (1).This Act may be called the Sikkim Motor Vehicles Taxation (Amendment) Act, 2007.  
(2).It extends to the whole of Sikkim.  
(3).It shall come into force on such date as the State Government may by notification appoint.

**Amendment of  
Sub-section (2)  
of section 4**

2. In the Sikkim Motor Vehicles Taxation Act, 1982, (hereinafter referred to as the said Act), for second provision to sub-section (2) of section 4, the following shall be substituted namely:-

“Provided further in the case of Transport and other vehicles registered outside Sikkim whether temporarily under section 43 of

the Motor Vehicles Act, 1988 or otherwise, which is used or kept for use in Sikkim temporarily, the tax shall be payable in addition to the tax already paid in the parent state on annually or half yearly or quarterly basis for which the Motor Vehicle is so used or kept for use in Sikkim, at the rate prescribed in the Schedule according to the category of vehicles”.

**Amendment of Section 15**

3. In the said Act, in section 15 for the words “two hundred rupees hundred rupees”, the words ”five hundred rupees” and “one thousand shall respectively be substituted.

**Substitution of the Schedule**

4. In the said Act, for the existing Schedule, the following schedule shall substituted, namely:-

**SCHEDULE  
(See Section 4).**

<b>Description of Motor Vehicles</b>	<b>Rate of Tax payable for the year</b>
<b>A. Vehicles for carrying passengers not plying for hire or reward:-</b>	
1. Motor Cycle and Motor Cycle combinations:-	
a) engine capacity upto 80 cc	Rs. 100.00
b) engine capacity above 80 cc upto 170 cc	Rs. 200.00
c) engine capacity above 170 cc upto 250 cc	Rs. 300.00
d) engine capacity above 250 cc	Rs. 400.00
2. Motor cars:-	
a) engine capacity upto 900 cc	Rs. 1000.00
b) engine capacity above 900 cc upto 1490 cc	Rs. 1200.00
c) engine capacity above 1490 cc upto 2000 cc	Rs. 2500.00
d) engine capacity above 2000 cc	Rs. 3000.00
3. Omnibus registered as non-transport vehicle	
a) with seating capacity upto 10	Rs. 1750.00
b) with seating capacity beyond 10	Rs. 1750.00
4. Omnibus registered as educational Institute bus:-	
a) with seating capacity upto 10	Rs. 1750.00
b) with seating capacity beyond 10	Rs. 1750.00
	for 10 plus Rs. 188.00 for each additional seat beyond.
<b>B Vehicles for carrying passengers plying for hire or reward:-</b>	
1. State Carriages:-	
a) for maxi cab, each seat based on seating capacity noted in the registration certificate:	Rs. 230.00

- provided that the maxi cab shall have a state 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. 125.00
2. Contract carriages (including those owned by Motor training schools):-
- a) seating capacity upto 4 seats
- (i) for three wheelers Rs. 260.00
- (ii) for meter taxi Rs. 600.00
- (iii) for vehicle other than meter taxi Rs. 800.00
- b) seating capacity more than 4 seats
- (i) meter taxi upto 5 seats Rs. 800.00
- (ii) other than meter taxi Rs. 1050.00  
for five seats plus  
Rs. 225.00 for each  
Additional seat beyond  
five.
- C Vehicle for transport of goods (including goods carriages owned) By Motor Training School):-**
- a) Upto 500 kgs gross vehicle weight Rs. 871/-
- b) exceeding 500 kgs but not exceeding 2000 kgs gross vehicle weight Rs 871/- plus Rs. 99/-  
For every additional 250 kgs  
or part thereof above 500 kgs.
- c) Exceeding 2000 kgs but not exceeding 4000 kgs gross vehicle weight. Every additional. 250 kgs or Part thereof above 2000 kgs. Rs. 1465/- plus Rs. 124/-
- d) Exceeding 4000 kgs but not exceeding 8000 kgs gross vehicle weight every additional. 250 kgs or Part thereof above 4000 kgs. Rs. 2451/- plus Rs. 73/- for
- e) Exceeding 8000 kgs Gross vehicle weight Rs. 3241/- plus Rs. 99/-  
for every additional 250 kgs or  
part thereof above 8000 kgs.  
Provided that where a vehicle  
for transport of goods is filled  
with solid tyres there shall be a  
surcharge per annum of 12 ½ %  
of the amount payable under

clause (a) or (b) or (c) or (d) or  
(e) above as the case may be for  
such vehicle.

**D Tractors not use solely for  
Agricultural purpose, cranes,  
Breakdown vans, fork-lift,  
Vehicles/trailors fitted with  
Equipment like rig/generator/  
Compressor, tower-wagon  
Tree trimming vehicles, mobile  
Crane, audio visual van, earth  
Moving vehicles, chassis and any  
other vehicle not specified  
elsewhere in this schedule:-**

- |    |   |                              |
|----|---|------------------------------|
| a) | Upto 500 kgs unladen weight   | Rs. 400/-                    |
| b) | Exceeding 500 kgs but not exceeding 2000 kgs unladen weight every additional. 250 kgs or part thereof above 500 kgs.  | Rs. 360/- plus Rs. 96/- for  |
| c) | Exceeding 2000 kgs but not exceeding 4000 unladen weight every additional 250 kgs or part thereof above 2000 kgs.   | Rs. 897/- plus Rs. 107/- for |
| d) | Exceeding 4000 kgs but exceeding every 8000 kgs unladen weight additional 250 kgs or part thereof above 4000 kgs.   | Rs. 1760/- plus 250/- for    |
| e) | Exceeding 8000 kgs unladen weight for every additional 250 kgs or part thereof above 8000 kgs.<br>Provided that where a tractor is Fitted with solid tyres there shall Be a surcharge per annum of 12 ½ % of the amount payable under clause (a) or (b) or (c) or (d) or (e) above, as the case may be for such tractors. | Rs. 5000/- plus Rs. 300      |

**E Trailers:**

- |    |   |                             |
|----|---|-----------------------------|
| a) | Upto 1000 Kgs gross vehicle weight  | Rs. 360/-                   |
| b) | Exceeding 1000 kgs but not exceeding 2000 kgs gross vehicle weight for every additional 250 kgs or Part thereof above 1000 kgs. | Rs. 360/- plus Rs. 36/-     |
| c) | Exceeding 2000 kgs but not exceeding 4000 kgs gross vehicle weight every additional 250 kgs or part thereof above 2000 kgs.     | Rs. 575/- plus Rs. 60/- for |

- d) Exceeding 4000 kgs but not exceeding 8000 kgs gross vehicle weight every additional 250 kgs or part thereof above 4000 kgs. Rs. 1005/- plus Rs. 100/-
- e) Exceeding 8000 kgs gross vehicle weight for every additional 250 kgs or part thereof above 8000 kgs. Rs. 2600/- plus Rs. 150/-
- Provided that where a trailer is fitted with solid tyres there shall be a surcharge per annum of 12 ½ % of the amount payable under clause (a) or (b) or (c) or (d) or (e) above as the case may be for such trailer.

**F. Luxury tourist vehicle (motor cab)**

- a) seating capacity of 4 persons including driver Rs. 3250/-
- b) seating capacity beyond 4 upto 7 persons including driver for every additional seat upto 7 including driver. Rs. 3250/- for 4 plus Rs. 250/-

**G. Ambulance:**

- a) engine capacity upto 900 cc Rs. 1500/-
- b) engine capacity above 900 cc upto 1490 Rs. 2000/-
- c) engine capacity above 1490 cc upto 2200 cc Rs. 2500/-
- d) engine capacity above 2200 cc upto 3000 cc Rs. 3000/-
- e) engine capacity above 3000 cc Rs. 3500/-

By order,

**R.K. PUKAYASTHA (SSJS),  
LR-cum-Secretary,  
Law Department  
File No. 16(82)/LD/07**

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

No. 13/LA280/UDHD/356.

Dated: 6.3.2000

**NOTIFICATION**

In exercise of the powers conferred by Sub-Section (1) of section 3 of the Sikkim Entertainment Tax Act, 1980 (No.8 of 1980) and in super session of all previous Notification and order on the subject, the State Government hereby revised the entertainment tax for Cinematograph exhibitions with effect from the 1<sup>st</sup> day of November, 1999 to the categories of entertainment specified in column (1) of the table below:-

<u>Categories of entertainment</u>	<u>Rate of entertainment tax.</u>
Cinematograph exhibition	<p>(a) Forty percent of the payment for admission (exclusive of tax) where such payment is less than fifteen rupees</p> <p>(b) Fifty percent of the payment for admission (exclusive of tax) where such payment is less than thirty rupees.</p> <p>(c) sixty percent of the payment for admission (exclusive of tax) where such payment is less than rupees seventy.</p> <p>(d) seventy five percent of the payment for admission (exclusive of tax) where such payment is rupees seventy and above.</p>

Explanation: While calculating the tax under any of the items specified in the above table, fraction of a paisa shall be ignored and if the last figure is less than five, the amount shall be increased to the next higher amount which is a multiple of five and if the last figure is more than five, the amount shall be increased to the next higher amount which is a multiple of ten.

Sd/-

( L. B. RAI )

**COMMISSIONER-CUM-SECRETARY  
URBAN DEVELOPMENT & HOUSING DEPARTMENT.  
GOVERNMENT OF SIKKIM**

**URBAN DEVELOPMENT & HOUSING DEPARTMENT  
GANGTOK.**

No.26(34)17 38/UDHD

Dated: 19.9.1997

**NOTIFICATION**

In exercise of the powers conferred by sub-section (1) and sub-section (3) of section 3 A of the Sikkim entertainment Tax (Amendment) Act, 1934 (Act. No.3 of 1984) the State Government hereby imposes the entertainment tax for Laser Dice Parlour for all towns as mentioned in Column (2) of the table below. The entertainment tax shall be paid in lump sum by way of Bank Receipt of the State Bank of Sikkim.

<b>Town</b>	<b>Amount of entertainment Tax payable in lumpsum</b>	<b>Security Deposit</b>
<b>I</b>	<b>II</b>	<b>III</b>
1. Gangtok	Rs.3000/-(Rupees three thousand) per month	Rs.2000/-(Rupees two thousand).
2. Singtam, Namchi, Gyalshing,Rangpo, Jorethang,Naya Bazar.	Rs.2000/-(Rupees two thousand) per month	Rs.2000/- (Rupees two thousand).
3. Other places in Sikkim	Rs.1000/-(Rupees one thousand) per month.	Rs.2000/-(Rupees two thousand).

The entertainment tax payable as specified in column (II) of the table shall be deposited in advance for every following month but not later than the last day of every preceding month.

**By Order.**

Sd/-  
( L. B. Rai )  
Secretary  
Urban Dev. & Housing Department.

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

No.1(3)UD &amp; HD/94

Dated : 02.07.2001

**NOTIFICATION**

In exercise of the powers conferred by sub-section (1) and sub-section (3) of section 3A of the Sikkim Entertainment Tax Act, 1980, the State Government hereby imposes the entertainment tax in lump sum in respect of Video Cassette/Disc Library as mentioned in column II of the table given below:-

**THE TABLE**

Sl.No.	Area	Amount of entertainment tax payable In lump sum
1.	Gangtok	Rupees three hundred per month.
2.	Singtam, Namchi, Gyalshing, Jorethang, Nayabazar, Melli, Rangpo, Rhenock, Rongli, Pakyong, Managan & Deorali.	Rupees two hundred per month.
3.	Other places in Sikkim.	Rupees one hundred per month.

The entertainment tax payable as specified in column (2) of the table shall be deposited in advance by way of Bank Receipt for every following month but not later than the last day of every preceding month. Late fee of rupees 2/- for every day of delay shall be levied against the defaulters failing to pay during the period specified.

By order.  
Sd/-  
(L.B. Rai)  
Commissioner-cum-Secretary  
Urban Development & Housing Department.

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

**No. 6(442)UD & HD/2001**

**Dated: 01.06.2001**

**NOTIFICATION**

In exercise of the powers conferred by section 3A of the Sikkim Entertainment Tax Act, 1980, the State Government hereby imposes the entertainment tax in lump sum in respect of Pool Game Parlour as mentioned in column-II of the table given below:-

The entertainment tax payable as specified in column (2) of the table shall be deposited in advance by way of Bank Receipt for every following month but not later than the last day of every preceding month. Late fee of rupees 2/- for every day of delay shall be levied against the defaulters who fail to settle the tax within the period specified.

**By order.**

**Sd/-  
(L.B. Rai)  
Commissioner-cum-Secretary  
Urban Dev. & Housing Department.**

# SIKKIM GOVERNMENT

# SIKKIM

# GAZETTE



EXTRAORDINARY  
PUBLISHED BY AUTHORITY

Gangtok

Saturday 1st April, 2006

No. 95

GOVERNMENT OF SIKKIM  
LAW DEPARTMENT  
GANGTOK

No. 25/LD/2006

Dated: 31<sup>st</sup> March 2006

The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 24<sup>th</sup> day of March 2006 is hereby published for general information:-

**THE SIKKIM TAX ON PROFESSIONS, TRADES, CALLINGS AND EMPLOYMENTS ACT,  
2006**

(ACT NO. 5 OF 2006)

AN  
ACT

to provide for the levy and collection of a tax on professions, trades, callings and employments for raising additional resources for the benefit of the State.

Be it enacted by the Legislature of Sikkim in the Fifty-seventh Year of the Republic of India, as follows:-

<p><b>Short title, extent and commencement</b></p>	<p>1. (1) This Act may be called the Sikkim Taxation Professions, Trades callings and Employments Act, 2006.</p> <p>(2) It extends to the whole of Sikkim.</p> <p>(3) It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.</p>
<p><b>Definitions</b></p>	<p>2. In this Act, unless the context otherwise requires;-</p> <p>(a)“Act” means the Sikkim Tax on Professions, Trades, Callings and</p>

Employments Act, 2006;

- (b) “appointed day” means the date on which this Act comes into force;
- (c) “Commissioner” means the Commissioner of Profession Tax appointed under section 3 of the Act ;
- (d) “employee” means a person employed on salary or wages and includes (i) a Government servant receiving pay from the revenues of the Central Government or any State Government;
- (ii) a person in the service of a body, whether Incorporated or not, which is owned or controlled by the Central Government or any State Government. any authority or corporation, established by or under any statute, where the body or authority or corporation operates in the State of Sikkim, even though the headquarters may be outside the State;(iii) a person engaged in any employment of an employer, not covered by clauses (i) and (ii) above,
- (e)“employer” in relation to an employee earning any salary or wages on regular basis under him, means the person or the officer who is responsible for disbursement of such salary or wages, and includes the head of the office or any establishment as well as the manager or agent of the employer;
- (f) “month” means a month reckoned according to the British calendar;
- (g)“notification” means a notification published in Official Gazette;
- (h)“person” means any person who is engaged in any profession, trade, calling or employment in the State of Sikkim, and includes a Hindu undivided family, firm, company, corporation or other corporate body, any society, club or association, so engaged, but does not include any person who earns wages on a casual basis;
- (i) “prescribed” means prescribed by rules made under this Act;
- (j) “Prescribed authority” means the authority that may be appointed under and For any of the purposes of this Act;
- (k) “Profession tax” means the tax on professions, trades, callings and employments levied under this Act;
- (l) “quarter” means a period of three months commencing from 1<sup>st</sup> April, 1<sup>st</sup> July, 1<sup>st</sup> October and 1<sup>st</sup> January;
- (m) “salary” or “wage” includes pay, dearness allowance and all other remunerations received by any person on regular basis, whether payable in cash or in kind, and also includes perquisites, and profits in lieu of salary, but does not include any form of bonus or gratuity;
- (n) “Schedule” means the Schedule appended to this Act;
- (o) “State Government” means the Government of Sikkim;
- (p) “tax” means the profession tax;

	(q) “year” means the financial year beginning from 1st April and ending on 31 <sup>st</sup> March.
<b>Authorities for Implementation of the Act</b>	<p>3. (1) For carrying out the purposes of this, the Government shall appoint-</p> <p>(i) an officer to be the Commissioner of Profession Tax;</p> <p>(ii) such other officers as Special Commissioner, Additional Commissioner, Joint Commissioner, Deputy Commissioner, Assistant Commissioner and Inspector of Professional Tax and in such number, as it thinks necessary, to assist the Commissioner.</p> <p>(2) An officer appointed under clause (ii) shall, within limits of such area as the Government or any authority or officer empowered by it in this behalf may assign to him, exercise such powers and perform such duties as may be delegated or conferred or imposed upon him by or under this Act.</p> <p>(3) The superintendence and control for the proper execution of the provisions of this Act and the rules made there under relating to the levy and collection of tax shall vest in the Commissioner.</p>
<b>Levy and charge of tax</b>	<p>4. (1) Subject to the provisions of Article 276 of the Constitution of India, there shall be levied and collected a tax on professions, trades, callings and employments, in accordance with*, he provisions ct this Act.</p> <p>(2) Every person engaged in any profession, trade, calling or employment and falling under one or the other of the classes mentioned in column II of the Schedule shall be liable to pay to the State Government the tax at the rate mentioned against the class of such persons in column III of the said Schedule:</p> <p>Provided that entry in the Schedule shall apply only to such classes of persons as may be specified by the State Government by notification from time to time.</p>
<b>Power to amend the Schedule</b>	5. The State Government, if deemed necessary to do so, may, by notification, add to, amend or alter the Schedule to this Act.
<b>Ability of the employer to deduct and pay on behalf of employees</b>	The tax payable under this Act by any person earning salary or wage shall be to deducted by his employer from the salary or wage payable to such person and pay before such Salary or wage is paid to him, and such employer shall, irrespective of whether such deduction has been made or not when the salary or wage is paid to such person, be liable to pay tax on behalf of all such persons:

	<p>Provided that if the employer is an officer of Government, the State Government may, notwithstanding anything contained in this Act, prescribe by rules the manner in which such employer shall discharge the said liability:</p> <p>Provided further that where any person earning a salary or wage-</p> <p>(i) is also covered by one or more entries other than entry 1 in the Schedule and the rate of tax under such entry or any of such entries is higher than that in entry 1, or</p> <p>(ii) is simultaneously engaged in employment of more than one employer, and such person furnishes to his employer or employers a certificate in prescribed form declaring inter alia, that he shall obtain a certificate of enrolment under sub-section (2) of section 7 and pay the tax himself, then the employer or employers of such person shall not deduct the tax from the salary or wage payable to such person and such employer or employers, as the case may be, shall not be liable to pay tax on behalf of such person.</p>
<p><b>Registration and enrollment</b></p>	<p>7. (1) Every employer, not being an officer of Government, liable to pay tax under section 6 shall obtain a certificate of registration from the prescribed authority in the prescribed manner.</p> <p>(2) Every person liable to pay tax under this Act (other than a person earning salary or wages, in respect of whom the tax is payable by his employer), shall obtain a certificate of enrolment from the prescribed authority in the prescribed manner.</p> <p>(3) Every employer required to obtain a certificate of registration or every person required to obtain a certificate of enrolment, as the case may be, shall, within ninety days of his becoming liable to pay tax, apply for a certificate of registration or enrolment, as the case may be, to the prescribed authority in the prescribed form, and the prescribed authority shall, after making such inquiry as may be necessary, within thirty days of the receipt of the application, grant him such certificate, if the application is in order: Provided that the time period for grant of registration by the prescribed authority shall be six months in the first year from the commencement of this Act.</p> <p>(4) Any person who is liable to pay tax or who is granted registration under sub-section (1) or sub-section (2) under this Act from any particular date shall also be liable after the grant of such registration, for tax for the period prior to such date during which he was liable to pay tax under this Act.</p> <p>(5) The prescribed authority shall mention in every certificate of registration or certificate of enrolment the amount of tax payable by</p>

	<p>the holder according to the Schedule, and the date by which it shall be paid, and such certificate shall serve as a notice of demand for purposes of section t 5.</p> <p>(6) The prescribed authority may, from time to time, amend any certificate of registration or certificate of enrolment in accordance with the information furnished under section 8 or section 9, or, after providing an opportunity of being heard, on the basis of information received otherwise.</p> <p>(7) Where an employer or a person liable to registration or enrolment fails without reasonable cause to apply for such certificate within the required time, the prescribed authority may, after giving him a reasonable opportunity of being heard, impose a penalty not exceeding rupees twenty-five for each day of delay in case of an employer and not exceeding rupees ten for each day of delay in case of others.</p> <p>(8) Where an employer or a person liable to registration or enrolment has deliberately “given false information in any application submitted under this section, the Prescribed authority may, after giving him a reasonable opportunity of being heard, impose a penalty not exceeding rupees one thousand.</p> <p>(9)The prescribed authority shall, after making such inquiry as it may deem necessary and after giving the employer or the person, as the case may be. an opportunity of being heard, fix the date on and from which such employer or person shall become liable to pay tax under this Act.</p>
<p><b>The information to be furnished by the registered employers regarding changes in respect of profession, trade, calling or employment</b></p>	<p>8.(1)Intheeventofanychangesinthetradeorbusinessoranypartthereofcarried out by an employer registered under this Act or changes in the ownership of such trade or business, due to sale or otherwise, or changes in the nature of profession, trade or business, or changes in the constitution of board of directors in the case of a company, or discontinuation of the profession, trade or business of any person liable for tax under this Act, or changes of place of work, the employer or the person concerned shall, within thirty days from the date of such changes or discontinuance, inform the prescribed authority in an application furnishing necessary particulars together with the copy of the certificate of registration or enrolment, as the case may be, and in the absence of the employer or the person for any reason whatsoever, his legal representative, shall, in the like manner, inform the said authority:</p> <p>(2) If the prescribed authority, after making such inquiry as he deems</p>

