



GOVERNMENT OF SIKKIM

BUDGET 2026-2027

BUDGET SPEECH

BY

CHIEF MINISTER

AND

THE MINISTER-IN-CHARGE

FINANCE DEPARTMENT

ON

20th JULY, 2026



GOVERNMENT OF SIKKIM

BUDGET 2026-2027

BUDGET SPEECH

BY

CHIEF MINISTER

AND

THE MINISTER-IN-CHARGE

FINANCE DEPARTMENT

ON

20th JULY, 2026

Hon'ble Speaker Sir,

I rise to present the Budget of the Government of Sikkim for the Financial Year 2026–27.

At the outset, I extend my warm greetings to you, Hon'ble Speaker Sir, Hon'ble Deputy Speaker Madam, my esteemed Cabinet colleagues, the Hon'ble Members of this august House, and the beloved people of our State.

As we embark on a new financial year, we stand at an important milestone in Sikkim's developmental journey. Guided by the blessings of our guardian deities and inspired by the resilience, aspirations and collective determination of our people, we present this Budget with a renewed commitment to inclusive growth, sustainable development and shared prosperity.

This Budget is far more than a statement of accounts. It is a vision for the future and a roadmap for the next phase of Sikkim's transformation. It reaffirms the Government's unwavering resolve to build a **Sunaulo, Samriddha ani Samarth Sikkim** where every citizen has the opportunity to realise their aspirations and contribute to the State's continued progress.

Our State recently crossed a monumental milestone as 16th May 2025 marked fifty years of Sikkim's

Statehood. This historic occasion commemorated a defining chapter in our history when Sikkim became the 22nd State of the Indian Union. Statehood opened unprecedented opportunities for our people, strengthened our democratic institutions, accelerated socio-economic development, and firmly integrated Sikkim into the national mainstream while safeguarding our unique identity and heritage.

The Golden Jubilee celebrations provided a cherished opportunity to reflect on Sikkim's remarkable journey over the past five decades and to reaffirm our aspirations for the future. We were deeply honoured by the presence and support of several distinguished national leaders who joined us in commemorating this historic milestone.

It was a matter of immense pride for the people of Sikkim that the Hon'ble Prime Minister of India, Shri Narendra Modi Ji, graciously consented to inaugurate the Golden Jubilee celebrations. Although he travelled to Bagdogra Airport to proceed onwards to Sikkim, unfavourable weather conditions prevented him from making the journey. Despite this, the Hon'ble Prime Minister addressed the inaugural function virtually and, in a heartfelt gesture, assured the people of Sikkim that he would personally join the concluding celebrations.

True to his word, the Hon'ble Prime Minister fulfilled that promise and graced the grand closing

ceremony with his presence. His visit was a touching testament to his affection for Sikkim and the people, making the culmination of our Golden Jubilee celebrations even more memorable and meaningful.

Addressing the gathering, the Hon'ble Prime Minister praised Sikkim for the unparalleled natural beauty, commended the State's achievements in cleanliness and environmental conservation, and described our people as true custodians of nature. He encouraged citizens from across the country to visit Sikkim and experience the breathtaking landscapes, rich cultural heritage, and exemplary model of sustainable development.

The Hon'ble Prime Minister was particularly moved by the spectacular *"Thousand Steps of Unity"* performance, in which more than 2,000 artists came together in a magnificent display of unity in diversity. Describing it as a true reflection of the spirit of India, he observed that the performance beautifully showcased the nation's enduring strength in its cultural diversity and harmonious coexistence.

His presence, inspiring words, and unwavering affection for Sikkim filled the occasion with immense pride, renewed confidence, and patriotic fervour, making it a truly historic moment in the State's Golden Jubilee celebrations.

Our beloved State was further honoured by the visits of other eminent national dignitaries. We had the privilege of welcoming the Hon'ble Vice President of India, Shri C. P. Radhakrishnan, along with the Hon'ble Union Minister for the Ministry of Development of North Eastern Region Shri Jyotiraditya M. Scindia, during the 51st State Day celebrations.

In another moment of immense pride for Sikkim, the Hon'ble President of India, Smt. Droupadi Murmu, visited our State to confer the prestigious President's Colour upon the Sikkim Police in recognition of their exemplary service. During her visit, Sikkim was also officially declared a *Fully Literate State under the Union Government's ULLAS Nav Bharat Saaksharta Karyakram initiative*, marking yet another historic milestone in our developmental journey. The Hon'ble President also flagged off the *Aama Didi Bahini Pink Bus Sewa*, a pioneering initiative aimed at providing safe, accessible, and dignified public transport for women.

On behalf of this august House and the people of Sikkim, I extend my heartiest congratulations to the Sikkim Police and the Education Department for these historic accomplishments, which stand as shining examples of dedication and excellence in public service.

Another feather in our cap was the declaration of Sikkim as the *first Paperless Judiciary in India*. At the

National Conclave on Technology and Judicial Education, the Hon'ble Chief Justice of India Mr Justice Surya Kant officially declared Sikkim as the first State Judiciary in the country to achieve this historic distinction. The conference was graced by several eminent dignitaries, including the Hon'ble Attorney General of India, Shri R. Venkataramani, Chief Justice of the Supreme Court of Seychelles, Hon'ble Mr Justice Rony James Govinden, Hon'ble Judges of the Hon'ble Supreme Court, Hon'ble Chief Justices and Hon'ble Judges of the High Courts of the Country among others.

On behalf of this august House and the people of Sikkim, I place on record our sincere gratitude to all the distinguished dignitaries who visited our State during this historic Golden Jubilee year. Their presence, appreciation, and words of encouragement have not only elevated Sikkim's stature on the national and international stage but have also provided a significant impetus to our tourism sector and strengthened our collective aspirations for sustained growth and development.

I also place on record our profound appreciation to all the officers and officials of the State Government, the Police, security agencies, and the individuals who contributed to the successful planning and execution of these high-profile visits. Their unwavering commitment, meticulous coordination, and exemplary professionalism ensured that every event was conducted seamlessly despite

the demanding timelines, bringing immense pride, honour, and recognition to Sikkim.

Hon'ble Speaker Sir,

As a lasting tribute to the Golden Jubilee celebrations, we have created the *Swarna Jayanti Maitreya Manjari*, which was virtually inaugurated by the Hon'ble Prime Minister during the launch of the year-long Golden Jubilee celebrations. Developed as a 26-foot-tall copper monument at Ridge Park, it symbolises five decades of Sikkim's integration, progress, and rich cultural heritage. The complex also houses a state-of-the-art Orchidarium featuring over 100 species of native and exotic orchids, reflecting Sikkim's remarkable biodiversity and commitment to conservation. During the closing ceremony, the Hon'ble Prime Minister extended his visit to the site by nearly forty-five minutes beyond the scheduled programme, appreciating its beauty. He particularly enjoyed viewing the diverse collection of orchids and the rare species showcased in the Orchidarium.

To further commemorate this historic milestone, the Government has proposed two landmark initiatives—the *Swarna Jayanti Integrated Sports and Cultural Village* and the *Swarna Jayanti Convention Centre*.

The *Swarna Jayanti Integrated Sports and Cultural Village* will comprise a state-of-the-art football stadium of

FIFA standard and another stadium with a track and field complex for sports and cultural activities, 2 indoor stadiums for contact and non-contact sports complemented by a dedicated high-performance centre with a sports medicine unit, training institutes, and hostel cum residential facilities. Designed to nurture and unlock the immense potential of Sikkim's youth, this integrated hub will serve as a catalyst for sporting excellence. Leveraging Sikkim's natural high-altitude advantage, the project will contribute significantly to both regional and national sports development.

The proposed *Swarna Jayanti State of the Art Convention Centre*, together with its allied facilities, is envisioned as a world class venue for national and international events. Designed to host meetings, incentives, conferences and exhibitions (MICE), the Centre will also cater to **destination weddings**, offering world class facilities for hosting landmark celebrations.

This transformative initiative will position Sikkim as the leading destination for MICE and **destination weddings**, attracting high value tourism, generating employment, stimulating local businesses, and enhancing the State's profile as a globally competitive destination for business, leisure and destination wedding tourism.

We are confident that these projects will be completed within the next two to three years and will

serve as enduring symbols of our Golden Jubilee celebrations while contributing significantly to the socio-cultural and economic development of the State.

Hon'ble Speaker Sir,

I also take this opportunity to extend my heartfelt congratulations to our beloved Hon'ble Prime Minister, Shri Narendra Modi Ji, on becoming the *longest serving head of an elected government* in the history of our nation.

On 22nd March 2026, the Hon'ble Prime Minister etched his name in history by attaining this remarkable distinction, a milestone that stands as a powerful testament to the immense trust, faith and confidence that the people of India have reposed in his able leadership.

His extraordinary public life, spanning *more than 24 years* of unwavering and tireless service to the nation, reflects democratic continuity, political resilience and an unshakeable commitment to the progress and prosperity of India. Every moment of his leadership has been guided by a singular dedication to national service and the welfare of our people truly embodying the spirit of a Karmayogi, where service to the nation rises above all else.

Further adding to this extraordinary legacy, on 10th June 2026, the Hon'ble Prime Minister achieved yet

another historic distinction by becoming the *longest serving elected Prime Minister of India*, surpassing the record of *4,398 days* in office previously held by Pandit Jawaharlal Nehru. Having first assumed office on 26th May 2014, he crossed this milestone with 4,399 consecutive days as the elected Prime Minister of the country, underscoring the remarkable continuity of leadership and the enduring faith of the people in his stewardship of the nation.

On behalf of the people of Sikkim, I convey our warmest congratulations and best wishes to the Hon'ble Prime Minister for his continued leadership in guiding India towards the cherished vision of a *Viksit Bharat* and an *Atmanirbhar Bharat*.

Hon'ble Speaker Sir,

This year, the General Municipal Elections were successfully conducted across all nine Urban Local Bodies of the State, including the newly constituted Municipalities of Soreng and Pakyong. Elections were held for *63 out of 64 seats* across the Urban Local Bodies, with an unprecedented 62 candidates being elected unopposed.

A particularly noteworthy achievement has been the enhanced representation of women in urban governance, with *35 women* elected as Councillors and, for the first time in the history of Sikkim, a woman being elected as

Mayor of the Gangtok Municipal Corporation. This historic achievement stands as a testament to the government's unwavering commitment to inclusive, participatory, and accountable governance, as well as to the advancement of women's leadership in public life.

The overwhelming public mandate is a testament to the trust and confidence that the people have reposed in the democratic process and underscores the spirit of consensus, cooperation, and political maturity that characterises our State.

On behalf of this august House, I extend my heartfelt congratulations to the State Election Commission, all election officials, district administrations, security personnel, political parties, candidates, and above all, the people of Sikkim, whose active participation, cooperation, and commitment ensured the peaceful, free, fair, and successful conduct of the Municipal election.

Hon'ble Speaker Sir,

The Union Budget 2026–27 presented by the Hon'ble Union Finance Minister lays out a clear roadmap towards the vision of **Viksit Bharat @ 2047**, with a strong emphasis on harnessing the power of **Yuva Shakti**, accelerating economic growth, strengthening governance and ensuring inclusive development.

The Budget's continued focus on **Garib Kalyan**, infrastructure creation, energy security, climate resilience and fiscal prudence reflects a balanced and forward-looking development strategy. The emphasis on roads, railways, logistics, digital connectivity and regional infrastructure is particularly significant for geographically sensitive and strategically important States like Sikkim.

I am especially encouraged by the continued priority accorded to the North Eastern Region through PM-DevINE, the North East Special Infrastructure Development Scheme and other initiatives aimed at strengthening connectivity, infrastructure and public services. The announcement of the dedicated **Buddhist Circuit Scheme**, covering Sikkim and other North Eastern States, is of particular significance. It will promote cultural tourism, preserve our rich Buddhist heritage and create new livelihood opportunities.

