Mineral Conservation and Development Rules 1988

This legislation requires that "prospecting and mining operations shall be carried out in such a manner so as to ensure systematic development of mineral deposits conservation of minerals and protection of environment". Prospectors and mine lease holders are required to prepare detailed environmental management plans that may be reviewed by the regulator, in this case the Controller General of Mines (India Bureau of Mines).

In addition, there are a number of specific conditions of mining leases aimed at environmental protection. For example, mine operators are required to conserve top soil by using it for site rehabilitation or otherwise storing it for future use. Likewise, tailings dumps are to be managed "to ensure minimum leaching effects", and reclamation is required prior to the abandonment of a prospect or mine. "All possible precautions" are to be taken to prevent the discharge of toxic liquid effluents, and reforestation is required by planting twice the number of trees destroyed".

These rules tend not to be written in prescriptive terms (i.e. by spelling out means of environmental protection), but instead specify the objectives to be met.

Environment (Protection) Act. 1986

This legislation empowers the Government of India to protect the environment by setting and enforcing standards, and among other features, to close or regulate operations that fail to follow Ministry directives. This Act also requires environmental assessments of new projects (called Environmental Clearances), as well as annual "environmental statements" of performance.

As is the case with mining legislation, environmental laws are jointly administered by the national and State governments. At the national level, the responsible agency is the Ministry of Environment and Forests (MOEF), while Pollution Control Boards (PCB) tend to serve as administrators at the state level.

All new mining projects or expansions with leases of more than 5 hectares require environmental clearance, as do smelters and refineries where the investment exceeds Rs. 500 million (C\$ 21.75 million). New mining projects also require a site clearance from MOEF.

The environmental assessment process is described very well in the CII publication Indian Environmental Legislation: Guide for Industry and Business. Briefly, the first step is to obtain clearances from the State PCBs under the Water and Air Acts. The next step is the environmental assessment process itself. It entails preparing a detailed project proposal (including the environmental management plan, a risk analysis, and a rehabilitation plan) which is then considered by the Impact Assessment Agency (IAA) at MOEF. The IAA may request further data/clarifications, and may recommend a public hearing. The IAA will also consult a committee of experts, after which a decision on the environmental clearance is issued.