



Ecotourism and Conservation Society of Sikkim

Gangtok, East Sikkim, India

Annual Report 2002 – 2003

**JOIN HANDS WITH ECOSS TO
MAKE A DIFFERENCE**

ECOSS Secretariat

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Ecotourism & Conservation Society of Sikkim

ANNUAL GENERAL MEETING

Gangtok - 24th May 2003

Chairman's Message

It gives me great pleasure to welcome you to our 3rd Annual General Meeting being held here on the 24th May 2003. Last year we held our 2nd AGM at this very place on the 24th August. We are having this meeting well in time and this should form the tradition that we hope will be in place henceforth.

Annual General Meetings must be conclaves for discussion, debate and introspection. We do hope that this forum this year will serve us all to sit back, discuss and work out better solutions for the year to come. I therefore, implore you to take it with that spirit and exchange views for making the year that is to come a more productive one than that which has gone by. I am sure that there are many of you with so many ideas. I hope that you will share that with us today and in the days to come so that our own reservoir of ideas will be full to the brim. It is ideas that are going to be a premium in the years to come and with that innovation, even as we face the challenges that are increasingly upon us we ponder last year's results.

If we were to describe the year gone by and one under consideration in one word then it would be 'consolidation'. The year 2002-03 has been a year of consolidation and more of finding our feet in the development sector. It also has been one of trying to find out a niche for ourselves in terms of the kind of work we have to do. From the report of our achievements and detailed work it will be clear to you that much effort has been put in gathering the momentum of substantive work which will propel our activities forward. We have completed a series of projects both local and global and more are in the pipeline. This has helped us get the much needed revenues to sustain our organization. As has been rightly pointed out, we are able to sustain ourselves thanks to the cooperation of so many of you as well as the local and Government bodies. We take time out here to thank all of you and all those who have helped us unflinchingly throughout the year. We continue to solicit your cooperation in the future.

I am delighted to place the annual report together with the audited accounts in front of you. You will notice that this is the annual exercise which we hope will be institutionalized as such so that there is always the kind of accountability for all the actions taken on by the managing committee as well as the executive secretary. In my view a non governmental organization is more responsible today than ever before to prove that they are accountable to the people and society they serve or desire to serve. One of the ways is to foster greater transparency and inclusivity in our dealings and transactions. This we are going to debate in greater detail today.

All NGOs have to be responsible to the society that they serve and from that standpoint it is important that they publish their annual report as well as their accounts. This will ensure that those who are keeping a close eye on the operations will not find it difficult to find the data and information that they may be looking for. Also the questions that may be posed need to be pondered over and answered clearly. This is understandable in a context like ours where we have taken it on ourselves to be proactive and work toward finding the ways and means to change many aspects of both conservation and tourism that may be going wrong. We may not have all the answers but we do desire to explore all that is there in the world that we know of. We should also understand that what we do should add considerable value to the sectors that we cover and the stakeholders that we feel serve.

Indeed, it is with this in mind that we are working hard to build both partnerships and relationships with different organizations in Government and outside Government so that we can find greater synergy in our operations. The changing global scenario has again brought it quite shockingly to us that there is a need to look at issues locally from the point of view of the global trends. We are bombarded by the goings on around the world right in our own drawing rooms. It is the Iraq war that has made us stand up and stare at so many of the issues of world politics and jostling. It is the scare of SARS that has made us understand the realities of a new threat emerging – one which does not respect borders. The crisis the world is going to face in the area of drinking water is another major global as well as national issue. In fact all these instances are man made and in our hunger for more power or movement we are caught up in the natural backlash of our environment. I think we need to realign and revisit much of our thinking

on how we are more and more getting dependent on the 'funds' from outside to sustain our own economies. We perhaps, more than ever need to think of our very own fragile environment which is increasingly getting threatened by our very own actions. Actions which are driven by our own greed to make more and more money from whatever and wherever! These are the signs of the times. We must ensure that at least ECOSS stays around to make more powerful noises to stop wanton destruction of our forest and natural capital. To ensure that local people are part of the processes that makes up our tourism businesses. To ensure that local talent and creativity are given focus for tomorrow's challenges. To ensure that our conservation efforts are in sync with the efforts to make tourism work for us in a way that is good for our future generations. These have been our guiding principles and it makes sense revisiting it every now and then to keep us focused.

At this time and before I conclude I must thank our executive body and members for all the help and quiet cooperation given by you all to our organization. I must also thank our Executive Secretary, Renzino as well as his team of Bidhya, Peter and Mani who have excelled in their work to take ECOSS from strength to strength. We have indeed arrived and will make rapid and substantive progress, I am sure.

Having said this, let me commend this report together with our financial report for the year to you all for discussion and voting.

Thank you,

P. D. Rai

Chairman

Ecotourism & Conservation Society of Sikkim

State Archives Annexe, Zero Point

Gangtok 737 101

24th May 2003/Chumbi Residency

Executive Secretary's Report.

I am very pleased to present our Annual report for the year 2002 2003. It has been an eventful year with varied activities ranging from training and facilitation to project implementation at selected sites.

Ecotourism and Conservation Society of Sikkim - ECOSS now in its second year of operation has grown from strength to strength inspite of the many challenges and hurdles. This has been possible only due to the continued support from all our members, well wishers and as a result of the dynamic leadership of our Chairman. Ecotourism and Conservation Society of Sikkim has still got a long journey ahead to be able to instill knowledge and correct understanding about ecotourism and conservation issues among the masses of Sikkim. There is an urgent need to create a wider movement to ensure that the vision of ECOSS Is fulfilled and enable Sikkim to truly demonstrate the way ahead for ecotourism development.