The Budget's emphasis on hill agriculture, high-value crops, post-harvest infrastructure and technology-enabled farming complements Sikkim's organic farming model. Likewise, the focus on strengthening healthcare, social infrastructure and educational opportunities in the North East aligns closely with our State's developmental priorities.

I place on record our sincere gratitude to the Government of India and the Union Ministry of Finance for their continued support to the development of Sikkim.

Hon'ble Speaker Sir,

The national priorities articulated in the Union Budget resonate strongly with Sikkim's own developmental aspirations and reinforce the direction that our State has pursued over the past five decades. Building upon this strong foundation, we now look ahead with renewed purpose and determination to accelerate Sikkim's journey towards a resilient, inclusive and future-ready economy.

As we celebrate the milestones of the past fifty years, we must also prepare ourselves to seize the opportunities and address the challenges of the decades ahead. In an increasingly dynamic and competitive world, the role of Government must evolve beyond that of a provider to become an enabler, facilitator, regulator and catalyst for innovation, investment and sustainable prosperity. We shall continue to foster an enabling environment for private enterprise while making strategic public investments and ensuring that governance is transparent, accountable and guided by evidence and data-driven decision-making.

Guided by our vision of a *Sunaulo, Samriddha ani Samarth Sikkim*, and inspired by the Hon'ble Prime Minister's vision of *Viksit Bharat @2047*, we remain steadfast in building a prosperous, equitable and environmentally sustainable State. Our priorities will

continue to centre on quality education, accessible healthcare, modern infrastructure, sustainable livelihoods, women empowerment, entrepreneurship and expanded opportunities for our youth, while ensuring that the benefits of development reach every section of society and every region of the State.

Hon'ble Speaker Sir,

I now present the *economic profile* of the State. Sikkim has emerged as one of the most progressive States in the Indian Union. Despite its mountainous terrain and connectivity challenges, the State has consistently demonstrated that determined leadership, sound policies, and people-centric governance can deliver exceptional outcomes. Over the past five decades since its integration with India, Sikkim has achieved remarkable progress in both economic development and human well-being.

In the last eight years, the State has recorded an average real *Gross State Domestic Product (GSDP)* growth of more than 12.6 per cent, nearly two percentage points higher than the average growth recorded by States across the country. The transformation of Sikkim's economy has been particularly noteworthy. Although the State's per capita GSDP remained below the national average for nearly three and a half decades following its integration with the Indian Union, it has since recorded

remarkable economic progress. Today, *Sikkim has the highest per capita GSDP in the country, at more than three times the national average.*

The benefits of this economic growth are visible in the lives of our people. Household expenditure levels, as reflected in recent surveys, are among the highest in the country, accompanied by a significant decline in poverty. *Sikkim's contribution to the national economy has also increased steadily, rising from just 0.04 per cent of India's income in 1980-81 to about 0.20 per cent in 2024-25.*

Equally impressive has been the State's progress in human development. From being among the lower-ranked States in the early 1980s, *Sikkim today stands among the leading States of the country in terms of Human Development Index.*

Hon'ble Speaker Sir,

Sikkim is well positioned to accelerate its economic growth and human development in the years ahead. The State's economic structure, supported by robust manufacturing and hydropower sectors, already exhibits many of the characteristics of a middle-income economy. Building on these strengths, the Government envisions Sikkim emerging as one of the fastest-growing economies in the country while ensuring that public services remain accessible, affordable and citizen centric.

The vision of *Viksit Sikkim @2047* seeks to substantially expand the State's economy, enhance the prosperity of its people and secure a high quality of life for every citizen. Achieving this vision will require sustaining an average annual GSDP growth rate of over 13 per cent. This represents only a modest acceleration of less than one percentage point over our current growth trajectory, making this ambition both realistic and achievable through sound governance, strategic investments and the collective efforts of our people.

The vision of a developed and prosperous Sikkim by 2047 is undoubtedly ambitious, but it is well within our reach. The State's impressive growth record, combined with its ability to innovate, adapt and respond effectively to emerging challenges, gives us confidence that this vision can be achieved.

Hon'ble Speaker Sir,

I now present the fiscal profile of our State, highlighting the progress achieved in economic growth, resource mobilisation and fiscal management.

The Gross State Domestic Product (GSDP) of Sikkim at current prices is projected at ₹ 62,973 crore in 2026-27, reflecting an increase of more than 121 per cent over the GSDP of ₹ 28,402 crore in 2018-19.

This growth underscores the resilience of our economy and the sustained efforts of the Government to create an enabling environment for development.

Public expenditure has expanded significantly to support this growth trajectory. *The Budget Estimates for 2026-27 envisage total expenditure exceeding ₹ 18,455 crore, compared to ₹ 6,940 crore in 2018-19.* More importantly, capital expenditure, which creates productive assets and strengthens the foundations of long-term growth, *is estimated to exceed ₹ 5896 crore in 2026-27, compared to ₹ 720.61 crore in 2019-20.*

This remarkable expansion in public investment has been made possible through enhanced State Own Revenues, prudent fiscal management and successful mobilization of additional resources from externally aided projects, the Ministry of Development of North Eastern Region and the Ministry of Finance, Government of India. Our emphasis on timely implementation of projects has enabled the State to leverage performance-linked funding and strengthen infrastructure creation across sectors.

Sikkim's success in securing these additional resources reflects the Government's commitment to reforms and efficient public financial management. We have successfully implemented a series of reform measures prescribed by the Department of Expenditure, Ministry of

Finance, Government of India, including urban reforms, land-related reforms in rural and urban areas, implementation of SNA-SPARSH and sustained enhancement of capital expenditure. These reforms have strengthened governance, improved service delivery and enabled the State to access additional fiscal support.

I take this opportunity to convey my sincere appreciation to all Departments, and officers associated with the implementation of the prescribed reform initiatives. Their commitment and coordinated efforts have enabled Sikkim to successfully achieve reform milestones and secure significant additional resources for capital investment. The Government places on record its gratitude for their valuable contribution towards strengthening the fiscal and governance framework of the State.

Hon'ble Speaker Sir,

The structure of Sikkim's economy differs markedly from that of the country as a whole. While the secondary sector, led by manufacturing and hydropower, accounts for more than half of the State's GSDP, employment remains concentrated in agriculture. Although agriculture contributes only a modest share to economic output, it continues to sustain a large segment of our workforce, whereas relatively few workers are employed in manufacturing, power generation and construction. Bridging this structural

imbalance will be central to our development strategy through higher agricultural productivity, value addition, diversification and the creation of quality employment opportunities in industry and the services sector.

Keeping these realities in view, the Government has identified five key pillars that will guide our development strategy in the years ahead: strengthening productive sectors of the economy, improving infrastructure and connectivity, investing in human capital, promoting development that is in harmony with our ecological heritage, and fostering planned and sustainable urbanisation. These priorities will form the foundation of our efforts to achieve faster, more inclusive and sustainable growth.

Hon'ble Speaker Sir,

I now present to this august House some of the new initiatives that the State Government will undertake in this financial year to enable us to achieve the vision of a *Sunaulo, Samriddha ani Samarth Sikkim* in the most effective and efficient manner.

As I have mentioned, agriculture continues to be the backbone of our rural economy and the primary source of livelihood for a large section of our population. To strengthen the farming sector and make institutional credit more affordable, the government has decided to launch

State Interest Subvention Scheme for Kisan Credit Card (KCC) Agricultural Crop Loans.

At present, farmers avail crop loans under the Kisan Credit Card scheme at an *interest rate of 7 per cent*. Farmers who repay their loans on time receive an *interest subvention of 3 per cent through NABARD* under the Government of India scheme, reducing the effective interest rate to 4 per cent.

To further support our farming community, the Government will provide an *additional interest subvention of 3 per cent to farmers who repay their KCC crop loans within the prescribed time and are utilizing the fund for agriculture and related activities. As a result, eligible farmers will effectively avail agricultural crop loans at only 1 per cent interest per annum.*

This initiative will significantly reduce the cost of cultivation, improve access to timely credit and encourage greater investment in agriculture. It will particularly benefit small and marginal farmers, promote adoption of improved farming practices and strengthen credit discipline across the sector.

The scheme will be implemented through the Cooperation Department in partnership with the Sikkim State Cooperative Bank and Primary Agricultural Credit

Cooperative Societies, ensuring that benefits reach farmers at the grassroots level.

Through affordable credit, stronger cooperative institutions and sustained support for agricultural development, the Government remains committed to building a vibrant, productive and prosperous rural economy and improving the livelihoods of our farmers.

Hon'ble Speaker Sir,

The health and well-being of our women remain a foremost priority of the Government. Cervical cancer is the second most common cancer among women in Sikkim after breast cancer. As cervical cancer is primarily caused by persistent infection with the *Human Papilloma Virus (HPV)*, it is also one of the few cancers that can be effectively prevented and ultimately eliminated through timely vaccination and early screening.

Sikkim has been a pioneer in HPV prevention through the successful implementation of the Human Papilloma Virus (HPV) Vaccination Programme for 14-year-old girls. I am pleased to inform this august House that the vaccination campaign has already *achieved 92.11 per cent coverage*.

To further strengthen our efforts towards the elimination of cervical cancer, the Government has decided

to launch a Statewide HPV Screening Programme based on self-sampling. Under this initiative, *women in the age group of 30 to 65 years, covering approximately 1.5 lakh beneficiaries*, will be *provided HPV self-sampling kits* following appropriate counselling and training. This innovative approach will enable women to collect samples conveniently and with privacy, thereby improving screening coverage and facilitating early detection.

The samples will be tested through the State's healthcare system. Women diagnosed with HPV infection or pre-cancerous lesions will receive timely treatment and follow-up care, while suspected cancer cases will be referred to specialised facilities for comprehensive diagnosis and management.

This landmark initiative will complement the Government's ongoing HPV vaccination programme and strengthen our efforts towards the prevention, early detection and elimination of cervical cancer. With this comprehensive continuum of vaccination, screening and treatment, Sikkim has the potential to become the first State in the country to eliminate cervical cancer as a public health challenge, setting a national benchmark in preventive healthcare.

Hon'ble Speaker Sir,

The burden of end-stage kidney disease in Sikkim has increased steadily, placing immense pressure on both

patients and the healthcare system. Between 2023 and 2025, the Sir Thutob Namgyal Memorial Hospital recorded 452 cases of *chronic kidney disease (CKD)*, of which 74 patients were formally referred outside the State for renal transplantation. However, these figures represent only a fraction of the actual need. Many patients continue on lifelong dialysis without referral due to financial constraints, advanced age, associated medical conditions, lack of suitable caregivers, or their inability to relocate outside the State for prolonged treatment. Consequently, the demand for kidney transplantation in Sikkim is far greater than the official referral data suggests.

At present, patients requiring kidney transplantation must travel to New Delhi, Kolkata, South India and other tertiary care centres, where they often remain for six months to one year for evaluation, surgery and follow-up care. This places an immense financial, social and emotional burden on affected families, while simultaneously placing considerable pressure on the State's dialysis infrastructure. The STNM Hospital, at present, operates 17 haemodialysis machines almost round the clock, providing more than 50 dialysis sessions every day. Dialysis units at Namchi, Gyalshing, Mangan and other centres are also functioning at or near full capacity, highlighting the growing demand for renal replacement therapy and the urgent need to establish a definitive treatment option within the State.

I am thus pleased to inform this august House that Sikkim is now poised to launch its own *Renal Transplant Programme*, marking a transformative milestone in the State's healthcare journey. With well-established Departments of Nephrology and Urology at STNM Hospital, a trained multidisciplinary transplant team, and the necessary clinical expertise, institutional capacity and supporting infrastructure now firmly in place, the State has attained readiness to undertake kidney transplantation services for the first time in its history.

