

SIKKIM



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**GOVERNMENT OF SIKKIM
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NOTIFICATION

Sikkim Mineral Policy, 2025 is hereby framed and published for general information of the public.

1. Background:

Minerals are naturally occurring substances found in the earth's crust, essential for a wide range of industrial, economic, and domestic applications. They form the backbone of infrastructure development, energy production, and manufacturing. In a geologically diverse and mineral-rich country like India, states like Sikkim possess valuable resources such as Base metal like (copper, lead, zinc) coal, and various minor minerals. Proper exploration and utilization of these resources can significantly contribute to local economic growth, employment generation, and infrastructure development provided it is done sustainably and with environmental sensitivity.

Having a Mineral Policy is crucial for a state like Sikkim, which is ecologically fragile and part of the young Himalayan region. A well-framed mineral policy ensures that mineral exploration and mining activities are carried out in a scientific, transparent, and environmentally sustainable manner. It helps in regulating mining operations, preventing illegal mining, and ensuring fair distribution of benefits to local communities. Moreover, it aligns the state's mineral development goals with national frameworks while safeguarding the interests of future generations through sustainable practices. The exploration and exploitation of minerals will be guided by the State strategy for economic development and Make in India initiatives. The efficient regulatory mechanism will be enforced, incorporating e-governance and remote sensing application, to prevent illegal mining of minerals. The Sikkim Mineral Policy, 2025 has been prepared with this perspective in view.

2. National Mineral Policy 2019

The National Mineral Policy hereinafter referred to as (NMP 2019) is a comprehensive framework introduced by the Government of India to regulate the development, exploration, and sustainable management of the country's mineral resources. It replaced the earlier policy of 2008 with a more modern, transparent, and investor-friendly approach, keeping in view the growing demands of the mineral sector, the evolving global practices, and India's increasing commitment towards environmental sustainability and inclusive development.

At its core, the policy aims to promote sustainable mining practices, ensuring that the extraction of minerals does not come at the cost of environmental degradation or social dislocation. It underscores the importance of conservation and zero-waste mining, mandating scientific exploration, better planning, and use of latest technologies. The policy also emphasizes environmental protection by recommending the use of tools such as Progressive Mine Closure Plans, post-mining land restoration, and strong environmental monitoring mechanisms.

One of the most significant features of the NMP 2019 is its focus on improving ease of doing business in the mining sector. The policy advocates for streamlining clearances, simplifying procedures for grant of mineral concessions, and developing a unified regulatory framework. It promotes auction-based allocation of mineral blocks, encouraging transparency and fairness. Additionally, it opens avenues for private sector participation in exploration, especially in unexplored and deep-seated mineral zones, by allowing incentives and collaborations through revenue sharing and risk-based models.

A key shift in the 2019 policy is the emphasis on inter-generational equity — the idea that today's mining activities should not compromise the rights and needs of future generations. This is aligned with the principle of sustainable development, making environmental and ecological safeguards an integral part of mineral governance. The policy also addresses tribal and community rights, especially in areas where mining overlaps with forest lands and Scheduled Tribe-dominated regions, by recommending fair compensation, local employment, and social development measures.

The policy recognizes the need for strong institutional support, recommending the strengthening of Indian Bureau of Mines (IBM) and Geological Survey of India (GSI) for data management, quality certification, and exploration. It calls for the creation of Mining Tenement Systems (MTS) and better use of remote sensing and GIS technologies to monitor operations and prevent illegal mining. Moreover, the NMP 2019 encourages mineral-based industrial development by suggesting the integration of mining with downstream industries, especially in mineral-rich states.

In conclusion, the National Mineral Policy 2019 marks a progressive step towards ensuring that India's mineral wealth is harnessed responsibly, efficiently, and equitably. It provides a clear roadmap for states to formulate their respective mineral policies in alignment with national priorities. Through a balanced approach between economic development, environmental sustainability, and social responsibility, the policy aims to make India a globally competitive mineral producer while preserving the rights of communities and protecting the ecological fabric of the nation.

