

Environment & Human Right- A Corporate Social Responsibility Perspective

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ABSTRACT

This paper deals with the environmental problems and the human right which is to be kept in mind for the future generation, right to live in a clean and healthy environment. It focuses on the link between the environment and human. Sir Griffith Taylor came up with a concept of neo determinism which is also called as the dichotomy between determinism and possibilism. The concept of determinism says that initially the human was bound by the nature and that it worshipped the nature because the human feared the nature. On the contrary, possibilism explains how the human interpreted the nature and came up with hazardous means to conquer it. That is why he focused on the theory of cooperation between humans and the environment they live in and to learn from each other and check on the activities of each other. This paper also gives importance of corporate social responsibility (CSR) which encourages the businessmen to work ethically and contribute to economic development simultaneously and to implement the concept of sustainable development in order to preserve and conserve for our future generations Further it will deal with the policies and the steps taken to control environmental pollution and to protect the basic human rights with a corporate perspective in the form of CSR.

Keywords: Environment, human rights, corporate social responsibility, corporate-society relation.

1. INTRODUCTION

Man is the gift of nature. A child takes birth in nature, grows with it and ends the journey of life within the nature itself. A man learns from the nature how to meet the adversity of the situation. He learns how to keep the situation under control. He becomes experienced by developing his human qualities. Then he shares and passes his experience to other and in this way human race progress. From the period of cave age now we are in this highly advanced modern age of 21st century. From the beginning we have been exploiting the natural resources to satisfy our interest. We hardly think of

returning anything to the nature resulting the damage in the ecological balance commonly known as environmental pollution.

It is very difficult to excel the human resources to its fullest extent in a polluted environment. A healthy and pollution free environment is very much fundamental

for human being. Both in international and national level it has been established that an environment free from pollution is an essential to right to life. In this modern age we are duty bound to ensure that new science and technology is to be used rationally in respecting the humanity and human rights.

Over the years the demand of human being gets increased. To satisfy the demand of the age the manufacturers increase the production using the natural resources without returning anything to the nature causing loss to the nature. In this competitive market system every industrialist tries to make his product competitive at the cost of natural resources causing danger to the existence of human race on the earth. This is the real challenge to the mankind.

Realising this fact corporate entities voluntarily taking the responsibility to use the environment with utmost care and caution. The corporate entities are contributing to restore the balance in ecology. Respecting human right and improvement of the environment are essential to the corporate world [1].

2. STUDENT SOCIAL RESPONSIBILITY

In the 21 century it is duty of every individuals to help each other for better life. This quote is very helpful in this world. Sathya Sai Baba says that *"Love all, serve all, help ever, hurt never."*

Student social responsibility is the responsibility of the youth of our country to mould the atmosphere in a positive way. His act is morally binding on everyone to act in such a way that the people immediately around them are not adversely affected. It is only for the improvement of the society – contributing towards social, cultural and ecological causes. SSR is based on

an individual's ethics. Focus on the all area of the country Instead of giving importance only to those areas where one has material interests the individual supports issues for philanthropic reasons. It forms the base for Corporate Social Responsibility because if everyone in a business organization does his/her bit the bigger things automatically fall into place. The trends however show that big charitable organizations recorded high growth due to the Social Responsibility efforts of individuals and not corporations or the government. ISR may be slightly impractical, especially in the modern competitive world, where everyone works for self-interest, but it will succeed if we take decisions based on what will benefit a large number of people and respect everyone's fundamental rights. Every individual can make our small contributions to society by donating money to trustworthy NGO's, helps to the other people, saving our resources by reducing our consumption, e.g. by switching off lights or computers when not in use.

3. ENVIRONMENT AS HUMAN RIGHTS UNDER INTERNATIONAL AND NATIONAL LAW

Human rights are inherent in all members of the human family. Human rights are thus **universal** and **inalienable** rights of all human beings. In 1986, the United Nations General Assembly emphasized the link of healthy environment and the enjoyment of basic human rights [2]. UNESCO, in the Declaration on the Responsibilities of the Present Generations towards Future Generations, 1997, acknowledge the importance of right to clean and healthy environment and stressed that present generation should strive for sustainable development and preserve living, particularly the quality and integrity of the environment [3].