Accordingly, the Government proposes to operationalise the Renal Transplant Programme during the current financial year. Once commissioned, this pioneering initiative will enable patients suffering from end stage renal disease to receive life-saving kidney transplantation within the State itself, eliminating the need to travel outside Sikkim for specialised treatment. This will substantially reduce the financial, logistical and emotional hardships borne by patients and their families, while ensuring timely access to advanced medical care closer to home. The programme also represents a significant step forward in the Government's commitment to strengthening tertiary healthcare services, building self-reliance in specialised medical care, and delivering high-quality healthcare to the people of Sikkim.

Hon'ble Speaker Sir,

The Government has achieved a historic milestone with the grant of the *Letter of Permission by the National Medical Commission* for the establishment of the Sikkim Government Medical College at Sochakgang with an annual intake of 100 MBBS students from the Academic Year 2026–27.

The establishment of our first Government Medical College will significantly expand opportunities for aspiring medical students from Sikkim, strengthen the availability of skilled healthcare professionals, reduce dependence on institutions outside the State, and enhance the quality of healthcare services for our people. It marks the beginning of a new era in medical education and healthcare in the State.

The Government remains fully committed to ensuring that the Medical College consistently meets the standards prescribed by the National Medical Commission. Necessary investments will continue to be made in academic infrastructure, teaching faculty, hospital facilities, modern medical equipment, digital systems, and research so that the institution develops into a centre of excellence in medical education.

Hon'ble Speaker Sir,

Recognizing that reliable road connectivity is fundamental to economic growth, tourism development

and improved access to essential services, the Government has decided to introduce *Mastic Asphalt Surfacing* as a key component of its road infrastructure strategy. This modern and resilient technology is particularly suited to the climatic and geographical conditions of Sikkim, offering enhanced resistance to water ingress, surface deterioration and heavy traffic loads while ensuring longer pavement life and lower maintenance costs. By providing durable, safe and all-weather connectivity, it will significantly improve mobility for citizens and strengthen linkages between rural communities, markets, educational institutions, healthcare facilities and tourism destinations.

Initially, the Government proposes to upgrade *approximately 570 kilometres of roads across* the State through Mastic Asphalt Surfacing at an *estimated investment of ₹ 546 crore in a staggered manner*, with stringent quality assurance provisions, including a seven-year defect liability period. This initiative represents a significant step towards building a modern, climate-resilient and sustainable road network that will support Sikkim's long-term development aspirations and improve the quality of life of our people.

Hon'ble Speaker Sir,

As I mentioned earlier, the Government has launched the *Aama Didi Bahini Pink Bus Service*, the first

initiative of its kind in Sikkim, which was inaugurated by the Hon'ble President of India during her recent visit to the State. Providing dedicated public transport for women and operated entirely by women drivers and conductors, the service is a significant step towards enhancing women's safety, mobility and economic empowerment.

Hon'ble Speaker Sir,

Self-Help Groups are the fulcrum of the rural economy, serving as catalysts for women's empowerment, financial inclusion, entrepreneurship, and community development. They strengthen livelihoods, foster self-reliance, and enable women to emerge as active agents of socio-economic transformation. In recognition of their invaluable contribution, the Government will organise the *SHG Bharosa Sammelan* which will celebrate, encourage, and honour the dedication, resilience, and entrepreneurial spirit of SHG members. The Sammelan will reaffirm the Government's commitment to strengthening the SHG movement and advancing inclusive rural development across Sikkim.

Hon'ble Speaker Sir,

Art, music, literature and culture are integral to preserving the identity, traditions and collective heritage of a society while fostering creativity, social cohesion and a sense of belonging among communities.

Recognising their importance, the Government remains committed to the conservation, promotion and advancement of the rich art, culture and literary traditions of Sikkimese society for which the Government has established the *Sikkim Art, Culture and Heritage Development Board*. The Government provides annual grants to the Board and extends continued support to institutions such as the Sikkim Akademi and the Namgyal Institute of Tibetology for the preservation, promotion and documentation of Sikkim's unique cultural and intellectual heritage.

Additionally, the *Kalakar Bharosa Sammelan* celebrates and acknowledges the immense contribution of our artists, writers, musicians and cultural practitioners.

Through these initiatives, the Government remains steadfast in its commitment to nurturing artistic excellence, preserving cultural heritage and inspiring future generations to uphold, celebrate and enrich the rich traditions and diverse cultural legacy of Sikkim.

Hon'ble Speaker Sir,

As we pursue economic progress, we must also preserve the rich cultural heritage and traditional wisdom that define the identity of our people. One such priceless legacy is the *Ru-Soam*, the traditional Lepcha cane bridge, a remarkable example of indigenous engineering that has

connected communities across difficult terrain for centuries while remaining in complete harmony with nature.

Recognising its historical, cultural and ecological significance, the Government has undertaken a comprehensive documentation of the Ru-Soam tradition through extensive field studies in Dzongu involving anthropologist, community elders, master bridge builders, researchers and experts. This initiative seeks to preserve not only the construction techniques but also the traditional knowledge systems that have sustained this unique engineering practice for generations.

A new Ru-Soam has already been constructed at Hee Gyathang in Lower Dzongu, creating a living heritage site that will serve as an educational resource and an eco-tourism attraction. We are also partnering with UNESCO and leading academic institutions to document and study this indigenous engineering tradition in the Khangchendzonga Biosphere Reserve.

The Government is committed to securing wider recognition for Ru-Soam as a globally significant example of sustainable design and ecological engineering. A proposal is being prepared for its inclusion in the National Inventory of Intangible Cultural Heritage of India, paving the way for future international recognition.

Through these efforts, we reaffirm our belief that indigenous knowledge systems continue to offer valuable lessons for sustainable development and climate resilience in the modern world. Ru-Soam stands as a symbol of resilience, innovation and harmony with nature, and a source of pride for the lepcha community and the people of Sikkim.

Hon'ble Speaker Sir,

Large cardamom is not merely a crop; it is an integral part of Sikkim's economy, culture and identity. It supports nearly 20,000 farming families and has been a cornerstone of rural livelihoods for generations. However, in recent decades, the sector has faced serious challenges due to disease, declining productivity, soil degradation and the effects of climate change, resulting in substantial income losses for farming communities.

To address this challenge, the Government has launched the flagship mission *Mero Alaichi, Mero Dhan (My Cardamom, My Wealth)* with the objective of restoring the vitality of the large cardamom through science-based interventions and farmer participation. A comprehensive survey covering over 21,000 households and extensive scientific studies have helped identify the key factors responsible for the decline including fungal and viral diseases, genetic erosion caused by prolonged clonal propagation, soil degradation, and climate change.

Based on these findings, a three-tier strategy has been adopted. Immediate measures focus on promoting disease-tolerant varieties and improved cultivation practices. Medium-term interventions include the development of eco-friendly biological solutions to protect crops while preserving Sikkim's organic status. Long-term efforts are directed towards developing climate-resilient and high-yielding varieties through advanced research and biotechnology.

Significant progress has already been achieved. A collaborative research project involving leading national research institutions, including *International Centre for Genetic Engineering and Biotechnology (ICGEB)*, *National Institute of Plant Genome Research (NIPGR)*, *National Centre for Biological Sciences (NCBS)*, *National Agri-Food Biotechnology Institute (NABI)* and *Institute of Bioresources and Sustainable Development (IBSD)*, has been sanctioned by the Government of India. *12 Krishak Alaichi Prayogshalas* (Farmer Field Laboratories) have been established across the State to develop new cardamom crossbreeds. Field trials of improved disease tolerant varieties such as Hario and Pakhey at over 40 locations have shown encouraging results. Through this initiative, we seek to restore farmer prosperity, revive a cherished cultural legacy and reaffirm Sikkim's position as a global leader in premium large cardamom production.

Hon'ble Speaker Sir,

Maintaining Sikkim's position as one of the cleanest and environmentally conscious States in the country remains a key priority of the Government. With increasing urbanisation, rising tourist arrivals and growing waste generation, strengthening scientific waste management systems has become more important than ever.

In this regard, the Government has undertaken a major initiative for the upgradation of the Martam Landfill, which has historically received municipal waste from Gangtok and surrounding areas. Over the years, the site accumulated *nearly 2.33 lakh metric tonnes of legacy waste*, resulting in environmental concerns and inconvenience to nearby communities.

To address this challenge, the Government sanctioned the biomining of legacy waste at Martam, and that the work is now at an advanced stage of completion. This initiative will help reclaim valuable land, reduce environmental risks and significantly improve the overall condition of the site.

Further, the Government has sanctioned *Modernisation of waste processing facilities at Martam*. State-of-the-art machinery and infrastructure, including automatic waste segregation systems, baling facilities and

scientific waste treatment and incineration systems have been installed to ensure efficient processing and disposal of municipal waste. These facilities will minimise stockpiling of waste and promote environmentally sound waste management practices.

Our objective is to transform Martam Landfill site from a conventional dumping site into a modern Integrated Waste Management Facility, capable of handling present and future waste generation in a scientific and sustainable manner.

Hon'ble Speaker Sir,

As Sikkim advances on its journey towards a resilient, inclusive and future-ready economy, the Government continues to make strategic investments in critical sectors that drive long-term growth and improve the quality of life of our people. Through a combination of externally aided projects, institutional reforms and targeted interventions, we are strengthening human capital, modernising infrastructure and building the foundations of sustainable development.

One of the flagship initiatives under this framework is *Sikkim INSPIRES*. Recognising that the future of Sikkim will be shaped by the strength of its women and youth, the Government has launched this transformative

programme to place them at the centre of the State's development strategy.

The programme is being implemented through eight departments under a common framework and covers all six districts of the State. It aims to directly *benefit 3,00,500 women and youth* by 2029 through enhanced skills, entrepreneurship, employment opportunities and improved access to economic resources.

The programme reflects a shift from welfare-based interventions to an empowerment-led development model. Our focus is to enable women and youth to become entrepreneurs, skilled professionals and active participants in Sikkim's economic growth.

In the tourism sector, which remains a key pillar of the State's economy, specialised training programmes are being implemented for homestay operators in partnership with premier institutions such as Indian Institute of Technology (IIT) Patna and Indian Institute of Management (IIM) Lucknow. Simultaneously, through the Indian Himalayan Centre for Adventure and Eco-Tourism, Sikkim has become the first State in the country to offer certified training programmes for Bird Guides and Mountaineering Expedition Guides, in addition to courses in trekking, rafting, skiing and rock climbing. These initiatives are creating new livelihood opportunities while positioning Sikkim as a leader in adventure and eco-tourism.

The programme has also opened global employment pathways for our youth. Under the *Chief Minister's European Language and Employment via Aspirational Training and Engagement (CM ELEVATE)* initiative, 19 young women from Sikkim are currently employed as registered nurses in Germany, earning internationally competitive salaries and contributing to their families and communities back home. Several more candidates are in advanced stages of language training, certification and visa processing, creating a sustainable pipeline of overseas employment opportunities for our nursing professionals.

Recognising that economic empowerment must be accompanied by social well-being, *Sikkim INSPIRES* has supported the State's first Integrated Mental Health and Suicide Prevention Strategy. Teachers, healthcare workers and counsellors are being trained to identify and support vulnerable individuals, while life-skills education programmes have been strengthened across schools. These sustained efforts have contributed to a steady decline in the State's suicide rate in recent years while expanding access to mental health support services.

I am pleased to inform that as per the National Crime Record Bureau, the suicide rate has decreased from *43.1 per lakh population in 2022 to 40.2 in 2023*, and further to *36.3 in 2024*, reflecting an overall decline of nearly *15.8 per cent* over the two-year period.