3. Objectives of the Sikkim Mineral Policy, 2025

- i. Scientific and Sustainable Mineral Development: -To ensure the exploration and extraction of mineral resources using scientific, eco-friendly, and sustainable methods, minimizing environmental degradation in the ecologically sensitive Himalayan region.
- ii. Regulation and Transparency: - To establish a transparent, efficient, and accountable regulatory framework for grant of mineral concessions, prevention of illegal mining, and monitoring of mining operations using modern technology such as GIS, remote sensing, and e-governance tools.
- iii. Environmental Protection and Land Restoration: -To promote zero-waste mining practices and enforce progressive mine closure plans, ensuring reclamation of mined areas, afforestation, and conservation of water bodies and biodiversity in line with the state's green development goals.
- iv. Promotion of Mineral-Based Industry: -To encourage value addition through mineral-based industries and local processing units, reducing raw mineral transport and creating local employment opportunities.
- v. Community Participation and Benefit Sharing: -To ensure that mineral development directly contributes to the socio-economic upliftment of local communities, especially Scheduled Tribes and traditional landholders, through employment, skill development, and revenue-sharing models.
- vi. Infrastructure and Investment Promotion: -To attract responsible investments from both private and public sector in mineral exploration and development while improving basic infrastructure in mineral-bearing regions.
- vii. Alignment with National Mineral Policy: -To align Sikkim's mineral governance in consonance with the National Mineral Policy 2019, adopting best practices and promoting inter-generational equity in the use of non-renewable mineral wealth.

4. Mission: -

The mission of the Sikkim Mineral Policy is to promote the sustainable, scientific, and transparent development of the state's mineral resources, ensuring environmental protection, economic upliftment, and community welfare, while aligning with national mineral development goals.

(1) Sustainable Development Goals

The following Sustainable Development Goals will be incorporated in the mineral policy:

(a) *SDG 8: Decent Work and Economic Growth*

The mineral sector is significantly employment oriented. The policy seeks to ensure fair labour practices, decent work and economic opportunity for all, and inclusion within India. It promotes downstream industries and reducing the export of raw minerals, which can benefit communities in mineral-rich regions.

(b) *SDG 12: Responsible Consumption and Production.*

This SDG is directly linked to sustainable mining practices. The policy encourages resource efficiency, reuse, recycling and substitution of critical minerals. It aims to reduce the environmental footprint of mining and processing,

and to promote circular economy principles through innovative practices and technologies.

(c) *SDG 15: Life on Land*

The policy considers the environmental impact of mining on land, water, and biodiversity. It includes mine reclamation and afforestation efforts, aiming to minimize ecosystem destruction and the adverse effects of mining. This aligns with India's commitments to protect, restore and promote sustainable use of terrestrial ecosystems.

5. Mineral Wealth of Sikkim Known Mineral Resources include

- **Base Metals:** Copper, lead, and zinc deposits are present within Daling Group (e.g., Bhotang, Rangpo, Dikchu) with a technically estimated ~0.45/ Mt ore at Dikchu (H²/ 2.8/ %/ Cu, 0.9/ %/ Zn; recovery ~90–93/ %) .
- **Coal:** Bituminous to semi-anthracite seams (~1.4 lakh tonnes) in the Rangit tectonic window—high fixed carbon content, low moisture/ash.
- **Industrial Minerals:-**Limestone, dolomite, and marble deposits across various districts (e.g., Namchi, Rishi Khola, Tsungthang).The marble is of commercial grade suitable for use in slabs and cement.
- **Graphite:** Occurrences in West and North Sikkim (Chitre, Dentam-Uttarey), with 40–60/ % fixed carbon requiring beneficiation.
- **Talc:-** (~80,000/ t reserve) found in West Sikkim (Ranikhola–Mansari), partly exploited via local artisanal methods.
- **Quartzite:** - (~70,000/ t of >90/ % SiO₂) near Ranikhola–Mansari, with potential for commercial revival.
- **Additional minerals:** sillimanite, garnet, iron pyrites, asbestos, and potential rare earth elements identified in reconnaissance surveys.
- **Minor Minerals –** Such as sand, stone chips, gravel, and boulders, extracted mainly from riverbeds and extensively used in the construction sector.
- **Limestone –** Found in abundance, especially in the Mangan and Namchi districts; used extensively in cement manufacturing and building materials.

Despite these resources, mineral development in Sikkim has remained largely untapped due to environmental constraints, lack of infrastructure, and regulatory gaps. Minor mineral extraction, especially from riverbeds, has led to localized environmental degradation and the need for stricter oversight.