It may not be wrong to say that the sustainable development is the most rational and most effective programme to carry the three Ps' i.e. (profits, planet and people) together. It will secure the profits of the companies, save the environment and the human rights of the people.

In our country, from Vedic Age people used to take care of the animals and trees. We are the worshipers of trees like Banyan, Tulsi, Peepal etc. animal like cow, tiger, mouse, elephant, Garuda etc. The Bishnoi community of Rajasthan has shown great dedication to save the flora and fauna. They realised that the healthy environment is very much fundamental for the existence of human being.

Chapter 2 in the Fourth Five Year Plan under the heading of Heading Long term perspective, states in Para 2.46 thereof as-

“It is the obligation of each generation to the productive capacity of land, air, water and wild life in a manner which leaves successors some choice in the creation of a healthy environment. The physical environment is a dynamic complex and inter-connected system in which action in one part affects others. There is also the interdependence of living things and their relationship with land, air and water. Planning for harmonious development recognizes this unity of nature and man. Such planning is possible only on the basis of a comprehensive appraisal of environment issues, particularly economic and ecological. There are instances in which timely, specialized advice on environmental aspects could have helped in project design and in averting subsequent adverse effects on environment, leading to loss of invested resources. It is necessary, therefore, to introduce the environmental aspect into our planning and development. Along with the effective conservation and rational use of natural resources, protection and improvement of human environment is vital for national well-being”

It can be noted from the above paragraph that the development of environment, enforcement of human rights and the economic development simultaneously possible if there is proper planning. Without industrial it is very difficult to attain economic solidarity. So industries are necessary. But the care and caution or warning in there. Such development cannot be desirable at the cost of environment and health and human rights of the countrymen. So it is the utmost duty of the user of the social resources judiciously. Every resource is bound to be ended. It does not mean to keep the natural resources unused. The important thing, what is necessary in this context is that the use of resources i.e. carries on the corporate activities keeping in mind that resources may be ended any time but the demand of the society will not be ended. So to keep the productions continue the supply of raw materials must be continued. Naturally they have to ensure that the source is healthy. The corporate social responsibility demands from the corporate entities to restore the natural environment and to protect human rights they must contribute continuously. They should take the matter as a serious obligation and not as a voluntary and charitable work.

In consonance of the views of the forefathers the Constitution of India provides various provisions for the protection and development of environment and human rights as well. Article 48A obliges the state to protect and improve the environment and safeguard the forests

and wildlife of the country. Every citizen is duty bound to protect the environment and ecology under Article 51A (g). While interpreting right to life under Article 21 the apex court of the land judiciously held that right to life includes pollution free environment a fundamental human right protected under Article 32.

The earth and the environment exist for every human being in the present generation and future generations. It is a common heritage and the basis of substances of life on this planet, therefore it is a natural human right for every individual to have healthy environment which is not under any threat [4]. The basic principle is that the natural resources are the property of generations. No single generation can claim this right exclusively.

4. CSR & ENVIRONMENT AND PROTECTION OF HUMAN RIGHTS

Corporate social responsibility in India is not a new concept. In old days the leaders of the society used to participate in the development of the environment and for the good of the mankind. Helping the helpless is nothing especial to our culture and heritage. Over the years the reach people have been performing these noble duties. The leaders of the society, reach people, unlighted people of the society always try to return something to the society. The basic idea behind this is to help the mankind, to good for the generations to come. They used to spend huge fund and hard work for the improvement of the environment of the locality by plantation, securing drinking water, sometimes taking effective steps to improve the fertility of the land.

The term corporate social responsibility in its modern form came in India in the decades of 1970s. The concept is that the business communities of the society are earning much from the society. It is their earnest duty to return something thing to the society. A responsibility performed by the corporate entities towards the society without profit motive beyond the business transaction for the benefits of the human being may be termed as corporate social responsibility [5].

Now in modern age the learned people are thinking the enrichment of human resources as the modern economy is knowledge base economy. Human resources can be use more effectively if it is enriched. So now a day's corporate management is aiming at in looking after the human need, human values and human rights. If we consider those rights the right to healthy environment automatically comes in to picture. And these rights are fundamental rights guaranteed by the constitution of India under Article -21.