I am grateful and would like to thank all those who have been involved in the movement that ECOSS has started. I am also thankful to the small team at the ECOSS Secretariat and the number of national and international volunteers who have contributed immensely in carrying out the work ECOSS had envisioned. Such collaboration and partnerships has given us the confidence and motivation to continue our work. I am hopeful that our endeavors will be continued to be supported in the future as well.

Renzino Lepcha
Executive Secretary

The Executive Committee

Executive Members of Ecotourism and Conservation Society of Sikkim .



Mr. P. D. Rai

Chairperson



Mr. K.N. Bhutia

Vice Chairperson



Mr. Renzino Lepcha

Executive Secretary



Mr. Bejoy Gurung

Joint Secretary



Mr. R.P. Gurung

Treasurer



Mr. Loday Chungyalpa

Executive Member



Dr. Eklabya Sharma

Executive Member



A Nominee of TAAS

Executive Member

ECOSS Secretariat Staff Profile



Mr. Renzino Lepcha

Executive Secretary

A Post Graduate and M.Phil in Environmental Sciences with wide experience of tourism operations and management. Worked in an international conservation and community development organization where job responsibility included ecotourism project planning, implementation and management.

Resource person and Trainer for Community Based Tourism Planning Training programs and other tourism service providers training programs in India, Nepal, Central and South East Asian countries.

Presently managing ECOSS programs and activities in Sikkim and networking in the region to build partnerships with various institutions and organizations.



Ms. Bidhya Pradhan

ECOSS Secretarial Assistant

Worked in the Mountain Institute for six years in the capacity of Project Assistant. Experience in office management, maintaining the book of accounts, general office administrative support, maintaining contacts and providing support to ECOSS program and activities.



Mr. Peter Lepcha

Program Assistant

Experience in the tourism industry field based operation for four years and also experience in general office management. Presently involved in projects and field based programs of ECOSS. Also looking after the publication and publicity affairs of ECOSS programs.



Mr. Mani Kr. Subba

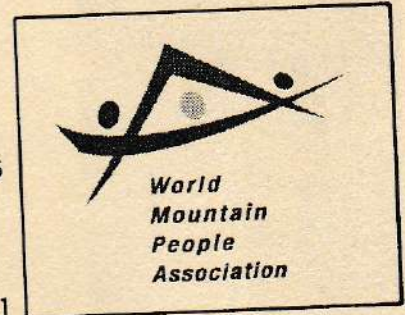
Office Assistant

A responsible and dedicated staff responsible for maintaining office premises, taking care of office equipments and assets, providing all round support for ECOSS programs and activities.

Achievements of ECOSS for the Year 2002 - 2003

APRIL, 2002

International Year of the Mountains Conference Yuksam



In the month of April a six days international regional conference on "Decision making and Local self Governance in the Hindu Kush Himalayas" (15th – 20th April) was organized at Yuksam in collaboration with the World Mountain People Association (WMPA).

This conference saw representatives of local communities as well as governments, funding agencies, and NGOs, and scholars from all the mountainous areas of the Hindukush Himalayas present precise examples of the ways local communities organise themselves in order to manage their resources, introduce technical and managerial innovations, and insure their cohesiveness.

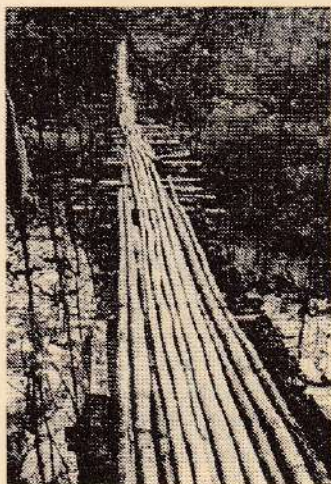
ECOSS was involved in making all the local arrangements and co ordination while WMPA took charge of the technical sessions of the conference. For the first time "Home Stay" was promoted among the local communities of Yuksam which became a major success story in the ecotourism sector.

MAY, 2002

Dzongu Eotourism Project

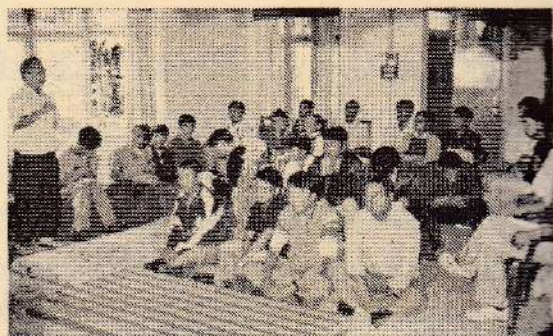
On 19th May 2002 - ECOSS Chairman and Executive Secretary made a visit to Dzongu in North Sikkim to understand the ground realities and assess the site for the initiation of the ecotourism project in collaboration with GERES a French NGO and local communities. This visit was important to understand the issues at the grass roots and also clarify and introduce the role ECOSS played in facilitating the project activities. The participatory





and gave his endorsement to the draft action plan that was formulated in the meeting.

meeting discussed strategies of project implementation and explored the mechanisms for local decision making in the project activities. Such initiatives would strengthen the community based organisation and build ownership of the activities initiated. The elected local area representative Mr. Sonam Gyatso graced the occasion



Assessing Role of EDC Committees in Barsey WL Sanctuary

From 27th to 28th May 2002 ECOSS team made a visit to Barsey Rhododendron Sanctuary and surrounding buffer villages of Ribdi, Bhareng, Hillay, Dodak and Soreng.

This trip was co-ordinated by DFO Wildlife South West Mr. Sandeep Tambe. There were lively interactions with the local people and observations proved how the Eco Development Committee (EDC committees) around protected areas were working in conservation and livelihood options programs implemented through the Forest Environment & Wildlife Department. Interactions with local leaders clearly showed that they lacked vision and leadership skills and hence required institutional support and strengthening. A group of 30 members from the EDC committee were selected to be sent to V.V Giri National Labor Institute for awareness and training on leadership for community development.