6. The proposed Sikkim Mineral Policy 2025 will provide the necessary framework to

- Strengthen geological investigations and exploration.
- Regulate mining activities through transparent procedures.
- Encourage eco-friendly mineral-based industries.
- Prevent illegal mining and riverbed over-extraction.
- Ensure environmental and community safeguards.

7. Data base of Mineral Resources and Tenements

Sikkim shall develop a comprehensive state-level inventory of its mineral resources, built upon a thorough and current assessment of all available exploration data. This inventory will be digitized and will include both a resource database and a tenement registry. The resource database will follow internationally recognized public reporting standards to ensure transparency, reliability, and credibility, particularly in the eyes of financial institutions and stock markets. Alongside this, data will also be maintained using conventional methodologies currently practiced. The tenement registry will be developed as an online, Geographical Information System-integrated platform to enable spatial visualization and public accessibility of mineral information in a map-based format.

The State Government will make concerted efforts to implement a Mining Tenement System (MTS), aimed at digitizing and automating the complete life cycle of mineral concessions through advanced IT-based solutions.

All baseline and mineral exploration data generated in the state will be systematically compiled, stored, and made available for open access as a public resource. The Government will actively promote partnerships with national and international scientific institutions, research organizations, universities, professional associations, and industry stakeholders to facilitate scientific research and innovation in addressing mineral exploration challenges within Sikkim.

8. Regulation of Mines and Minerals

Although mineral resources are vested in the constituent States of the Union, yet the subject of regulation of mines and mineral development falls under entry 54 of the Union List in the Seventh Schedule of the Constitution of India. By virtue of this, the Parliament possesses exclusive power to make laws with respect to regulation of mines and mineral development. A list of some of the important statutory acts, rules and regulations applicable in this regard, as amended from time to time, are given below:-

- The Mines and Minerals (Regulation and Development) Act, 1957;
- National Mineral Exploration Policy, 2016;
- The Mineral Concession Rules, 1960;
- The Mineral Conservation and Development Rules, 1988,
- Mineral (Auction) Rules, 2015.
- Minerals (Evidence of Mineral Contents) Rules, 2015.
- Minerals (Transfer of Mining Lease granted otherwise than through auction for captive purpose) Rules, 2016,
- National Mineral Exploration Trust Rules, 2015,
- The Mines and Minerals (Contribution to District Mineral Foundation) Rules, 2015,
- The Metalliferous Mines Regulations, 1961;
- The Forest Conservation Act, 1980;
- The Indian Forest Act, 1927;
- The Wildlife (Protection) Act, 1972;

- The Forest (Conservation) Rules, 1981;
- The Factories Act, 1948;
- The Occupational Safety, Health and Working Conditions Code, 2020;
- The Environment (Protection) Act, 1986;
- The Environment (Protection) Rules, 1986;
- The Sikkim Minor Minerals Concession Rules, 2025

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- Minor minerals and quarry leases.
- Monitoring of mining operations and environmental compliance.
- Collection of royalty and other revenues.
- Enforcement of illegal mining prevention.
- Issue of land stability or feasibility reports in sensitive zones.
- Environment Clearance (EC) from State or Union Ministry of Environment and Forests is mandatory for mining.
- Forest Clearance if mining is on forest land.
- Environmental Management Plan (EMP) and Rehabilitation and Resettlement (R and R) are part of the mining process.
- District Mineral Foundation (DMF) funds benefit local communities affected by mining.

9. Survey and Exploration

The Mines and Geology Department, Government of Sikkim, and the Geological Survey of India (GSI) are the two main Government agencies which carry out survey and, exploration of minerals in the State. These activities will be further continued and strengthened to discover new mineral deposits by deploying state-of-the-art technology. Private entrepreneurs or firms possessing such technology will be encouraged to expedite identification of new mineral deposits as per extant applicable Acts and Rules. Petroleum and natural gas and the survey and exploration falls under the domain of the Union Government in the 7th Schedule of the Constitution under Article 246(1). The State Government will extend logistic support to such survey and exploration. The concerned mining bodies and the Division of Geology and Mining will prioritize the projects and finalize annual programmes to maximize the benefits for the State.

Mines and Geology Department, Sikkim Responsible for conducting regional geological studies, issuing mining leases, maintaining a mineral database, and monitoring mining activities. It plays a vital role in regulatory compliance, environmental monitoring, and land use planning. Geological Survey of India (GSI) Undertakes systematic geological mapping and mineral exploration across the state. It provides technical assistance and detailed reports on seismotectonic, geo-hazard vulnerability, and resource potential.