One of the most pressing challenges facing Sikkim today is the rapid decline in fertility levels. According to NFHS-6 (2023-24), Sikkim's Total Fertility Rate stands at 1.0, the lowest in the country. To address this demographic challenge, the government is establishing a modern *Assisted Reproductive Technology Centre at STNM Hospital, Gangtok*. The facility is being developed in collaboration with AIIMS, New Delhi, which will provide technical support and specialised training to our medical personnel such as Doctors, Embryologists, Andrologists, Nurses, Counsellors and floor managers. The first phase of services is expected to become operational during the current year.

Further, the Indian Council of Medical Research has sanctioned a research grant to undertake a comprehensive study on fertility trends and preparedness of the State health system. The findings of this study will guide evidence-based policy interventions in the years ahead.

In addition, the programme is also supporting new-age livelihood opportunities. While preserving and promoting our traditional handicraft and handloom sectors, specialised training is being provided in emerging creative industries such as anime and manga design, enabling our youth to access global digital markets and future-ready careers.

What gives us confidence in this approach is the strong evidence base on which the programme has been

designed. Baseline surveys conducted across the State have helped identify aspirations, opportunities and gaps among women and youth, ensuring that investments are targeted where they can generate the greatest impact.

Sikkim INSPIRES is more than a development programme. It is an investment in human capital, entrepreneurship and social resilience. It is creating opportunities for women to lead enterprises, enabling youth to access quality employment, strengthening families, and preparing our State to meet future economic and demographic challenges.

I urge our women and youth to come forward and take full advantage of this transformative initiative, which offers unprecedented opportunities for upward socio-economic mobility.

Hon'ble Speaker Sir,

Reliable and quality power supply is the foundation of economic growth, social development and improved quality of life. The Government remains committed to ensuring that every household, institution, business establishment and public service in the State has access to affordable, reliable and uninterrupted electricity.

Our vision is to transform Sikkim's power sector into a modern, consumer-centric, financially sustainable and

climate-resilient system capable of supporting the aspirations of a developed Sikkim. Given the unique challenges posed by our Himalayan terrain and increasing climate-related risks, our focus is not only on expanding infrastructure but also on building a robust and future-ready power network.

To achieve this vision, Sikkim *Power Sector Development Project* is being implemented with financial assistance from the Asian Development Bank. This project represents one of the largest investments in the State's power distribution infrastructure and will significantly strengthen areas not covered under other flagship schemes.

The project will involve extensive upgrading of *approximately 1350 km of overhead, underground and covered 11 kV distribution lines, replacement of 1325 km of ageing Low Tension Lines and capacity addition and augmentation of 460 distribution transformers across the State*. Special emphasis is being placed on climate-resilient infrastructure through the use of underground cabling, aerial bunched cables and appropriate conductors in vulnerable locations. These interventions will reduce disruptions caused by landslides, extreme weather events and other challenges associated with our mountainous terrain.

In addition, through the *Revamped Distribution Sector Scheme (RDSS)* we aim to modernise the electricity

distribution system, improving power quality and reliability, reducing distribution losses and enhancing operational efficiency.

Under the smart metering component of the scheme, I am pleased to inform this august House that more than **92,000** smart meters, *covering nearly 64 per cent of the State's consumers, have already been installed*. This initiative is driving the digital transformation of the power sector by enabling accurate billing, real-time monitoring of consumption, improved consumer services and stronger revenue management.

The infrastructure strengthening component of RDSS will modernise the State's distribution network through replacement of ageing high- and low-tension lines, augmentation of transmission and sub-transmission systems and deployment of modern technologies to improve reliability, reduce losses and enhance public safety. As climate-related risks continue to increase, building resilient infrastructure has become a necessity. The Government is therefore committed to developing a power system that is disaster-resilient, climate-adaptive and capable of ensuring uninterrupted electricity supply even under adverse conditions. These investments will not only improve service delivery but also strengthen the State's preparedness for future challenges.

The Government is also enhancing its institutional capabilities. A dedicated *Transformer Repair Workshop* is being established and shall be made functional during current financial year. This facility will enable in-house repair and maintenance of transformers, reduce downtime, lower maintenance costs and facilitate faster restoration of power supply.

Through sustained investments in network modernisation, digital technologies, institutional capacity building and climate-resilient infrastructure, state government is laying the foundation for a stronger, smarter and more sustainable power sector. These investments will support tourism, industry, digital governance, healthcare, education and employment generation, while ensuring long-term energy security for the people of Sikkim.

The power sector is not merely an infrastructure service; it is an enabler of development. Every investment made today is an investment in the future prosperity, resilience and sustainable growth of our State.

Hon'ble Speaker Sir,

The Government further recognises that well-planned towns and cities are critical drivers of economic growth, social progress and improved quality of life.

Urbanisation is in itself a powerful engine of growth and prosperity. Sikkim has witnessed a significant increase in urbanisation over the last fifteen years and population projections indicate that by 2047, nearly 80 per cent of the State's population may reside in urban areas. Urban centres, with their concentration of people, enterprises and institutions, generate strong multiplier effects that drive economic activity and productivity. Urbanisation encourages specialisation, economies of scale and greater labour productivity, while also attracting investment, innovation and entrepreneurship. As towns and cities expand, they create new demand for skills, services and employment opportunities, leading to higher incomes, increased spending and further investment. Investments in infrastructure such as roads, public transport systems and public utilities further stimulate economic activity by improving accessibility and connectivity.

Recognising both the opportunities and challenges arising from this transition, the Government has adopted a comprehensive approach combining scientific urban planning, institutional reforms and strategic infrastructure investments. A major milestone in this journey is the *Sikkim Integrated Urban Development Project (SIUDP)*, supported by the Asian Development Bank, which became effective in December 2025. This transformative initiative will strengthen water supply, sewerage systems, flood resilience, urban mobility and public infrastructure across

Rangpo, Singtam, Pakyong, Ranipool, Tadong, Mangan, Soreng and Gyalshing. Transit Hub-cum-Community Complexes will also be developed to address parking shortages and traffic congestion while improving urban mobility and public convenience.

The Government has also undertaken significant policy and institutional reforms to support planned urban growth. The enactment of *the Sikkim Town and Country Planning Act, 2024* and *the Sikkim Land Assembly and Development Scheme Rules, 2025* has created a strong framework for sustainable urban expansion and infrastructure development. The creation of Nagar Panchayats in Pakyong and Soreng and the introduction of a common municipal cadre have further strengthened urban governance and service delivery.

The need for planned urban expansion is particularly evident in Gangtok, the capital city of Sikkim, which has become increasingly congested and overcrowded. Owing to its mountainous terrain and geographical constraints, the city offers limited scope for road widening and the creation of additional infrastructure for the movement of people and goods. At present, more than fifteen per cent of Sikkim's population resides in Gangtok and, as the administrative, commercial and service centre of the State, it is expected to cater directly and indirectly to nearly one quarter of the State's population in the future through its economic linkages and supply chains.

It is therefore imperative to adopt a strategy of decentralised and planned urban growth through the development of satellite townships. In this regard, the Government proposes to develop strategically located *Satellite Towns between Pakyong and Gangtok as well as in the Ranka area*, supported by efficient transport connectivity with the capital city. These satellite towns will serve the dual objective of decongesting Gangtok while creating additional space for future residential, commercial and institutional expansion. In the first phase, the Government will explore the development of a satellite township capable of accommodating a population of approximately 50,000 persons. Based on the success of this initiative, additional ring-fenced growth centres may be considered in other suitable locations across the State.

We remain equally committed to improving the quality and attractiveness of public spaces. Under the *Revitalisation of Gangtok's Historic Core Initiative*, *Sadbhav Mandap at M.G. Marg* will be developed as a public utility centre, while the *Ridge Park precinct* will be upgraded through improved landscaping, public amenities and heritage-sensitive urban design. These initiatives, along with the development of the Swarna Jayanti Maitreya Manjari, will further strengthen Gangtok's identity as a vibrant cultural and tourism destination.

Hon'ble Speaker Sir,

Good governance is founded upon transparency, accountability, efficiency and timely delivery of public services. In keeping with these principles, the Government proposes to embark upon a major programme of digital transformation of public financial management during the year 2026-27.

Over the last few years, the State has progressively strengthened the *State Integrated Financial Management Information System (SIFMIS) PRANALI* through the development and operationalisation of key modules relating to payroll, civil and works accounts. The State has also successfully implemented the reforms relating to SNA-SPARSH and Direct Benefit Transfer architecture through integration with PFMS, RBI e-Kuber, NPCI and the State Bank of Sikkim, thereby establishing a strong digital foundation for financial governance.

During 2026-27, the Government proposes to implement and operationalise the following major reforms:

- i. ***E-sanction:*** shall be introduced to enable online generation, approval and monitoring of administrative and financial sanctions. This will ensure complete traceability of approvals, strengthen adherence to delegated financial

powers and substantially reduce delays associated with manual processing.

- ii. E-budget module:* The existing budget management framework shall be upgraded into a comprehensive e-Budget System, facilitating digital preparation, approval, distribution and monitoring of budgets with real-time visibility of allocations and expenditure across departments.
- iii. E-Payment:* The State shall further strengthen its e-Payment ecosystem through deeper integration of treasuries, banking systems and digital payment platforms, ensuring secure, timely and fully auditable financial transactions.
- iv. E-Receipt System:* An integrated e-Receipt System shall be introduced for electronic collection, accounting and reconciliation of Government revenues. This reform will improve revenue administration, reduce reconciliation delays and provide real-time information on Government receipts.
- v. E-Voucher:* The Government proposes to establish a comprehensive e-Voucher System, enabling digitally generated, authenticated and securely stored vouchers with complete audit trails and real-time availability of transaction-level information.

vi. Aadhaar-based Direct Benefit Transfer: The Government will progressively extend Aadhaar-based Direct Benefit Transfer architecture to eligible State-sponsored beneficiary-oriented schemes, ensuring that benefits reach intended beneficiaries in a transparent, efficient and accountable manner.

Hon'ble Speaker Sir,

The recommendations of the Sixteenth Finance Commission and the Action Taken Report of the Government of India were placed before Parliament along with the Union Budget 2026-27. While the *overall vertical devolution to States has been maintained at 41 per cent, changes in the horizontal devolution formula* have had significant implications for small Himalayan States such as Sikkim.

Sikkim is characterised by a small population base, limited revenue-generating capacity, high unit costs of service delivery arising from difficult terrain and dispersed habitations, ecological fragility, and strategic international borders. These unique circumstances necessitate sustained public investment in infrastructure, connectivity, livelihood generation, environmental conservation and social development.

Under the recommendations of the Sixteenth Finance Commission, Sikkim's share in the divisible pool of Central

Taxes has declined from *0.388 per cent to 0.335 per cent*. This reduction is largely attributable to changes in the horizontal devolution criteria, particularly the reduced weight assigned to the Area criterion and modifications in the methodology adopted for distribution among States. The resulting fiscal impact on the State is substantial and poses significant challenges for maintaining developmental momentum and citizen-centric programmes.

Recognising these concerns, I met the Hon'ble Prime Minister and the Hon'ble Union Finance Minister shortly after the presentation of the Union Budget and apprised them of the adverse impact of the revised devolution framework on the finances of Sikkim. During these discussions, I highlighted the special developmental, ecological and strategic circumstances of the State and the need for continued support to sustain our growth trajectory and developmental commitments.

I am pleased to inform this august House that the Government of India has responded positively to the concerns of Hill States through the introduction of the *Pride of Hills: Special Development Assistance for Hill States*.