	<p>necessary, is satisfied that the contents of the application are in order, he shall, by an order in writing, amend or cancel the certificate of registration or enrolment, as the case may be, accordingly: Provided that the prescribed authority may determine the liability of tax if necessary, in view of the changes taken place due to the reasons specified here above.</p>
<p><b>Returns</b></p>	<p>9.(1) Every employer registered under this Act shall furnish to the prescribed authority a return in respect of every quarter, on or before the end of the month following the end of the quarter showing therein the salaries and wages paid by him and the amount of tax deducted by him in respect thereof, in such form and manner as may be prescribed.</p> <p>(2) Every such return shall be accompanied by a challan of payment prescribed under the standing financial rules of the Government or any other documents showing payment and acceptable as such, in proof of payment of full amount of tax due according to the return, and a return without such proof of payment shall not be deemed to have been duly filed: Provided that if an employer, having furnished a return discovers any omission, error or wrong statement therein, he may furnish a revised return in prescribed form and in such manner and time as may be directed by the prescribed authority.</p> <p>(3) Where an employer, without reasonable cause, fails to file such return or revised return within the stipulated time, the prescribed authority may, after giving him a reasonable opportunity of being heard, impose upon him a penalty not exceeding rupees fifteen for each day of delay or if he has wilfully filed return with incorrect or false particulars in such return or revised return, the prescribed authority may impose a penalty not exceeding rupees one thousand</p>
<p><b>Assessment of employers</b></p>	<p>10. (1) If the prescribed authority is satisfied that the return or revised return filed by any employer is correct and complete, he shall accept the return.</p> <p>(2) (a) If the prescribed authority is not satisfied that the return or revised return filed is correct and complete he shall serve upon employer a notice requiring him to attend in person or through an authorized representative, and to produce accounts and papers in support of the return, on a date specified in the notice.</p> <p>2.(b) The prescribed authority shall, on examination at the accounts and papers, assess the amount of tax payable by the employer.</p> <p>(c) If the employer fails to comply with the terms of the notice, or if, in</p>

	<p>the opinion of the prescribed authority, the accounts and papers are incorrect or incomplete or unreliable, such authority shall, after such inquiry, as it deems fit or otherwise, assess the tax to the best of its judgment.</p> <p>(3) If an employer fails to get himself registered or being registered fails to file any return, the prescribed authority shall, after giving the employer a reasonable opportunity of being heard and after holding such inquiry as it deems fit or otherwise, pass an order assessing the amount of tax due, to the best of its judgment.</p> <p>(4) The amount of tax so assessed shall be paid within thirty days of receipt of the notice of demand issued by the prescribed authority in the prescribed form and manner.</p>
<p><b>Assessment of other persons</b></p>	<p>11. (1) if a person liable to obtain a certificate of enrolment under sub-section (2) section 7 has failed to get himself enrolled or, being enrolled, has failed to make payment of the whole or any part of the amount of tax as required by or under this Act, the prescribed authority shall, after giving such person a reasonable opportunity of being heard, and after holding such inquiry as he deems fit or otherwise, determine the amount of tax due from him, and if such amount cannot be determined properly on the basis of the available material, determine the same to the best of his judgement. (2) The amount of tax due as determined shall be paid within thirty days of receipt of the notice of demand served by the prescribed authority in the prescribed form and manner.</p>
<p><b>Audit</b></p>	<p>12. If the Commissioner is satisfied to do so, he may order for a detail audit of any of the employer or person liable to pay tax under this Act by as appropriate auditing authority, either individually or as a team consisting of such appropriate auditing authorities or the prescribed authorities as he may decide.</p>
<p><b>Payment of tax</b></p>	<p>13. (1) The tax payable under this Act shall be paid in the prescribed manner.</p> <p>(2) The amount of tax due from any person who stands enrolled before the commencement of any year shall be paid by him before the 30th day of September of that year: Provided that subject to such conditions and restrictions as may be prescribed, an enrolled person shall not be required to make payment of tax in terms of his certificate of enrolment in respect of the year or years, during which he is not temporarily engaged in any profession, trade or calling in Sikkim.</p>

<p><b>Consequences of failure to deduct or pay tax</b></p>	<p>14. (1) If an employer, not being an officer of Government, fails to pay tax as required or by or under this Act, he shall, without prejudice to any other consequences and liabilities which he may incur, be deemed to be an assessee in default in respect to such tax.</p> <p>(2) Without prejudice to the provisions of sub-section (1), an employee referred to in that sub-section shall be liable to pay, in addition to the amount of tax, simple interest at two per centum of the amount of tax due for each month or part thereof for the period for which the tax remains unpaid.</p> <p>(3) if an enrolled person fails to pay tax as required by or under this Act, he shall be liable to pay, in addition to the amount of tax, simple interest at the rate and in the manner laid down in sub-section (2)</p>
<p><b>Penalty for non-payment of tax</b></p>	<p>15. If a registered employer or an enrolled person fails without reasonable cause, to make payment of any amount of tax within the required time or date as specified in the notice of demand, the prescribed authority may, after giving him a reasonable opportunity of being heard, impose upon him a penalty not exceeding fifty percent of the amount of tax due.</p>
<p><b>Recovery of tax, penalty, Interest and fee</b></p>	<p>16. (1) The provisions of the Sikkim (Collection of Taxes and Prevention of Evasion of payment of Taxes) Act, 1987 (7 of 1987) and the rules made there under shall apply for recovery of arrears of any tax, penalty, interest or fees due under this Act from any person.</p> <p>(2) The State Government may appoint, by notification, such number of Tax Recovery Inspectors under section 4 of the Sikkim (Collection of Taxes and Prevention of Payment of Taxes) Act, 1987 (7 of 1987) for the purpose of this Act.</p>
<p><b>Appeal</b></p>	<p>17. (1) Subject to such rules as may be made by the State Government, any person or employer aggrieved by any order made under this Act or by an authority, not being an authority under section 18, may, in the prescribed manner, appeal to the authority prescribed.</p> <p>(2) The appellate authority shall dispose of the appeal in the prescribed manner</p>
<p><b>Revision</b></p>	<p>18. Any order passed by any authority under this Act may be revised, either on application or on own motion, by such authority and in such manner as may be prescribed</p>

<b>Rectification of mistakes</b>	19. Any authority under this Act may, on its own motion or on an application made, in this behalf, by order, rectify any mistake apparent on the face of the record
<b>Accounts</b>	20. (1) Every employer or person shall keep and maintain a true and up-to-date account and documents pertaining to his business, profession, trade or calling along with a true and up-to-date records relating to disbursement of salaries and wage in respect of his employees or workers and in addition to such accounts, documents and records, he shall maintain and keep such registers or account in such form as may be directed by the prescribed authority. (2) Where an employer or person wilfully fails to maintain the book of account or other registers or documents as referred to or directed under sub-section (1) the Commissioner may, after giving him an opportunity of being heard, impose a penalty not exceeding rupees one hundred for each day of such failure
<b>Special mode of recovery</b>	21(1) Notwithstanding anything to the contrary contained in any law or in any contract, the Commissioner may, at any time or from time to time, by notice in the prescribed form, a copy of which shall be forwarded to the assessee at his last address known to the Commissioner, require-  (a) Any person from whom any amount of money is due or may become due assessed on whom notice of demand has been served under this Act, or  (b) Any person who holds or may subsequently hold money for or on account of such assessee, to pay the Commissioner, either forthwith upon the money becoming due or being held or at or within the time specified in the notice (but not before the money becomes due or is held as aforesaid), so much of the money as is sufficient to pay the amount due by the assessee in respect of arrears of tax, penalty and interest under this Act, or the whole of the more when it is equal to or less than that amount.  Explanation- For the purposes of this section, the amount of money (to an assessee from, or money held for or on account of an assessee by a person, shall be calculated after deducting there from such claims, if any lawfully but subsisting, as may have fallen due for payment by such assessee to such person.  (2) The Commissioner may, at any time or from time to time, amend or revoke such notice, or extend the time for making any payment in pursuance of the notice.

	<p>(3) Any person making any payment in compliance with a notice under this section shall be deemed to have made the payment under the authority of the assessee and the receipt of the Commissioner shall constitute a good and sufficient discharge of the liability of such person, to the extent of the amount referred to in the receipt.</p> <p>(4) Any person discharging any liability to the assessee after receipt of the notice referred to in this section, shall be personally liable to the Commissioner to the extent of the liability discharged, or the extent of the liability of the assessee for tax, penalty and interest, whichever is less.</p> <p>(5) Where a person to whom a notice under this section is sent proves to the satisfaction of the Commissioner that the sum demanded or any part thereof is not due to the assessee or that he does not hold any money for or on account of the assessee, then, nothing contained in this section shall be deemed to require such person to pay any sum or part thereof, as the case may be, to the Commissioner.</p> <p>(6) The provisions of section 16 shall apply for recovery of any amount of money, if remains unpaid, which a person is required to pay to the Commissioner or for which he is personally liable to the Commissioner under this section. Explanation- For the purpose of this section, “assessee” means any person by whom tax or any other sum of money is payable under this Act.</p>
<p><b>Production and inspection of accounts and documents and search of premises</b></p>	<p>22. Any authority under this Act may, at all reasonable time, inspect and search any premises, where any profession, trade, calling or employment liable to tax under this Act is carried on and may seize or cause production of books, registers, accounts or documents as may be necessary for examination or prosecution: Provided that if the said authority seized from the said premises any book, register, account or document, he shall give to the person in charge of the place, a receipt describing the book, register, account or register so seized by him and retain the same only for so long as may be necessary for the purpose of examination thereof or prosecution.</p>
<p><b>Refund of excess payment</b></p>	<p>23. The prescribed authority shall refund to a person the amount of tax, penalty, interest and fees, if any, paid by such person in excess of the amount due from him. The refund may be made either by cash payment or, at the option of such person, by deduction of such excess from the amount of tax, penalty, interest and fees due from him:</p>

	<p>Provided that such excess amount shall first be adjusted towards the recovery of any amount due from an employer under the Act or from a person to whom a certificate of enrolment has been issued, and thereafter the balance, if any, shall be refunded.</p>
<p><b>Offences and penalties</b></p>	<p>24. (1) Under this Act-</p> <ul style="list-style-type: none"> <li>(i) violation of section 6, sub-section (1) and sub-section (2) of section 7, sub-section (1) of section 8, sub-section (1) and sub-section (2) of section 9, sub-section (2) of section 11, sub-section (1) and sub-section (2) of section 13, sub-section (2) of section 14, sub-section (1) of section 20;</li> <li>(ii) furnishing any incorrect information in a return under sub-section (1) of section 9;</li> <li>(iii) furnishing any incorrect informal/on as required under section 13 and the rules made there under;</li> <li>(iv) refusing to comply with any direction given under section 22;</li> <li>(v) neglecting or refusing to furnish information required by section 29;</li> <li>(vi) knowingly producing incorrect accounts, registers or documents, or suppressing material information;</li> <li>(vii) Obstructing any officer making inspection or search or seizure or taking other actions under section 22, shall constitute to be punishable offences.</li> </ul> <p>(2) Whoever commits any of the offence enumerated in sub-section (1) of this section shall, on conviction, be punished with fine not exceeding rupees ten thousand and when the offence is continuing one, with fine not exceeding rupees fifty per day during the period of continuance of the offence, and for subsequent commission of the same offence by the same person, on conviction, shall be punished with simple imprisonment which may extend to three months with fine which may extend to fifteen thousand rupees or with both, and when the offence is continuing one, with fine not exceeding one hundred rupees during the period of continuance of the offence.</p> <p>(3) Any offence punishable under sub-section (1) shall be cognizable and bailable.</p> <p>(4) No court shall take cognizance of any offence under this Act or the rules made there under except with the previous sanction of the Commissioner and no court inferior to that of a Judicial Magistrate shall try such offence.</p> <p>(5) No prosecution for any offence enumerated here in before in this section shall be instituted in respect of the same facts for which a</p>

	penalty has been imposed under this Act and no such penalty shall be imposed where a prosecution is instituted under this section.
<b>Offences by Companies</b>	<p>25.(1) Where an offence under this act has been committed by a company, every person at the time the offence was .committed was in charge ;of , and ,was responsible to , the company for the conduct of the business of the company as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly .Provided that nothing contained in this sub-section shall render any such person liable to any punishment, if he proves that the offence was committed without his knowledge or that he had exercised due diligence to prevent the commission of such offence.</p> <p>(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to any neglect on the part of, any director, manager, secretary or other officer shall be deemed lobe guilty of that offence and shall be liable to be proceeded against and punished accordingly.</p> <p>Explanation.- For the purpose of this section,-© “company” means any body corporate and includes a firm or other association ,or individuals;(b) “director”, in relation to a firm means a partner in the firm.</p>
<b>Power to transfer proceedings</b>	<p>26. (1) The Commissioner may by order in writing,-</p> <p>(i) Transfer any proceeding or proceedings under this Act relating to any person of assessee or class of assessee pending before a prescribed authority to another prescribed authority or to himself, or</p> <p>(ii) specify any one of the prescribed authorities which shall deal with any proceeding or proceedings relating to any person or assessee or class of assessee.</p> <p>(2)Where any proceeding is transferred to a prescribed authority under sub-section (1) of this section, such prescribed authority may deal with the proceeding either de novo or from the stage at which it was transferred</p>
<b>Compounding of offences</b>	<p>27. (1) Subject to such conditions as may be prescribed, the Commissioner may, either before or after the institution of proceedings for an offence under this Act, permit any person charged with the offence to compound the offence on payment of such sum, not exceeding double the amount of tax to which the</p>

	<p>offence relates, as the Commissioner may determine.(2) On payment of such sum as may be determined by the Commissioner under sub-section (1), no further proceedings shall be taken against the person in respect of the same offence.</p>
<b>Power to enforce attendance, etc.</b>	<p>28r The authorities under this Act shall have power to summon and enforce the attendance of any person and any witness and compel the production of any document by the same means and, so far as may be, in the same manner as is provided in the case of a Civil Court under the Code of Civil Procedure 1908 (5 of 1908).</p>
<b>Power to call for information from person</b>	<p>29.(1) The prescribed authority may, for the purposes of this Act, require any person including any individual, Hindu undivided family, firm, company, corporation or, other corporate body, society, club or association to furnish to him particulars relating to profession, trade, calling or employment of any person in the State of Sikkim,</p> <p>(2) The person from whom any information is sought for by the prescribed authority under sub-section (1) shall furnish such information accordingly.</p>
<b>Bar to proceedings</b>	<p>30. (1) No suit shall lie in any Civil Court against any assessment made or order passed under this Act. (2) No suit, prosecution or other legal proceeding shall lie against any authority under this Act or against any employer for anything which is in good faith done or intended to be done in pursuance of this Act or rules made there under.</p>
<b>Power to delegate</b>	<p>31. The Commissioner may, subject to such conditions and restrictions as the State Government may by general or special order impose, by order in writing delegate to any of the authorities subordinate to him, either generally or in respect of any particular matter or class of matters any of his powers under the Act.</p>
<b>Clearance certificate</b>	<p>32. (1) Notwithstanding anything contained in any other law for the time being in force,-(a) no Government, local authority, educational institution, corporation or body corporate established by or under a Central or State Act shall place order with, or make purchases of any goods from any person or make any payment to such person for such purchases, or(b) no Government, local authority, educational institution, corporation or body corporate established by or under a Central or State Act, or company incorporated under the Companies</p>

	<p>Act, 1956 (1 of 1956), or registered co-operative society, shall enter into any contract with any person for execution by him of such contract and shall make payment to such person for execution of such contract, or(c) no Government, local authority, educational institution, corporation or body corporate established under a Central or State Act, shall renew any license issued by them to any person, unless the Commissioner certifies in the prescribed manner that such person - (i)has no liability to pay tax or has not defaulted in furnishing any returns together with the receipted challan or challans showing payment of all taxes payable under this Act, or (ii) has not defaulted in making payment of tax otherwise payable by, or due from him under this Act.(2)The application for the certificate required under sub-section (1) shall be made by the person referred to that sub-section to the Commissioner.</p>
<p><b>Exemption</b></p>	<p>33. (1) Nothing contained in this Act shall apply to the persons who are subject to the Army Act, 1950, the Navy Act, 1957 or the Air Force Act, 1950 and are serving in any part of the State of Sikkim. (2) Subject to such conditions as it may impose, the State Government may, if it considers it necessary so to do in the public interest, by notification, exempt any class of persons from payment of the whole or any part of the tax payable under this Act.34.(t) The State Government may, by notification, make rules for carrying out the purposes 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 matters which, under any provisions of this act, are required to be prescribed or provided by rules.</p>

## SCHEDULE

{See section 4}

SL no. I	Class of persons II	Rate of tax(Proposal) III
1.	Salary and wage earners- such persons whose monthly salaries or wages are-	
(i)	Rs. 20000 or less	- Nil
(ii)	Rs.20001 or more, but less than Rs.30001	- Rs. 125 per month
(iii)	Rs 30001 or more. but less than Rs.40001	- Rs. 50 per month
(iv)	RS.40001 and more	- Rs.200 per month
2.(a)	Legal practitioners including solicitors and notaries public.	

(b) Medical practitioners including medical consultants and dentists.

(c) Directors (other than those nominated by Government) of companies registered under the Companies Act 1956 (1 of 1956) and under the Registration of Companies Act, Sikkim, 1961.

(d) Technical and professional consultants including architects, engineers, chartered accountants, actuaries, management consultants and tax consultants, where the annual gross income of the persons mentioned above is.

- |   |   |                    |
|---|---|--------------------|
| (i) Rs.25000 or less                              | - | Nil                |
| (ii) Rs. 25001 or more but less than Rs.35001     | - | Rs. 100 per annum  |
| (iii) Rs. 35001 or more but less than Rs. 60001   | - | Rs. 150 per annum  |
| (iv) Rs. 60001 or more but less than Rs.75001     | - | Rs. 200 per annum  |
| (v) Rs.75001 or more but less than Rs.85001       | - | Rs. 300 per annum  |
| (vi) Rs.85001 or more but less than Rs.95001      | - | Rs. 400 per annum  |
| (vii) Rs.95001 or more but less than Rs.110000    | - | Rs. 500 per annum  |
| (viii) Rs.110000 or more but less than Rs. 170001 | - | Rs. 1000 per annum |
| (ix) Rs.170001 or more but less than Rs.180001    | - | Rs. 1500 per annum |
| (x) Rs.180001 or more but less than Rs.270001     | - | Rs. 2000 per annum |
| (xi) Rs.270001 and above                          | - | Rs.2500 per annum  |

3. Postal agents under the National Savings Scheme or Chief agents, principal agents, special agents, insurance agents and surveyors or loss assessors, registered or licensed under the Insurance Act, 1938

4. where the annual gross income of the persons mentioned above is-

- |  |   |                   |
|--|---|-------------------|
| (i),Rs.25000 or less                               | - | Nil               |
| (ii).Rs 25001 or more but less than Rs.35001       | - | Rs. 100 per annum |
| (iii).Rs. 35001 or more but less than Rs. 60001    | - | Rs.150 per annum  |
| (iv).Rs. 60001 or more but less than Rs.75001      | - | Rs.200 per annum  |
| (v). Rs.75001 or more but less than Rs.85001       | - | Rs.300 per annum  |
| (vi).Rs.85001 or more but less than Rs.95001       | - | Rs.400 per annum  |
| (vii).Rs.95001 or more but less than Rs.110000     | - | Rs.500 per annum  |
| (viii).Rs. 110000 or more but less than Rs. 170001 | - | Rs.1000 per annum |
| (ix).Rs. 170001 or more but less than Rs.180001    | - | Rs.1500 per annum |
| (x).Rs.180001 or more but less than Rs.270001      | - | Rs.2000 per annum |
| (xi).Rs.270001 and above                           | - | Rs.2500 per annum |

Explanation.- For the purpose of the entries against serial nos. 2 and 3. "annual gross income", in relation to a person, means the aggregate of the amounts of fee, remuneration, commission or any other charge, by whatever name called, relating to his profession or calling in the State of Sikkim, receivable by him during the immediate preceding year.