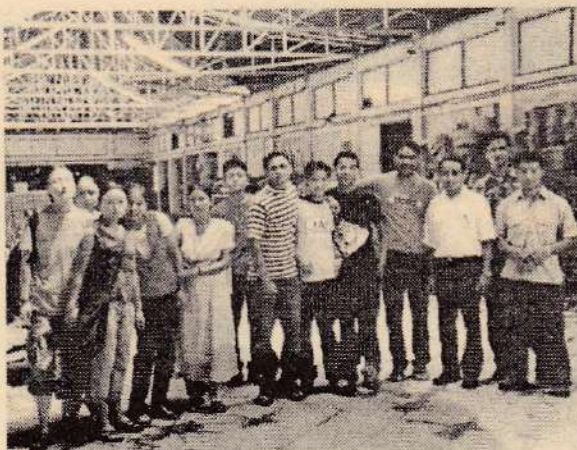
JUNE - 2002

EDP Training Program

10th – 14th June the Chief Minister's Self Employment Scheme EDP training program was conducted in Gangtok. ECOSS has been selected as one of the



resource agencies to impart such training programs for the department of SIDICO. The initial EDP training was imparted by consultants from IIE (Indian Institute of Entrepreneurship), Guwahati who trained almost 70 participants from Sikkim who would in turn be resource persons for SIDICO.



Ecotourism Skill Development Training – Ravangla

ECOSS in collaboration with the Sikkim Development Foundation conducted an Ecotourism Skill Development Training Program for Tourism Service Providers of Ravangla. Participants from the area showed keen interest to learn the basics of the hospitality and how to deal with visitors to their area. Such training programs and follow-up is an important factor to have long term impact.



Community Based Tourism Planning Training – Nepal



23rd – 29th June 2002 a week long training program for field based officers and Village Tourism Associates (VTA) from the Dutch Development Agency SNV Nepal Program was designed and conducted by ECOSS in Kathmandu. The training focused on building the skills on community planning for tourism. The planning methodology called APPA – Appreciative Participatory Planning and Action was introduced and tested with the participants.

Labdang Model Village Evaluation Visit

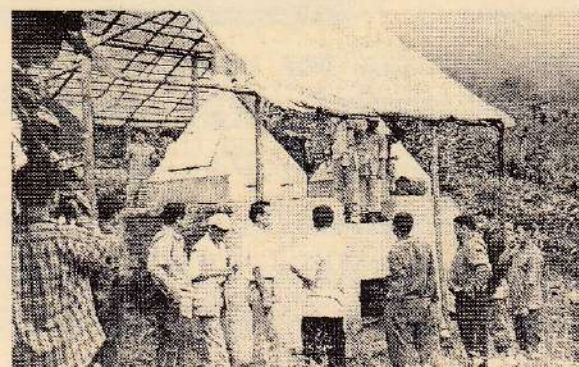
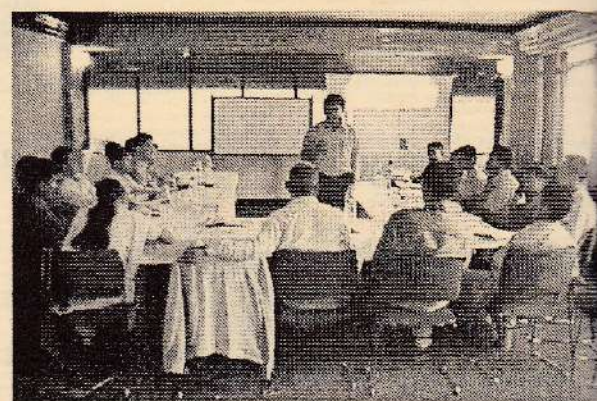
On the invitation of SIDICO, a field visit was organised to Labdang to assess a Model Village Project being jointly implemented by SIDICO and VHAS. ECOSS team members spend two days evaluating and monitoring the field based activities.



The positive attitude and thinking of the local residents had completely changed and there was a clear indication of the ownership of the village activities. ECOSS team had opportunity to share its views and concerns about Ecotourism development in such pristine areas and agreed to provide assistance and support to the local community members.

Bhutanese Consultative Study Tour

A Bhutanese Consultative Program was organized and facilitated by ECOSS from 8th – 23rd July 2002 in Gangtok. The initial three days a comprehensive training program on Group or Association formation and functioning was conducted in Gangtok. Different locations in South and east Sikkim were visited to study the successful models of cooperatives and

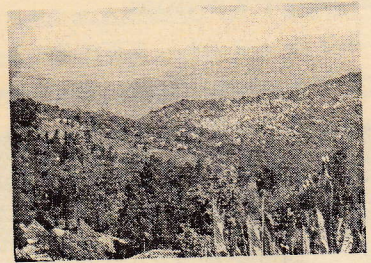


Self Help Groups(SHG). Field visits provided ample opportunities for participants to interact with farmers and SHG members and understand the dynamics of such operations. Lessons learnt were summarised in a debriefing session in Gangtok. The study tour participants included Bhutanese Agriculture Extension Officers from Shemgang.

AUGUST-2002

Motivational Workshop for HORAK - Kalimpong

A two days motivational workshop was conducted by ECOSS (10th – 11th August 2002) for tourism entrepreneurs and stakeholders from Kalimpong belonging to HORAK – Hotel and Restaurant Association of Kalimpong. The workshop was designed to identify tourism opportunities and brain storm on different strategies that could be adopted to promote the small hill station of Kalimpong. The two days workshop included many group discussions and concluded with an action plan to be implemented by HORAK in the next one year. APPA methodology was used to guide the sessions of the workshop.