The initiative acknowledges the unique challenges faced by Hill States arising from difficult terrain, inaccessibility, low population density, limited revenue potential and relatively weaker fiscal indicators. It seeks to

provide additional fiscal support for capital investment and to create fiscal space for addressing committed liabilities, thereby accelerating sustainable and inclusive development in these States.

This special assistance is a welcome recognition of the developmental aspirations and fiscal realities of the Himalayan States. The additional resources will support our efforts towards strengthening infrastructure, enhancing connectivity, promoting climate-resilient development, improving public service delivery and creating livelihood opportunities for our youth.

I place on record the sincere gratitude of the people and Government of Sikkim to the Hon'ble Prime Minister and the Hon'ble Union Finance Minister for their understanding and support. We remain committed to utilising these resources prudently and effectively in furtherance of our vision of a prosperous, resilient and *Viksit Sikkim @ 2047*.

Hon'ble Speaker Sir,

Prudent fiscal management has been one of the defining features of Sikkim's development journey. While borrowing is an essential instrument for financing infrastructure, improving public services and creating opportunities for economic growth, it must be guided by principles of sustainability, transparency and inter-generational equity.

The Government of Sikkim has consistently adhered to the framework of fiscal responsibility and has implemented a rule-based fiscal management system under the Fiscal Responsibility and Budget Management Act. All borrowings of the State are undertaken within the framework approved by the Government of India and are fully disclosed and transparent.

Over the years, public investment financed through borrowings has played a crucial role in expanding social and economic infrastructure, improving connectivity, strengthening public services and enhancing the quality of life of our people. However, we are equally conscious that debt must remain sustainable and affordable so that future generations are not burdened with excessive repayment obligations.

With this objective, the Government has prepared a *Medium-Term Debt Management Strategy for the period 2026-27 to 2028-29*, which provides a comprehensive roadmap for managing the State's borrowing programme in a prudent and responsible manner.

Hon'ble Speaker Sir,

Since my government assumed office in 2019, the State has faced several extraordinary challenges, including the COVID-19 pandemic, the Glacial Lake Outburst Flood of 2023 and repeated disruptions of NH-10, the State's

lifeline to the rest of the country. These events placed considerable pressure on state finances and necessitated higher levels of public expenditure to protect livelihoods, restore infrastructure and sustain economic activity.

Despite these challenges, the debt profile of the State remains manageable and sustainable. The weighted average interest cost of the State's debt has steadily declined, and debt servicing obligations remain well within accepted sustainability norms. Importantly, the growth rate of the State economy continues to exceed the average cost of borrowing, which is a key indicator of long-term debt sustainability.

The Government of India has also provided significant support through the Special Assistance to States for Capital Investment Scheme (SASCI), under which substantial resources have been made available as long-term interest-free loans. These funds have enabled the State to undertake critical infrastructure investments while moderating the growth of interest-bearing debt.

In order to further strengthen debt sustainability, the Government has decided to adopt a structured borrowing strategy aimed at reducing risks, improving predictability and lowering borrowing costs over time.

The strategy seeks to diversify the maturity profile of State borrowings, avoid concentration of repayments in any

particular year and enhance investor confidence through greater transparency and predictability in the borrowing programme. Regular consultations with the Reserve Bank of India and market participants will continue to ensure efficient management of the State's debt portfolio.

A key objective of the strategy is to gradually extend the maturity profile of borrowings, thereby reducing refinancing risks and ensuring a smoother repayment schedule. The Government will also continue to strengthen cash management practices and make regular contributions to the Consolidated Sinking Fund and Guarantee Redemption Fund maintained with the State Bank of Sikkim.

Hon'ble Speaker Sir,

The Government remains committed to fiscal consolidation. Accordingly, it has been decided that the level of interest-bearing debt shall be maintained at 32 per cent of GSDP during the medium-term period up to 2028-29. This ceiling will serve as an important fiscal anchor for debt management and will be reviewed periodically in light of evolving economic conditions and resource availability.

At the same time, we recognize that Sikkim continues to face infrastructure deficits, connectivity challenges and developmental needs that require sustained

public investment. The State therefore seeks to strike a careful balance between supporting growth and maintaining fiscal discipline.

The Medium-Term Debt Management Strategy reflects a balanced approach. It provides a framework that will enable the Government to finance developmental priorities while safeguarding fiscal sustainability, maintaining investor confidence and ensuring long-term macroeconomic stability.

Through prudent borrowing, efficient debt management and responsible fiscal stewardship, we remain committed to building a stronger economy, improving public infrastructure and creating greater opportunities for the people of Sikkim while preserving the fiscal health of the State for future generations.

Hon'ble Speaker Sir,

The Government recognises that improved connectivity and stronger regional economic integration can play a transformative role in accelerating the growth of Sikkim. In this regard, the development of new trade and transit corridors offers significant opportunities for expanding trade, tourism, investment and people-to-people exchanges. One such important initiative under consideration is the development of a *Multimodal Corridor*

and Integrated Check Post at Chewa Bhanjyang on the India–Nepal border.

Historically, Chewa Bhanjyang has served as a traditional gateway connecting West Sikkim with Eastern Nepal, facilitating cultural, social and economic interactions between communities on both sides of the border. The proposed corridor has the potential to strengthen trade and tourism linkages, improve market access for local producers and create new opportunities for businesses and entrepreneurs. It would also support the development of the broader Eastern Nepal–Sikkim–North Bengal economic region, which possesses significant potential in agriculture, horticulture, industry, commerce and tourism.

Beyond its economic benefits, the project is also expected to contribute to India's strategic and national security interests by enhancing connectivity and strengthening border infrastructure in this important region.

The commercial significance of this corridor is reflected in the ongoing development of modern border infrastructure in the region, including the Integrated Check Post being developed by the Land Ports Authority of India at Panitanki and Kakarbhitta.

Recognising the immense potential of this initiative, the Government has taken up the matter with the

Government of India and will continue to pursue it actively so that this corridor can emerge as a new gateway for trade, tourism and economic prosperity for the people of Sikkim.

Hon'ble Speaker Sir,

Tourism remains one of the most important pillars of Sikkim's economy and a major source of livelihood for our people. It provides direct and indirect employment opportunities to nearly 18 per cent of the population, second only to agriculture. Today, Sikkim welcomes an estimated 17.2 lakh visitors annually, a figure nearly three times our population, reflecting Sikkim's growing appeal as a premier tourist destination.

Over the years, Sikkim has successfully built a distinct identity as India's organic, cleanest and environmentally conscious State. This unique brand image, coupled with our rich natural heritage, vibrant culture and warm hospitality, has helped position Sikkim as one of the country's most sought-after destinations.

This sector is undergoing a significant transformation, driven by improved infrastructure, sustainable tourism practices, digital innovation and renewed efforts to preserve and showcase our cultural and natural heritage. Recognising its immense potential, the

Government has accorded tourism the status of a priority sector and is making sustained investments in world-class infrastructure, new destinations and rural tourism initiatives to ensure that the benefits of growth reach every corner of the State.

To strengthen tourism infrastructure and diversify visitor experiences, several landmark projects are being implemented across the State.

The *Bhaleydunga Tourism Project* is emerging as one of the most iconic tourism destinations in the country. The 3.4-kilometre *Bhaleydunga Ropeway*, built with advanced international technology, is already operational and attracting visitors. The under-construction *Skywalk* at an altitude of over 3,200 metres is expected to become one of the highest skywalks in the world and will establish Bhaleydunga as a premier tourism destination.

The newly operational *Pelling Ropeway*, connecting Pelling town with the popular Skywalk complex, has significantly enhanced the visitor experience while offering breathtaking views of Mount Khangchendzonga and the Singalila range.

The Government is also transforming the historic *Singshore Bridge* into a major tourism and adventure destination. The project includes a glass-deck viewing

experience along with adventure activities such as ziplining, bungee jumping, rock climbing and rappelling, supported by modern visitor amenities. The project is expected to be opened to the public during the current financial year.

To promote balanced regional development, an *Eco-Pilgrimage Complex at Dodak in Soreng District* has been developed to attract visitors to the western part of the State and create new opportunities for local communities.

Recognising the growing popularity of *Nathula* as an international tourism destination, the Government is undertaking major infrastructure upgrades, including parking facilities, covered walkways, escalators, cafeterias, medical facilities and public amenities to improve visitor comfort and accessibility.

The Government is also giving special emphasis to *Rural Tourism*. Under this initiative, *1,000 traditional homestays* with modern amenities are being developed across rural Sikkim. This programme will not only provide visitors with authentic cultural and nature-based experiences but will also create sustainable livelihood opportunities and strengthen the rural economy.

Through these initiatives, the Government seeks to position Sikkim as a world-class, sustainable and inclusive tourism destination while ensuring that the benefits of tourism-led growth are shared by communities across the State.

Hon'ble Speaker Sir,

Education remains one of the highest priorities of the Government, with nearly 15% of the State Budget dedicated to this sector. Guided by NEP 2020, we are building an education system that is inclusive, equitable, future-ready and rooted in our values.

On 27th May 2026, *Sikkim became a fully literate State* under the ULLAS Nav Bharat Saaksharta Karyakram, becoming the fifth State in India to achieve this milestone. Through the voluntary efforts of over 4,000 teachers and youth volunteers, nearly 15,000 adults attained literacy over two years through four FLNAT assessments. This achievement marks a major milestone in our journey towards *Viksit Sikkim @2047*.

Recognising that strong foundations begin in early childhood, Sikkim became the first State in the country to implement kindergarten systems in all Government schools. So far, 66 Anganwadi Centres have been co-located within schools, while Early Childhood Care Education (ECCE) training is being provided to all pre-primary and primary teachers. The Vidya Pravesh programme, Jolly Phonics and Jodo Gyan initiatives are strengthening foundational learning through play-based and child-centric pedagogy.

To further strengthen school education, Sikkim continues its partnership with Azim Premji University for curriculum reform, teacher training, assessment reforms and foundational literacy. Under the NIPUN initiative, the *Chief Minister's Special Numeracy Programme (CM-SNP)*, implemented with Jodo Gyan across all 765 Government schools, has transformed mathematics learning. Nearly 1,100 teachers were trained during 2025-26, while children confident in solving basic arithmetic increased from 17% to 72% within two years. The programme will now expand to Class III and pre-school levels. Alongside this, the Language and Literacy Programme is being implemented through SCERT and DIET faculty, with 78 mentor teachers supporting 765 teachers across the State.

New textbooks for Classes I to V integrating sustainable development, local context and child-friendly pedagogy have been commended by the Ministry of Education and recommended as models for other States.

In line with SDG-4, the Government is supporting over 1,000 Children with Special Needs through Special Educators, assistive devices, home-based learning, Indian Sign Language and digital tools. Early screening through the PRASHAST App and Project SETU, piloted across 30 schools, are strengthening inclusive education through Individualised Education Plans, teacher training and digital monitoring. *Mission MAYA*, first piloted in Namchi where

302 Out-of-School Children were identified, is now being expanded statewide through inter-departmental convergence.

The Chief Minister's Model School (CMMS), established under the Sikkim Model School Act, 2025, represents a transformative step in public education. The pilot residential school at Assam Lingzey currently provides free education, boarding and holistic development opportunities to 123 students of Classes VI and VII. Integrating AI, Coding, Robotics, Rocketry, vocational education, sports and arts, CMMS is emerging as a model for future-ready learning, with expansion planned across districts. Under the *PM SHRI Scheme*, 43 schools are also being developed as exemplar institutions showcasing NEP-based reforms.

To improve academic governance, the State launched the *Monitoring of School Academic Performance (MSAP)*, while the first State Academic Achievement Survey (SAAS) assessed 279 schools and 1,538 Class III students in English and Mathematics. Over 300 officials participated in the first Shiksha Sammelan to deliberate on quality reforms. The Vidya Samiksha Kendra (VSK), established in Gangtok in 2022, continues to strengthen data-driven governance through AI and machine learning-enabled monitoring systems.