- |  |   |                   |
|--|---|-------------------|
| 4.(a) Members of recognized Stock Exchange   | - | Rs.1000 per annum |
| (b) Remisiers recognized by a Stock Exchange | - | Rs. 250 per annum |

5.(a) Estate agents or promoters or brokers or commission agents

or del credere agents or mercantile agents - Rs. 1500 per annum

(b). Contractors of all descriptions engaged in any work-such contractors whose gross business in a year is-

- (i) less than Rs. 1,00,000 - Nil
- (ii) Rs. 1,00,00 to Rs.2,00,000 - Rs.150 per annum
- (iii) Rs.2,00,00 to Rs.5,00,000 - Rs.300 per annum
- (iv) Rs.5,00,00 to Rs.20,00,000 - Rs.500 per annum
- (v) Rs.20,00,00 to Rs.50,00,000 - Rs.1000 per annum
- (vi) Rs.50,00,000 to Rs.1 crore - Rs.1500 per annum
- (vii) Rs.1 crore to Rs. 2 crores - Rs.2000 per annum
- (viii) Above Rs. 2 crores - Rs. 2500 per annum

Clearing agents, customs agentsRs.2000 per annum

(a)Owners of Subscribers Trunk Dialing (STD) or International Subscriber Dialing (ISD)-Situating in

Gangtok Town (including Development area, Deorali,

Tadong, Sichey, Siyari - Rs.400 per annum

(b) situated in other area (excluding rural areas) - Rs.200 per annum

(c) Persons engaged in courier services - Rs.2000 per annum

(d) Signal provider, cable operator, and cable hirer, in television network, and their agents - Rs.400 per annum

Dealers as defined under the Sikkim Sales Tax Act, 1983 and the

Sikkim Value Added Tax Act, 2005, whose annual gross sales

turnover is-

- (i) less than Rs.1,00,000 - Nil
- (ii) Rs.1,00,000 to Rs.2,00,000 - Rs.150 per annum
- (iii) Rs.2,00,000 to Rs.5,00,000 - Rs.300 per annum
- (iv) Rs.5,00,000 to Rs.20,00,000 - Rs.500 per annum
- (v) Rs.20,00,000 to Rs.50,00,000 - Rs.1000 per annum
- (vi) Rs.50,00,000 to Rs.1 crore - Rs.1500 per annum
- (vii) Rs. 1 crore to Rs.2 crores - Rs.2000 per annum
- (viii) Above Rs.2 crores - Rs.2500 per annum

Owners or lessees of petrol/diesel filling stations and service

stations and agents and distributors including retail dealers of

liquefied petroleum gas (who are not covered by any other entry

of the Schedule) - Rs.2500 per annum

(i) Owners or occupiers of distilleries, breweries and bottling plants - Rs.2500 per annum

(ii) Licensed foreign liquor vendors - Rs.1500 Per annum

(iii) Warehouse owners/licencees - Rs.2500 per annum

(iv) Owners or occupiers or lessees of residential hotels of three-star category and above - Rs.2500 per annum

(v) Licensed country liquor vendors and owners or

Occupiers or lessees of residential hotels

- below three-star category - Rs.1500 per annum
- (vi) Owners of eateries, non-residential hotels, fast food centers.  
Explanation- entries i to vi above shall be applicable provided they are not covered in any other entries in the Schedule. - Rs.500 per annum
- (vii) Owners, lessees or licencees, as the case may be, of-
- (a) nursing homes and pathological laboratory - Rs. 2500 per annum
- (b) cinema houses and theatres - Rs. 2500 per annum
- (c) video parlours, video game centers or play stations, video halls and video rental libraries, pool parlours - Rs. 1000 per annum
- (d) health clinicsRs.1000 per annum
- (e) tours and travel agencies - Rs. 1000 per annum
- (f) cyber cafes - Rs.1000 per annum
- (g) transport firms, companies or agencies - Rs. 2500 per annum
- 10A. Owners lessees of licencees, as the case may be, of-
- (a) carpentry, plumbing, welding and electricians, - Rs. 250 per annum
- (b) mobile photo units, photo studios and still photography - Rs. 500 per annum
- (c)(i) motor garages (running conventionally), motor driving schools, - RS.1000 per annum
- (ii) motor garages running with modern technologies equipments - RS. 1500 per annum
- (d) audio recordings and editing studios - Rs. 1000 per annum
- (e) video filming - Rs. 1000 per annum
- (f) cinematic moving pictures or feature filming, - Rs.2500 per annum
- (g) adventure sports - Rs. 500 per annum
- (h) holiday home - Rs. 1000 per annum
- 11.(a)Owners licencees or lessees, as the case may be, of
- promises let out for social functions - Rs. 1000 per annum
- (b) Owners or occupiers of cold storages - Rs. 2000 per annum
12. Owners or lessees of-
- (a) beauty parlour - Rs. 1000 per annum
- (b) health resorts, gym centers and aerobic cantras - Rs.100(3 per annum
- (c) hair-dressing saloons - Rs. 500 per annum
13. Holders of permits granted under the Motor Vehicles Act, 1988, for transport vehicles, which are adapted to be used for hire or reward.  
Where any such person holds permit or permits for any taxis including goods vehicles, trucks or buses-
- (a) in respect of each taxi - Rs. 500 per annum
- (b) in respect of each truck or bus - Rs. 1000 per annum
- 14.(a)Individuals or institutions conducting chit funds and lotteries - Rs. 500 per annum
- (b) Authorized stockists or distributors of lottery tickets  
Explanation- items no, a and b in this entry 14 shall apply provided they are not covered in any other entries of this Schedule - Rs.2500 per annum

15. Banking companies as defined under the Banking Regulation Act - Rs.2500 per annum

16.(i) Companies registered under the Companies Act, 1956 and under the Registration of Companies Act, Sikkim, 1961 and engaged in any profession, trade or calling - Rs.2500 per annum

(ii) Partnership firms when engaged in any profession, trade or calling, Such firms whose gross annual turnover is-

(a) less than Rs.1 lakh - Nil

(a) Rs.1 lakh to Rs 2 lakhs - Rs. 150 per annum

(b) Rs. 2 lakhs to Rs. 5 lakhs - Rs. 300 per annum

(c) Rs.5 lakhs to Rs.20 lakhs - Rs.500 per annum

(d) Rs.20 lakhs to Rs.50 lakhs - Rs.1000 per annum

(e) Rs.50 lakhs to Rs.1 crore - Rs.1500 per annum

(f) Rs.1crore to Rs. 2 crores - Rs.2000 per annum

(g) Above Rs,2 crores - Rs.2500 per annum

Explanation- this entry no.16 shall apply provided they are not covered in any other entries of this Schedule.

17. Owners, licencees, or lessees as the case may be, of tutorial homes and training Institutes of any description when engaged in any profession, trade or calling.

Explanation-For the purpose of this entry, “training institutes” engaged in any cultural, social or welfare activity shall be excluded. - Rs.1200 per annum

18. Persons, other than those mentioned in any preceding entries, who are engaged in any profession, trade, calling or employment, and in respect of whom a notification is issued under section 4 this Act Not exceeding Rs.2500 per annum as may be fixed by notification.

Notwithstanding anything contained in this Schedule, where a person is covered by more than one entry this schedule{ the highest rate of tax) specified under any of those entries shall be applicable in his case

By Order

**R.K. Purkayastha**  
**Legal Remembrancer- cum- Secretary**  
**Law Department**  
**File no. 16(82) LD/2005**

**SIKKIM**  
**GOVERNMENT**  **GAZETTE**

**EXTRAORDINARY  
PUBLISHED BY AUTHORITY**

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**Gangtok**

**Saturday 1st April, 2006**

**No. 95**

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**GOVERNMENT OF SIKKIM  
LAW DEPARTMENT  
GANGTOK**

**No. 9/LD/P/07**

**Date: 26.04.2007.**

**NOTIFICATION**

The following Act passed by the Sikkim Legislative Assembly and having received the assent of the Governor on 16<sup>th</sup>. Day of April 2007 is hereby published for general information:-

**THE SIKKIM EDUCATIONAL CESS ON ALCOHOLIC BEVERAGES ACT, 2007**

**(Act No. 9 of 2007)**

**AN**

**ACT**

to provide for the levy of Educational Cess on India made foreign Liquor and Beer in the State of Sikkim.

**WHEREAS**, it is expedient to provide for the levy of Educational Cess on Indian Made Foreign Liquor and Beer in the State of Sikkim;

**BE** it enacted by the Legislature of Sikkim in the Fifty-eight Year of the Republic of India as follows:-

**Short title, extent  
and Commencement**

- 1.(1). This may be called the Sikkim Educational Cess on Alcoholic Beverages, Act 2007.
- (2). It extends to the whole of the State of Sikkim.
- (3). It shall come into force on such date as the State Govt. may be notification in the Official Gazette, appoint.

## **Definitions**

2. In this Act, unless the context other wise requires:-

- (a). “Alcoholic Beverages” means India Made Foreign Liquor manufactured in Sikkim and imported from other States and consumed In Civil and Defense market within the State and the Beer manufactured In Sikkim and imported from other States consumed in State.
- (b). “Beer” means fermented liquor prepared from malt or grain with or without addition of sugar and with hops and includes ale, stout and porter.
- (c). “Cess” means cess or the fee payable under the Act.
- (d). “Excise Commissioner” means the Excise Commissioner as defined under the Sikkim Excise Act, 1992.
- (e). “Excise Officer” means the Excise Officer as defined under clause (h) of section of the Sikkim Excise Act 1992.
- (f). “Foreign Liqueurs” means:-
  - (i). Brandy, Whisky, rum, vodka, gin liqueurs, cordial, bitter and wines or mixture containing any of the liqueurs aforesaid;
  - (ii). Spirit, sophisticated or compounded so as to resemble in colour and flavour, brandy, whisky, rum, vodka, gin liqueurs, cordials, bitters or other similar potable alcoholic preparation.
- (g). “Government” means the State Govt. of Sikkim.
- (h). “Import” means to bring into Sikkim.

## **Levy of Educational Cess**

3. There shall be levied and collected an Educational Cess on Alcoholic Beverages at the rate of rupees two and seventy paise per bulk litre Foreign liquor and rupee one and sixty paise per bulk litre on beer manufactured in Sikkim and imported from other State for consumption in Civil market and Army Units within Sikkim.

## **Authority to Collect the Educational Cess**

4. The Excise (Abkari Department) shall be the authority to collect the Excise Officers authorized by the Commissioner of Excise shall collect the Educational Cess in the manner as may be prescribed.

## **Recovery of Educational Cess**

5. The Educational Cess payable under Section 3 shall be levied, assessed and recovered along with the Excise duties and other levies which are levied on foreign liquor and beer by the State Govt. under the provisions of the Sikkim Excise Act, 1992.

## **The Levy of Excise duties and counter-**

6. Nothing in this Act shall affect the operation of the provisions of any other Act and the levy of the Educational Cess under this Act is in

**vailing duties under  
other Acts not  
affected**

addition to and not in lieu of, any other duty or Cess that may be levied under any other law for the time being in force.

**Power to make Rules**

7. The State Govt. may by notification in the Official Gazette make rules for carrying out the purposes of the Act.

By Order,

**R.K. Purkayastha  
LR- cum- Secretary  
Law Department  
File no. 16(82) LD/07**

**SIKKIM**  
**GOVERNMENT**  **GAZETTE**

**EXTRAORDINARY  
PUBLISHED BY AUTHORITY**

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**Gangtok**

**Thursday 28<sup>th</sup> April, 2005**

**No. 183**

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**GOVERNMENT OF SIKKIM  
LAW DEPARTMENT  
GANGTOK**

**No.1/LD/P/2005**

**Dated 25.4.2005**

**NOTIFICATION**

The following Act of the Sikkim Legislative Assembly having received the assent of the Governor on 9<sup>th</sup> day of March, 2005 is published for general information.

**THE SIKKIM ECOLOGY FUND AND ENVIRONMENT CESS ACT,2008  
( ACT NO. 1 OF 2005 )**

**AN  
ACT**

to provide for the protection and improvement of environment and for matters connected therewith or incidental thereto.

Be it enacted by the Legislature of Sikkim in the Fifty-sixth year of the Republic of India as follows:-

**CHAPTER I**

**PRELIMINARY**

**Short title, extent and  
Commencement**

1. (1) This Act may be called the Sikkim Ecology Fund and Environment Cess Act,2005.
- (2) It extends to the whole of Sikkim
- (3) It shall come into force on such date as the State Government may, by notification in the Official Gazette, appoint.

## Definitions

2. In this Act, unless there is anything repugnant in the subject or context:-

(a) “ biodegradable materials” means materials , articles and goods that are degraded as a result of microbial activity in natural environment under normal course;

**Explanation** – Materials articles and goods deemed to be “biodegradable “ are prescribed in the Schedule I for the purpose of this Act:

Provided that the State Government may amend or modify the Schedule I by notification if deemed necessary;

(b) “business” includes any trade, commerce or manufacture or any manufacture or any adventure or concern in the nature of trade , commerce or manufacture

(c) “Cess “ means cess or fee payable under this Act;

(d) “ dealer” means any person who carries on business of buying and selling of goods specified in the Schedules or services for commission, remuneration or otherwise and includes any individual, firm, Hindu Undivided family, company, corporation , a department of State or Central Government, Public Sector Undertaking , Autonomous body, society , club or association ( or the incorporation of such society, club or association

**Explanation 1-** A broker, commission agent who carries the business of procuring goods or services from outside the State of Sikkim for the purpose of buying and selling of goods or services having impact on environment and who has authority to procure and sell such goods or services belonging to their owner shall be deemed to be dealer for the purpose of this Act

**Explanation 2-** The manager or agent of a dealer residing inside or outside the State, and who procures goods or services from outside the State of Sikkim and sells goods or services within the State shall in respect to such business, be deemed to be a dealer for the purpose of this Act;

**Explanation 3-** The proprietor , manager or agent of a hotel, resort ,lodge or motel who carries out the business of providing services like lodging boarding or ready to eat food facilities to customers on payment o cash or by credit card or by deferred payment be deemed to be a dealer for the purpose of this Act.

**Explanation4-**Head of a Department or an officer specifically designated for the purpose from various State Government Departments, Central Government Departments, Public Sector Undertakings, Semi-autonomous bodies or Autonomous bodies procuring materials from outside the State and liable to pay cess impose d under the provisions of this Act shall be deemed to be dealer for the purpose of this Act.

(e) “Department” means the Department of State Government dealing with Environment and or Department of the State Government entrusted

with responsibility of collection of cess under this Act;

(f) “hotel” “resort” “lodge” and “motel” means any premises that is used for providing services like lodging or boarding or ready to eat food facilities to customers on payment in consideration thereof;

(g) “manufacture” with all its grammatical variations and cognate expressions, means producing, making ,extracting altering, repairing, ornamenting, finishing, packing ,fabricating , or otherwise processing or adapting any goods specified in the Schedules but does not include such manufacture or manufacturing process as may be prescribed;

(h) “ non biodegradable materials” means materials, articles and goods that are not degraded by microbial activity and shall include all kind of goods in solid, liquid or gaseous form that are not degraded in natural environment under normal course;

**Explanation** – Materials, articles and goods deemed to be “non-bio degradable “ are included in the Schedule I for the purpose of this act;

Provided that the Schedule II can be modified by the State Government by notification if deemed necessary (i) “notification” means a notification published in the Official Gazette;

(j) “Prescribed means prescribed by rules made under this Act or as prescribed by notification under this Act by the State Government

(k) “Prescribed authority” means authority appointed by the State government by notification under sub-section (1) of Section 4.

(l) “Registered dealer” means a dealer registered under section 10.

“sales” with its grammatical variations and cognate expressions means any transfer of property in goods or services by one to another for cash or for deferred payment;

(m) “sale price” means the amount payable to a dealer as consideration for the sale of goods or services less any sum allowed as cash discount;

**Explanation 1** – In respect of goods or services delivered on hire purchase or any system of payment by installments, the total sale price( including the amount payable and interest thereupon) on the date of such delivery of goods or services shall be taken as the sale price for the purpose of this Act;

**Explanation 2-** The sale price shall include the excise duty, value added tax or any other levies on the goods , under any Central or State law for the time being in force m made at the time of or before the delivery of the goods or services to the buyer whether such duty, fee or other levy is paid by the purchaser of the goods to the seller alongwith the consideration for the sale or directly to the Government;

(o) “ Sikkim “ means the territory comprised in the State of Sikkim;

(p) “State government” means the Government of Sikkim;

(q) “ turnover”used in relation to a establishment over any period means the aggregate of sale or services price or part of sale or services price receivable;

(r) “year” means the financial year commencing on the first day of April and ending on the 31<sup>st</sup> day of March next following.

## CHAPTER II

### GENERAL POWERS OF THE STATE GOVERNMENT

#### **General powers of the State Government to Protect and improve Environment**

3. (1) Subject to the provisions of this Act, the State Government shall have powers to take all such measures as it deems necessary or expedient for the purpose of protecting and improving the quality of environment pollution and take measures for restoration of ecological balance of the State.

(2) In particular and without prejudice to generality of the provision of the sub section (1), such measures may include measures with respect to all or any of the following matters, namely:-

(a) Coordination of actions of different Departments of the State Government officers, and other authorities under this Act or rules made thereunder or under any law for the time being in force for the purpose of achieving objectives of environmental conservation and improvement;

(b) Laying down procedure for implementation of this Act;

(c) Impose levy of environment cess or fee wherever the abuse of environment can not be prevented

(d) Create a separate non lapsable ‘Sikkim Ecological Fund’ for depositing such fee or cess as imposed by clause (c) and ensuring utilization of such fee or cess for environmental amelioration measures;

(e) Impose restrictions of areas in which any industry, operations or process or class of industries or operations shall not be carried out or shall be carried out with certain safeguards on payment of cess or fee as may be prescribed by the State Government by Notification;

(f) Impose restrictions on entry of vehicles of any kind or by persons in any area as specified and regulate the entry on payment of environmental fee as may be prescribed by the State Government by notification;

(g) such matters as the State Government considers necessary or expedients the purpose of protecting and improving the quality and for the purpose of securing effective implementation of this Act.

(2) The State Government may if it considers it necessary or expedient to do so for the purpose of this Act, by order published in the Official Gazette, constitute an authority or authorities or a body by such name or names as may be specified in the order for the purpose of exercising and performing such of powers and functions of the State Government under this Act for taking measures with respect to such of the matters referred to in this Act and may be mentioned in the order and subject to supervision and control of the Government and the provision of such order, such authority or the authorities or body may exercise the powers or perform

the functions or take the measures so mentioned in the order as if such authority or authorities or body had been empowered by this Act to exercise those powers or perform those functions or to take such measures as deemed necessary.

### **CHAPTER III**

#### **CESS COLLECTING AUTHORITY**

#### **Environment Cess collecting Authorities**

4. (1) For carrying out the purpose of this Act, the State

Government may appoint a person to be the prescribed authority under the Act and also such other persons with such designations to assist him as may be necessary and as may be specified in this behalf by the State Government by notification.

(2) The prescribed authority and other persons under sub-section(1) shall exercise such powers as may be prescribed and perform such duties as are imposed upon them by this Act or rules made thereunder and as may be specified in this behalf by the State Government by notification.

(3) All persons appointed under sub-section (1) shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code, 1860.

### **CHAPTER IV**

#### **INCIDENCE OF CESS**

#### **Incidence of Cess**

#### **Rate of cess**

#### **Cess free goods**

5. Environmental Cess shall be paid by :-

(a) Every dealers, manufacturers, State and Central Government Department, Public Sector Undertakings, Autonomous bodies or other organizations whoever brings non -biodegradable materials as specified in schedule II in the State of Sikkim from outside the State for selling goods , business, manufacturing , producing any products or for use for whatsoever purpose in the State, on the sale price from the date of commencement of this Act,

(b) Individual users who bring non bio degradable materials as specified in schedule II from outside the State , for his own use and consumption, on the sale price from the date of commencement of this Act,

(c) Every hotels, resort, lodge or motel operating within the State on its annual turnover:

Provided that the State Government may exempt such hotels , resorts, lodges and motels below a particular turnover or provide a grace period of operations of hotels. Resorts, lodges or motels since interception for promoting hotel industry, as may be specified in this behalf the State

Government by notification.

(d) On every entry in the State of such categories of vehicles as may be prescribed at such rates as may be specified by notification by the State Government .

(e) On any such other item having impact on environment directly or indirectly as such a rate as may be prescribed by the government by notification.

6.(1) The CSS payable by a dealer or an individual under this act shall be levied at the following rates:--

(a) in respect of goods specified in Schedule II , at the rate of 1% of total turnover on sell price of non bio degradable materials;

(b) in respect of hotels, resorts, lodges or motels at the rate of 5% of total turnover :

Provided that the State Government may change the rate of leviable cess under clauses (a) & (b) above from time to time notification;

Provided further that the State Government may add to or omit from or otherwise amends schedule II and thereupon the said shall be deemed to be amended accordingly.

7. (1) No cess shall be payable under this Act on the sale of goods and services specified in Schedule I subject to the conditions and exceptions , if any , set out therein

(2) The State Government, may add to or to omit from, or otherwise amend Schedule I and thereupon the said Schedule shall be deemed to be amended accordingly.

## **.CHAPTER V**

### **REGISTRATION OF DEALERS**

#### **Registration of dealers**

8. (1) Every dealer liable to pay cess under this act shall apply, within 45 (forty five) days of his becoming so liable to the prescribed authority for registration under this Act.

(2) No dealer liable to pay cess under this Act, shall sale or procure and purchase goods unless he is in possession of a valid registration certificate granted to him by or on behalf of the prescribed authority or has applied for such registration within the time specified in sub section (1) and his application has not been finally disposed off by the said authority.

(3) The prescribed authority may , on receipt of application in the prescribed form from a dealer for registration , and on being satisfied that the application is in order, grant registration from such date as may be specified , to such dealer:

Provided that the said authority may demand such security as may

prescribed from the dealer before registration is given to him:

Provided further that no application for registration may be refused unless he has been given reasonable opportunity of being heard

(4) If the prescribed authority is satisfied that a dealer liable to pay cess under the Act has failed to apply for and get himself registered, it may, by a notice in writing, direct the dealer to apply for and get himself registered within 30 (thirty) days of the service of the notice, failing which the dealer shall be liable to pay a penalty of 500/- for each days delay after the expiry of the said period of the 30 days:

Provided that the said authority may on an application of the dealer and for reasons to be recorded in writing, reduce or waived the penalty, if it is satisfied that the delay has been caused by reasons beyond the control of the dealer.

## CHAPTER VI

### RETURN, ASSESSMENT AND RECOVERY OF CESS

#### Returns and payment Of Cess

9. (1) Every registered dealers shall furnish such returns, for such period, in such form, to such authority and within such time as may be prescribed.

*Explanation* – A dealer who gets the registration from a particular date is also liable to furnish return for the period prior to such date during which he was otherwise liable to pay cess under this Act in such manner as may be prescribed.

(2) The dealer shall before submitting any return pay to the government in such manner and within such time as may be prescribed the amount of cess due under this Act according to the return and furnish alongwith return proof of payment of cess due as may be prescribed an such return if not accompanied by any such proof of payment shall be deemed invalid and treated as if it has not been furnished.

(3) If registered fails without reasonable cause to furnish any valid return within the prescribed time or within such further time as may be allowed on application, by the prescribed authority, a penalty at the rate not exceeding Rs. 1000/- for each day of delay shall be imposed without prejudice to any action that is or may be taken under any of the provisions of this Acts.

#### Assessment and re- assessment Procedure

10. (1) If the prescribed authority is satisfied that the return of turn- over furnished by a dealer is correct and complete, it may, without requiring presence of dealer or requiring any evidence from him, determine the cess due from the dealer and the dealer shall deposits such assessed amount of cess in appropriate head of account in government revenue

(2) (a) If the prescribed authority is not satisfied as aforesaid but requires the presence of dealer or production of evidence from the him, it may

serve on such dealer on notice in the prescribed form requiring him/ his representative to attend and produce on a date to be specified , any evidence that the dealer may rely on in support of his return..

(b) On the date specified in the notice or any other date as may be fixed by the prescribed authority under intimation to dealer and after having heard and examining such evidence as the dealer may produce an such evidence as the said authority may require on specified points, it shall, by an order in writing assesses and Determine the cess payable by the dealer.

(3) If a registered dealer fails to –

(a) furnish any valid return of turnover as required under sub section (1) of section 11;or

(b) comply with the notice issued under sub section (2) of this Section ; or

(c) satisfy the assessing authority about the correctness of the returns furnished ; or

(d) appear or produce or cause to be produced evidence on the date specified under sub section (2) , the prescribed authority shall , after giving reasonable opportunity to the dealer of being heard , determine the turn over of the dealer on which cess is to be imposed and assess on basis of such determination and may in addition imposed penalty of an amount not exceeding twice the amount of cess so assessed;

Provided that the penalty under this section shall be imposed only if the prescribed authority is satisfied that the failure of the dealer wilful, deliberate or unjustified and a reasonable opportunity of being heard has been given to the dealer.