CMSES Training – Rongli and Gangtok

Two EDP Programs consisting of six day each was conducted one at Rongli and another at Gangtok for the CMSES Scheme, outsourced to ECOSS through SIDICO. Such training and sensitization enhances the chances of success of new enterprises and generates enough motivation for the Young Entrepreneurs.

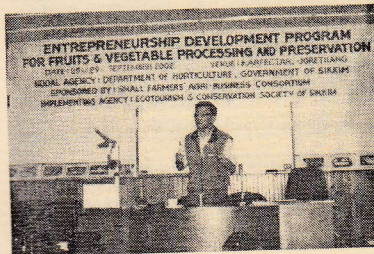


SEPTEMBER - 2002

Entrepreneurs Development Program – MFPI

Government of India, Ministry of Food Processing Industry sponsored

Entrepreneur Development Program was conducted from the 16th to the 29th September 2002. For North and East districts, 19 candidates attended the 7 days training program while in South West Sikkim there was 18 candidates. The entrepreneurship program was focused around fruit and vegetable production and



processing. Other agencies like the SFAC, National Horticultural Board, Horticulture Department, Govt. of Sikkim, SISI and local resource persons from Gangtok were invited as resource persons.



Community Consultation Workshop-Karfectar



To develop a participatory project proposal for submitting to UNDP, a day's consultative workshop was conducted at Karfectar in South Sikkim. Village representatives from South and West were invited including NGOs, CBOs, SHGs, and Government officials.

The project proposal was based on focusing to explore new destinations in fringe villages of protected areas where successful models of ecotourism could be replicated. There was very good participation from members of local committee and from the government. The information and inputs received in the workshop was compiled to formulate the proposal and submit to UNDP.

OCTOBER - 2002



North East Regional Ecotourism Seminar - Kohima

ECOSS assisted in designing the North East Regional Ecotourism Seminar scheduled from 30th -31st October 2002. This event was organized by the Department of Tourism, Government of Nagaland with support from

NEC, DONER and Department of Tourism, Government of India. This event focused on sharing information and experiences on ecotourism development in the region and evolve meaningful strategies for the development of ecotourism in the North East. ECOSS played a major role in facilitating some of the key sessions and formulating the final report which contained the recommendations of the seminar.

Ravangla – NGOs Network

An NGOs meet was conducted by Kewzing Youth Club on 16th November at Ravangla Bazar. A total of 32 different large and small NGOs and CBOs assembled to interact and share their experiences on community development issues. Grassroot experiences and expression of various participants made the meeting very interactive. ECOSS was one of the key resource organization to talk about ecotourism and conservation and highlight the role of such NGOs in the developmental process. Many participants expressed keen interest to be affiliated with ECOSS and such alliances would further strengthen the ECOSS network in rural areas of Sikkim.

Vietnam Ecotourism Exchange

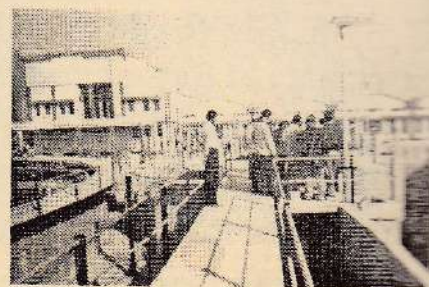
An international ecotourism exchange program was organized and conducted by ECOSS from 22nd till 27th November 2002 for delegates from Vietnam sponsored by IUCN and SNV Vietnam. Participants in the exchange program consisted of Vietnamese government officials and Sikkim ecotourism stakeholders from the Government, private sector, communities and NGOs.



A workshop in Gangtok and field visits to Yuksam was organised for participants to discuss and observe realities in the field. Khangchendzonga Conservation Committee assisted in the field visits in Yuksam while full support was extended by the Tourism Department in the one day workshop held in Gangtok. The Vietnamese delegates benefited greatly through the group discussions, interviews with policy makers and community interactions. Field observations further augmented their understanding of ecotourism operations.

DECEMBER 2002

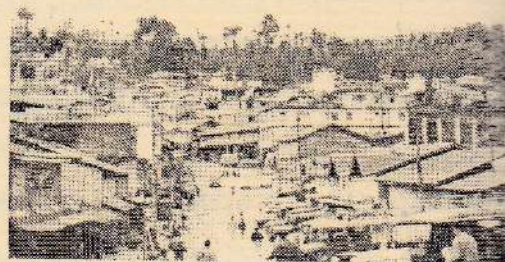
AUSAID sponsored National Exposure Visit was conducted to different cities of India from 8th to 19th December 2002 to understand the overall institutional framework and organizational models for urban environmental services. Gangtok is a growing town with more demands on urban environmental services for which initial preparations are being made though the support of AUSIAD. ECOSS participated in this tour and contributed significantly in discussions and in formulating recommendations for urban environmental services for Greater Gangtok. Visits were made to Bangalore, Pune, Ajmer, Shimla and New Delhi.



JANUARY- 2003

Ravangla Guides Training

ECOSS services were hired to conduct a four days training program for the local guides of Ravangla from 16th to 19th January 2003. The program was sponsored by Sikkim Development Foundation. The main objective of the training program was to improve the skills of the guides, and impart basic knowledge on interpretation of flora and fauna, monasteries and bird watching and develop responsible tourism practices. There was two days of intensive classes while the other two days was field based activities. The overall program was a success as participants found the training program very useful.



FEBRUARY - 2003

PRA Training at Dentam

Field based Participatory Rural Appraisal training program was conducted for the Forest Department officers from 12th to 14th Feb 2003 in Dentam village. The Forest Department is implementing the FDA Project for which such skills and techniques form an important component.