10. Estimation of Mineral Resource for the State of Sikkim

To increase the resource base of the State, the State DGMs will besuitably strengthened and will take up annual programmes for the purpose of: -

- (a) Detailed mapping and exploration of potential areas to facilitate mineral development.
- (b) Prospecting operations of promising areas and preparation of feasibility reports to enable auction of ore bodies prospected by the DGM. Where possible, programmes may be taken up in a collaborative mode with GSI through joint use of S and T, manpower and laboratory facilities. Prospecting activities may also be outsourced to reputed institutes under Mineral Exploration Corporation Limited (MEL) or Central Mine Planning and Design Institute Limited (CMPDIL), or any other reputed exploration agencies in the private or public sectors.
- (c) It will be ensured that the applicable United Nations Framework Classification (UNFC) system is fully adopted and utilized for reporting reserves and other resources in a scientific manner in accordance with Minerals (Evidence of Mineral Contents) Rules, 2015.

11. Grant and Concession

The State Government will encourage private investment in exploration and exploitation of mineral resources in accordance with the existing Acts and Rules in particular: -

- (a) the notified blocks along with survey and exploration data will be put on the website of the Department for accessible to other prospectors;
- (b) to notify areas of potential mineralization where detailed exploration is required to quantify the resources and application for grant of Prospecting Licence or Composite Licence (Prospecting Licence-cum-Mining Lease). In case of forest areas, the Government will ensure 'forest clearance' before notification.
- (c) respect the right of the prospector to obtain Mining Lease over his prospect to suite the amended Act;
- (d) ensure that mining concessionaire recognize techno-economic principles of estimation of reserves and resources in UNFC as per Minerals (Evidence of Mineral Contents) Rules, 2015.
- (e) State Government will have right for reservation of some mines not granted to private sectors for captive purposes. The mining and industrial development may be taken in Joint Venture with prospective private sector or State public sector undertakings in the reserve areas to further promote private ventures in the sector.
- (f) Preference will be given to local COI holders as per existing State Government Rules for grant of quarrying leases for sand, stone and other construction materials.
- (g) a mining concession will be given only to a prospector after completing prospecting and submitting prospecting data or through a process of auction based on appropriate prospecting data and feasibility report. The Government may make special efforts to build investor's confidence and to this extent shall,

- (i) respect the right of a concessionaire to transit to the next stage of concession irrespective of other claimants; and
- (ii) frame and implement transparent system of notifying promising areas for grant of mineral concessions, and grant concessions as per equitable and just criteria published in the notification.

12. Scientific and Systematic Mining

The methodical exploration, planning, extraction, and closure of mineral resources using modern technologies and environmental safeguards. It involves conducting detailed geological surveys, preparing structured mining plans, and following standard procedures for drilling, excavation, waste management, and mineral conservation. Such mining ensures the efficient use of resources while minimizing environmental degradation, especially in sensitive regions like Sikkim where the Himalayan terrain is fragile and ecologically vital.

In Sikkim, promoting scientific and systematic mining is essential to balance mineral development with ecological sustainability. The focus is on adopting technologies such as GPS-based monitoring, drone surveys, and digital mine mapping, along with strict adherence to environmental clearances and safety norms. Through these practices, the state aims to reduce illegal and unregulated mining, ensure proper land reclamation, and protect the rights and health of local communities, while making mineral extraction more efficient and accountable.

13. Safety of Mine and Mines Workers

Safety of mines and mine workers is a critical component of the Sikkim State Mineral Policy, especially given the state's fragile Himalayan ecosystem and challenging terrain. The Government of Sikkim is committed to ensuring that all mining activities are carried out in strict compliance with safety regulations and the guidelines of the Directorate General of Mines Safety (DGMS). Every mining lease shall operate with an approved Mine Safety and Health Plan, covering risk assessment, slope stability, controlled blasting, and the use of personal protective equipment (PPE). Regular site inspections, safety drills, and health check-ups for workers will be made mandatory to prevent accidents and occupational health hazards.

To promote a culture of safety, the policy also emphasizes training and capacity building of mine workers, especially local youth, in first-aid, rescue operations, and safe handling of machinery. Proper sanitation, drinking water facilities, rest shelters, and insurance coverage will be ensured at all mining sites. The State will establish a dedicated Mine Safety Monitoring Cell and introduce a system of incentives for mines that maintain high safety standards and zero-accident records. By prioritizing worker welfare and workplace safety, the policy aims to support sustainable and responsible mineral development in the state.