(4) If upon information received, the prescribed authority is satisfied that a dealer liable to pay cess under this Act in respect of any period wilfully failed to furnished any particulars or information required for the purpose of registration or having been registered fails to furnish returns within the period prescribed under sub section ( 1) of Section 9 , the said authority shall , after giving the dealer a reasonable opportunity of being heard , assess, according to its best judgment the amount of cess due from the dealer for such period or any subsequent periods and in addition , may impose a penalty of an amount not exceeding 5 times the amount of cess so assessed;

Provided that no penalty under this sub section shall be imposed unless the prescribed authority is satisfied that the failure of the dealer was wilful, deliberate or unjustified and unless a reasonable opportunity of being heard is given to the dealer.

**Explanation** – For the purpose of sub section (4) as the case may be, the proceedings shall be deemed to have been initiated when a notice is served or deemed to have been served on the dealer.

**Procedure of payment of** 11. (1) the cess admissible from a dealer as shown in any return or revised return furnished by him under Section 9 and penalty as due under

**cess or penalty**

Section 10 shall be paid in the manner prescribed by or under sub Section (2) of Section 9.

(2) The amount of the cess and penalty assessed as due from the dealer under sub section (2) & (3) of Section 9 or under sub section(3) & (4) of Section 10 after deducting any amount paid by him along with the return under sub section (2) of Section 9 shall be paid by him in such manner and within such time as may be specified in the notice of demand in the prescribed form issued by the prescribed authority;, the date so specified being not less than 30 ( thirty) days from the date of service of the said notice;

Provided that the said authority may in its discretion and for reasons to be recorded on application of the dealer extent the date for such payment or allow the payment to be made in instalments as may be determine by it.

(3) If a dealer has failed , without any reasonable cause , to deposit the amount of cess together with the penalty , if any, by the date specified in the notice issued under sub section (2) or by the date extended by the proviso thereto, interest at 18% per annum compounded on a quarterly basis , shall accrue and be charge on such amount from such date and such interest shall be treated as if it were cess due under this Act and shall be paid by the dealer in the prescribed manner.

Provided that interest are not accrue or be charged on any amount the recovery of which is stayed under sub section (5) & (6) during the period the stay operates.

(4) (4) Any amount of cess , penalty or interest due form a dealer which remains unpaid may be recovered on application by the prescribed authority to the Judicial Magistrate of the first class who shall realized it as if it were a fine imposed by him;

Provided that where during the proceedings under this sub section the amount of cess, penalty or interest due from a dealer is reduced as result of appeal or otherwise, the prescribed authority shall inform the dealer accordingly and the authority before whom proceedings are pending and the amount reduced shall be deemed to be substituted for the amount originally intimated to the authority.

(5) If any dealer is aggrieved by the imposition of cess, penalty or interest under sub section (3) & (4) of Section 10 , he may prefer an appeal in writing to the next higher authority to the prescribed authority as notified by the State Government as per procedure laid down in Section 18.

(6) Where an appeal against or an application for revision of the `assessment of cess or levy of penalty or interest is entertained, the appellate or the revisional authority as the case may be , may on application stay recovery of the cess , penalty of interest in whole or in part subject to such conditions as it may impose till such date as it may direct;

Provided that the stay of recovery so granted shall stand vacant, the

date the appeal or the application for revision is finally decided or another date as the appellate or the revisional authority may direct.

(7) In case of individuals who bring such items that attract cess under this Act from outside the State, cess admissible shall be levied at the check-post by the department authorized to collect the same as notified by the government.

**Person authorized to  
Collect cess from  
Customers**

12.(1) No person other than a registered dealer shall collect or recover from any person any amount towards cess or purporting to be cess under this Act on the sale of goods or services.

(2) No registered dealers shall collect from any person any such amount except in a case in which, and to the extent to which, such dealer is liable to pay cess under this Act.

(3) Nothing contained in sub section (1) or sub section (2) shall relieve a registered dealer from his liability for the cess under this Act.

## **CHAPTER VII**

### **SIKKIM ECOLOGY FUND**

**Establishment of fund**

13 (1) there shall be established for the purpose of this Act, a fund to be called the Sikkim Ecology Fund.

(2) The fund shall be under the control of State Government and there shall be credited to the fund the followings:-

(a) any sum of money credited under Section 14 ;

(b) any sum collected by the State Government in carrying out its functions under this Act;

(c) any fund provided by the Central Government or the State Government by way of grant or otherwise for the purposes of amelioration of the environment of the ecology.

(3) The fund shall be maintained in the form of a current account in a Nationalized Bank and the balance to the credit of the fund shall not lapse at the end of the financial years.

**Crediting of cess in  
The fund**

14. The proceeds of the cess levied under Section 9 , Section 10 & Section 11 shall be first be credited to the consolidated fund of Sikkim and the State Legislature may by appropriation made by law in this behalf credit the proceeds of this collections to this fund from time to time , for being utilized exclusively for the purpose of this Act.

**Utilization of the fund** 15. (1) The fund shall be utilized for -  
(a) the creation and development of facilities helping in amelioration of environment and maintenance and improvement of environmental services a ecology security of the State;  
(b) Such other purposes and projects leading directly or indirectly to restoration of ecological balance of the various areas in the State as may be specified by the Government.

**Management of the fund** 16. (1) For the purposes of ensuring proper utilization of the fund , the State Government may appoint a government servant to be prescribed authority under the Act and also such other persons with such designations to assist him as may specified in this behalf by the State Government by notification.  
(2) The prescribed authority under sub section (1) maintained proper account and other relevant records in such forms and in such manner as may be prescribed.

## CHAPTER VIII

### SUITS ,APPEAL REVISION AND REVIEW

**Bar to certain proceedings** 17. (1) No assessment made, proceedings taken or order passed under this A shall be called into question in any Court save as otherwise provided in th Act.  
(2) No suit, prosecution or other legal proceedings shall lie against any publ servant or any person appointed under Section 4 or Section 16 for anythin done in good faith under this Act or the rules made or notification issued the under save with the previous sanction of the State Government.

**Appeal , revision & Review** 18. (1) subject to such rules as may be made , any dealer may , in tl prescribed manner appealed to such authority as may be prescribed again any order passed under sub section (3) of Section 9 , sub section (3) & (4) Section 10 and sub section (3) of Section 11 of the Act.  
(2) No such appeal shall be entertained unless-  
It is accompanied by proof of payment in such manner as may be prescribed of the amount of the cess admitted by the dealer to be due from him and 25 of the difference between such amount of cess including penalty and interest assessed.  
(3) The aforesaid appellate or revising authority may-  
(a) confirm, reduce, annual , enhance or otherwise modify the assessment cess penalty or interest;  
(b) set aside any order and direct the authority which made the order ,

pass a fresh order after further enquiry on specified points ;

Or

(c) pass such other orders as it may deem fit and proper.

(4) no order prejudicial to any dealer shall be passed under this Section without a reasonable opportunity of being heard/ being given to him

#### **Payment of fee**

19. The amount of fees payable for by appeal or application made under this Act shall be such as may be prescribed:

Provided that no fee shall be payable for any appeal or application file by or on behalf of the State Government.

### **CHAPTER IX**

#### **PROSECUTION AND PENALTIES**

#### **Offences**

20.(1) without prejudice to any action taken or that may be taken or any order passed or may be passed under any of the provision of this Act , whoever ,

(a) being dealer , sales or purchases goods in contravention of sub section (2) of Section 8 or fails or neglects to comply with the provision of the Sub Section (1) thereof : or

(b) fails without sufficient cause , to submit any return required under Section 9 or wilfully submits a falls return : or

(c) not being a registered dealer falsely represents that he is such a dealer ; or

(d) prevents or obstruct any authority this Act in the performance of it duties and functions under this Act; or

(e) fails to pay the cess , penalty or interest due in accordance with sub section (2) of Section 9 , sub section (3) & (4) of Section 10 or Section 11 or

(f) contravenes the provisions of Section 12 or

(g) contravenes Section 21 or

(h) abets any person in the commission of any of the offences specified in clauses (a) to( h);

shall be punishable with imprisonment of either description which may extend to one year or with fine which may extend to fifty thousand Rupees Or with both and if the offence is a continuing one , with a delay fine not exceeding Rupees one thousand during the period offence continues.

(2) no Court shall take cognizance of any offence under this Act or the rules made there under except with the previous sanction of the authority.

(3) All offences punishable under this Act shall be cognizable and bailable.

(4) notwithstanding anything contained in sub section (1) , the prescribed

authority may compound any offence under this Act or the rules made there under before or after the institution of proceedings under that sub section by accepting from the person charged with the offence a sum not exceeding Rupees fifty thousand as may be determined by the said authority, in addition to the tax , penalty or interest that may be leviable under the Act, and on payment of the sum so determine together with the amount of tax penalty or interest due , the proceedings before any Court or prescribed authority under this Section shall abate.

### **Check Post**

21. The State Government may, by notification, set up an erect in such manner as it may deem fit check-post and barriers at any place in the State at which all persons, vehicles or other means of transporting goods intended for carrying such materials liable to cess under this Act may be detained intercepted or searched to prevent evasion of cess under this Act.

### **Power to make Rules**

22. (1) The State Government may make rules in respect of any or all matters referred to in this Act , for carrying out the purposes of this Act.

(2) In making any rules ,the State Government may direct that a reach thereof shall be punishable with a fine not exceeding rupees fifty thousand and when the offence is a continuing one with a daily fine not exceeding rupees one thousand during the continuance of the offence.

(3) in particular and without prejudice to the generality of the foregoing powers ,such rules may provide for all or any of the following matters namely:-

(a)For all or any of the matters refer to in Section 3 ;

(b) the prescribed authority under sub section (1) of Section 4 and sub section (1) of Section 16 ;

(c ) the authority to which the application for registration under Section 8 shall be made ;

(d) the procedure for an other matters incidental to , the registration of dealers and the granting of the certificates of registration and the forms of such certificates under Section 8,

(e) the intervals at which , and the manner in which, the tax under this Act shall be payable under Section 9;

(f) the return to be furnished under Section 9 and dates by which and the authority to which, such return shall be furnished;

(g) the dates by which returns for any period are to be furnished and the procedure to be followed for assessment under Section 10 ;

(h) the manner in which , and the authority to which appeals or revisions again by order passed under this Act may be preferred under Section 18;

(i) the procedure for, the disposal of appeals and applications for revisions and review under Section 18;

- (j) the conditions under which, and the authority by which the offences may compounded under Section 20
- (k) the manner in which , and the time within which, application shall be made information furnished and notices served under this Act and
- (l) any other matter which may be , or is required to be prescribed.

**Repeal and saving**

23. (1) On and from date of commencement this Act , all laws, notifications and orders issued by the Government relating to collection of environment cess, environment fee, in force in the State, shall be repealed.
- (2) notwithstanding such repeal, all collections of environment cess or environment fee penalty and interest and all proceedings or assessment made, action taken or orders passed by any authority under any law referred to in sub section (1) shall be deemed to have been made, done or taken under the corresponding provisions of this Act.

**SCHEDULE I**

**BIO-DEGRADABLE MATERIALS EXEMPTED FROM CESS**

(See Section 7)

- |  |  |
|--|--|
| All cereals and pulses including broken particles and husk and bran thereof when brought in jute bags or brought for Public Distribution System (PDS) Scheme | Except when sold in plastic packaging              |
| 2. Wheat flour including Atta and Sabji when brought in open or in jute bags   | Except when sold in plastic packaging or container |
| 3. Bread,  | Except when sold in plastic or polythene packaging |
| 4. Meat which has not been cured or frozen   | Except when sold as tinned or plastic packaging    |
| 5. Fresh fish  |  |
| 6. Vegetables , green or dried , commonly Known as sabji, tarkari or saak  | Except when sold in plastic packaging              |
| 7. Gur and molasses  |  |
| 8. Salt  |  |

9. Milk
10. Fresh livestock, including poultry
11. Cotton yarn
12. Text books and exercise books for education purpose and such other sacred books as may be prescribed
13. Water , but not accelerated or mineral water when sold in Bottles or sealed containers
14. Raw jute and jute materials
15. Plain paper and articles made there from
16. Eggs
17. Saag and tapioca globules
18. cotton unstitched cotton cloths
19. Handloom woven , Gamchas, khaddar or khadi made of khaddar and khadi
20. Handicraft goods not made from items in scheduled II
21. Mustard oil , Rep. oil and mixture of mustard & rep oil      Except when sold in plastic package or sealed container
22. Newspapers
23. Mustard seeds and rep seeds
24. flowers and plants vegetables seeds
25. Hosiery goods

## SCHEDULE II

### NON –BIO DEGRADABLE MATERIALS

(See Sections 5 & 6)

1. Cement including grey and white cement including all varieties thereof
2. Iron and steel, furniture made wholly or principally of iron or steel like safes, almirahs, grill, gates, furniture and other similar items made thereof.
3. New motor vehicles, including chassis of motor vehicles,
4. Motor tyres and tubes and spare parts accessories and component parts of motor vehicle
5. motor cycle and cycle combinations, motor scooters , motorettes and tyres and tubes and spare parts accessories and component parts of motor cycles , motor scooters, motorettes
6. Bricks and marbles chips, mosaic floor and wall tiles and articles made of marbles mosaic, granite , tiles of all kinds,
7. All electrical goods of general nature including all types of wires , cables and switches of all kinds , polypipe for concealed cabling, bulbs, tube lights, fancy lights , heaters of all varieties and descriptions and other electrical goods and goods including geysers a, mixers grinders, washing machine , refrigerator , air cooler, air conditioning plants, and spare parts and accessories and component parts thereof
8. Electronic goods of all kinds and description including television sets, microwave ovens, music systems and all descriptions , transistors , radios, accumulators, amplifiers, and loud speakers and spare parts accessories and component parts thereof.
9. Hardwares goods of all kinds made from plastic and or iron , GI pipes , GCI sheets
10. All kinds of paints including acrylic and plastic emulsions paints, lacquerers, distempers , cement colours, of paints, enamels, liquid paints , steep paste paints, whether ready for use or not,
11. varnishes , vegetable paint , remover and strainer of all kinds
12. Bitumen , hard coke, soft coke and other allotropic forms thereof
13. rubber items of all kinds, and goods made there from
14. wines, liquors spirit and beer
15. glass and glassware of all kinds
16. ready food of all kinds , tinned or packaged polypacks or tetra packs
17. cold drinks , aerated drinks and mineral water when bottled in non bio degradable materials
18. aluminum frame and aluminum goods of all kinds , furniture made wholly or principally of aluminum
19. plastic goods and plastic sheets and all other items made of plastics
20. Brass copper , and brassware's and copper wares including all items made therefrom.
21. All machinery and equipments used for generation of electricity in all kinds of hydel power station , thermal power stations and other power generating equipments and power transmission lines.
22. wireless reception instruments and apparatus , radios and radio gramophones
23. cinematographic equipment including cameras , projectors and sound recording and reproducing equipment , spare part accessories and component parts thereof lenses, films and parts and accessories required for use therewith,

24. Photographic and other cameras, and enlarger and spare parts accessories and component parts thereof, lenses, films, and plates, paper and cloth and other part and accessories required for use therewith.
25. All clocks , time pieces and watches and parts thereof
26. all arms including rifles, revolvers and pistols and ammunition for the same detonators and crackers
27. cigarette cases and lighters
28. Dictaphone and other similar apparatus for recording sound parts thereof and electro magnetic recording , tapes including cassettes ,tapes whether pre-recorded or not, sale of kinds and descriptions
29. some transmitting equipment including telephones, mobile phones of all makes, loud speakers, and spare parts thereof,
30. computers, printers, scanners, hardware connected therewith, CDs, Floppy. Printers' refill, typewriters, tabulating machine, calculating machine, duplicating , photocopying machine and printing machines and parts and accessories thereof
31. binoculars, telescope and opera glasses,
32. gramophones and component parts thereof and records
33. cushions, mattresses, pillows, and other articles made wholly or partly of artificial foam
34. cushions, mattresses, pillows, and other articles made wholly or partly of artificial or synthetic raisin and plastic foam
35. vacuum flask of all kinds and descriptions including for all such flask
36. utensils made wholly or principally of stainless steel or aluminum or copper
37. upholstered wooden furnitures
38. perambulators including push chairs babies and spare parts and accessories and component thereof
39. Carpets of all varieties, and description except locally produced
40. Linoleum
41. Lifts, whether operated by electricity or steam, and spare parts, accessories and component parts thereof
42. Exhaust fans and air circulators and spare parts, accessories and component parts thereof
43. Diamonds, precious and synthetic stones other than diamond real or artificial
44. Pearls, real, artificial or cultured
45. Gold, or silver jewelry and filigree
46. Laminated sheet, like Formica, sun mica etc.
47. Ornaments set with diamonds or stones (real and artificial) or with pearls ( real & artificial cultured)
48. Perfumes
49. Cosmetics of all varieties

By order,

**( R.K.URKAYASTHA )**  
**LEGAL REMEMBRANCER-CUM-SECRETARY LAW,**

**FUND  
EARMARKED UNDER CRF  
(LAND REV. DEPARTEMNT)**

(Rs. In lakhs )

<b>YEAR</b>	<b>CENTRAL</b>	<b>STATE</b>	<b>TOTAL</b>
1995-96	333	111	444
1996-97	353	118	471
1997-98	373	124	497
1998-99	392	131	523
1999-2000	408	136	544
<hr/>			
2000-01	518	173	691
2001-02	544	181	725
2002-03	571	190	761
2003-04	600	200	800
2004-05	630	210	840
<hr/>			
2005-06	1315	438	1753
2006-07	1353	451	1804
2007-08	1393	464	1857
2008-09	1435	478	1913
2009-10	1478	493	1971

## SOCIAL WELFARE DEPARTMENT

STATEMENT SHOWING THE LIST OF SCHEMES IMPLEMENTED BY THE WOMEN & CHILD, SOCIAL WELFARE & NUTRITION DIVISION S OF THE SJEDW  
ALONG WITH

RATES BENEFICIARIES AND TOTAL ANNUAL EXPENDITURE W.E.F. 2002-03 TO 2007-08.

( Rs. in lakhs )

Name of Schemes	2002-03			2003-04			2004-05			2005-06			2006-07			2007-08		
	No. of beneficiary	Rate	Total Expen.	No. of beneficiary	Rate	Total Expen.	No. of beneficiary	Rate	Total Expen.	No. of beneficiary	Rate	Total Expen.	No. of beneficiary	Rate	Total Expen.	No. of beneficiary	Rate	Total Expen.
Small Family Scheme	0.00	0.00	0.00	0.00	0.00	0.00	400.00	2.50	1000.00	369.00	2.50	923.00	137.00	8.00	1096.00	1233.00	8.00	9864.00
working women's hostel	74.00	0.00	294.00	74.00		150.00	74.00		1232	74.00		1.50	74.00		394.00	74.00		150.00
Crèches for working women's' children	115.00		150.00	115.00		150.00	115.00		150.00	115.00		150.00	115.00		150.00	115.00		150.00
State commission for women			100.00			142.00			1959.00			900.00			1000.00			650.00
Widow remarriage	18.00	10.00	180.00	13.00	10.00	130.00	4.00	10.00	40.00	6.00	10.00	60.00	3.00	10.00	30.00	5.00	10.00	50.00
Pension to widows of ex-servicemen	70.00	0.10	84.00	83.00	0.10	100.00	79.00	0.10	95.00	58.00	0.10	58.00	59.00	0.10	71.00	59.00	0.10	71.00
Subsistence allowances	694.00	0.20	1666.00	800.00	0.20	1920.00	1500.00	0.3(06/04) & 0.5(10/04)	69.00	1500.00	0.50	9000.00	1500.00	0.50	9000.00	1600.00	0.50	9600.00
Scholarship & Stipend	53.00		111.00	57.00		193.00	42.00		149.00	25.00		88.00	33.00		177.00	27.00		100.00
District Disability Rehabilitation Centre	0.00	0.00	0.00	0.00	0.00	0.00	1856.00		2360.00	392.00		1197.00	360.00		2000.00	291.00		600.00
Special School for Deaf	0.00	0.00	0.00	0.00	0.00	0.00	14.00		591.00	19.00		693.00	24.00		750.00	30.00		1000.00

( Rs. in lakhs )

Name of Schemes	2002-03			2003-04			2004-05			2005-06			2006-07			2007-08		
	No. of beneficiary	Rate	Total Expen.	No. of beneficiary	Rate	Total Expen.	No. of beneficiary	Rate	Total Expen.	No. of beneficiary	Rate	Total Expen.	No. of beneficiary	Rate	Total Expen.	No. of beneficiary	Rate	Total Expen.
Sheltered workshop for the disables	17.00		500.00	17.00		750.00	17.00		1034.00	17.00		900.00	17.00		900.00	16.00		700.00
Old Age pension	10104.00	0.20	24250.00	13429.00	0.20	32230.00	14869.00	0.3 jun04	50555.00	14869.00	0.30	53529.00	14869.00	0.30	53529.00	15169.00	0.40	71971.00
National Family Benefit Scheme	200.00	10.00	2000.00	247.00	10.00	2470.00	404.00	10.00	4040.00	157.00	10.00	1570.00	150.00	10.00	1500.00	401.00	10.00	4010.00
Correctional Services 50:50 CSS	14.00		742.00	15.00		569.00	16.00		709.00	23.00		793.00	25.00		931.00	25.00		845.00
Grants in aid to voluntary Org.	4.00		745.00	4.00		650.00	8.00		1740.00	7.00		650.00	6.00		650.00	6.00		1150.00
Grant in aid to destitute homes	5.00	0.50/ 0.45	2480.00	5.00	0.50/ 0.45	2571.00	5.00	0.50/ 0.45	3404.00	5.00	0.50/ 0.45	2335.00	5.00	0.6/ 0.54	2263.00	333.00	0.6/ 0.54	2199.00
Supplementary Nutrition Programmer	61832.00	Rs.5/5.5 per kg	57900.00	57096.00	Rs.5/5.5 per kg	60000.00	38304.00	Rs.5/5.5 per kg	64500.00	47533.00	Rs.5/5.5 per kg	54448.00	34159.00	Rs.5/5.5 per kg	49744.00	48379.00	4/per kg	41266.00
Nutrition Programme for Adolescent Girls	3705.00	6 kg	682.00	0.00	0.00	0.00	0.00	0.00	0.00	5555.00	6 kg	610.00	5555.00	6kg	609.00	3700.00	6 kg	439.00

**Social Security Schemes implemented for the up-liftment of SC/ST/OBC & MBC families from the State Plan**

Sl.No.	Particulars of Schemes	Class & rate of scholarship		
		Pry. - IV @ Rs. 360.00 per annum	V-VIII @ Rs. 480.00 per annum	IX-X @ Rs. 850.00 per annum
1	Pre-Matric Scholarship (State Plan)	Pry. - IV @ Rs. 360.00 per annum	V-VIII @ Rs. 480.00 per annum	IX-X @ Rs. 850.00 per annum
2	Monastic scholarship ( State Plan)	Beside pre-matric scholarship, scholarships are also provided to students studying in the monastic schools spread over whole of Sikkim at the rate of Rs. 250/- per student per annum		
3	Economic Dev. For SCs,STs,OBC & MBC (State Plan)	To supplement the efforts of other line departments, Social Justice, Empowerment & Welfare Department (Welfare Division) has been implementing various schemes and programmes for the socio-economic upliftment of SCs,STs/OBCs/MBCs families. The Schemes implemented under this programme are as under:- 1. Distribution of piglets 2. Distribution of milching cows 3. Distribution of fodder plantation 4. Distribution of cardamom seedlings 5. Distribution of ginger seeds 6. Distribution of maize seeds 7. Distribution of agriculture tools 8. Distribution of black-smithy tools 9. Distribution of water storage tank & etc.		
	Vocational training ( State Plan)	With a view to update new skills to SCs/STs/OBCs & MBCs a new scheme of vocational training has been introduced from 1995-96. Vocational training in the field of repairs of electronic products, beautician training, cutting & tailoring, embroidery training, knitting , khada & dhoop making training, motor driving & motor mechanic training, computer hardware & software training were given to educated unemployed youth of all the four district. Most of the above trainings are imparted in the door steps of trainees.		