The training program was conducted along with local communities and the whole exercise was interactive and fun to learn from field based work. Such participatory approaches would strengthen local communities to plan and manage their own resources and build capacity in the process to be self reliant.

MARCH - 2003



Dzongu Ecotourism Project – Follow-Up

A planning meeting was organized in Dzongu to decide in choosing pilot sites for the implementation of the ecotourism project. The GERES representative Mr. Norbert Trehoux along with assistance of ECOSS jointly facilitated the meeting. A draft ecotourism map was prepared and discussed and later two pilot sites were identified. Tingvong (upper Dzongu) and Mangtiang (lower Dzongu) was unanimously selected as the two pilot sites to initiate the project. An action plan was formulated to be implemented over a period of six months. ECOSS would be implementing some of the skill development training programs.



Medicinal Plants Project

ECOSS was selected as a member of the working group in the Medicinal Plants Conservation project being coordinated by the Department of Forests. ECOSS was assigned to conduct two consultation workshop on Conservation and Sustainable Utilization of Medicinal Plants in North and East districts of Sikkim. Both the consultation meetings have been conducted and report submitted to the Forest Department.

Ecotourism & Conservation Society of Sikkim Membership List

No.	NAME	ADDRESS	TELEPHONE
001.	Mr. P.D. Rai	J-155, SCS, Tadong	231181(O) 94340 31181
002	Mr. R.P. Gurung	Santa Bhavan, Upper Arithang	232775 (O) 222455 (R)
003	Mr. Ganden Lachungpa	Forest Colony, Baluwakhani,	220540(O) 225273 (R)
004	Mr. M.G. Kiran	Census Office Bldg. Tadong	222287(O) 231889(R)
005	Mr. Namgyal P. Sherpa	Namgyal Tours & Treks Tibet Road, Gangtok	223701 (O) 224924 (R) 94341 03312 (M)
006	Mr. Norden Lepcha	C/o, Sonam Pan Dokan, Burtuk	220976/2 34533
007	Dr. Nakul Chettri	ICIMOD, Kathmandu	009771-5525313
008	Mr. Steven Le Blanc	International Cultural Adventures, USA	207 725 9288
009	Dr. B.B. Rai	VHAS, P.O. Box - 144	226505 (O) 231384 (R)
010	Mr. S.T. Wangdi	Hotel Rendezvous, Gangtok	224626, 98320 60999
011	Mr. Surendra Pradhan	Siniolchu Tours & Travels Gangtok	224572, 224582 (R)
012	Ms. Tripti Rasaily	Deorali School Road, Deorali	231032(O) 281332 (R)
013	Mr. Tashi Wangdi	Midas Touch Inc.	220677
014	Mr. K.N. Bhutia	IT & ST, Govt. of Sikkim, GtK	223117 (O) 225735 (R)
015	Mr. S.D. Dhakal	Development Area, Gangtok	231938 (O) 223807 (R)
016	Mr. Navin Chettri	DDO West	94341-31884
017	Mr. Karma Thupten	SIDICO, Gangtok	222530 (O)
018	Ms. Tsezin Y. Gyaltzen	SIDICO, Gangtok	229622 (O) 94340 12040
019	Mr. Hari P. Kharel	SIDICO, Gangtok	251772 (R)
020	Mr. Bhim P. Upreti	SIDICO, Gangtok	229622 (O)
021	Mr. K.B. Panth	Krishi Bhawan Annexe, Tadong	231681(O) 94340 70067
022	Mr. D. K. Bhandari	Indira Niwas, TNHS Complex,	270636(O) 223602(R)
023	Mr. Padam Subba	Krishi Bhawan, Tadong	270636(O) 281380(R)
024	Mr. P.T. Bhutia	Krishi Bhawan, Tadong	231681(O) 280134 (R)
025	Ms. Namrata Thapa	Laxmi Cottage, Arithang, Gangtok	225596(O) 222401(R)
026	Mr. Loday Chungyalpa	Tashi Khar, Chungyal complex, GtK.	229276(O) 222152(R)
027.	Mr. T.B. Gurung	SE, PHED, Nirman Bhawan	223138(O) 231017(R)

No.	NAME	ADDRESS	TELEPHONE
028.	Ms. Jyotsna Subba	SVII/48, DPH, Gangtok	220581(R) 98320 41739
029	Ms. Yozna Lungum Rai	Above DPH, Gangtok	225046(R)
030	Mr. Ravi M. Pradhan	Rhenock House, Dev. Area, Gtk.	281905(O) 229378(R)
031.	Dr. Namgyal T Sherpa	STNM, Gangtok	227653(R)
032.	Mr. Bhuwan Pradhan	Hotel Wild Orchid, Gtk	223930(R) ,98320 53454
033.	Mr. Hemant Giri	Nepali Sahitya Parishad ,Gtk.	228901(R)
034.	Mr. Bejoy Gurung	Maples, P.O. Chakhung,	224279(R) 94341 69605
035.	Mr. Bhimraj Mishra	Tourism Deptt ,STDC, Gangtok	227978
036.	Mr. Sanjay Shakya	Tibet Road C/o Rangzung	223266(O) 224311(R)
037	Ms. Pema C Bhutia	Horticulture Deptt Tadong	270636(O)232054(R)
038.	Ms. Rachna Gurung	Horticulture Deptt Tadong	270636(O) 226070(R)
039.	Mr. Tshering T Bhutia	Power Deptt Gangtok	226322(R) 94341 69260
040.	Dr. J.P. Tamang	Sikkim Govt Collage Tadong	231053(R) 98320 61073
041.	Sikkim Tours & Travels	Church Road, Gangtok	222188 (R)98320 33430
042.	Dr Ghanshyam Sharma	WWF-India Deorali	281427(O)
043.	Marcopolo World Travel	P.S. Road, Gangtok	224116/229407
044.	Mr. Mika Lepcha	MLAS (NGO)Dzongu,	9434174869(M)
045.	Ms Sarikah Atreya	Wichar Prakashan	98320-17202(M)
046.	Dr. N.T.Lepcha	DETC Dzongu,	234259(R) 94341-79160
047.	Mr. Sunu H Subba	Darap, West Sikkim	258315(PP) 98320 37063
048.	Mr.Brijendra Swroop	DFO(T) West Gayzing	250747(O) 250745(R)
049.	Pelling Tourism Dev. Association	Pelling, West Sikkim 737 113	250757(O)
050.	Mr.Neelam N. Bassnet	P.O. Box 8, Gangtok	227653(R)
051.	Mr Durga Thulung	Boomtar, Namchi	263222(O) 94341 84074
052.	Mr. D.K. Rai	Agriculture Deptt., Namchi	263829 (O) 263730(R)
053.	Mr. Kayzang C. Lama	SABCCO Gangtok	225318 (O) 226283 (R)
054.	Khangchendzonga Conservation Committee	Yuksam West Sikkim	241211(O) 94341 91592