14. Land use Planning and Sustainable Development

Land use planning and sustainable development are central to managing Sikkim's mineral resources in harmony with its sensitive ecological zones and socio-cultural values. The Government of Sikkim shall ensure that mining activities are integrated into the broader land use framework of the state, with due consideration for forests, agricultural land, water sources, and biodiversity. Prioritization of land for mineral extraction will be guided by scientific assessments, zoning regulations, and community consultations, to avoid conflict with food security, tourism, and conservation goals.

Sustainable development in the mining sector will focus on minimizing environmental impacts, promoting responsible resource extraction, and ensuring post-mining land restoration. All mining leases shall be mandated to implement proper land reclamation plans, including afforestation, slope stabilization, and conversion of mined-out areas for community use. The policy encourages adaptive reuse of mined land for eco-tourism, agroforestry, or infrastructure projects that benefit local populations. This balanced approach aims to ensure that mineral development contributes to long-term ecological stability and inclusive economic growth in Sikkim.

15. Development of Infrastructure

The development of infrastructure is essential for the efficient exploration, extraction, and transportation of minerals in the remote and mountainous regions of Sikkim. The State Government recognizes the need to strengthen core infrastructure such as approach roads to mineral-bearing areas, power supply, communication networks, and weighbridge facilities to support the growth of the mining sector. Public-private partnerships and convergence with central or state schemes will be encouraged to create sustainable and climate-resilient infrastructure that caters to both mining activities and community needs.

To ensure balanced regional development, the policy also emphasizes the creation of mineral-based industrial infrastructure, such as stone crushers, mineral processing units, and storage facilities, in designated industrial zones. Development will be planned in consultation with local bodies and in alignment with the state's environmental and land use regulations. Infrastructure development under the mineral sector will not only boost operational efficiency but also create employment, improve market access for mineral products, and enhance connectivity in underdeveloped areas of the state.

16. Mineral Concession Regulation

State Level Committee shall be constituted by the Government of Sikkim to scrutinize, evaluate, and monitor all applications and documents related to the grant of mineral concessions. This committee will function in accordance with the provisions of the Mines and Minerals (Development and Regulation) Act, 1957, and the rules and guidelines framed thereunder by the Ministry of Mines, Government of India. The Committee shall ensure that all proposals for reconnaissance permits, prospecting licenses, and mining leases are compliant with statutory requirements, environmentally sustainable, and aligned with the strategic priorities of the State. It will also advise the Government on policy matters, monitor the performance of concessionaires, and recommend action in cases of non-compliance or illegal mining activities.

17. Mineral Based Industries

Efforts will be made to attract mineral based industries in the State to add value, increase economic activities and bring in best practices in mining and sustainable development. Preference will be given in the following order:-

- (a) quantum of investment;
- (b) value addition at ore stage;
- (c) induction of new technology;
- (d) creation of infrastructure;
- (e) mechanization, automation, and computerization;

- (f) sustainable development and relief and rehabilitation practices;
- (g) extent of employment of people of the state.

A conducive industrial environment will be created, and every effort will be made to ensure that law and order is adequately maintained. Suitable areas for prospecting will be identified aiming at establishment of mineral based industries and applications shall be invited for Prospecting License based on the above preference.

18. Environment and Forest Related Issues

The Government will ensure expeditious processing of cases involving forest land. The Government will proactively identify areas where mining-related activities are likely to cause unacceptable damage to the ecology and the environment. It will also identify suitable areas for compensatory afforestation including mined out areas.

The Government will ensure that, before putting ore bodies to mining, forest clearance is obtained wherever required under the Forest Conservation Act, 1980.

The State Government will ensure coordination between the State DGM and Sikkim Pollution Control Board for conduct of the Environmental Impact Assessment (EIA) in a quick, transparent and professional manner and ensure facilitation of preparation, approval and monitoring of the Environment Management Plan.

19. Relief and Rehabilitation

In the State of Sikkim, land acquisition is governed by the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (RFCTLARR Act, 2013), which is applicable across India, including Sikkim. This Act replaced the earlier Land Acquisition Act of 1894 and aims to ensure just, fair, and transparent processes in land acquisition for public purposes and industrial projects, including mining and infrastructure development.