**Name of the Schemes: Economic Upliftment of Scheduled Caste.**

( Rs. in lakhs )

Year	Budget est.	Grants from GOI	Fund provided by State	Total fund available	Total expenditure	No.of beneficiaries	Reason for Saving /Excess
2001-02	16.2	-	16.20	16.20	16.05	444	-
2002-03	5	-	5.00	5.00	4.99	116	-
2003-04	7.42	-	7.42	7.42	7.42	253	-
2004-05	15	-	15.00	15.00	14.23	229	-
2005-06	9.9	-	9.90	9.90	9.90	200	-
2006-07	8.12	-	8.12	8.12	8.12	115	-
2007-08	17	-	17.00	17.00	16.83	154	-

**Name of the Schemes: Economic Upliftment of Scheduled Tribe**

(Rs. in lakhs)

Year	Budget est.	Grants from GOI	Fund provided by State	Total fund available	Total expenditure	No.of beneficiaries	%age utilization
2001-02	11.45	-	11.45	11.45	11.45	364	-
2002-03	5.00	-	5.00	5.00	5.00	78	-
2003-04	-	-	-	-	-	-	Stopped
2004-05	-	-	-	-	-	-	do
2005-06	-	-	-	-	-	-	do

(Rs. in lakhs)

**Name of the Schemes: Economic Upliftment of OBC**

Year	Budget est.	Grants from GOI	Fund provided by State	Total fund available	Total expenditure	No.of beneficiaries	%age utilization	Reason for Saving /Excess
2001-02	23.52	-	23.52	23.52	23.52	214	98.72%	-
2002-03	5	-	5.00	5.00	5.00	40	100%	-
2003-04	5	-	5.00	5.00	4.97	176	99.40%	-
2004-05	30	-	30.00	30.00	29.02	699	97%	-
2005-06	12.43	-	12.43	12.43	11.57	220	93%	-
2006-07	8	-	8.00	8.00	7.88	61	98.50%	-
2007-08	13	-	13.00	13.00	12.57	205	96.69%	-

**Name of the Schemes: Vocational Facilities to SCs**

( Rs. in lakhs)

Year	Budget est.	Grants from GOI	Fund provided by State	Total fund available	Total expenditure	No.of beneficiaries	Reason for Saving /Excess
2001-02	11.11	-	11.11	11.11	11.11	250	-
2002-03	10.00	-	10.00	10.00	10.00	214	-

2003-04	7.33	-	7.33	7.33	7.33	100	-
2004-05	15.00	-	15.00	15.00	15.00	182	-
2005-06	15.00	-	15.00	15.00	15.00	117	-
2006-07	19.17	-	19.17	19.17	19.17	188	-
2007-08	22.50	-	22.50	22.50	22.50	168	-

**Name of the Schemes: Vocational Facilities to STs (Rs. in lakhs)**

Year	Budget est.	Grants from GOI	Fund provided by State	Total fund available	Total expenditure	No.of beneficiaries	Reason for Saving /Excess
2001-02	11.00	-	11.00	11.00	11.00	129	-
2002-03	10.00	-	10.00	10.00	10.00	308	-
2003-04	7.34	-	7.34	7.34	7.34	93	-
2004-05	15.00	-	15.00	15.00	15.00	179	-
2005-06	15.00	-	15.00	15.00	15.00	117	-
2006-07	10.08	-	10.08	10.08	10.08	135	-
2007-08	17.00	-	17.00	17.00	17.00	179	-

**Name of the Schemes: Vocational Facilities to OBC/MBC (Rs. in lakhs)**

Year	Budget est.	Grants from GOI	Fund provided by State	Total fund available	Total expenditure	No.of beneficiaries	Reason for Saving /Excess
2001-02	-	-	-	-	-	-	-
2002-03	10.56	-	10.56	10.56	10.56	215	-
2003-04	7.33	-	7.33	7.33	7.33	109	-
2004-05	15.00	-	15.00	15.00	15.00	121	-
2005-06	30.63	-	30.63	30.63	30.63	234	-
2006-07	23.80	-	23.80	23.80	23.80	367	-
2007-08	18.00	-	18.00	18.00	18.00	264	-

**Name of the Schemes: Vocational Training under BADP (Rs. in lakhs)**

Year	Budget est.	Grants from GOI	Fund provided by State	Total fund available	Total expenditure	No.of beneficiaries	Reason for Saving /Excess
2005-06	25.00	25.00	-	25.00	25.00	288	-
2006-07	34.54	34.54	-	34.54	349.00	240	-
2006-07	18.89	18.89	-	18.89	18.89	349	-
2007-08	Nil	Nil	Nil	Nil	Nil	Nil	-

(Rs. in thousands)

**Name of the Schemes: Monastic Scholarship**

Year	Budget est.	Grants from GOI	Fund provided by State	Total fund available	Total expenditure	No.of Students	Remarks
2001-02	400	-	400	400	319		-
2002-03	350	-	350	350	406	1,622	-
2003-04	250	-	250	250	250	1,000	-
2004-05	500	-	500	500	487	1,948	-
2005-06	400	-	400	400	531	2,124	-
2006-07	300	-	300	300	565	2,260	-
2007-08	637	-	637	637	637	2,554	-

**Name of the Schemes: Pre-matric scholarship to ST students**

( Rs. in thousands)

Year	Budget est.	Grants from GOI	Fund provided by State	Total fund available	Total expenditure	No.of Students	Remarks
2001-02	2000	-	2000	2000	1997	4,132	-
2002-03	1500	-	1500	1500	1500	4,235	-
2003-04	1400	-	1400	1400	1630	2,833	-
2004-05	1800	-	1800	1800	1800	3,215	-
2005-06	1950	-	1950	1950	2021	3,709	-
2006-07	2210	-	2210	2210	2210	4,012	-
2007-08	3264	-	3264	3264	3264	6,457	-

**Name of the Schemes: Pre-matric scholarship to SC students**

( Rs. in thousands)

Year	Budget est.	Grants from GOI	Fund provided by State	Total fund available	Total expenditure	No.of Students	Remarks
2001-02	1600	-	1600	1600	921	1,974	-
2002-03	1000	-	1000	1000	926	2,012	-
2003-04	950	-	950	950	914	851	-
2004-05	950	-	950	950	742		-
2005-06	1000	-	1000	1000	808	1,708	-
2006-07	800	-	800	800	770	1,610	-
2007-08	930	-	930	930	930	1,862	-



**GOVERNMENT OF SIKKIM  
HOME DEPARTMENT  
GANGTOK**

**No. 45/HOME/2004**

**Dated 24.05.2004**

**NOTIFICATION**

In exercise of the powers conferred by clause (3) of Article 166 of the Constitution of India, the Governor of Sikkim is hereby pleased to make the following amendment in the Government of Sikkim (Allocation of Business) Rules, 2004 namely:-

1. (1) These rules may be called the Govt. of Sikkim (Allocation of Business) amendment Rules, 2004.
- (2) They shall come into force with immediate effect.
2. In the Govt. of Sikkim (Allocation of Business) Rules 2004 in the First schedule following amendments shall be effected:-

For “1 Agriculture Department” substitute 14 Food Security and Agriculture Development Department.

- (a) For “2 Animal Husbandry Department” substitute 1 Animal Husbandry Live Stock, Fisheries and Veterinary Services Department.
- (b) For “6 Department of Cultural Affairs” substitute “5 Cultural Affairs & Heritage Department.
- (c) For “7 Department of Personnel, Adm. Reforms and Training” substitute “6 Department of Personnel Adm. Reforms Training, Public Grievances, Career Options and Employment Skill Development and Chief Minister’s Self-employment Scheme”.
- (d) For “9 Education Department” substitute “19 Human Resource Development Department.
- (e) At serial no. 12 for the words “Finance Department” substitute “Finance, Revenue & Expenditure Department”.
- (f) For “14 Forest Environment and Wildlife Department” substitute “15 Forest, Environment and Wildlife Management Department”.
- (g) For “15 Health and Family Welfare Department” substitute “16 Health Care, Human Services and Family Welfare Department”.
- (h) For “17 Horticulture Department” substitute “18 Horticulture and Cash Crops Development Department”.
- (i) For “22 Land Revenue Department” substitute “24 Land Revenue & Disaster Management Department.

- (j) For “Mines and Geology Department” substitute “26 Mines, Minerals and Geology Department”.
  - (k) For “26 Planning and Development Department” substitute “7 Development Planning, Economics Reforms and North East Council Affairs Department”.
  - (l) For “27 Power Department” substitute “10 Energy and Power Department”.
  - (m) For “30 Public Health Engineering Department” substitute “38 Water Security and Public Health Engineering Department”.
  - (n) For “32 Rural Development Department” substitute “31 Rural Management and Development Department”.
  - (o) For “34 Social Welfare Department” substitute “33 Social Justice Empowerment and Welfare Department”.
  - (p) The existing serial numbers 3,4,5,10,16,18,19,20,21,23,25,27,30,32,34,35,36 and 37 respectively.
3. In the Government of Sikkim (Allocation of Business) Rules, 2004 in the Second Schedule following amendments shall be affected:-

Under the heading “1 Agriculture Department” substitutes “14 Food Security and Agriculture Development Department.

- (a) Under the heading “2 Animal Husbandry Department” substitute “1 Animal Husbandry, Livestock, Fisheries and Veterinary Services Department”.
- (b) Under the heading “6 Department of Cultural Affairs” substitute “5 Cultural Affairs and Heritage Department”.
- (c) Under the heading “7 Department of Personnel, Adm. Reforms and Training” substitute “6 Department of Personnel Administrative Reforms, Training, Public Grievances, career Options and Employment Skill Development and Chief Minister’s Self Employment Scheme”.
- (d) Under the heading “9 Education Department” substitute “19 Human Resource Development Department”.
- (e) Under the heading “12 for the words “Finance Department” substitute “Finance, Revenue & Expenditure Department”.
- (f) Under the heading “14 Forest, Environment and Wildlife Department” substitute “15 Forest, Environment and wildlife Management Department”.
- (g) Under the heading “15 Health and Family Welfare Department” substitute “16 Health Care, Human Services and Family Welfare Department”.
- (h) Under the heading “17 Horticulture Department” substitute “18 Horticulture and Cash Crops Development Department”.
- (i) Under the heading “22 Land Revenue Department” substitute “24 Land Revenue and Disaster Management Department”.
- (j) Under the heading “24 Mines and Geology Department” substitute “26 Mines, Minerals and Geology Department.
- (k) Under the heading “26 Planning and Development Department” substitute “7 Development Planning, Economics Reforms and North East Council Affairs Department”.
- (l) Under the heading “27 Power Department” substitute “10 Energy and Power Department”.
- (m) Under the heading “30 Public Health Engineering Department” substitute “38 Water Security and Public Health Engineering Department.

- (n) Under the heading “32 Rural Development Department” substitute “31 Rural Management and Development Department”.
- (o) Under the heading “34 Social Welfare Department” substitute “33 Social Justice Empowerment and Welfare Department”.
- (p) The existing serial numbers 3,4,5,10,16,18,19,20,21,23,25,31,33,35,36,37 and 38 shall be renumbered as 2,3,4,9,17,21,21,22,23,25,27,30,32,34,35,36, and 37 respectively.

BY ORDER AND IN THE NAME OF THE GOVERNOR

Sd/-  
S.W.TENZING, IAS  
CHIEF SECRETARY,  
F.NO.GOS/HOME-II/95/38/VOL-II

**SIKKIM**  
**GOVERNMENT**



**GAZETTE**

**EXTRAORDINARY  
PUBLISHED BY AUTHORITY**

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**Gangtok,**

**Saturday, 25<sup>th</sup> January, 2003**

**No. 5**

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**GOVERNMENT OF SIKKIM  
DEPARTMENT OF PERSONNEL, AR & TRAINING**

**No. J(95) 107/GEN/DOP**

**Dated: 25.01.2003**

**NOTIFICATION**

**VOLUNTARY RETIREMENT SCHEME FOR SIKKIM GOVERNMENT EMPLOYEES**

Whereas in terms of provisions contained under Rules 99(3) and 99A(1) of Sikkim Government Services Rules, 1974 State Govt. Employees are presently permitted to retire from Service Voluntary at any time after attaining 50 Years of age or completing 20 years of qualifying services;

And whereas a Government Employee electing to retire voluntary in accordance with aforesaid rules is given weightage of 5 years to the qualifying service subject to the condition that the total qualifying services rendered does not exceed 33 years and it does not take him beyond the date of superannuation: The only benefit of weightage to the qualifying service for computing pension and gratuity was not considered adequate to attract Government employees to opt for voluntary retirement.

And whereas in order to right size the Government and provide opportunity to employees intending to retire from service voluntarily before their date of superannuation introduction of a Voluntary Retirement Scheme (VRS) for State Govt. employees has been under consideration of the Govt. for some items:

And whereas after careful consideration it has been decided to introduce a Voluntary Retirement Scheme (VRS) for the State Govt. Employees with a package of benefits;

Now therefore, in order to achieve these objectives, the State Govt. is hereby pleased to formulate the following scheme, namely:-

<b>Short Title.</b>	1. This Scheme may be called the Govt. Employees Voluntary Retirement Scheme, 2003.
<b>Operation of the Scheme</b>	2. The Govt. Employees Voluntary Retirement Scheme, 2003 (hereinafter referred to as the VRS) shall be open for a period of one month from the 1 <sup>st</sup> . day of February 2003 to the 28 <sup>th</sup> . day of February 2003.
<b>Eligibility</b>	3. The Scheme will be open to all regular Government employees who have completed 10 years of qualifying service as on 31 <sup>st</sup> . January 2003.
<b>Application.</b>	4. The Scheme will not be applicable to following categories of Employees namely: <ul style="list-style-type: none"> <li>(a) Members of All India Service.</li> <li>(b) Deputationist from Central Govt. or other State Governments.</li> <li>(c) Employees appointed on Ad-hoc/Contract/Work-charges/Co-terminus basis.</li> <li>(d) Persons appointed on Consolidated pay or Muster-Roll on daily wages basis.</li> </ul>

**Explanation:-**

- (i) In case of persons appointed initially on Contract/Work-charged basis and subsequently absorbed in regular establishment the completed years of service will be reckoned as per terms and conditions laid down in their office order at the time of regularization of their services.
- (ii) Government employees against whom Disciplinary Proceedings are contemplated/pending or are under suspension will not be entitled to opt for VRS

<b>Ex-gratia amount.</b>	<p>5. (1) A Govt. employee whose request for voluntary retirement under the Voluntary Retirement Scheme is accepted will be entitled to an ex-gratia amount Equivalent to salary of 40 days for each completed year of service and 30 days for each remaining year of service. The Salary for this purpose means the basic Pay plus dearness allowance on the relevant date i.e. date of acceptance of request for voluntary retirement.</p> <p>While computing completed years of service the fraction of 6 months will be ignored. Payment of ex-gratia amount will be over and above the normal retirement entitlements under Sikkim Service (Pension) Rules, 1990.</p> <p>(2) The ex-gratia amount will be further subject to the following conditions:</p> <ul style="list-style-type: none"> <li>(a) For computing ex-gratia payment total number of years to be counted will not exceed 33 years.</li> <li>(b) No weightage of additional service will be given for the purpose of calculation of ex-gratia.</li> <li>(c) The ex-gratia amount should not exceed the salary (Basic pay plus Dearness allowance) that the employee would draw at he prevailing rates for the balance of the period of service left before superannuation.</li> <li>(d) The ex-gratia amount will be paid in lump sum.</li> </ul> <p>The ex-gratia amount upto Rs. 3.00 lakhs will be exempted from Income-</p>
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Tax.

**Other benefits.**

6. (1). A weightage of 5 years to the qualifying service shall be given under the Sikkim Service (Pension) Rules, 1990 to such employees who have rendered a minimum of 20 years of qualifying service or attained 50 years of age on the date of acceptance of Voluntary subject to the condition that the total qualifying service rendered does not in any case exceed thirty three years and it does not take him beyond the date of superannuation.

(2). Payment of Pension and gratuity as per the Sikkim Service (Pension) Rules, 1990.

(3). Encashment or earned leave on full pay accumulated as per the Sikkim Govt. Services (Leave) Rules, 1982.

(4). Payment of amount admissible under the Sikkim Govt. Employees Group Insurance Scheme.

(5). TA/DA as on retirement as per Travelling Allowance Rules.

(6). The operation of rule 8 of the Sikkim Government Services (Pension) Rules, 1990 will be exempted in the case of group "A" employee who opts for VRS.

**Other features**

7. (1) Govt. employees desirous of availing benefit under the scheme will have to exercise option for voluntary retirement in the prescribed Format during the period 1<sup>st</sup>. February 2003. Group A and B employees will submit their application to the Department of Personnel, AR & Training and Group C and D employees to the Head of the Department concerned who shall forward the proposal to the Department of Personnel, AR & Training for obtaining approval of the Govt. to that effect.

(2) The Govt. shall have the right to accept or reject an application for voluntary retirement.

(3) Once the option of voluntary retirement is accepted, the post held by the retiring incumbent or one post from the relevant cadre will stand abolished from the date of his/her voluntary retirement.

(4) The employee retired under the VRS will not be eligible for re-employment in the State Govt. or Public Sector Undertakings.

(5) The Govt. reserves the right to modify, vary alter or amend the Scheme as it may deem fit.

(6) Option for voluntary retirement exercised once will be final.

**Interpretation**

8. If any question arises as to the interpretation of this Scheme, the same shall be referred to the Govt. in the Department of Personnel, AR & Training and its decision thereon shall be final.

**D. DAHDUL  
COMMISSIONER CUM SECRETARY**

**DEPARTMENT OF PERSONNEL, A.R. & TRAINING**

**GOVERNMENT OF SIKKIM**

**DEPARTMENT OF PERSONNEL, ADM. REFORMS AND TRAINING.**

**APPLICATION FORM FOR VOLUNTARY RETIREMENT UNDER VRS**

1. Name of the Employee in full:-
2. Designation:-
3. Department:- Office:-
4. Nature of employment:-
5. Date of Birth ( As recorded in service Book):-
6. Date of Appointment:-
7. Date of Superannuation:-
8. Scale of Pay:-
9. Basic Pay:-
10. Number of years of qualifying service completed:-
11. Actual Number of months left in superannuation:-

I have understood the provisions contained in VRS for Sikkim Govt. Employees and opt to retire from Government's Service voluntarily. I will abide by the terms and conditions laid down in VRS.

I may be permitted to retire from service voluntarily under VRS.

Place:-

Date:-

**Signature of Govt. Employee**

Certified that particulars furnished above have been verified from records and found correct

**Signature of verifying Officer**

**Designation:-**

**Official Seal:-**

**Recommendations of Head Department/Head of Office:-**

**Signature of Head of Department/Head of Office**

**SIKKIM**  
**GOVERNMENT**



**GAZETTE**

**EXTRAORDINARY**  
**PUBLISHED BY AUTHORITY**

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Gangtok,

Friday, 7<sup>th</sup> July, 2000

No. 232

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**GOVERNMENT OF SIKKIM**  
**LAW DEPARTMENT**  
**GANGTOK**

**NO. 18/LD/2000**

**Date: 6.7.2000**

**NOTIFICATION**

The following act of the Sikkim legislative Assembly having received the assent of the Governor on 3<sup>rd</sup> day of July, 2000 is hereby published for general information:-

**THE SIKKIM INDUSTRIAL PROMOTION AND INCENTIVE ACT, 2000**

(ACT NO. 18 OF 2000)

**AN**

**ACT**

To make provisions for incentives for tiny, small scale, medium scale and large scale industries set up within the state of Sikkim.

Whereas it is expedient to make provisions for incentives for tiny, small scale, medium scale industries set up within the state of Sikkim.

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 the Sikkim Industrial and Promotion and Incentive Act, 2000
- (2) It shall come into force at once

2. This Act shall be applicable to all industrial units existing on the date of commencement of this act and also the industrial unit as may be set up after the commencement of this Act. Notwithstanding anything contained herein the Industries set up prior to commencement of this Act and enjoyed benefits, concessions, incentives or some other package of subsidies etc. for a period of five years under any Notification or rules or orders or schemes etc. shall not be eligible for any benefits under this act.