To,
The Members of
Ecotourism & Conservation Society of Sikkim
Gangtok (Sikkim)

AUDIT REPORT

We have audited the attached Statement of Affairs of the "Ecotourism & Conservation Society of Sikkim", Gangtok (East Sikkim) as at 31st March-2003, and also Income and expenditure account, on the date annexed thereto. These financial statements are the responsibility of the management; our responsibility is to express an opinion on these financial statements based on audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan & perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatements. An audit included assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. Further to our comments in the annexure referred to above, we report that:

- (i) We have obtained all the information and explanation, which to the best of our Knowledge and belief were necessary for the purpose of our audit.
 - ii) In our opinion, proper books of accounts are maintained by the organization.
 - iii) The Statement of Affairs and Income and Expenditure Account dealt with by this report are in agreement with books of accounts, as produced before us.
 - iv) In our opinion and to the best of our information and according to the explanation given to us, the accounts read together with notes on accounts, and subject to para 3 and 6 of the notes on account, the accounts gives a true and fair view:
- (a) In the case of Statement of Affairs, of the affairs of the Organization as at 31st March-2003,
- and**
- (b) In the case of Income and Expenditure Account, of the **Deficit** of the Organization for the year ended on 31st March 2003.

Place : Gangtok
Date : 4th August 2003

For, B.C. Periwal
Chartered Accountant

ORGANISATION NAME : ECOTOURISM & CONSERVATION SOCIETY OF SIKKIM
 ADDRESS : GANGTOK (EAST SIKKIM)

STATEMENT OF AFFAIRS AS AT 31ST MARCH -2003

PARTICULARS	SCH NO.	AS AT 31.03.2003		AS AT 31.03.2002	
		AMOUNT		AMOUNT	
		Rs.	P	Rs.	P
1 FUND AND LIABILITIES					
GENERAL FUND			0.00		0.00
LOAN FUND	A	584,191.77		732,424.00	
INCOME AND EXPENDITURE ACCOUNT		297,595.88		411,886.39	
CURRENT LIABILITIES & PROVISIONS	B	53,475.00		1,166,894.11	
TOTAL FUND AND LIABILITIES (1)		<u>935,262.65</u>		<u>2,311,204.50</u>	
2 ASSETS					
FIXED ASSETS	C	154,495.69		198,839.45	
INVESTMENT AND DEPOSITS	D	5,760.00		5,760.00	
ADVANCES	E	6,210.00		6,210.00	
RECEIVABLES	F	560,000.00		1,520,000.00	
OTHER CURRENT ASSETS	G	208,796.96		580,395.05	
TOTAL ASSETS (B)		<u>935,262.65</u>		<u>2,311,204.50</u>	
NOTES ON ACCOUNTS	H				

In terms of our report of even date
 For B.C. Periwal & Associates
 Chartered Accountants
 (B.C. Periwal)

Renzino Lepcha
 Executive Secretary
 ECOSS

ORGANISATION NAME : ECOTOURISM & CONSERVATION SOCIETY OF SIKKIM
 ADDRESS : GANGTOK (EAST SIKKIM)

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31.03.2003

PARTICULARS	NO.	SCH	CURRENT YEAR AMOUNT		PREVIOUS YEAR AMOUNT	
			Rs.	P	Rs.	P
A						
<u>EXPENDITURE</u>						
ESTABLISHMENT EXPENDITURE		1	567,183.00		326,769.00	
INTEREST ON LOANS			69,260.27		14,931.50	
PROJECT AND PROGRAM EXPENSES		2	898,109.53		2,749,977.84	
OTHERS		3	64,160.00		0.00	
DEPRECIATIONS		4	65,343.76		88,503.55	
TOTAL EXPENSES (A)			1,664,056.56		3,180,181.89	
B						
<u>INCOME</u>						
MEMBERSHIP FEES			10,735.00		28,500.00	
INTERST ON SAVING BANK ACCOUNT			10,903.00		1,403.00	
DONATIONS			0.00		25,500.00	
REGISTRATION FEES FOR		5	0.00		655,572.28	
CONFERENCE/WORKSHOP						
PROGRAME & PROJECT INCOMES		6	1,231,096.0		52,881,093.00	
OTHER RECEIPTS		7	297,032.00		0.00	
TOTAL INCOME (B)			1,549,766.05		3,592,068.28	
C.						
<u>SURPLUS / (DEFICIT) (B-A)</u>						
BALANCE B/D			(114,290.51)		411,886.39	
			411,886.39		0.00	
			297,595.88		411,886.39	
LESS: TRANSFERRED TO OTHER FUND			0.00		0.00	
<u>CARRIED OVER TO STATEMENT OF AFFAIRS</u>			297,595.88		411,886.39	