20. Reclamation and Restoration

Mining activities will be taken up in a manner that does not permanently degrade the land. The Government shall ensure that the mines in their Mine Closure Plans make adequate provision for reclamation and/or restoration of the land to the best possible potential in collaboration with local communities, and for their use. Land after closure shall be returned to the local Panchayat or the authority concerned for management preferably as a Common Property Resource, particularly for the benefit of the rural poor.

Reclamation or restoration efforts shall specially address issues of: -

- (a) bringing land into productive use;
- (b) reducing soil erosion through vegetative means;
- (c) dealing with chemical pollutants of soil and water and mitigating the adverse visual impact;
- (d) afforestation in the case of forest land.

21. Cluster Deposit Mining

In many areas of the State, mineral deposits occur in small clusters not amenable to scientific mining. They include quarry and construction materials (sand, sandstone, etc.) and float ore deposits. Unscientific exploration of such local deposits can cause serious environmental problems.

In the interest of proper management of such deposits and to generate local employment, the Government shall encourage creation of cooperatives for the extraction and processing of cluster deposits with approved Mining Plan or Mine Progressive Plan or Closure Plan or Environmental Management Plan.

(i) Mining Plan

The Mining Plan for the State of Sikkim, in alignment with the National Mineral Policy, 2019, emphasizes scientific, sustainable, and environmentally responsible mining. All mining operations in Sikkim, must be carried out as per an approved Mining Plan, which includes detailed proposals for geological exploration, method of mining, land use, environmental protection, and progressive mine closure. The plan must be prepared by a qualified RQP (Recognized Qualified Person) and approved by the competent authority as per the provisions of the Sikkim Minor Minerals Concession Rules, 2025. In eco-sensitive regions like Sikkim, the Mining Plan shall integrate ecological safeguards, community participation, and rehabilitation measures, ensuring minimal environmental impact and alignment with state-specific conservation policies.

(ii) Mining Closure

The Mining Closure Policy aims to ensure that mining operations in Sikkim are concluded in a scientifically planned and environmentally sustainable manner. It mandates that every mining lease holder prepare and implement a progressive and final mine closure plan, approved by the competent authority, detailing land reclamation, ecological restoration, waste disposal, and safety measures. The policy ensures that post-mining landscapes are restored for productive use, with provisions for the rehabilitation of workers and local communities. Financial assurance for mine closure will be a prerequisite, and strict compliance monitoring shall be undertaken by the Mines and Geology Department.

(iii) Social Impact and Community Engagement in Mining Plan

Social impact and community engagement are critical components of a sustainable mining plan. Mining activities can significantly affect local communities, especially in ecologically and socially sensitive regions like Sikkim. Therefore, mining plans must include a thorough Social Impact Assessment (SIA) to evaluate potential disruptions to livelihoods, displacement, and effects on local culture and environment. Active community engagement through consultations, public hearings, and participatory planning ensures transparency and helps in building trust with local populations. The policy emphasizes inclusive development by mandating benefit-sharing mechanisms such as contributions to District Mineral Foundations (DMF) for local welfare projects. Special focus is placed on safeguarding the rights of indigenous people and ensuring their Free, Prior and Informed Consent (FPIC) before any mining activity. This approach aims to balance mineral development with social responsibility and long-term community well-being.

22. Minor Minerals

The Government shall establish Minor Minerals Concession Rules, for proper exploration and systematic quarrying of minor minerals and for addressing environmental concerns. These rules shall ensure that: -

- (a) The permits or licenses for minor minerals are given wherever possible to local bodies and such cooperatives.
- (b) Mining is done in a way that does not cause environmental disturbance including water and air pollution or disturbance to natural ecological regimes.

23. Prevention and Control of Illegal Mining

Illegal mining, besides being a loss of State revenue, has widespread negative impact. Preventive measures shall be taken up by the State Government by enactment of Rules there on for the following: -

- (a) environmental damage;
- (b) alienation of local population;
- (c) corruption, crime, and lawlessness, etc.

There are many reasons for illegal mining. The main causes are: -

- i. tax regulation and corruption;
- ii. delays and complex procedure in getting legal concession, including forest and environmental clearance;
- iii. keeping known deposits without notifying to invite applications;
- iv. refusal to grant renewal for a mine that is not exhausted;
- v. arbitrary reduction in lease areas, particularly during renewal.