**Definitions.**

3. In this act unless the context otherwise requires :-

(a) “Artisan and tiny units, Small Scale Units and Medium/Large scale units” mean an Industrial Unit as defined by the Government of India from time to time and includes co-operative industrial units.

(b) “capital” means the total investment of money on tangible assets like building etc. and intangible assets like good will.

(c) “company” means a unit registered under the provision of the law relating to registration of companies for the time being in force in the state.

(d) “Co-operative Society” means any co-operative industrial unit registered under the Sikkim Co-operative Society Act, 1978

(e) “Fixed Investment” means investment made in land, building, plant and machineries and other capital goods.

(f) “partnership firm” means a unit formed by two or more persons.

(g) “proprietorship” means a unit owned by a single person.

(h) “small scale industry” means where the investment in fixed assets in plant and machineries, (i.e. excluding the cost of land, building, etc.) whether held on ownership terms or on lease hire purchase, not exceeding 100 lakhs.

(i) “working capital” means that components of fund loan which is required for meeting up the expenditure on day to day operation of a unit including cost of inventories, raw materials, component works in progress and operative expenses like wages, salaries, power charges and other recurring expenses.

(j) “working capital loan” means a loan required for acquisition current assets for meeting day to day requirements of an industrial unit for completing the operation cycle and includes cash credit and over draft facilities and any other short term loan required by the industrial unit.

(k) “year” means the financial year commencing of the first day of April and ending on the 31<sup>st</sup> day of March next following.

**Disqualification.**

4. Where an industrial unit fails to furnish any information or material particulars or record or document or having received the benefits available under the act is found to have resorted to malpractice or misused benefits of concessions or suppresses or furnishes wrong information or is otherwise found to have not acted bonafide shall be disqualified from availing any benefits or concession or incentive under the Act.

**Sanctioning, recovery, reimbursement etc.**

5. Sanctioning authority for benefits/incentives under this Act shall be such as would be notified by the State Government from time to time who shall also be the authority to receive all applications for such incentives for benefits and also shall deal with any issue of recovery, reimbursement or adjustment.

**Subsidy of interest on Working capital.** 6 Where an industry has received an interest which is eligible to receive subsidy will be for interest in excess of 14% of the interest payable by the industrial unit on the working capital loan and will be available for a period of five years in the following manner to different categories of industries from the date of obtaining the loan.

<b>Artisan and tiny Scale units</b>	<b>Small scale units</b>	<b>Medium/large scale units</b>
s.10,000.00(Rupees ten thousand) or actual difference in interest whichever is less.	Rs.50,000.00 (Rupees fifty thousand) or actual difference interest, whichever is less.	Rs.1,00,000.00 (Rupees one Lakh) or actual, difference in interest, whichever is less.

**Price preference** 7. Industrial units either small or large set up within the territory of State of Sikkim shall enjoy a price preference to the extent of 15% over the rates of price quoted for the same product having same or equivalent quality brought from outside the state.

**Subsidy on power** 8. An industrial unit consuming power up to Rs.50,000.00 per annum shall be eligible for 50% reimbursement.

**Exemption on security deposit and/or Earnest money.** 9. Industrial unit shall be exempted from payment of security deposit and earnest money in respect of tenders or quotations for purchase of stores by Government Department.

**International standard Organization/Indian Standard Institute Certification.** 10. The industrial unit shall obtain Indian standard Institute/ International standard organization certificate in respect of their products to compete at the state and national level and to ensure product quality and for such the state government shall reimburse 100% of the expenditure incurred on the registration fees, testing fees, annual license fees, purchase of testing equipment provided the maximum amount payable by way of reimbursement shall not exceed Rs. 25,000.00

**Subsidy on registration fee on promotion council, Indian Standard Institution, Commodity board, Chamber of commerce.** 11. The amount spent by an industrial unit in obtaining a registration with promotion council. Indian Standard institution. Commodity Board, Chamber of commerce etc. shall be reimbursed to the unit, subject to a maximum of Rs.10,000.00 (Rupees ten thousand ) or the actual registration fee, whichever is less.

**Taxation matter** 12. Exemption under Notification No. 2/TIC dated 16<sup>th</sup> February, 1974 will continue.

**Period of exemption.** 13. (1) The benefits, concessions or exemptions are conferred under this act shall be for such period as may be notified by the sanctioning authority.  
(2) The sanctioning authority may with the approval of the Government from time to time, notify such additional benefits, concessions or exemptions applicable to industrial unit as may be considered desirable.

**Power to remove  
Difficulties**

14. If any difficulty arises in giving effect to the provisions of this Act, the Government may by the order not in consistent with the provisions of this Act, remove such difficulties.

**Repeal**

15. All the notifications, orders, instructions, circulars, schemes etc. issued from time to time for the purpose of extending benefit/incentives/concessions to industry both tiny, small scale or medium/large scale industry are hereby repealed.

By order of the Governor,

**T.D.Rinzing,**  
**Secretary to the Government of Sikkim**  
**Law Department.**  
F. No. 16(82) LD/2000

**DEPARTMENT OF COMMERCE AND INDUSTRIES**

**GOVERNMENT OF SIKKIM**

**No.G.O./2/DI/2002-2003/901**

**Dated: 17/02/03**

**NOTIFICATION**

The Notification/Memorandum issued by Ministry of Commerce and Industry, Department of Industrial Policy and Promotion, Govt. of India vide No.14(2)/2002-SPS, dated 23rd December 2002 approving a special package of incentives for development of Industries in the State of Sikkim, is hereby reproduced for general information of the public and the entrepreneurs as under:

No. 14(2)/2002-SPS

Government of India,  
Ministry of Commerce and Industry,  
(Department of Industrial Policy and Promotion)  
New Delhi. Dated 23rd Dec. 2002.

**OFFICE MEMORANDUM**

Subject: New Industrial Policy and other concessions for the state of Sikkim.

The Government of Sikkim has requested for a special package for development of industries in the state on the lines for the North East Industrial Policy notified by the Central Government vide Ministry of Industry's OM No.EA/1/2/96-IPD dated 24<sup>th</sup> December 1997. Discussions on Strategy and Action Plan for Development of Industries and generation of employment in the State of Sikkim were held with the various related Ministries on the issues inter-alia, infrastructure development, financial concessions and easy market access.

2. Keeping in view the fact that the State of Sikkim lags behind in industrial development, a need has been felt for structured interventionist strategies to accelerate industrial development of the State and boost investor confidence. The new initiatives would provide the required incentives as well as an enabling environment for industrial development, improve availability of capital and increase market access to provide a fillip to the private investment in the State.
3. The matter has been carefully considered by the Government and it has been decided to provide the following package of incentives for the State of Sikkim.
  - 3.1 Fiscal Incentives to new Industrial Units and substantial expansion of existing units:
    - i) New industrial units and existing industrial units on their substantial expansion as defined, set up in Growth Center, Industrial Infrastructure Development Centers (IIDCs) and other locations like Industrial Estates, Export Processing Zones, Food Parks, IT Parks, etc., as notified by the Central Government are entitled to 100% (hundred percent) income tax and excise duty exemption for a period of 10 years from the date of commencement of commercial production. Thrust Sector Industries as mentioned in Annexure-II are entitled to similar concessions in the entire State of Sikkim without area restrictions.
    - ii) All New industries in the notified location would be eligible for capital investment subsidy @ 15% of their investment in plant & machinery, subject to a ceiling of Rs.30 lakh. The existing units will be entitled to this subsidy on substantial expansion, as defined.

- iii) An interest subsidy of 3% on the working capital loan would be provided to all new industrial units in notified locations for a period of 10 years after the commencement of commercial production. This benefit would also be extended to existing units in notified locations on expansion, as defined, as well as to Thrust Industries shown in Annexure-II.
  - iv) The insurance premium to the extent of hundred percent on capital investment for a period of 10 years would be extended by the Central Government to all new units and to existing units on their substantial expansion, as defined.
- 3.2 Development of Industrial Infrastructure:
- i) The funding pattern under the Growth Centre Scheme currently envisaging a Central assistance of Rs.10 crore for each centre is raised to Rs.15 crore per centre.
  - ii) The financing pattern of Integrated Infrastructure Development Centers (IIDC) between Government of India and SIDBI will change from 2:3 to 4:1, and the GOI funds would be in the nature of a grant, so as to provide the required infrastructural support.
- 3.3 The above concessions/subsidies shall be available to all new units and to the existing industrial units on their substantial expansion as defined, in the industrial areas notified by the Central Government (Annexure-I) and Thrust Industries (Annexure-II) irrespective of location.
- 3.4 Ineligible Industries under the policy:
- Tobacco and tobacco products including cigarettes/cigars/gutka, etc., Aerated branded beverages, and Pollution causing paper and paper products
- 3.5 Nodal Agency
- North Eastern Development Finance Corporation Limited (**NEDFI**) would be designated as the Nodal Agency for routing the subsidies/incentives under various schemes notified under this Policy.

Explanation:

- i) The eligible areas for above concessions and thrust industries are as identified in Annex-I & Annex- II respectively.
  - ii) The notification regarding definition of substantial expansion of the existing units shall be issued separately.
4. Government reserves the right to modify any part of the policy in public interest.
5. The Ministry of Finance, Department of Revenue, Department of Development of North Eastern Region, etc. are requested to amend Act/rules/notifications, etc. and issue necessary instructions for giving effect to these decisions.

( **K.B.CHETTRI** )  
Secretary Commerce and Industries  
Govt. of Sikkim

**Sub-Annexure – I**

**Identified locations for notification under the new Industrial Policy for the State of Sikkim.**

**1. EAST DISTRICT**

GANGTOK SUB-DIVISION IN EAST DISTRICT

*RANGPO – MAZITAR – BARDANG – SINGTAM – TOPAKHAINI – MARTAM – 32 MILE – WEST NAMLI ( RADONG ) - SAMLIK – MARCHAK – RANIPOOL – TADONG – DEORALI – GANGTOK – BURTUK – BHOJOGHARI – PANGTHANG – PENLONG – ADAMPOOL – RUMTEK.*

PAKYONG SUB-DIVISION IN EAST DISTRICT

*RANIPOOL – SARAMSA – AHO – CHOTA SINGTAM – NAMCHEYBOONG – LALTURUNG – PAKYONG*

**2. SOUTH DISTRICT**

NAMCHI SUB-DIVISION IN SOUTH DISTRICT

*MELLI – LOWER KITAM – MANPUR – MAZITAR – JORETHANG – ( ALONG THE STATE HIGHWAY )  
JORETHANG – KARFEKTAR – CHISOPANI – NANDUGAON – NAMCHI – BOOMTAR – MAMRING.*

**3. WEST DISTRICT**

SORENG SUB-DIVISION IN WEST DISTRICT

*RHOTAK – PIPLAY – BAIGUNEY – RESHI – LEGSHIP – NAYABAZAR – BUDANG – SORENG*

**4. NORTH DISTRICT**

MANGAN SUB-DIVISION IN NORTH DISTRICT

CHUNCTHANG

CHUNGTHANG SUB-DIVISION IN NORTH DISTRICT

*LACHEN - LACHUNG*

**Sub-Annexure - II**

**THRUST INDUSTRIES**

Sl.No. Activity

1. Eco-Tourism including Hotels, Resorts, Spa, Amusement Parks and Rope ways.
2. Handicrafts & Handlooms.
3. Wool and silk reeling, weaving & processing, printing etc.
4. Floriculture.
5. Precision Engineering including watch making.
6. Electronics including computronics hardware & software and IT related industries.
7. Food processing including Agro-based industries. Processing, Preservation and packaging of fruits and vegetables (excluding conventional grinding/extraction units).
8. Medicinal and aromatic Herbs-Plantation & Processing.
9. Raising & Processing of Plantation Crops i.e. Tea, Oranges & cardamom.
10. Mineral based industry.
11. Pharma products
12. Honey
13. Biotechnology.





**THE SIKKIM INDUSTRIAL PROMOTION AND INCENTIVE ( AMENDMENT) ACT,**  
**2003**

**ACT No. 6 of 2003**

**to amend the Sikkim Industrial Promotion and Incentive Act, 2000.**

Be it enacted by the Legislature of Sikkim in the Fifty-fourth year of the Republic of India as follows:-

<b>Short title and commencement</b>	<p>1.(1) This Act may be called the Sikkim Industrial Promotion and Incentive (Amendment) Act, 2003.</p> <p>(2) It shall come into force at once.</p>
<b>Amendment of section 2</b>	<p>2. In the Sikkim Industrial Promotion and Incentive Act, 2000, (hereinafter referred to as the said Act), section 2 shall be renumbered as sub-section (1) of that section and in sub-section</p> <p>“(1)” as so renumbered, for the word “five” the word “ten” shall be substituted and after sub-section (1) as so renumbered, the following sub-sections shall <b>be inserted, namely:</b></p> <p>“(2)” The Scheme will also be applicable to existing units in case of <b>diversification, modernization and expansion.</b>”</p> <p>“(3)” <b>Diversification, modernization and expansion</b> should entail enhancement in the existing capacity by at least 25% and the package of incentive admissible to the unit shall relate to the expanded portion only. For the purpose of this calculation un depreciated value of the capital investment made on land, building, plant and machinery of the unit will be taken into consideration.”</p>
<b>Amendment of section 3</b>	<p>3. In the said Act, in section 3,-</p> <p>i) after clause (d) following clauses shall be inserted, <b>namely:-</b></p> <p>(dd) <b>“Diversification”</b> means separately identifiable investment made by an existing industrial unit in the fixed capital assets to set up a project for manufacturing of new products(s) provided that the additional investment in the fixed assets is not less than 25% of the gross fixed capital and increase of additional employment is at least by 10%.”</p> <p>(ddd) <b>“Expansion”</b> of an industrial units means additional fixed unit. For the purpose of calculation, Gross value of all the capital investment made on land, building and plant machinery of the existing unit will be taken into consideration. Expansion shall also imply an increase of at least 25% in the existing installed capacity as well as increase of additional employment of at least by 10%. Prior to going for expansion, the units</p>

	<p>should be operating atleast at a minimum of 80% capacity during the three previous years.”</p> <p>(ii)after clause (e), the following clause shall be inserted, namely:-</p> <p>“(ee)“<b>Modernization</b>” means separately identifiable investment made by an existing industrial unit in the fixed capital technology having a definite advantage in reduction of cost of production provided that the additional investment in the fixed assets should not be less than 25% of the gross fixed capital.</p> <p>The incentive available to the unit undergoing expansion/diversification/modernization shall be for the additional investment made and/or the increase in production over the average of three previous years prior to the year when the unit goes for expansion/diversification as applicable. The year for this purpose shall mean a financial year. The units which have taken up expansion/diversification/modernization plan prior to coming into force of this policy should intimate the concerned agency within three months from the date of implementation of the policy”.</p>
<b>Amendment of section 5</b>	4. In the said Act, for the existing section 5, the following section shall be substituted, namely:-
<b>Sanctioning Authority 5</b>	<p>For the benefits/incentives under this Act, the following authorities shall have the power of sanctioning namely :-</p> <ol style="list-style-type: none"> <li>(1) General Manager of District Industries Centres - up to Rs.10,000/- (Rupees ten thousand).</li> <li>(2) Director of Industries upto Rs. 1,00,000/- (Rupees one lakh)</li> <li>(3) Secretary Industries-upto Rs.1,50,000/- (Rupees one lakh and fifty thousand).</li> <li>(4) Minister-In charge, Industries - all cases above Rs.1.5 lakhs to Rs.5 lakhs (Rupees five lakhs)</li> <li>(5) There shall be a Committee constituted under the Scheme consisting of the Minister Industries with Secretary Industries, Secretary Finance and Director Industries as members who shall sanction subsidies incentive between Rs.5 to Rs. 8 lakhs (Rupees five to eight lakhs).</li> <li>(6) All cases above Rs.8 lakhs (Rupees eight lakhs) will be placed in the Cabinet</li> </ol>
<b>Insertion of new sections.</b>	5. In the said Act, after section 6, the following sections shall be inserted, namely:-
<b>Subsidy on State Capital</b>	6 A. An investment subsidy on the total investment shall be provided on a graded level to the industry. It will be available to both new as well as those carrying out expansion, diversification or modernization activities.

Artisan and Tiny Scale Units	Small Scale Units	Medium/Large Scale Units
<p>a) 15 percent of total capital investment in plant and machinery subject to a maximum of Rs.30,000/- (Rupees thirty thousand ).</p> <p>b) 30 percent of total capital investment in plant and machinery subject to a maximum of Rs.60,000/- (Rupees sixty thousand ) for units set up by local entrepreneurs.</p> <p>c) For units set up in the thrust areas 20 percent of total capital investment in plant and machinery subject to a maximum of Rs.40,000/- ( Rupees forty thousand).</p> <p>d) For units set up in the thrust areas by local entrepreneurs 20 percent of total capital investment in plant and machinery subject to a maximum of Rs.80,000/- (Rupees eighty thousand )</p>	<p>a) 10 percent of total capital investment in plant and machinery, subject to a maximum of Rs. 5 lacs. (Rupees five lakhs).</p> <p>b) For units set up by local entrepreneurs 10 percent of total capital investment in plant and machinery, subject to a maximum of Rs. 10 lacs. ( Rupees ten lakhs).</p> <p>c) For units set up in the thrust areas 15 percent of total capital investment in plant and machinery, subject to a maximum of Rs.7 lakhs (Rupees Seven lakhs)</p> <p>d) For units set up in the thrust areas by local entrepreneurs 15 percent of total capital investment in plant and machinery, subject to a maximum of Rs.14 lakhs (Rupees fourteen lakhs)</p>	<p>a) 5 percent of total capital investment in plant and machinery, Subject to a maximum of Rs.10 lacs (Rupees ten lakhs).</p> <p>b) For units set up by local entrepreneurs 10 percent of total capital investment in plant and machinery, Subject to a maximum of Rs.20 lacs (Rupees twenty lakhs).</p> <p>c) For units set up in the thrust areas 10 percent of total capital investment in plant and machinery, subject to a maximum of Rs.15 lakhs (Rupees fifteen lakhs)</p> <p>d) For units set up in the thrust areas by local entrepreneurs 20 percent of total capital investment in plant and machinery, subject to a maximum of Rs.30 lakhs (Rupees thirty lakhs)</p>

<p><b>Subsidy on Captive power</b></p>	<p>6B. (1) In order to encourage and assist industrial units to be self <b>Captive power</b> sufficient in their requirements of power, the State <b>generating sets</b>. Government shall subsidise up to 25 percent of the cost for purchase of captive power generating sets, subject to a maximum of Rs. 1 lakh ( Rupees one lakh). And in case of units set up by local entrepreneurs subsidy will be 50 percent subject to a maximum of Rs.2 lakhs.</p> <p>(2) Industries set up in the thrust area shall get a 30 percent subsidy, subject to a maximum of Rs.1.25 lakhs (Rupees one lakh and twenty five thousand). And in case of units set up by local entrepreneurs in the thrust area subsidy will be 60 percent subject to a maximum of Rs.2.50 lakhs.</p>
<p><b>Special incentive to the Pioneer Unit.</b></p>	<p>6C. A new unit with fixed capital investment exceeding Rs.3 crores set up in a district where there are no medium or large Scale Industries will be given pioneer status. Such unit will be eligible for additional State Capital Investment Subsidy of 5% of fixed capital investment subject to a ceiling of Rs.10 lakhs. Such units will also be given Power Subsidy for an</p>

	additional period of 2 years.
<b>Special incentives for women entrepreneurs.</b>	<p>6D. Special incentives as detailed below shall be granted to Women entrepreneurs, namely: -</p> <ol style="list-style-type: none"> <li>(1) Additional State Capital Investment Subsidy of 5% subject to a ceiling of Rs.5 lakhs which constitute more than 50% of the work force in the industry.</li> <li>(2) Additional Interest Subsidy on working capital of 2% subject to a ceiling of Rs 1 lakh for a period of three years from the date of commencement of commercial production.</li> <li>(3) 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.</li> </ol>
<b>Stipendiary support for EDP.</b>	<p>6E. Stipend at the rate of Rs.500/- (Rupees five hundred) per month per trainee shall be provided for training of 100 youth annually for special <b>Entrepreneurship Development Programme (EDP)</b> to be conducted by Government approved/recognized Institutions subject to the condition that the training period shall not be less than 3 (three) months duration.</p>
<b>Reimbursement of Stamp Duty and Registration Fee.</b>	<p>6F. 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 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 (five) years.</p>
<b>Local employment promotion grant.</b>	<p>6G.(1)The State Government will reimburse annually up to 30% (thirty percent) 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 (Rupees one lakh).</p> <p>(2) Fifty percent of the cost incurred on the training of local employees will be reimbursed subject to the following conditions, namely:-</p> <ol style="list-style-type: none"> <li>(a) Such trained person being absorbed in the unit, failing which the unit will refund the subsidy amount paid for the same.</li> <li>(b) Training shall be conducted in an Institute approved by the State Government.</li> </ol>
<b>Subsidy on cost incurred on quality control measures.</b>	<p>6H. (1)Cost of Laboratory Equipment for the purpose of quality control and ISI certification subject to a maximum of Rs. 10,000 (Rupees ten thousand) per unit will be reimbursed in cases where is does not form part of the project cost. For local entrepreneurs Rs. 20,000 (Rupees twenty thousand) per unit will be reimbursed.</p> <p>(2)Export oriented units committing to export at least 50% (fifty percent) of the value of the turnover will be eligible for an additional reimbursement</p>