The Government firmly believes that true education must nurture the mind, body and spirit. Yoga, Mental Health, Mindfulness and Meditation have therefore been integrated into school curricula. A 21-day Residential Yoga Teachers' Training Programme trained 825 teachers across eight phases, ensuring certified yoga trainers in every school. In partnership with the Heartfulness Education Trust, mindfulness programmes have expanded from 61 pilot schools to statewide coverage, with 1,028 teachers trained.

Vocational Education has now achieved 100% coverage across Government Secondary and Senior Secondary Schools, with courses offered in 211 schools. During 2024-25, over 15,258 students enrolled in vocational education, while more than 31,000 students received skill certificates between 2020 and 2024. To strengthen STEM education, the Government signed an MoU with IISER Pune, under which 744 teachers have already been trained across all districts, with another 400 teachers to be trained this year.

Under the *Bahini Scheme* launched in 2022, nearly 16,000 girl students receive free sanitary napkins annually, promoting dignity, attendance and retention even before menstrual hygiene was declared a fundamental right by the Hon'ble Supreme Court.

School infrastructure is also being strengthened through support for around 100 primary school buildings under the State Plan. Selected schools are being developed as Green Schools with rainwater harvesting, solar panels and eco-friendly facilities, while infrastructure in 46 border villages is being upgraded under the *Vibrant Villages Programme*.

The *Sikkim State Board of Indigenous and Endangered Languages* continue to preserve and promote indigenous languages including Rai, Tamang, Gurung, Sherpa, Mukhia, Newar and Mangar through study materials, examinations, teacher training and certification programmes.

Academic excellence initiatives are delivering encouraging results. Under the *Chief Minister's Mentorship Programme*, nearly 5,800 Class X students receive intensive coaching annually across 134 centres. As a result, CBSE Class X pass percentages improved from 62% in 2024 to 84% in 2026, while Government schools recorded a Class XII pass percentage of 90.84% in 2026. The Government also plans to collaborate with IIT Kanpur under the SATHEE initiative to provide free national-level coaching.

The *Chief Minister's Education Assistance Scheme* has already supported 1,399 students pursuing higher and technical education across India and abroad. Student exposure is further being strengthened through study tours

benefiting around 180 students outside the State and 418 within Sikkim annually.

Recognising that teachers are central to transformation, over 100 teachers and their spouses have benefitted from the *Educational Exposure Tour Scheme*, including visits to South India and Finland. Over the past five years, 1,495 probationary teachers have been regularised. The recently launched *Mero School, Mero Abhiyaan* is encouraging innovative, locally driven solutions to improve enrolment, learning outcomes and student engagement.

Higher education in Sikkim is also witnessing major reforms. Khangchendzonga State University at Temi Tarku is progressing rapidly, with nearly 60% physical progress achieved. The Hon'ble Prime Minister also inaugurated three new higher education institutions in April 2026, expanding access to remote regions. Today, Sikkim has 14 Government colleges and two polytechnics across all districts.

Since 2022, the Government has secured 80 MBBS quota seats annually at the Sikkim Manipal Institute of Medical Sciences exclusively for Sikkimese students, including 50 fully funded seats. From this academic session, all Government colleges will implement the NEP-aligned Four-Year Undergraduate Programme with Academic Bank of Credits integration.

Through the *Nar Bahadur Bhandari Fellowship Scheme*, students pursuing Master's degrees at top-20 global universities receive support of up to Rs. 50 lakhs, while the *APATAN Fellowship* supports research in regional languages and literature. The *Sikkim Private Universities Act, 2025* has also introduced a transparent and accountable regulatory framework for higher education institutions.

To promote innovation and entrepreneurship, an *Incubation Centre* has been established at ATTC Bardang which will support start-ups and generate 100–150 jobs annually, with at least 40% women participation. The *Technical Skill Centre at CCCT Chisopani*, supported by BOSCH India Foundation and Sikkim INSPIRES, is providing employability-oriented training for youth and school dropouts. The Government is also establishing an Artificial Intelligence Centre of Excellence at Nar Bahadur Bhandari Government College, Tadong, under MeitY funding.

From early childhood classrooms to universities, from inclusion to excellence, and from wellness to employability, Sikkim is approaching education as a holistic life-cycle mission. Our vision is not merely to improve enrolment, but to build systems that uphold dignity, equity, quality and opportunity for every learner. With sustained public investment and collective resolve, Sikkim will continue to emerge as a national model of inclusive, human-centred and future-ready education.

Hon'ble Speaker Sir,

The Government remains steadfast in its commitment to building a healthy, resilient and equitable society through sustained investments in healthcare infrastructure, medical technology, public health systems and universal access to quality care. Guided by the vision of *"Health for All"*, the State has undertaken transformative reforms since 2019 to strengthen decentralized healthcare delivery, reduce out-of-state dependency for treatment and improve health outcomes across all sections of society.

Major strides have been made in expanding healthcare infrastructure and specialized medical services across the State. The Government inaugurated the 500-bedded Namchi District Hospital and the 100-bedded Mangan District Hospital to provide advanced healthcare facilities closer to the people. Super-specialty services including Neurosurgery, Nephrology and Cardiothoracic Surgery have been introduced at STNM Hospital alongside existing specialties such as Cardiology, Gastroenterology, Urology, Pediatric Surgery and Plastic Surgery. Importantly, these specialist services are now being extended to district hospitals through regular outreach visits. The State also established its first Tertiary Cancer Care Centre at STNM Hospital, significantly reducing the need for cancer patients to travel outside the State for treatment.

To improve access to life-saving treatment, dialysis centres have been established at Namchi, Gyalshing, Mangan and Jorethang, while Peritoneal Dialysis services were introduced at STNM Hospital in 2021. Urban healthcare delivery has also been strengthened through the operationalisation of 2 Urban Public Health Centres and 13 Urban Health and Wellness Centres across the State, ensuring accessible primary healthcare services in urban areas. Advanced cardiac facilities including Electrophysiology Study, Radio Frequency Ablation and Intra Vascular Ultra Sound systems have been installed at STNM Hospital, making Sikkim among the few regions in eastern India to possess such technology. PHCs at Tashiding and Rongli and CHC Jorethang have also been upgraded as First Referral Units for emergency obstetric and newborn care.

The Government has also made remarkable progress in advanced clinical care and surgical interventions. STNM Hospital successfully conducted the State's first gynecologic oncology procedures, Total Knee Replacement surgery, Hyperthermic Intraperitoneal Chemotherapy (HIPEC), treatment for ovarian cancer, radial artery aneurysm surgery and several complex neurosurgical, cardiothoracic and urological interventions. More than 100 major gynecological oncology surgeries have been completed, while specialized retina and cardiology camps continue to provide expert interventions to citizens.

Recognising the financial burden of critical illnesses, the Government has strengthened flagship financial protection schemes. Since 2019, 6,838 patients have received support under the *Mukhya Mantri Swasthya Suvidha Yojana* for treatment outside the State.

Since the FY 2023-24, 5297 patients have benefitted under the *Chief Minister's, Medical Assistance Scheme* for critical diseases such cancer diseases, kidney diseases, heart diseases, liver diseases, neuro diseases, road traffic accident, bone marrow transplantation, knee/hip replacement, etc.

Under the *Chief Minister's Vatsalya Scheme*, 816 women have received financial assistance for IVF treatment since 2022, enabling many families to realise their aspirations of parenthood.

Public health achievements of the State continue to be commendable. Sikkim has maintained near-zero human rabies deaths and continues to remain a low-burden State for Malaria and Kala-azar through rigorous preventive measures. Under the National Tobacco Control Programme, tobacco use among youth reduced to 24.6% as per the Global Youth Tobacco Survey, while 438 educational institutions were declared tobacco-free between 2024 and 2026.

Under the National Tuberculosis Elimination Programme, Sikkim has made significant progress towards achieving the goal of a TB-free State ahead of national timelines. Fifty-one Gram Panchayat Units were declared TB-free in 2024 under the *TB Mukt Gram Panchayat* campaign, while the State received a Bronze Medal for reducing TB incidence by 20% compared to 2015 levels. Sikkim has also emerged as the best-performing State in the TB Index among States with populations below 50 lakhs for three consecutive years.

The State's immunisation programme continues to achieve outstanding outcomes. Sikkim was the first State in India to introduce MMR and Hepatitis-B vaccinations. The State continues to record among the highest immunisation coverage rates in the country through strong cold-chain systems, outreach services and community participation.

Significant improvements have also been recorded in maternal and child health indicators. Institutional deliveries increased to 99.64% in 2025-26, while early antenatal registration improved from 76.7% to 84.01%. Breastfeeding within one hour of birth increased sharply to 92.81%, while the State achieved an Infant Mortality Rate of only 6 per 1,000 live births, significantly lower than the national average. Specialized neonatal care units and newborn stabilization units have also been established across districts to strengthen newborn care services.

The Government continues to strengthen adolescent health, school wellness and preventive healthcare initiatives. Under the *Rashtriya Kishor Swasthya Karyakram*, over 40,000 adolescents received services in 2025-26, while the Weekly Iron and Folic Acid Supplementation programme achieved 100% coverage. Under the School Health and Wellness Programme, 760 Health and Wellness Ambassadors were trained and Sikkim received a national award for achieving complete training coverage.

Mental healthcare and suicide prevention remain key priorities of the Government. Under the Suicide Prevention Action Network Programme, over 36,000 individuals were screened and more than 18,000 persons counselled between 2020 and 2024. The State has established a 24×7 crisis helpline for suicide prevention and strengthened District Mental Health Programmes and Tele-MANAS services to ensure accessible mental healthcare support across Sikkim.

The Government has also focused extensively on strengthening public health facilities under Indian Public Health Standards. Through systematic gap assessments and targeted interventions under the National Health Mission, several PHCs, HWCs and district hospitals have been upgraded and renovated. As a result, IPHS compliance in the State improved from 11% to 31% by March 2026, with the Government now aiming to achieve 50% compliance in

the near future through enhanced infrastructure, recruitment and improved supply chain management.

The Medical Education Division has simultaneously expanded human resource development and institutional capacity. Since 2019, 66 in-service doctors and 59 nurses have been sponsored for higher studies and specialized training. Infrastructure development at the Sikkim Government Pharmacy College, Nursing Training Centre and Paramedical Training Centre has also been undertaken, while a new nursing college has been sanctioned by the Government of India in 2025.

The State has also accelerated digital transformation in healthcare through implementation of the Ayushman Bharat Digital Mission, digitization of Birth and Death registration systems, online complaint management systems and the rollout of HMIS-based patient management systems. Under *Ayushman Bharat PM-JAY*, more than 45,633 beneficiaries have availed treatment support since 2019.

Today, Sikkim continues to outperform national averages in several critical health indicators, including Infant Mortality Rate, Neonatal Mortality Rate and institutional deliveries, reflecting the success of sustained investments in public healthcare and community-based interventions. Going forward, the Government remains committed to

further strengthening healthcare infrastructure through the establishment of a 100-bedded Tertiary Cancer Care Centre, a Psychiatry Care Centre, a Common Bio-Medical Waste Treatment Plant and new Super Specialty Operation Theatre facilities at STNM Hospital.

Hon'ble Speaker Sir,

The State has consistently reaffirmed its commitment to forests, climate resilience, environmental sustainability, and green development. Despite occupying only 0.2 percent of India's geographical area, Sikkim harbours nearly 26 percent of the country's floral biodiversity, making it one of the richest biodiversity hotspots in the Himalayan region. The State has maintained over 47 percent forest cover, with more than 82 percent of its geographical area (5,841 sq. km.) under forest administration. Further, 30.77 percent of the State's geographical area falls under the Wildlife Protected Area Network, among the highest proportions in the country, reflecting Sikkim's enduring commitment to biodiversity conservation, ecological security, and sustainable development.