The Government shall take steps to improve the regulatory supervision of potential mineralization areas and shall involve local population in the process. Forest and environmental clearances and other regulatory approvals shall be fast tracked and monitored through the State Empowered Committee.

Village Panchayats and local bodies shall be incentivized to keep vigil on the mining of sand and boulders from streams in their jurisdiction and awareness generation programmes will be organized for the purpose.

24. Royalty or Dead Rent to be paid by Lessee

The holder of the mining lease shall pay royalty or dead rent whichever is greater in respect of any mineral removed or consumed by him or his agent, manager, employee, contractors, or sub-lessee from the leased area at the rate being specified in the Second and Third Schedules of the Mines and Minerals Development and Regulation Act 1957, in respect of major minerals and at the rates fixed by State Government in case of Minor minerals.

25. District Mineral Foundation Trust

In any mining districts, District Mineral Foundation Trust, a non-profit body shall be constituted to implement schemes listed in the Pradhan Mantri Khanij Kshetra Kalyan Yojana (PMKKKY) with the fund accrued by the lessee at the rate specified under Sikkim District Mineral Foundation Rules 2025.

26. Contribution to National Mineral Exploration Trust Fund

The lessee shall pay 2% (two percent) of the royalty paid to the National Mineral Exploration Trust fund for any mineral removed or consumed by him or his agent, manager, employee, contractors, or sub-lessee from the leased area under Sikkim State Mineral Exploration Trust Rules, 2025.

(i) Formation of SMET for Minor Minerals

The Government of Sikkim proposes to establish a dedicated State Mineral Exploration Trust (SMET) under the provisions of Section 9C of the Mines and Minerals (Development and Regulation) Act, 1957, read with state rules for minor minerals. The primary objective of the SMET shall be to facilitate detailed mapping, exploration, and assessment of minor minerals like sand, stone, boulders, riverbed materials, clay, and building stones. Fund and coordinate geological investigations, preparation of mineral blocks, and creation of a centralized geo-database for resource planning and transparent auctioning.

The Trust shall be funded through a percentage contribution (e.g., 2%) from the royalty collected on minor minerals. Budgetary support from the State Government and grants from the Central Government, wherever applicable.

27. Geoinformatics

The Government recognizes that the key to attracting investment in the mining sector is making available relevant information in a way most useful for investment decision making. The Government shall create and constantly update a Website to ensure information regarding: -

- (a) State policies, legislation, and executive instructions;
- (b) availability of areas for prospecting and mining through creation of a Mining Tenement Registry in collaboration with the Department of Land Records;
- (c) Geological and geophysical data in spatial as well as non-spatial formats including data gathered during reconnaissance and prospecting after lock-in period is over, and
- (d) A concession management system to provide for end-to-end management from application to mine closure.

The State Department of Mines and Geology will liaise with the Geological Survey of India and the Indian Bureau of Mines to ensure uniformity and standardization of applications and the best possible synergy from the databases.

28. Skill Development, Capacity Building and Training

- (a) Vocational education system shall be reviewed to ensure that skills required in the mining sector are adequately addressed.
- (b) The Government shall endeavour to provide training on regulatory and development aspects of mining in consultation with or through IBM to the persons of concerned departments or mining industries to ensure proper mineral administration and control of illegal mining

29. Geo-Tourism

Geo-parks shall be set up in the State wherever and whenever feasible in order to enhance geo-tourism.

30. Research and development: -

Support research on sustainable mining techniques suitable for Sikkim's fragile Himalayan terrain, including environmental impact mitigation strategies and socio economic adoption and resilience in the local community.

31. Implementation of the Policy

Implementation of the Policy will be ensured through the twin mechanism: -

- (a) The State Geological Programming Board (SGPB) shall ensure that appropriate development programmes are taken up; and
- (b) The State Level Committee (SLC) shall ensure that regulatory regime is adequate for the task.
- (c) District Mineral Foundation (DMF).

32. Power of the State Government

Notwithstanding anything contained in the foregoing paragraphs and clauses on the Sikkim Mineral Policy, 2025, the State Government may, by issuance of a notification in the official Gazette, amend or withdraw any of the provision of the policy mentioned herein above at any time, without prior intimation.

Dicky Yangzom, IAS
Secretary
Mines and Geology Department