	<p>of Rs.1, 00,000/- (Rupees one lakh) against such quality control measures. For local entrepreneurs Rs.2,00,000(Rupees two lakhs) will be reimbursed.</p>
<p><b>Subsidy on consultancy service.</b></p>	<p>6 I. An industrial unit shall receive a one-time subsidy on consultancy charge paid to an approved consultant as per the scale not below</p> <p>(1) For project upto Rs. 10 lakhs (Rupees ten lakhs) 3% subject to maximum of Rs. 20,000/-(Rupees twenty thousand). For local entrepreneurs 6% subject to maximum of Rs. 40,000(Rupees forty thousand ).</p> <p>(2) For project above Rs.10 lakhs (Rupees ten lakhs) 3% subject to a maximum of Rs. 1,00,000/-(Rupees one lakh). For local entrepreneurs 6% subject to maximum of Rs. 2,00,000/-(Rupees two lakhs).</p>
<p><b>Subsidy on study tours and implant training</b></p>	<p>6J. Entrepreneurs sent outside Sikkim with the approval of the Director of Industries for study tours and implant training shall be eligible for reimbursement of the return journey expenses of subject. class train fare and an allowance of Rs.1000/- (Rupees one thousand) per mensem per entrepreneur.</p> <p>Provided that the period of such a study tour/implant 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 know how of the industry concerned.</p> <p>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:</p> <p>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 Rs.500/- (Rupees five hundred) per workers shall be eligible to the industrial unit concerned in such cases.</p>
<p><b>Allotment of land</b></p>	<p>6K. The State Government shall endeavor to provide a developed land with all infrastructural facilities at Growth Centres to all new units except those in the “Services” and “Village Industries Sector” in the following manner, namely :</p> <p>1) The developed land will be allotted on lease basis for a period of 30 (thirty) years.</p> <p>2) The State Government will subsidize the cost of land development at the rates given below:</p> <p>a) Small Scale Industries_____20%.</p> <p>b) Export Oriented Unit and Units owned and managed by local entrepreneurs_30%</p> <p>c) Large and Medium Units (as per definition)- 15%.</p> <p>3) The cost of land development will be recovered from the allottee or</p>

	Industrial units after framing allotment rules, which shall be notified.
<b>Subsidy on State Transport</b>	6L. The State Government shall provide transport subsidy of 50 % for .transportation of Plant and Machinerics from any part of India to the location of unit in Sikkim maximum of Rs.1 lakh (Rupees one lakh). For local entrepreneurs the maximum limit will be Rs.2 lakhs (Rupees two lakhs).
<b>Subsidy for technical know how</b>	6M. A subsidy of 50% shall be admissible to meet the cost of technical know how 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. The subsidy will be 60% for Small Scale Industrial Units set up in thrust areas and Export Oriented Unit.
<b>Special Incentives for Agro and Food Processing Industries.</b>	6N . Special incentives shall be granted to the Agro and Food Processing Industries as detailed below:  1.Additional State Capital Investment Subsidy of 5% subject to a ceiling of Rs.5 lakhs for agro & food processing industries.  2. 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 Rs.1 lakh.(Rupees One Lakh).”
<b>Amendment of section 8</b>	6. In the said Act, for the existing section 8, the following section shall be substituted, namely:-
<b>“Power Subsidy 8</b>	1) There shall be 100% reimbursement of power bill for an industrial unit consuming up to Rs.50,000/-(Rupees fifty thousand) per annum. The reimbursement above Rs.50,000/- (Rupees fifty thousand) shall be to the extent of Rs.50,000/- (Rupees fifty thousand) plus 25 percent of the balance of actual payment subject to a maximum of Rs.2 lakhs (Rupees two lakhs).  2) The State Government shall grant a subsidy of 30 percent power tariff to industrial units coming up in Growth Centre or Thrust Areas.  3) 50% of the cost incurred on linking of power from the main line to the factory shed subject to a maximum ceiling of Rs. 50,000/-(Rupees fifty thousand).  4) Power tariff to the Industries shall be levied at the cost of production as and when available.
<b>Insertion o f new section</b>	7. In the said Act, after section 12, the following section shall be inserted, namely:-
<b>“Concession on 12A. State and Central Sales Tax.</b>	1) The State Sales Taxes shall be exempted for a period of 10 (ten) years from the date of commencement of actual Commercial Production. However, for the units set up in the thrust area, the exemption period will be 12 (twelve) years.  2) The levy of state excise duty and sales tax on units manufacturing alcoholic products will continue as per notification 6/CGO/90/DI/95-

	<p>96/784 dated 03.10.2000.</p> <p>3) Exemption of Central Sales Taxes and Central Excise Duties will be governed by various Notifications/Orders issued by Government of India in this regard.”</p>
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( P.S.Golay )  
Minister-in Charge.  
Commerce and Industries Department  
Government of Sikkim

**IRRIGATION DEPARTMENT****Estimate for annual maintenance of concrete channel:**

Length – 1.00 km = 1000.00 mtr.

1. Slip clearance, jungle clearance uprooting of  
Herbs, minor repairs etc. to keep channel  
Functional throughout the year by employing  
 $\frac{1}{2}$  labourers ( average) for 12 months.  
 $\frac{1}{2} \times 365$  days @ Rs. 85 per day Rs. 15513.00
2. Repair/Restoration of channel damaged due to land.  
Slides, bed erosion etc.
  - (a) Providing/laying of 15 cm thick stone soling  
 $0.85 \times 0.15 \times 1000 = 128$  cum  
5% of total total quantity = 6.35 cum @ Rs. 369.65 Rs. 2358.00
  - (b) P/L of 10 cm thick 1:2:4 cc of chips size 20 cm  
Gauge 7 grading & down  
 $0.85 \times 0.1 \times 1000 = 85$  cum  
15% of the total quantity = 12.8 cum @ Rs. 3098.69/10 cum Rs. 39508.00
  - (c) P/L of 10 cm thick 1:2:4 PCC  
 $2 \times 1000.00 \times 0.37 \times 0.20 = 148.00$  cum  
quantity = 7.40 cum @Rs. 2472.45 Rs. 18296.00
  - (d) P/L 12.50 mm thick 1:3 cement plaster 1.19 mtr width  
 $1000 \times 1.19 = 1190.00$  cum  
25 % of the total area = 297.50 cum @Rs.844.25/10cums. Rs.25116.00
3. Repairs to supporting structure (retaining) walls of 1:4:8 CRSM  
 $10.00 \times \frac{1}{2} \times 1.10 \times 0.28 = 1.50$  cum  
 $10.00 \times (0.60+1.10) \times 2.00 = \underline{17.00}$  cum  
= 18.50 cum @ Rs. 1556.78 cum Rs. 28800.00
4. Carriage of cement, stones and sand etc all complete  
One job LS Rs. 2000.00

	Rs. 31591.00
Add 4% contingencies	Rs. <u>5264.00</u>
<b>Total</b>	<b>Rs. 136855.00</b>

### Estimate for Annual Maintenance of Piped Channel

Length – 1.00 km = 1000.00 mtrs.

1.	Slip clearance, jungle clearance uprooting of herbs, minor repairs etc. to keep channel functioning throughout the year by employing ½ labours (average) for 12 months  ½ x 365 days  @ Rs. 50.00 per day	Rs. 9125.00
2.	Repairs/Restoration of channel by relaying replacement of pipe & collars	
(a)	Cost of Pipe 1 km x 3.28 = 3280.00 rft. 5% of the total length = 164.00rft  @ Rs. 70.47/rft + 5% S.C. + 8% S.T.	Rs. 13060.00
(b)	Cost of Collars – 20 Nos.  @ Rs. 76.21/mtr + 5% S.C. + 8% S.T.	Rs. 1722.00
(c)	Labour & Materials cost for joining etc 1 job = L.S.	Rs. 3000.00
(d)	Carriage of pipes, cement, sand etc 1 job = L.S.	<u>Rs. 500.00</u>
		Rs. 27407.00
	Add 4% Contingency	<u>Rs. 1096.00</u>
	<b>Total</b>	<b>Rs. 28503.00</b>
		<b><u>Say Rs. 28,500.00</u></b>

(Rupees Twenty Eight Thousand Five Hundred) only.

**Estimate for Annual Maintenance of RCC half round pipe.**

Length = 1.00 km – 1000.00 mtr.

Size = 9” dia RCC half round pipe.

1.	Slip clearance and debris throwing etc all complete		
	One job	L.S.	Rs. 2000
2.	Repair & restoration of channel by relaying/ Replacement of pipes etc. all complete		
	(1) cost of pipe – 100.00 x 3.28 = 328000 rft		
	5% of the total length = 164.00 rft		
		@ Rs. 52.00 rft + 5% S.C + 8% S.T.	Rs. 9785
	(ii) P/L hand packed stone soling etc all complete		
	1000.00 x 0.85 x 0.15 = 127.50 cum		
	5% of the total length = 6.37 cum		
		@ Rs. 369.656 cum	Rs. 2355
	(iii) P/L of 10 cm thick 1:2:4 cement concrete i/c curing etc all complete		
	Base 1000.00 x 0.85 x 0.01 = 85.00 cum		
	Side 2 x 1000.00 x 0.60 x 0.02 = <u>240.00 cum</u>		
		325.00 cum	
	5% of the total quantity = 16.25 cum	@ Rs. 3098.69 cum	Rs. 50354
3.	Carriage of stock materials		
	one job	L.S.	Rs. 5000
4.	Carriage on non stock material		
	one job	L.S.	Rs. <u>2000</u>
		<b>Total</b>	<b>Rs. 71494</b>
		<b>Say</b>	<b>Rs. 71,500.00 only</b>

## Analysis for Maintenance of Roads-2008

## STATE HIGHWAY

For 1 Kms

Area=4.00 X 1000= 4000 sqm.

Assuming potholes/damages by slip etc: 25% of 4000 sqm = 1000 sqm/kms

## (I) Labour Cost:

Sl.No.	Particulars	Unit	Qty.	Rate	Amount
	Brushing, Cleaning-Ord.Labour carrying Chips				
	Sand & bitumin	nos	2	100	200.00
	Fire Ord.labour	nos	6	100	600.00
	Mason-II	nos	2	120	240.00
	Mason-II	nos	1.5	150	<u>225.00</u>
					<b>1265.00</b>
	L/Overhead		@	16.67%	<u>210.88</u>
				<b>A</b>	<b>1475.88</b>
	<b>(II) Material Cost</b>				
	Bitumin Consumption for 1000 sqm=3345 kg therefore, Bitumin for 600=12007 kg=12.82 drums				
	Bitumin	drum	13	4808.75	62,513.75
	Stone Chips	cum	17	914.32	15,543.44
	Sand	cum	7	220.90	1,546.30
	Firewood	pile	16	1306.80	<u>20,908.80</u>
					<b>100,512.29</b>
	Wastage @ 5%			5%	5,025.61
	Hire Charges for Road roller	days	1.5	1600	2,400.00
	Fuel for Roller @ 2.50 lit/hrs	lit	30	32.5	<u>975.00</u>
				<b>B</b>	<b>108,912.90</b>
				<b>TOTAL(A+B)</b>	<b>110,388.78</b>
	Sundries	@		1.50%	1,655.83
	Water Supply & electricity	@		1.50%	1,655.83
	T&P @ 4%	@		4%	4,415.55
	Transportation	@		1.50%	<u>1,655.83</u>
					<b>119,771.82</b>
					<b>Say Rs. 1,19,800.00</b>

**ROADS & BRIDGES DEPARTMENT**  
**Analysis for Maintenance of Roads-2008**

**MDR/ODR**

**For 1 Kms**

**Area=3.75 X 3750 sqm.**

**Assuming potholes/damages by slip etc: 25% of 3750 sqm = 937.50/kms**

**(I) Labour Cost:**

Sl.No.	Particulars	Unit	Qty.	Rate	Amount
	Brushing, Cleaning-Ord.Labour carrying Chips				
	Sand & bitumin	nos	2	100	200.00
	Fire Ord.labour	nos	4	100	400.00
	Mason-II	nos	2	120	240.00
	Mason-II	nos	1	150	<u>150.00</u>
					<b>990.00</b>
	L/Overhead		@	16.67%	<u>165.03</u>
				<b>A</b>	<b>1155.03</b>
<b>(II)</b>	<b>Material Cost:</b>				
	Bitumin Consumption for 100 sqm=3345 kg therefore, Bitumin for 562=1879kg=12 drums				
	Bitumin	drum	12	4808.75	57,705.00
	Stone Chips	cum	15.5	914.32	14,171.96
	Sand	cum	5	220.90	1,104.50
	Firewood	pile	14	1306.80	<u>18,295.20</u>
					<b>91,276.66</b>
	Wastage @ 5%			5%	4,563.83
	Hire Charges for Road roller	days	1	1600	1,600.00
	Fuel for Roller @ 2.50 lit/hrs	lit	20	32.5	<u>650.00</u>
				<b>B</b>	<b>98,090.49</b>
				<b>TOTAL(A+B)</b>	99,245.53
	Sundries	@		1.50%	1,488.68
	Water Supply & electricity	@		1.50%	1,488.68
	T&P @ 4%	@		4%	3,969.82
	Transportation	@		1.50%	<u>1,488.68</u>
					<b>107,681.39</b>
					<b>Say Rs. 1,07,700.00</b>

**(B) ROADS AND BUILDING**

**(a) Norms for working out annual maintenance cost of the Government buildings**

Norms prescribed by the department for chalking out annual Maintenance cost of the Government buildings has been worked out @ 5% of the capital cost of the building. Different Plinth area rates have been adopted to arrive at the capital cost of the building. Depending on the type and finish, the building under annual maintenance has been classified as Category- A, Category-B and Category-C.

Plinth area rates for different categories of building are as under:

<b>Category-A</b>	---	Rs. 13,500/- per Sqm. For High quality finish
<b>Category-B</b>	---	Rs. 11,600/- per Sqm for Standard finish
<b>Category-C</b>	---	Rs. 9,500/- per Sqm for Ordinary finish

**Annual Maintenance Cost:**

Capital cost of the building = Plinth area of building X Plinth area rate

Annual Maintenance Cost:= 5 % on the Capital cost of the building

The norms as indicated above is in force since the year 1980.Norms has not been reviewed til date.

**(b) Liability of the beneficiary of the buildings for maintenance of buildings under the legislation in force is Nil.**



**GOVERNMENT OF SIKKIM  
TRANSPORT DEPARTMENT  
(SNT DIVISION)**

No. 1./T

Dated, Gangtok the 29.3.2008

**NOTIFICATION**

Consequent upon increase in the cost of HSD and other operational costs, it is hereby notified for information of general public that the Government is pleased to revise and refix the passenger fare of Sikkim Nationalised Transport buses as under with effect from the 1st of April 2008

I	DISTANCE	RATE/ CATEGORY OF BUS		
		ORDINARY BUS SERVICE	SEMI DELUXE SERVICE	DELUXE SERVICE
i	Upto 25 kms	Rs. 1.20/ Passenger/km	-	-
ii	26 kms to 50 kms	Rs. 1.00/ Passenger/km	Rs. 1.20/ Passenger/km	Rs.1.30/ Passenger/km
iii	51 kms to 75 kms	Rs. 0.90/ Passenger/km	Rs. 1.05/ Passenger/km	Rs.1.30/ Passenger/km
iv	76 kms to 100 kms	Rs. 0.85/ Passenger/km	Rs. 0.90/ Passenger/km	Rs. 1.05/ Passenger/km
v.	101 kms & above	Rs. 0.75/ Passenger/km	Rs. 0.84/ Passenger/km	Rs.0.97/ Passenger/km

Minimum chargeable fare shall be Rs. 5.00/passenger

II. On full reservation of bus, chargeable fare shall be as under:

	DISTANCE	RATE
i.	Upto 25 kms	Rs.28.00/Bus/km
ii	26 kms to 50 kms	Rs.26.00/Bus/Km

iii	51 kms to 100 kms	Rs.25.00/Bus/km
iv	101 kms & above	Rs.24.00/Bus/Skm

In case of dead kilometerage 50% of the above fare shall be levied and the minimum chargeable distance shall be 20 kms.

By order.

Sd/-  
( K.N. Bhutia )IAS  
Secretary  
Transport Department

**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 13<sup>th</sup> 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:-

<b>Short title and commencement</b>	<p>1 (1) This Act may be called Sikkim Ceiling on Government Guarantee Act 2000.</p> <p>(2) It shall come into force at once.</p>
<b>Definitions</b>	<p>2 In this Act, unless the context otherwise requires:-</p> <p>“Default risk “ means the probability of default by the borrower on</p> <p>(a) whose behalf the Government Guarantee is given, depending on the Amount borrowed, the type of industry and the economic situations.</p> <p>“Government” means the State Government of Sikkim.</p> <p>“Government Guarantee” includes the guarantee given by the State</p> <p>(b) Government on behalf of Departmental Undertakings, Public Sector Undertakings, Local Authorities, Statutory Boards and Corporations and Co-operative institution</p>
<b>Ceiling on Government Guarantees</b>	<p>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.</p>
<b>Prohibition</b>	<p>4 Notwithstanding any thing contained in any other law, no Government Guarantee shall be given in respect of a loan of any private individual, institutions or company.</p>

<b>Guarantee</b>	<b>5 (1) The Government shall charge a minimum of one percent as guarantee Commission which shall not be waived under any circumstances</b> <b>(2) The Government may, by notification in the Official Gazette specify Commission at an enhanced rate depending on the default risk of the Project.</b>
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**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

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Gangtok

Wednesday, 24<sup>th</sup> May 2006

No. 140

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

**NO. 70/PN/117/Pen/05**

**Date: 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**

- 1(1) These rules may be called the Sikkim Government Servants; (Contributory Pension) Rules, 2006.
- (2) They shall be deemed to have come into force on the 1st day of April, 06.

**Application**

2. Save as otherwise provided in these rules, these rules shall apply to Govt. 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:-
- (1) persons in actual, daily rated and work-charged employment;
  - (2) persons paid from contingencies;
  - (3) members of All India Services;
  - (4) person employed on contract except when provided otherwise; persons whose terms and conditions of service are regulated by or under the provisions of the Constitution or any other law for the time being in force.

**Definitions**

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 Government Establishment Rules, 1974;
- (c) "Contributory pension scheme" means the mandatory contribution of 10% of basic pay; 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 accounts" 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 retirement on attaining the age of 58 ( fifty eight years);
- (j) "Work charged" 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 recruits on or after 01/04/06, 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 recover from the salary of the employee every month.
- (4) Director, Pension, GIS & GPF ,( hereinafter referred to as the PGIPF) will maintain the accounts for the contributory as in the case of GPF
- (5) The contribution would be deposited in a non-withdrawals pension accounts. As an interim measure, the amount of contribution towards the pension account shall be retained in an interest bearing Public Deposit Account interest rates shall be paid as per the rates applicable to interest bear Public Deposit Accounts. Final arrangements will be made as per provision of rule 12 of these rules.

**Exit from the Schemes**

- 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 account from Regulated Life Insurance Company, which will provide for pension for life Insurance Company, which will provide

for pension for life of the employee and his families /dependents.

**Particulars of the employee and nomination**

6. Immediately on joining the Government service, the government servants 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. 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 is submitted by the Heads of Department concerned in the prescribed form 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 allot unique 11 digit Permanent Pension Account Number (hereinafter referred 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 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 individual government servant allotted by the office of PGIPF. The format of account 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 1.4.06 and attach a schedule of government servants contribution in prescribed form.
- (2) Along with the salary bill for the government servants, who join service on or after 1.4.06, the Head of the Department shall also prepare a separate bill for drawal of matching contribution to be paid by the government to credit to respective pension account.
- (3) the bill for drawal of matching contribution should also be supported by schedules of recovery in the prescribed form

**Maintenance of the account and preparation of database**

- 9(1) On receipt of the salary bill in respect of government servant joining service on or after 1.4.06, the Pay and Accounts Office (hereinafter 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 bill 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 of monthly deductions and governments matching contribution, 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 29.1.04 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 arrangement.

2. For crediting the recoveries made from the employees and their matching share of the State Government contribution towards the Contribution Pension Scheme for Government Employees".

3. It is proposed that the new Contributory Pension Scheme, be made effective from 1.4.06 as proposed. Before this date, the State Government notification to this effect is to be issued.

4. Department code for the purpose of PPAN (Permanent Pension Account Number) will be notified after the scheme become effective.

By order.

( T.T.Dorji)IAS  
Principal Secretary  
Finance, Revenue & Expenditure Department

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

No. 13/LA280/UDHD/356.

Dated: 6.3.2000

**NOTIFICATION**

In exercise of the powers conferred by Sub-Section (1) of section 3 of the Sikkim Entertainment Tax Act, 1980 (No.8 of 1980) and in suppression of all previous Notification and order on the subject, the State Government hereby revised the entertainment tax for Cinematograph exhibitions with effect from the 1<sup>st</sup> day of November, 1999 to the categories of entertainment specified in column (1) of the table below:-

<b>Categories of entertainment</b>	<b>Rate of entertainment tax.</b>
Cinematograph exhibition	<p>Forty percent of the payment for admission (exclusive of tax) where such payment is less than fifteen rupees</p> <p>(b) Fifty percent of the payment for admission (exclusive of tax) where such payment is less than thirty rupees.</p> <p>(c) sixty percent of the payment for admission (exclusive of tax) where such payment is less than rupees seventy.</p> <p>(d) seventy five percent of the payment for admission (exclusive of tax) where such payment is rupees seventy and above.</p>

Explanation: While calculating the tax under any of the items specified in the above table, fraction of a paisa shall be ignored and if the last figure is less than five, the amount shall be increased to the next higher amount which is a multiple of five and if the last figure is more than five, the amount shall be increased to the next higher amount which is a multiple of ten.

Sd/-

**( L. B. RAI )  
COMMISSIONER-CUM-SECRETARY  
URBAN DEVELOPMENT & HOUSING DEPARTMENT.**

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

No.26 (34)17 38/UDHD

Dated: 19.9.97

**NOTIFICATION**

In exercise of the powers conferred by sub-section (1) and sub-section (3) of section 3 A of the Sikkim entertainment Tax (Amendment) Act, 1934 (Act. No.3 of 1984) the State Government hereby imposes the entertainment tax for Laser Dice Parlour for all towns as mentioned in Column (2) of the table below. The entertainment tax shall be paid in lump sum by way of Bank Receipt of the State Bank of Sikkim.

<b>Town</b>	<b>Amount of entertainment Tax payable in lump sum</b>	<b>Security Deposit</b>
1. Gangtok	Rs.3000/-(Rupees three thousand) per month	Rs.2000/-(Rupees two thousand).
2. Singtam, Namchi, Gyalshing, Rangpo, Jorethang, Naya Bazar.	Rs.2000/-(Rupees two thousand) per month	Rs.2000/- (Rupees two thousand).
3. Other places in Sikkim	Rs.1000/-(Rupees one thousand) per month.	Rs.2000/-(Rupees two thousand).