Under the *SECURE Himalaya Programme*, Sikkim expanded conservation efforts in the Khangchendzonga–Upper Teesta landscape, strengthening protection for flagship species such as the Snow Leopard and Red Panda, while improving the management of fragile high-altitude

ecosystems. These efforts received national recognition when Sikkim was honoured with the India Today State of the States Award as the Best Performing State among Small States in Environment.

In another landmark initiative, the State declared the *Blue Duke (Bassaronadurga) as the State Butterfly* through a first-of-its-kind public voting process involving citizens and experts, reflecting Sikkim's commitment to participatory environmental governance.

The Government has always placed the highest priority on public participation in governance and the conservation of natural resources for both present and future generations of Sikkim. To create this environmental legacy, the Government launched the unique, innovative, and pioneering green initiative *Mero Rukh Mero Santati*, which seeks to strengthen the bond between parents, children, and nature by planting 108 trees to commemorate childbirth.

The initiative also promotes financial inclusion through the *Sikkim Sishu Samriddhi Yojana (SSSY)*, under which ₹ 10,800 is deposited in the account of every eligible child upon completion of plantation activities.

As of date, Mero Rukh Mero Santati has recorded more than 10,700 registrations, with over 7,345 plantation

sites completed and more than 1,939 SSSY accounts opened, making it one of the most innovative people-centric environmental initiatives in the country.

Sikkim further increased its forest cover from 47.08 percent in the Indian State of Forest Report (ISFR) 2021 to approximately 47.33 percent in ISFR 2023, reflecting the State's steadfast commitment to ecological conservation and sustainable development.

This achievement is particularly noteworthy given the growing developmental demands and the limited geographical area of the State. The increase in forest cover highlights the success of Sikkim's conservation policies, afforestation initiatives, and community participation programmes, demonstrating that economic development and environmental stewardship can progress hand in hand — a true Sikkim Model of Development.

At the same time, several initiatives have been undertaken to strengthen urban forestry and improve the quality of life in towns and cities. New Nagar Vans and Nagar Vatikas have been established across the districts of Gangtok, Soreng, Gyalshing, Namchi, and Pakyong, which will function as green lungs for urban and peri-urban areas.

Sikkim has also emerged as an important landscape for *tiger conservation*, with remarkable records

highlighting the success of the State's wildlife protection efforts. In collaboration with the Wildlife Institute of India, the Forest Department camera-trapped a tiger at an altitude of 3,640 metres in 2023, which was then the highest such record in India.

Further, evidence of a tiger moving between Pangolakha Wildlife Sanctuary in Sikkim and Samtse in Bhutan demonstrated the success of transboundary wildlife connectivity and ecological corridors in the Eastern Himalayas.

Building upon this achievement, in January 2024, a tiger was camera-trapped at an altitude of 3,966 metres in Kyongnosla, establishing a new national altitude record and becoming the second-highest tiger record globally, underscoring the ecological integrity of Sikkim's high-altitude habitats.

Continuing with its greening initiatives, the Government launched *Mero Bato, Mero Bot (MBMB)* in 2024 with the objective of transforming roadsides into vibrant green corridors. During 2025, a total of 235.11 kilometres of avenue plantations were established across various districts through different schemes.

The programme promotes visually appealing green corridors along roads by incorporating thematic and colour-based plantation patterns using ornamental and

flowering tree species. Besides enhancing the scenic beauty of the State, these plantations improve roadside ecology, support biodiversity, and strengthen Sikkim's image as a clean, green, and sustainable tourism destination.

The most significant environmental achievement of 2025 was the designation of *Khachoedpalri (Khecheopalri) Wetland as Sikkim's first Ramsar Site* on 2nd February 2025. This international recognition endorses the sustained efforts of the Government to preserve and promote the ecological, cultural, and spiritual significance of this sacred wetland ecosystem.

The State has also embraced digital transformation in forest governance. The *Digital Checkpost*, launched on 14th July 2025, has shown highly promising results. The Digital Dashboard of the Forest Department highlights the success of the digital permit and revenue collection system, which has generated over ₹ 10.1 crore in revenue during the current year, 2026.

The system has significantly improved efficiency, transparency, permit verification, and revenue management in forest produce transit, while marking a major transition towards digital governance in the forestry sector.

Further strengthening citizen-centric governance, the Government has implemented the Online Marking Order System, enabling citizens to apply digitally for tree-felling

permissions on private land, thereby reducing paperwork and streamlining approvals. A total of 12,658 online marking orders has been issued so far.

Sikkim's commitment to ex-situ conservation has also yielded significant results. On 15th June 2025, the Himalayan Zoological Park, Bulbulay, recorded the birth of two Red Panda cubs to the pair Lucky (II) and Mirak, marking their first litter and a major achievement under the *Red Panda Conservation Breeding Programme*.

The birth is particularly significant as it represents the first successful breeding event after a seven-year gap caused by canine distemper outbreaks that had severely impacted the captive population. The programme ensures genetic diversity through national and international studbooks and represents a major milestone in the conservation of the endangered Red Panda in Sikkim.

The Government's sustained commitment to wildlife conservation received further validation in 2026 with the remarkable sighting of a rare herd of *Mishmi Takin* and the photographic documentation of a *Eurasian Lynx* in Mangan District. The Mishmi Takin, a rare high-altitude goat-antelope endemic to the Eastern Himalayas, is renowned for its elusive nature and is considered one of the region's most significant alpine mammals. Equally significant was the photographic record of the Eurasian

Lynx in Sikkim, marking only the second confirmed photographic record of the species across the entire Eastern Himalayas. These extraordinary discoveries underscore the ecological richness of Sikkim and reaffirm the success of the Government's sustained efforts to conserve the State's unique biodiversity and fragile mountain ecosystems.

Looking towards the future, the Government is actively exploring opportunities in carbon markets to generate sustainable revenue while advancing environmental conservation. A feasibility assessment has identified approximately 1,812 hectares of land suitable for carbon credit projects, with the potential to generate approximately 294,000 to 302,000 carbon credits over the project period.

Building upon the State's rich forest resources and climate-friendly initiatives, these efforts are expected to attract climate finance, support ecosystem restoration, enhance rural livelihoods, and contribute significantly to Sikkim's long-term green growth and sustainable development goals.

Collectively, these achievements reinforce Sikkim's identity as the *Green State of India* and establish it as a national leader in biodiversity conservation, climate resilience, environmental governance, ecological restoration, and sustainable development, setting a benchmark for ecological stewardship and sustainable growth for the nation.

Hon'ble Speaker Sir,

The Government firmly believes that the true measure of development lies in the well-being and empowerment of its people. Guided by the principles of social justice, equity and inclusive growth, the Government continues to implement transformative programmes that expand opportunities for disadvantaged communities, strengthen human capital, preserve our rich cultural heritage, and ensure that no section of society is left behind in the State's development journey.

Education remains the most effective instrument for breaking the cycle of poverty and creating opportunities for upward social and economic mobility. Through Pre-Matric and Post-Matric Scholarship, the Government is enabling students belonging to Scheduled Tribes, Scheduled Castes, Other Backward Classes, Economically Backward Classes, and minority communities to pursue quality education without financial hardship.

These investments have significantly improved school retention, reduced dropout rates, increased enrolment in higher and professional education, and strengthened the State's skilled human resource base. By enabling deserving students to realise their aspirations, the Government is laying a strong foundation for a more productive, competitive and knowledge-driven economy.

Recognising that quality healthcare is fundamental to improving productivity and enhancing the quality of life, the Government has simultaneously prioritised the strengthening of healthcare infrastructure. Primary Health Centres and Primary Health Sub-Centres have been established across the State, while the 100-bedded District Hospital at Soreng, the 100-bedded District Hospital at Pakyong, and the 300-bedded District Hospital at Singtam are progressing steadily towards completion.

These investments will substantially improve access to specialised healthcare services, reduce travel time and out-of-pocket medical expenditure for rural families, improve maternal and child health outcomes, generate local employment, and strengthen the resilience of the State's public health system.

Economic development must go hand in hand with the preservation of cultural identity. The Government has therefore strengthened the *Tribal Research Institute* as the State's apex institution for research, documentation and policy support relating to tribal communities.

The Institute is systematically documenting the history, customs, traditions, folklore, oral narratives, indigenous knowledge systems, rituals, languages and cultural practices of Sikkim's tribal communities—many of which have been transmitted orally across generations. This

initiative safeguards invaluable intangible cultural heritage while creating a permanent repository that will support research, evidence-based policymaking, curriculum development, cultural tourism and inter-generational knowledge transfer. In doing so, the Government is preserving the identity and pride of indigenous communities while strengthening Sikkim's unique cultural capital.

The Government has also undertaken a pioneering initiative through the Buddhist Development Plan, which seamlessly integrates cultural preservation with human development. Projects have been sanctioned for 10 monasteries to strengthen monastic education through the creation of quality hostel facilities and essential residential infrastructure for monks and novice monks.

Beyond improving living conditions, the programme contributes to the preservation of Sikkim's centuries-old Buddhist traditions, strengthens institutions that serve as centres of learning and cultural continuity, creates local employment during construction, and reinforces the State's reputation as an internationally recognised destination for Buddhist heritage, spiritual learning and cultural tourism.

The cumulative impact of these initiatives extends well beyond individual welfare. Investments in education are creating a skilled workforce; healthcare infrastructure is improving productivity and reducing financial

vulnerability; tribal development programmes are preserving indigenous knowledge and strengthening cultural identity; the Buddhist Development Plan is reinforcing Sikkim's spiritual and cultural heritage while investing in human capital; and social protection measures are enhancing equity, dignity and social cohesion.

In addition, the Government is already implementing various ongoing support measures for the weaker sections of society, and remains committed to continuing these interventions.

Together, these initiatives are contributing to higher human development, balanced regional growth, reduced inequalities and stronger community resilience.

Hon'ble Speaker Sir,

We remain steadfast in our commitment to fulfilling our promise of making Sikkim a *kutcha house-free State*. With this vision, the Government launched the *Sikkim Garib Awas Yojana (SGAY)*, a transformative initiative aimed at ensuring that every family has access to safe, secure, and dignified housing.

For countless families living in remote villages, the dream of owning a pucca house had remained a distant aspiration for generations. Many endured leaking roofs,

damp walls, harsh winters, and the constant fear of losing their shelter during heavy rains and natural calamities. SGAY has emerged as a beacon of hope for such families by providing eligible beneficiaries with a fully constructed pucca house worth ₹ 21.51 lakh, complete with essential furniture and basic amenities.

So far, 4,050 SGAY houses have been completed and handed over, transforming the lives of thousands of families across the State, while construction of an additional 10,000 houses is currently under progress.

The true success of SGAY, however, cannot be measured merely by the number of houses constructed. It is reflected in the joy and pride of beneficiaries receiving the keys to a home they can finally call their own—a place where children can dream without fear, elderly parents can live in comfort, and families can build a future with dignity and security.

Every SGAY house stands as a testament to the Government's unwavering commitment to inclusive development and social justice. Through this initiative, the Government is not merely constructing homes; it is restoring hope, nurturing aspirations, and giving thousands of families the priceless gift of belonging and a brighter tomorrow.

Hon'ble Speaker Sir,

Beyond economic development and social progress, the Government remains firmly committed to addressing certain long-standing issues that are integral to the identity, constitutional safeguards, cultural heritage and democratic aspirations of the people of Sikkim. These matters are not merely policy concerns; they embody the legitimate aspirations of our indigenous communities and reflect our collective commitment to preserving Sikkim's unique historical and constitutional legacy.

