

GOVERNMENT OF INDIA  
MINISTRY OF ENVIRONMENT, FOREST AND CLIMATE CHANGE

**LOK SABHA**  
**STARRED QUESTION NO 140**  
TO BE ANSWERED ON 09.02.2026

**Sustainability and Environmental Compliance for Industries**

\*140. DR. BACHHAV SHOBHA DINESH:

Will the Minister of ENVIRONMENT, FOREST AND CLIMATE CHANGE be pleased to state:

- (a) whether the Government has any existing or proposed reforms to expand sustainability, environmental compliance and emissions-reporting requirements to a broader set of companies beyond the currently covered large listed entities;
- (b) the regulatory framework in place or under consideration for controlling industrial pollution and carbon emissions, including the use of market-based mechanisms such as carbon pricing or emissions trading;
- (c) whether any sector-wise assessment has been conducted on India's readiness to meet emerging global environmental standards; and
- (d) the steps taken or proposed to be taken to ensure that environmental regulation strengthens sustainability without adversely impacting domestic industry and employment?

**ANSWER**

MINISTER FOR ENVIRONMENT, FOREST AND CLIMATE CHANGE  
(SHRI BHUPENDER YADAV)

(a) to (d): A statement is laid on the Table of the House.

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**STATEMENT REFERRED TO IN REPLY OF PARA (A) TO (D) OF STARRED QUESTION NO. 140 TO BE ANSWERED ON 09.02.2026 IN LOK SABHA RAISED BY DR. BACHHAV SHOBHA DINESH REGARDING “SUSTAINABILITY AND ENVIRONMENTAL COMPLIANCE FOR INDUSTRIES”**

(a) to (d) Government follows a multi-pronged strategy to expand sustainability, environmental compliance, and emissions-reporting requirements. India’s Long-Term Low Emission Development Strategies (LT-LEDS) provide a sustainable path towards achieving Net Zero by 2070, involving seven key strategic transitions namely (a) Low carbon development of electricity systems, (b) developing low-carbon transport system (c) Promoting adaptation in urban design, energy & material-efficiency in buildings & sustainable urbanization (d) Promoting innovative low-emission industrial system (e) CO2 removal and related engineering solution (f) Enhancing Forest and Vegetation cover and (g) Economic and Financial aspects of low carbon development.

The Securities and Exchange Board of India (SEBI), under the Business Responsibility and Sustainability Reporting (BRSR), has mandated the disclosure for the top-1,000 listed entities (by market capitalisation) from 2022-23 onwards, that has nudged adoption of sustainable practices by corporates.

India is signatory to United Nations Framework Convention on Climate Change (UNFCCC) and its Paris Agreement. Article 6.2 of the Paris Agreement lays down principle for market-based mechanisms to enable cross border investment flow, technology transfer and capacity building for low carbon technologies.

The ‘National Framework for Indian Carbon Market (ICM) i.e. Carbon Credit Trading Scheme (CCTS) was notified vide S.O. 2825 (E) dated 28th June 2023 and amendment notification S.O. 5369(E), dated 19th December 2023 under the powers conferred by clause (w) of section 14 of the Energy Conservation (Amendment) Act, 2022. In the compliance mechanism, the Greenhouse Gas (GHG) Emission Intensity Targets for seven sectors - Aluminum, Cement, Chlor-Alkali, Pulp & Paper, Petrochemicals, Petroleum refinery and textiles covering 490 obligated entities have been notified by the Government.

All the projects/activities listed in the schedule to the Environmental Impact Assessment (EIA) Notification, 2006, as amended, require prior Environmental Clearance (EC) for setting up of new project/activity or expansion of the existing project/activity beyond the thresholds mentioned in the Notification. These projects/activities are granted EC by the regulatory authority based on the recommendations of the concerned Expert Appraisal Committees, which rigorously appraise the projects/activities based on the Environmental Impact Assessments carried out for such projects, taking into account the impact of the said projects/activities on the environment. Further, the concerned Expert Appraisal Committees also prescribe suitable mitigation measures for pollution abatement as well as sustainability measures to be implemented by the projects/activities, which form a part of the EC conditions. The projects/activities once granted EC are required to file six monthly compliance reports, mandatorily through PARIVESH, with regard to the conditions prescribed in the EC. In addition to the above, projects are governed by the consent mechanism which is implemented by the Central Pollution Control Board (CPCB), in association with the State Pollution Control Boards/Pollution Control Committees (SPCBs/SPCCs), under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981. Under the consent mechanism, projects are granted Consent To Establish

(CTE) and Consent To Operate (CTO) by the respective SPCBs/SPCCs taking into account various criteria such as siting of the project /activity, the environmental safeguards to be observed by the project/ activity etc., thereby ensuring sustainability. The compliance to CTE/CTO conditions are regularly monitored by the respective SPCBs/SPCCs. Recently, the Ministry has also notified the Environment Audit Rules, 2025 to strengthen the environmental compliance framework for projects operating under various environmental laws.

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