The entertainment tax payable as specified in column (II) of the table shall be deposited in advance for every following month but not later than the last day of every preceding month.

By Order.

Sd/-  
( L. B. Rai )  
Commissioner-cum- Secretary  
Urban Dev. & Housing Department.

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

No.1(3)UD &amp; HD/94

Dated : 02.07.2001

**NOTIFICATION**

In exercise of the powers conferred by sub-section (1) and sub-section (3) of section 3A of the Sikkim Entertainment Tax Act, 1980, the State Government hereby imposes the entertainment tax in lump sum in respect of Video Cassette/Disc Library as mentioned in column II of the table given below:-

Sl.No.	Area	Amount of entertainment tax payable In lump sum
1.	Gangtok	Rupees three hundred per month.
2.	Singtam, Namchi, Gyalshing, Jorethang, Nayabazar, Melli, Rangpo, Rhenock, Rongli, Pakyong, Managan & Deorali.	Rupees two hundred per month.
3.	Other places in Sikkim.	Rupees one hundred per month.

The entertainment tax payable as specified in column (2) of the table shall be deposited in advance by way of Bank Receipt for every following month but not later than the last day of every preceding month. Late fee of rupees 2/- for every day of delay shall be levied against the defaulters failing to pay during the period specified.

By order.

Sd/-  
(L.B. Rai)  
Commissioner-cum-Secretary  
Urban Development & Housing Department.

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

No.6(442)UD &amp; HD/2001

Dated: 01.06.2001

**NOTIFICATION**

In exercise of the powers conferred by section 3A of the Sikkim Entertainment Tax At, 1980k, the State Government hereby imposes the entertainment tax in lump sum in respect of Pool Game Parlour as mentioned in column-II of the table given below:-

Sl.No.	Area	Amount of entertainment tax payable in lump sum
1.	Gangtok	Rupees five hundred per table per month.
2.	Singtam, Namchi, Gyalshing, Jorethang, Naya Bazar, Melli, Rangpo, Rongli, Pakyong, Mangan and Deorali	Rupees three hundred per table per month.
3.	Other places in Sikkim	Rupees two hundred per table per month.

The entertainment tax payable as specified in column (2) of the table shall be deposited in advance by way of Bank Receipt for every following month but not later than the last day of every preceding month. Late fee of rupees 2/- for every day of delay shall be levied against the defaulters who fail to settle the tax within the period specified.

By order.

Sd/-  
(L.B. Rai)  
Commissioner-cum-Secretary  
Urban Dev. & Housing Department.

GOVERNMENT



GAZETTE

**EXTRAORDINARY  
PUBLISHED BY AUTHORITY**

Gangtok

Friday, 7<sup>th</sup> July, 2000

No. 237

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

No. 153/97-98/UD &amp; HD

Dated: 17<sup>th</sup> June, 2000

**NOTIFICATION**

In exercise of the powers conferred by clause (r) of section 8 read with section 7 of the Sikkim (Repeal and Miscellaneous Provisions) Act, 1985, the State Government hereby makes the following rules for the control, regulation and recovery of fee for the use of parking area, namely:-

<p><b>Short title, extent And commencement.</b></p>	<p>1.(1) These rules may be called the Sikkim Vehicles Parking Rules , 2000. (2) They shall apply to Gangtok in the first instance and the State Government may, by notification published in the Official Gazette, apply the same to such other areas which the State Government may deem fit. (3) They shall come into force at once.</p>
<p><b>Definitions.</b></p>	<p>2.In these rules unless the context otherwise requires:- (a) “day” means the day starting from 6.A.M. in the evening. (b) “Department” means the Department of Urban Development and Housing in the Government of Sikkim. (c) “Heavy Vehicle” means a transport vehicle the registered axle weight of which exceeds 10600 pounds or the registered laden weight of which exceeds 14500 pounds. (d) “lanes” means feeder streets small in size connecting the mains streets to other shopping/residential areas. (e) “Light transport” means any public service vehicle other than a heavy transport vehicle or a delivery van. (f) “main street” means the principal roads which have shopping centers in either sides. (g) “motor cycle” means the motor vehicle other than an invalid carriage with less than four wheels the unladen weight of which inclusive of any</p>

	<p>side can attached to the vehicle goes not exceed 900 pounds.</p> <p>(h) “over night” means the night starting from 7 P.M. in the evening to 8 A.M. in the morning.</p> <p>“parking area” means a large place of ground earmarked for parking vehicle as specified in Schedule –I appended to these rules.</p>
<b>No parking of vehicles on the National Highway Main street and lanes of the town</b>	3. No vehicle shall be parked on the National Highway, main streets and lanes of the town.
<b>Parking fee of vehicles.</b>	<p>4.(1) All vehicles other than those specified in Schedule II appended to these rules parked in the parking area shall be liable to pay parking fee to the Department or an agent appointed by the Department.</p> <p>(2) (a) The following fees shall be levied for every parking or vehicles in any of the parking area specified in Schedule-I.</p> <p>(i)Motor cycle/Scooter @Rs. 2.00 per day</p> <p>(ii)Light vehicle @Rs. 5.00 per day</p> <p>(iii)Heavy vehicle @Rs. 10.00 per day</p> <p>(iv)Private light vehicle @Rs. 5.00 per day</p> <p>(b) The rate prescribed for light vehicle shall apply to Government vehicles also.</p> <p>(c) The following rate of fees shall be levied for overnight parking of the vehicles in the designated areas, namely:-</p> <p>(i)Motor cycle/scooter @Rs. 4.00 per night.</p> <p>(ii)Light vehicle @Rs. 10.00 per night.</p> <p>(iii)Heavy vehicle @Rs. 20.00 per night.</p> <p>(iv)Private light vehicle @Rs. 10.00 per night.</p> <p>(2) If the owner of the vehicles or his agent or servant does not pay the fee prescribed in the rules, the authority empowered by the State Government shall detain the vehicle in his custody till such fee is paid.</p>
<b>Owner of vehicles not to misuse the parking area.</b>	<p>5.(1) Vehicles shall be kept in the parking area as specified in Schedule-I strictly for parking purposes.</p> <p>(2) No repairs of vehicles are permitted in the parking area.</p> <p>(3) The owner of vehicles or his agent or servant shall not dump rubbish or waste materials in the parking area.</p>
<b>Revision of rate of fees.</b>	6. The rate of fees as applicable under these rules shall be revised after every five years.

<b>Penalty</b>	7. Any contravention of the provision of these rules shall be dealt with in accordance with the provisions of the Sikkim (Repeal and Miscellaneous) Provisions Act, 1985.
<b>Repeal and saving.</b>	8.(1) The Sikkim Vehicles Parking rules, 1992 is hereby Repealed. (2) Notwithstanding such repeal, anything done or any action taken under the rules so repealed shall be deemed to have been done or taken under the provisions of the Sikkim (Repeal and Miscellaneous Provisions) Act, 1985.

**By order**

**L.B. Rai,**  
Commissioner-cum-Secretary,  
Urban Development and Housing Department  
Government of Sikkim,  
Gangtok.

### SCHEDULE-I

(See rule 2 (i))

Sl.No.	Designated Parking Place	Capacity in numbers				Remarks
		Truck/ Nissan	Jeep/ Gypsy	Car/Va n	Two whee rs	
1	Old Market, M.G. Marg	-	70	110	-	Parking for light vehicles
2	New Market, M.G. Marg	-	50	115	-	Parking for light vehicles
3	In front of Blue Sheep Restaurant	-	8	12	30	This area is to be designated as parking place for two wheelers and for vehicles maintaining Law and order.
4	Children Park stand	-	110	-	-	Only Commander jeeps meant for Inter State Services
5	Infront of Star Cinema Hall	-	-	-	30	Parking for two wheelers.
6	Opposite rural Development Shop in New Market	-	-	-	30	Parking for two wheelers.
7	Above Paljor Stadium Road	-	30	40	-	Parking for light vehicles.
8	Diesel Power House	-	3	5	-	Parking for light vehicles
9	Sichey Busty below Co operative	-	4	6	-	Parking for light vehicles
10 a.	Old West Point	-	-	10	-	Parking for light vehicles

10 b	Parking yard under construction	-	50	60	-	This does not include the new parking place. Police traffic. Estimated about 150 light vehicles and 90 two wheelers.
11	Deorali Bazar	-	6	10	-	Parking for light vehicles
12	P.N.G. School gate	-	-	4	-	Parking for light vehicles
13	Near Forest office	-	3	5	-	Parking for light vehicles
14	New Fly over	-	25	-	-	Earmarked as per Traffic only light vehicles preferably private vehicles
15	Infront of Denzong Cinema Hall upto Lhasa Hotel	-	20	30	-	Earmarked for Taxi's only as per Traffic Police
16	Parking above Veterinary office	-	-	-	-	Parking for heavy vehicles.
17	0 Point near GICI	-	5	9	-	Parking for heavy vehicles.
18	Below Old Assembly House	-	6	10	-	Parking for heavy vehicles.
19	Tashiling Secretariat	-	15	20	-	Parking for heavy vehicles.
20	Tibet road near Chumbi Residency	-	-	10	-	Parking place earmarked by Traffic Police
21	Opposite Mr. Chamla Tshering's House, Tibet Road	-	-	6	-	Earmarked by Traffic Police
22	New Assembly House	-	-	15	-	Parking for light vehicles
23	Infront of Yuksom House Dev. Area	-	8	-	-	Parking for light vehicles
24	Infront of Sahitya Bhawan	-	6	8	-	Parking for light vehicles
25	Shopping Complex, Dev Area	-	15	15	-	Parking for light vehicles
26	Infront of sangram Bhawan	-	5	10	-	Presently infront of Sangram by the side of S. Bhawan UD & HD garbage vehicle parked
27	Infront of Shopping complex Baluwakhani	-	-	10	-	Parking for light vehicles
28	Near Vajra cinema Hall	-	-	-	-	Parking for heavy vehicles
29	Convoy Ground, Tadong	-	-	-	-	Parking for heavy vehicles
30	Outside Sikkim Jewel gate	-	-	-	-	Earmarked by Traffic Police

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

No.GOS/2001/6(441)/UD &amp; HD

Dated :30<sup>th</sup> March, 2001.

**NOTIFICATION**

In exercise of the powers conferred by clause ® of section 8 read with section 7 of the Sikkim (Repeal and Miscellaneous Provisions) Act, 1985, the State Government hereby makes the following rules to amend the Sikkim Vehicle Parking Rules, 2000, namely:-

- Short title,** 1. (1) These rules may be called the Sikkim Vehicle  
**extent and** Parking(amendment)Rules, 2001.  
**Commencement.** (2) They shall extend to the whole of Sikkim.  
(3) They shall come into force at once.
- Amendment** 2. In the Sikkim Vehicle Parking rules, 2000, (hereinafter referred to of rule 2. as the said rule), in rule 2 in clause (i), after the words and figure ‘schedule I’ the words and figure and schedule I ‘A’ shall be Inserted.
- Amendment of Rule 4.** 3. In the said rules in rule 4 in sub-rule (2).  
(a) in clause (c) after the words designated area and before the word namely the words and figure specified in schedule ‘A’ shall be inserted.  
(b) after clause (c), the following explanation shall be inserted,  
Namely:-  
“Explanation:- Vehicle parked in places other than the designated night parking area like the National Highway, roadside etc. shall pay the night parking fee at the same rate as in the ease of day parking fee but the contractor bears no liabilities any damage to the vehicles.
- Amendment of Schedule I.** 4. In the said rules, in Schedule I, after serial number 30, the following serial number and the corresponding entries thereto shall be inserted, namely:-
31. Pakyong:
- |       |                              |   |    |
|-------|------------------------------|---|----|
| (i)   | Below Mandir way to Ranipool | - | 16 |
| (ii)  | Below Hat Shed               | - | 7  |
| (iii) | Rorathang Raod side          | - | 16 |
32. Jorethang:
- |     |             |   |   |
|-----|-------------|---|---|
| (i) | Masjid Area | 3 | - |
|-----|-------------|---|---|

(ii)	Fire Devastated Area	-	140
(iii)	1 <sup>st</sup> Galli	-	80
(iv)	Taxi Stand 1	-	30
(v)	Taxi stand 2	-	50
(vi)	Tata Stand	25	-
33. Namchi:			
(i)	Taxi Stand	20	120
(ii)	Bazar Yard	-	52
(iii)	Jorethang	20	-
(iv)	Kazitar	-	30
34. Geyzing:			
(i)	Bazar Yard	-	42
(ii)	Taxi Stand	10	60
35. Ranipool:			
(i)	Truck parking place near bridge	12	-
(ii)	Main Bazar	-	9
(iii)	Near Police Check Post	-	7
(iv)	Pakyong raod	-	5
36. Singtam:			
(i)	Near s.B.s to Bidhya Sagar School	-	63
(ii)	Traffic Point to S.N.O.D.	-	20
(iii)	Traffic Point to Bank of India	-	50
37. Rangpo:			
(i)	Infront of Kanta Pradhan's House and B.L. Pradhan's House	-	37
(ii)	Infront of Chamling Hotel to Bharat Petrol Pump.	4	24
(iii)	Infront of Hotel Midway to Hotel Mid Point	6	-
(iv)	Infront of Hotel Mid Point Hotel Pradhan.	-	-
38.	Mangan Bazar Parking Area	10	35

**Insertion of  
new Schedule-I A.**

5. In the said rules, after Schedule-I, the following Schedule shall be inserted, namely:-



	<p>his family including the tenants”.</p> <p>(g) “rubbish” includes dust, ashes, broken bricks, mortar, broken glass and refuse of any kind but does not include offensive matter or sewerage.</p> <p>(h) “sewerage” means night soil and other contents of privies, urinals, cesspool or drains and includes trade effluents and discharges from manufactures of all kinds;</p> <p>“town” means a place or places which are notified by the Government in the Official Gazette as Towns.</p>
<b>Disposal of rubbish/offensive waste materials</b>	<p>3.(1) No person shall place or cause to be placed rubbish or offensive matters, if any place other than in the receptacles provided by the Department from where these rubbish and offensive matters will be removed by the employees of the Department.</p> <p>(2) No person shall dispose of or throw out rubbish, offensive materials in the jhoras.</p>
<b>Prevention of Mosquitoes breeding</b>	<p>4.(1) No occupier shall cause, permit, or suffer any water within his holding to form a collection in which mosquitoes breed or are likely to breed unless such collection is effectively treated to prevent such breeding:</p> <p>Explanation: The natural presence of mosquitoes larvae in any standing or following water shall be an evidence that mosquitoes are breeding such water.</p> <p>(2) The owner or occupier of any house, building or land shall not therein keep any bottle, vessel, can or any other container broken or unbroken in such manner that it is likely to collect and retain water which may breed mosquitoes.</p>
<b>Prohibition of hanging of clothes</b>	<p>5. No person shall hang clothes on the balconies of his building or house facing the main streets or public thoroughfare.</p>
<b>Disposal of dead bodies of animals.</b>	<p>6. Wherever an animal in the charge of person dies otherwise than by being slaughtered either for sale or consumption or for some religious ceremonies, occasion the person in charge thereof shall either.</p> <p>(a) convey the carcass within 12(Twelve) hours to a place or field outside the town for disposal of such carcasses, or</p> <p>(b) given notice of the death within three hours to the employees of the department for the disposal of the same.</p>
<b>Private latrine and house drain connection.</b>	<p>7. (1) If any premises intended for human habitation are without latrines or house drain connection or if such premises have inadequate latrines or house drains, the department may by written notice require the owner of such premises.</p> <p>(a) to provide such latrines or house drains or such additional latrines or house drains as the department may direct;</p> <p>(b) to connect the latrines or house drains to the main sewerage line where there is main sewerage line;</p> <p>(c) to connect the latrines or house drains to the nearest suitable jhora.</p> <p>(2) The owner or occupier of such premises shall also make adequate provision to prevent overflow such latrines or house drains while complying with the provision of sub-rule (1).</p>

<p><b>Repair, alteration and removal of latrine and drain connections.</b></p>	<p>8. When any premises for human habitation have undesirable or and defective latrine which are likely to cause health hazard to the drain connections. public, the department may, by a written notice require the owner of such premises:-</p> <p>(a) to repair such latrine or house drain,</p> <p>(b) to alter such latrine or house drain,</p> <p>(c) to remove such latrine or house drain.</p>
<p><b>Prohibition of construction of latrines over/Into jhora</b></p>	<p>9. No person shall construct latrines with its effluent connected to the public or private jhoras nor shall any person construct any latrines, shed, disposal system of any kind over any public or private jhoras.</p>
<p><b>Storm water drain.</b></p>	<p>10. The owner of a building or structure shall provide adequate plinth protection and storm water drainage system leading to the nearest public jhora or drain.</p>
<p><b>Overflow or overhead water reservoir.</b></p>	<p>11. The owner of a building or structure shall prevent overflow or leakage of overhead water reservoir by providing proper ball cock or stopcock system in the inflow and outflow pipes.</p>
<p><b>Prohibition of overhead open drainage.</b></p>	<p>12. No person shall build or construct or install open overhead drainage into jhoras or public or private drains. Such system shall be directly connected to the jhoras and/or public drains by concealed pipes from the source itself.</p>
<p><b>Power to entry, inspect, survey or, execute work.</b></p>	<p>13.The Officers and staff of the department, not below the rank of sub-inspector may into any building or land with or without assistants workman in order to make any inquiries inspection or survey or for measurement or execution of any work under the provision of these rules.</p> <p>(1) No entry shall be made between sunset and sunrise; and</p> <p>(2) Due regard shall be given to the social and religious usages of the occupants of the premises.</p>
<p><b>Levy of Sanitation tax.</b></p>	<p>14.The sanitation tax for the total covered area of a house or building of each floor but excluding the courtyard and hood shall be levied as per the following rates namely:-</p> <p>(i) Residential building and Government Offices @ Rs.0.10 paise per square foot per annum.</p> <p>(ii) Commercial building @ rs.0.20 paise per square foot per annum.</p> <p>NOTE: Where a building is utilised for both the purposes the tax shall be computed accordingly.</p>
<p><b>Remedial Action.</b></p>	<p>15. Notwithstanding anything contained in these rules or any other law, any officer not below the rank of a Sub-Inspector, who is authorised by the Secretary, Urban Development and Housing Department in writing, is empowered to take such steps to keep the premises clean and collect such tax not exceeding Rs.100 from the person who commits any act contrary to these rules, defray expenses and credit the balance of tax to the Government Account.</p>

<b>Offences punishable with fine.</b>	16. Subject to the Section 10 of the Act (10 of 1985) all offences under these rules shall be punishable with fine which may extend to Rs.1000.
<b>Offences to be cognisable and bailable.</b>	17. All offences under these rules shall be cognisable and bailable and shall be triable by Magistrate of the First Class.
<b>Filing of an complaint.</b>	18. All complaints shall be filed by an officer not below the rank of Under Secretary or any other officer authorised in this behalf by the Secretary, Urban Development and Housing Department, Government of Sikkim.
<b>Limitation.</b>	19. All complaints shall be filed within one year from the date of an offence.
<b>Protection of action taken in good faith.</b>	20. No suit or other legal proceedings shall lie against any officer of the Government for anything which is in good faith done or intended to be done in pursuance of these rules.
<b>Repeal and Saving</b>	21.(1) The Sanitation Rules for Town of Sikkim, 1989, is hereby repealed. (2) Notwithstanding such repeal, anything done or any action taken under the rules so repealed shall be deemed to have been done or taken under the provisions of the Sikkim (Repeal and Miscellaneous Provisions) Act, 1985.

**By order**

**L.B. Rai,**  
**Commissioner-cum-Secretary,**  
**Urban Development and Housing Department.**

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

Nol.GOS/UD&HD/26/(38)/98

Dated 01.06.1998.

**NOTIFICATION**

**In exercise of the powers conferred by sub-section (3) of section 4 of the Sikkim Allotment of House Sites and construction of Building (Regulation and control) Act, 1985 (11 of 1985), the State Government hereby revises the rates of site salami for Gangtok as follows with immediate effect:**

1. Proper Gangtok Town
  - (a) Along the road : Rs.100/- per sq. ft.
  - (b) Back side : Rs.50/- per sq. ft.
  
2. Outside proper Gangtok Town
  - (a) Along the road : Rs.75/- per sq. ft.
  - (b) Back side : Rs.40/- per sq. ft.

**In addition to the above, additional charge @ Rs.50/- per square foot will be levied as development cost where the site stands already developed earlier.**

**By order,**

**( L.B. Rai )  
Commissioner-cum-Secretary  
Urban Development and Housing Department.**

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

NoI.GOS/UD&amp;HD/261(38)/99/A

Dated 13/11/2001.

**NOTIFICATION**

**In exercise of the powers conferred by sub-section (3) of section 4 of the Sikkim Allotment of House sites and Construction of Building (Regulation and control) Act, 1985, the Government of Sikkim hereby revises the rates of site salami for Class II and Class III towns/bazaars as follows with immediate effect, namely:-**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Rate</b>
1.	Class – II Town/Bazar:	
	(a) Along National Highway And State Highway	Rs.50/-sft.
	(b) along other roads.	Rs.30/- sft.
	(c) Interiors (other areas).	Rs.10/- sft.
2.	Class – III Town/Bazar:	
	(a) along roads	Rs.20/- sft.
	(b) Interiors (other areas)	Rs.05/- sft.

**Sd/-  
( L.B. Rai )  
Commissioner-cum-Secretary.**

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

No. 8(20)B/UD&amp;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 supersession of the previous notification on the subject, the State Government hereby imposes the Ground Rent with effect from 1<sup>st</sup> April, 2002 as follows, namely:-

Sl. No.	Bazar	Ground Rent Rate
1.	Gangtok	Rs.50/-per 100 sft.
2.	Deorali	- do -
3.	Tadong	Rs.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	Rs.10/- per 100 sft.

The ground rent of Gangtok, Deorali, Tadong, Singtam, Rangpo, Gayzing, 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 31<sup>st</sup> March of a year shall be liable to pay 5% additional surcharge on the rent amount due.

**Sd/-  
Commissioner-cum-Secretary**