In terms of our report of even date
 For B.C. Periwal & Associates
 Chartered Accountants
 (B.C. Periwal)

Renzino Lepcha
 Executive Secretary
 ECOSS

ORGANISATION NAME : ECOTOURISM & CONSERVATION SOCIETY OF SIKKIM
ADDRESS : GANGTOK (EAST SIKKIM)

Schedule Forming part of the Statement of Affairs as at 31st March-2003

	AS AT 31.03.03 AMOUNT Rs. P	AS AT 31.03.02 AMOUNT Rs. P
SCHEDULE-"A"		
<u>LOAN FUND</u>		
Un-Secured Loan from SIDICO	584,191.77	714,931.50
Unsecured Loan from Friends and Members	0.00	17,492.50
TOTAL	584,191.77	732,424.00
SCHEDULE-"B"		
<u>CURRENT LIABILITIES AND PROVISIONS</u>		
Liabilities for Services Received	1,200.00	591,414.50
Liabilities for Goods and Materials	9,840.00	270,095.05
Expenses Payable	42,435.00	305,384.56
TOTAL	53,475.00	1,166,894.11
SCHEDULE-"D"		
<u>INVESTMENTS AND DEPOSITS</u>		
Deposits with Telecommunication Department	5,760.00	5,760.00
TOTAL	5,760.00	5,760.00
SCHEDULE-"E"		
<u>ADVANCES</u>		
Other Advances	6,210.00	6,210.00
TOTAL	6,210.00	6,210.00
SCHEDULE-"F"		
<u>RECEIVABLES</u>		
Government of India, Ministry of Tourism,	500,000.00	1,000,000.00
Government of Siikim, Roads and Bridges Department	20,000.00	20,000.00
Government of Siikim, Tourism Department	0.00	500,000.00
Government of Sikkim Department of Horticulture	40,000.00	0.00
TOTAL	560,000.00	1,520,000.00
SCHEDULE-"G"		
<u>OTHER CUTRRENT ASSETS</u>		
CASH AND BANK BALANCE		
Cash in Hand (As Certified)	8,161.37	7,482.37
Cash at Bank With		
Canara Bank (Gangtok) A/c No. 3276	135,849.12	297,356.12
Canara Bank (Gangtok) A/c No. 3277	536.00	515.00
HDFC Calcutta A/c No. 1052000004271	64,250.47	275,041.56
TOTAL	208,796.96	580,395.05

ORGANISATION NAME : ECOTOURISM & CONSERVATION SOCIETY OF SIKKIM
 ADDRESS : GANGTOK (EAST SIKKIM)

Schedule Forming part of the Statement of Affairs as at 31st March-2003
SCHEDULE-"C"
 FIXED ASSET SCHEDULE

GROSS BLOCK

PARTICULARS	COST AS ON 01.04.2002		ADDITION DURING THE YEAR		DELETION DURING THE YEAR		COST AS ON 31.03.2003	
	Rs.	P	Rs.	P	Rs.	P	Rs.	P
1 Furniture and Fixtures	36,338.00		550.00		0.00		36,888.00	
2 Computer Systems	221,185.00		9,950.00		0.00		231,135.00	
3 Office Equipments & Misc. Assets	29,820.00		10,500.00		0.00		40,320.00	
TOTAL	287,343.00		21,000.00		0.00		308,343.00	

DEPRECIATION

PARTICULARS	Rate of Depre ciation	DEPRE CIATION AS ON 01.04.02		DEPRE CIATION DURING THE YEAR		TOTAL DEPRE CIATION AS ON 31.03.2003	
		Rs.	P	Rs.	P	Rs.	P
1 Furniture and Fixtures	10%	3,633.80		3,325.42		6,959.22	
2 Computer Systems	35%	77,414.75		53,802.09		131,216.84	
3 Office Equipments & Misc. Assets	25%	7,455.00		8,216.25		15,671.25	
TOTAL		88,503.55		65,343.76		153,847.31	

NET BLOCK

PARTICULARS	NET BLOCK AS ON 01.04.02		NET BLOCK AS ON 01.04.02	
	Rs.	P	Rs.	P
1 Furniture and Fixtures	32,704.20		29,928.78	
2 Computer Systems	143,770.25		99,918.16	
3 Office Equipments & Misc. Assets	22,365.00		24,648.75	
TOTAL	198,839.45		154,495.69	

ORGANISATION NAME : ECOTOURISM & CONSERVATION SOCIETY OF SIKKIM
ADDRESS : GANGTOK (EAST SIKKIM)

Schedule forming part of the Balance Sheet as at 31st March-2003

SCHEDULE- "H"

NOTES ON ACCOUNTS

[1] BASIS OF ACCOUNTING:

The Accounts of the organization are being maintained accrual basis, except the audit fees, which are accounted on cash basis. There has been no change in the accounting policy.

[2] FIXED ASSETS AND DEPRECIATION:

- (a) Expenditure which is of capital nature is capitalized. Such Expenses comprises purchase price and any other directly attributable cost of bringing the assets to their working condition.
- (b) Depreciation on the fixed asset has been provided under written down value method.

[3] TAXATION

Provision for Income Tax has not been made in the accounts. Further the Tax Deduction of Rs. 30,000.00 on Account of Contribution received has been charged to Expenditure account directly under the head " Other Expenses"

[4] CASH BALANCE

Cash balance as shown is taken as certified by the management of the association.

[5] PREVIOUS YEAR FIGURES

Previous year figures have been regrouped and rearranged wherever necessary.