With this objective, the Government has pursued sustained dialogue and constructive engagement with the Government of India, while undertaking a series of concrete initiatives to facilitate the early resolution of these important issues. I would now like to briefly apprise this august House of the progress made in this regard.

1. Inclusion of the Twelve Left-Out Indigenous Communities of Sikkim in the Scheduled Tribes List

One such important issues is the long-standing demand for the inclusion of the twelve left-out indigenous communities of Sikkim in the Scheduled Tribes list under the Constitution of India.

Recognising the historical significance and legitimacy of this demand, the Sikkim Legislative Assembly had earlier passed a unanimous resolution in support of the inclusion of these communities in the Scheduled Tribes list. Thereafter, purposeful representations have been made by the Government to the Hon'ble Prime Minister, the Hon'ble Union Home Minister and the Hon'ble Union Minister for Tribal Affairs seeking favourable consideration of this long-pending issue.

Further, with a view to provide more concrete and substantive inputs in support of the demand, the Government constituted the Sikkim State High-Level Committee under the chairmanship of Professor B. V. Sharma, Director, Anthropological Survey of India, Ministry of Culture, Government of India, to prepare ethnographic reports on all twelve communities. The Committee comprises some of the country's most distinguished experts, professionals and experienced officials drawn from leading institutions across India as well as from within Sikkim.

Constituted in November 2024, the Committee undertook an extensive scientific, ethnographic and historical exercise and submitted a comprehensive report establishing strong constitutional, historical and socio-cultural grounds for the inclusion of these twelve indigenous communities in the Scheduled Tribes list.

The Report of the Committee was subsequently placed before the Council of Ministers for consideration and recommendation. It was duly accepted by the Council of Ministers and thereafter ratified by the Sikkim Legislative Assembly through a unanimous resolution recommending the inclusion of these communities in the Scheduled Tribes list for consideration by the Government of India.

The Government shall continue to pursue this issue with unwavering commitment and determination until the long-standing aspirations of these indigenous communities are duly recognised and fulfilled.

2. Reservation of Seats for the Limboo and Tamang Communities in the Sikkim Legislative Assembly

Another pressing issue pertains to the provision of reserved seats in the Sikkim Legislative Assembly for the Limboo and Tamang communities. Although these communities were notified as Scheduled Tribes in 2003, the corresponding reservation of seats in the State Legislative Assembly has not yet been implemented. There remains a significant gap in ensuring political representation and social justice for these indigenous communities.

Article 371F (f) of the constitution empowers Parliament to make provisions for protecting the rights and interests of different sections of the population of Sikkim.

Specifically, it provides for determining the number of seats in the Sikkim Legislative Assembly to be filled by candidates belonging to such sections and for delimitation of constituencies from which these candidates may contest elections. This special constitutional safeguard was designed to maintain equitable representation for all indigenous communities of Sikkim.

The Government has consistently pursued the early resolution of this legitimate demand with the Government of India so as to ensure adequate political representation and fulfil the long-standing aspirations of the Limboo and Tamang communities. We remain confident that this genuine and constitutionally justified aspiration of the people of Sikkim will receive due consideration from the Government of India in the spirit of justice, equality and the special safeguards envisioned under Article 371F of the Constitution.

3. Return of His Holiness the Seventeenth Karmapa to Sikkim

The Government is also actively engaging with the Government of India to facilitate the return of His Holiness Ogyen Trinley Dorje, the Seventeenth Karmapa and Supreme Head of the Karma Kagyu tradition, one of the four principal schools of the Nalanda tradition of Vajrayana Buddhism, to India and thereafter to his spiritual seat in Sikkim.

In anticipation of this historic and spiritually significant occasion, the Government has completed the construction of a dedicated monastery at Phodong to serve as the residence of His Holiness during his stay in Sikkim. The Government of India has extended its support and cooperation to this endeavour, and the Government remains hopeful that the revered presence of His Holiness in Sikkim will bestow immense spiritual blessings upon the State and its people while further strengthening Sikkim's rich Buddhist heritage, cultural traditions and spiritual legacy.

4. Inclusion of Bhutia, Lepcha and Limboo Languages in the Eighth Schedule

Sikkim is endowed with a rich and diverse linguistic and cultural heritage. Among the prominent indigenous languages of the State are Bhutia, Lepcha and Limboo, which are deeply rooted in the socio-cultural identity and traditions of the people. These languages are not only widely spoken across the State but are also formally taught in schools, colleges and Sikkim University up to the Master's and Ph.D. levels.

In view of their historical, cultural and educational significance, and considering that these languages possess their own scripts, grammar and rich literary traditions supported by a vast repository of traditional knowledge,

the Government has proposed the inclusion of the Bhutia, Lepcha and Limboo languages in the Eighth Schedule of the Constitution of India.

Their inclusion would be a fitting tribute to India's linguistic diversity and an enduring recognition of Sikkim's unique cultural identity. It would also strengthen efforts to preserve, promote and pass on this invaluable linguistic and cultural heritage to future generations.

The Government shall continue to pursue this long-standing aspiration with the Government of India to secure constitutional recognition for these languages and ensure the preservation and promotion of Sikkim's rich linguistic and cultural heritage for generations to come.

Hon'ble Speaker Sir,

With your permission, I present the Budget for the financial year 2026-27 before this august House.

This Budget reflects the Government's continued commitment to fiscal prudence, sustainable development and the welfare of our people. It is designed to strengthen our economy, foster inclusive growth and ensure that the benefits of development reach every citizen of Sikkim.

For the financial year 2026-27, we have made a gross expenditure provision of **₹ 19215 crore**. After accounting for recoveries amounting to **₹ 760 crore**, the net expenditure stands at **₹ 18455 crore**.

To finance this expenditure, the State has relied on a balanced combination of its own revenues, transfers from the Government of India, and prudent borrowings. The estimated receipts comprise **Tax Revenue of ₹ 2275 crore, Non-Tax Revenue of ₹ 1124 crore, State's Share of Central Taxes ₹ 5113 crore, Grants-in-Aid from the Government of India ₹ 3867 crore, Gross Borrowings of ₹ 2765 crore, Financial Assistance under the Scheme for Special Assistance to States for Capital Investment of ₹ 3312 crore, and Net Public Account receipts of (-) ₹ 49 crore**, aggregating to total receipts of **₹ 18407 crore**.

The allocations in this Budget have been designed to address the Government's core priorities of good governance, infrastructure development and social welfare. The proposed expenditure is categorised as follows:

Revenue Expenditure has been estimated at **₹ 11733 crore** and **Capital Expenditure at ₹ 5896 crore** excluding loans and advances amounting to **Rs 826 crore**.

An amount of ₹ 2460 crore has been provided **under Centrally Sponsored Schemes**, reflecting our commitment to leveraging Central assistance for accelerating development across sectors.

This Budget is not merely a statement of receipts and expenditures; it is a roadmap for a stronger, more resilient and prosperous Sikkim. It reflects our unwavering commitment to fiscal responsibility, inclusive growth, environmental sustainability and the welfare of every citizen.

The Government remains committed to creating opportunities for our youth, strengthening livelihoods of farmers and rural communities, developing better infrastructure, and providing quality public services and building a future that is both economically vibrant and socially equitable. At the same time, we are committed to preserving the peace, harmony, and rich natural environment that are the hallmarks of our State.

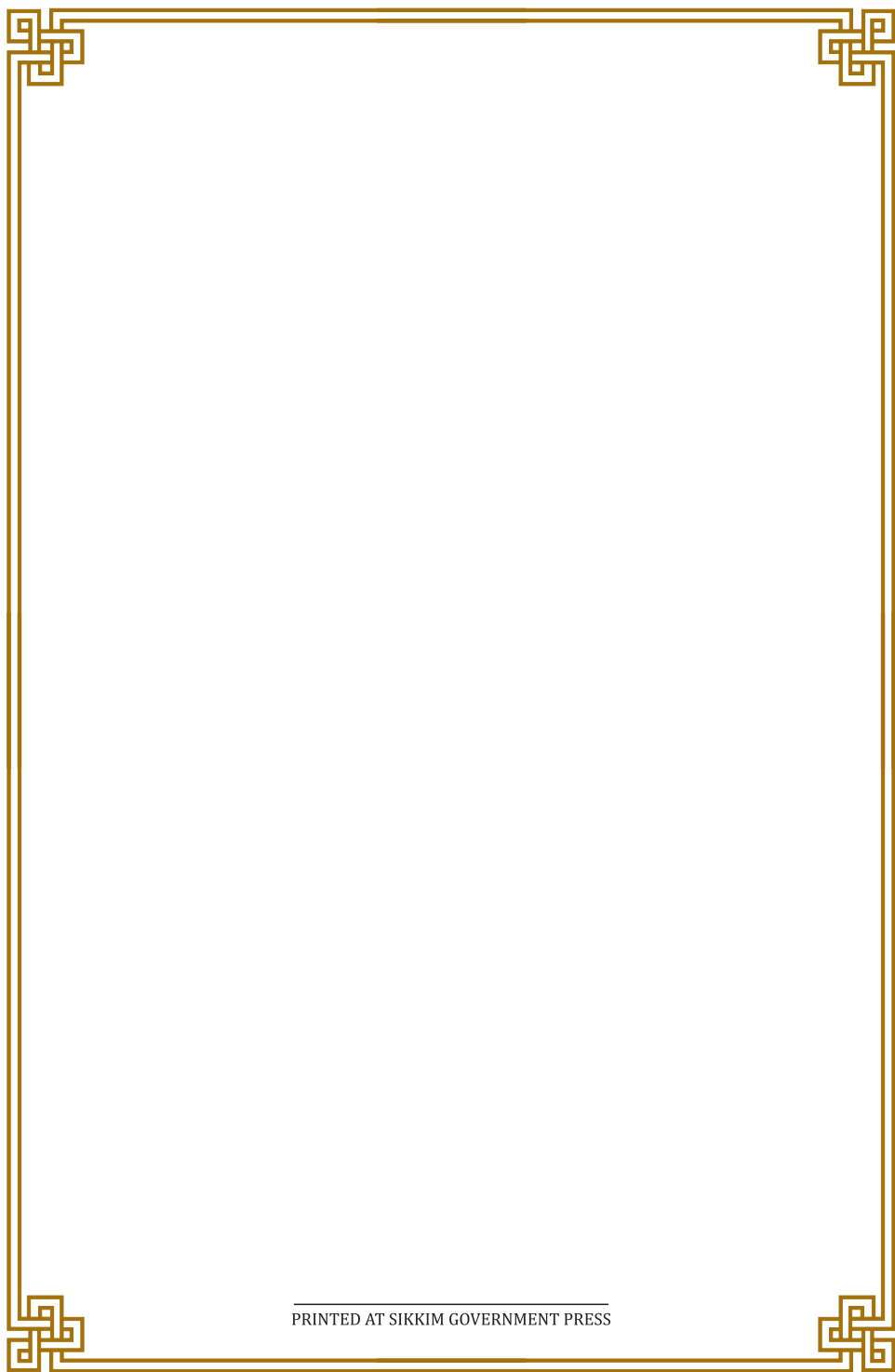
With prudent financial management, the continued support of the Government of India, and the collective efforts of our people, we are confident that Sikkim will continue its journey towards sustainable development and emerge as a model State of progress, innovation and good governance.

With these commitments, I place before the august House the Annual Financial Statement, Explanatory Memorandum to the Annual Budget, Estimates of Receipts, and Demand for Grants for the fiscal year 2026-27 for its kind consideration and approval.

Thank you.

Jai Hind!

Jai Sikkim!



PRINTED AT SIKKIM GOVERNMENT PRESS