[6] PREVIOUS YEAR FIGURES CHARGED TO INCOME AND EXPENDITURE ACCOUNTS DURING THE CURRENT YEAR

- (a) Expenses of Rs. 3,55,613.53 charged to expenditure related to previous year for which the provision during the previous year was not made. This has effected in reduction in profit for the current year by the above stated amount.

ORGANISATION NAME : ECOTOURISM & CONSERVATION SOCIETY OF SIKKIM
 ADDRESS : GANGTOK (EAST SIKKIM)

Schedule Forming part of the Income and Expenditure Account for the year ended 31-03.2003

SCHEDULE-"1"
ESTABLISHMENT EXPENSES

	CURRENT YEAR AMOUNT Rs. P	PREVIOUS YEAR AMOUNT Rs. P
1 Repair and Maintenance		
2 Conveyance	7,012.00	54,281.00
3 Hospitality Expenses	8,946.00	12,045.00
4 Internet Expenses	0.00	5,650.00
5 Miscellaneous Expenses	2,529.00	1,000.00
6 Office Contingencies	3,580.00	3,715.00
Postage and Telegram	2,561.00	1,592.00
7 Printing and Stationary	863.00	443.50
8 Registration Fees	18,289.00	18,161.50
9 Salary	0.00	500.00
10 Telephone Charges	491,920.00	196,051.00
11 Bank Charges	21,024.00	20,487.00
12 Electricity Charges	668.00	3,939.00
13 Professional Charges	3,852.00	8,904.00
14 Books and Periodicals	5,100.00	0.00
15 Meeting and Workshop Publicity Materials Expenses	434.00	0.00
	405.00	0.00
TOTAL	567,183.00	326,769.00

SCHEDULE-"2"
PROJECT AND PROGRAM EXPENSES

1 SARCE 2002 Conference Expenses	43,504.95	2,134,102.19
2 SARCE 2002 Workshop Expenses	0.00	33,866.50
3 Bio Diversity NGO Workshop Expenses	0.00	28,275.00
4 Ecolodge Workshop Expenses	312,108.58	525,606.65
5 Marketing Strategies Workshop Expenses	0.00	17,318.00
6 Turn Green Eco Workshop Expenses	0.00	9,900.00
7 I.Y.M. Expenses	98,872.00	909.50
8 N.E.Regional Ecotourism Workshop	18,756.00	0.00
9 UNIDO Workshop	5,000.00	0.00
10 Conferences	25,551.00	0.00
11 Bhutan Consultative Visit Expenses	68,203.00	0.00
12 UNDP Expenses	5,000.00	0.00
13 EDC Training	27,715.00	0.00
14 EDP Traing at ICAR, Tadong	100,000.00	0.00
15 EDP Traing at Karfectar	100,000.00	0.00
16 Vietnam Study Tour Expenses	93,399.00	0.00
TOTAL	898,109.53	2,749,977.84

ORGANISATION NAME : ECOTOURISM & CONSERVATION SOCIETY OF SIKKIM
 ADDRESS : GANGTOK (EAST SIKKIM)
 Schedule Forming part of the Income and Expenditure Account for the year ended 31-03-2003

	CURRENT YEAR AMOUNT Rs P	PREVIOUS YEAR AMOUNT Rs P
SCHEDULE-"3"		
OTHER EXPENSES	6,395.00	0.00
1 Computer Peripheral	1,600.00	0.00
2 Equipment Hire Charges	3,960.00	0.00
3 Refreshments	2,445.00	0.00
4 Field Trips Expenses	19,760.00	0.00
5 Miscellaneous Services	30,000.00	0.00
6 Other Taxes	<u>64,160.00</u>	<u>0.00</u>
TOTAL		

SCHEDULE-"4"		
DEPRECIATION	3,325.42	3,633.80
1 On Furniture and Fixtures	53,802.09	77,414.75
2 On Computer Systems	8,216.25	7,455.00
3 On Office Equipments	<u>65,343.76</u>	<u>88,503.55</u>
TOTAL		

SCHEDULE-"5"		
REGISTRATION FEES FOR CONFERENCES AND WORKSHOP AND ALLIED CHARGES		
	0.00	203,108.16
1 SARCE Registration Fees	0.00	230,000.00
2 Ec lodge Registration Fee	0.00	37,200.00
3 Marketing Strategies Registration Fee	0.00	18,000.00
4 Turn Green Registration fees	0.00	15,500.00
5 Bio Diversity for NGO's Registration Fees	0.00	51,557.00
6 Ec lodge Lodging & Food Charges	0.00	100,207.12
7 SARCE Accomodation Charges	<u>0.00</u>	<u>655,572.28</u>
TOTAL		

SCHEDULE-"6"		
PROJECT AND PROGRAM INCOME/RECEIPTS		
	341,573.05	2,881,093.00
1 Conference Income -2002	271,296.00	0.00
IYM Conference		
CONSULTATIVE INCOME OF PROGRAM	204,500.00	0.00
a) Bhutan Consultative Visit	162,002.00	0.00
b) SNV-IUCN Vietnam Study Tour	100,000.00	0.00
c) EDP Training at ICAR tadong	100,000.00	0.00
d) EDP Training at Karfector	20,725.00	0.00
e) Reimbursement of N.E. Regional Workshop	31,000.00	0.00
f) EDC Training Sponsorship	<u>1,231,096.05</u>	<u>2,881,093.00</u>
TOTAL		

SCHEDULE-"7"		
OTHER INCOME / RECEIPTS		
	232,696.00	0.00
1 Consultancy Fees/Income	1,600.00	0.00
2 Sale of Books	18,800.00	0.00
3 Equipment Hire Charges	41,886.00	0.00
4 Miscellaneous Receipts	2,050.00	0.00
5 Miscellaneous Sale	<u>297,032.00</u>	<u>0.00</u>
TOTAL		