The philosophy of corporate social responsibility may be traced in the writings and activities of great thinkers like Kautilya and other Pre-Christina scholars. They always prefer for the environment friendly ethical doctrines of business.

The corporate entities have been caused for the serious damage to the environment placing the mankind in serious danger. Especially in 1960s and 1970s the industrial revolution numerous industries were established. The law relating to environment was very much weak in those days in India. The industrialists took the full advantage of that opportunity and did not care for the environment.

But gradually both in international and national level it was recognised the importance of healthy environment and protection of human right. In India the Government has limited capacity to meet the social and political obligation. To meet the social demand corporate entities were required to come forward. The corporate thinkers bound to think the need to reimburse society and the environment. Now it is their utmost duty to improve the environment showing respect to the human right. It has been mentioned early that to do good voluntarily is not new to our culture. At that period the demand was very little, the burden was light to the performers. But in this age with huge population and globalization the burden is huge. So it is necessary to share the burden by many parties, here the corporate entities. The corporate social responsibility is a voluntary approach. This is the time when the demand of the nature and society is huge. So the charity by the corporate world to the society and environment is not sufficient. They have to take effective measure to restore the ecological balance for the protection of human right as a compulsory duty.

Corporate Social Responsibility:

'Corporate Social Responsibility or CSR is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as of the local community and society at large' [6].

In simple words corporate social responsibility connotes an idea of welfare of the society. It may be in any form like contribution in the protection of human rights, contributing in development in environment. The business community is doing their business in the society utilizing the society itself. They are earning much and taking much from the society. To keep this place of market fit for marketing and expand the future market it is necessary to keep the society growing in every sense. A limited society cannot be the profitable

market place for business. It is not only a voluntary measure but this responsibility should be performed by every entity of the business world as a mandate.

The business world has covered the whole world and frequently said that world is a global village. The corporate world is highly responsible for the protection of environment and to reduce the environment pollution.

5. BENEFITS OF CSR

- It help in improving financial performance,
- Enhanced brand image and reputation,
- Increased customer loyalty and sales
- Increased ability to attract and retain employees
- Easier access to capital
- Help to improve employees moral and motivation
- Help in complying govt. statutory regulation.

6. CORPORATE SOCIAL RESPONSIBILITY AND THE INDIAN COMPANIES ACT, 1956.

Section 293(1) (e) says about the contribution by the company to charitable and other funds for the benefits of the outsiders of the company. So this contribution is for the welfare of the society at large. A public company or private company may contribute for an aggregate amount up to Rs 50,000 or five per cent of its average net profit determined under the provision of this Act (section 349 and section 350) during the three financial years immediately preceding –whichever is greater.

7. LEGISLATIVE APPROACH TO CORPORATE SOCIAL RESPONSIBILITY IN INDIA

There is no specific legislation on corporate social responsibility in India till date. From the various part of the society especially NGOs, human rights organizations and environmentalists' media repeatedly highlighted the necessity of a specific legislation on CSR. There is proposal to bring the legislation on CSR on the part of the legislation itself. Fortunately the Ministry of Corporate Affairs has issued a certain guideline on the development of CSR. Few committees have made worthy recommendations giving clear out line in the matter of bringing and establishing the regulatory frame work on CSR. The Indian Companies Bill, 2009 an effective and rational steps to bring sea change in the present Companies Act 1956. Latest development on this issue is the Companies Amendment Bill 2011 providing the clear provisions on the CSR mandate which will come in to light in near

future. The basic principle on which the guide lines are based is the principle of three Ps i.e. profit, planate and people.

The Ministry of Corporate Affairs (MCA) looks after the company matters and regulates its affairs.. Realising the serious need of the regulatory frame work on CSR in India, MCA taking effective steps in bringing the legislation on CSR. In 2009 MCA has issued the CSR Voluntary Guidelines to facilitate the effective implication of CSR by the corporate players. It is obvious that this guide lines has influenced the corporate world to discharge their obligation towards the development of society and the environment more effectively.

The said guidelines prescribe that the company should constitute an executive committee to consider the matter of CSR and recommend the proposal to the board of the company for the approval. On the final approval of the policy on CSR it will be the duty of the company to implement that policy. The CSR policy of the company should cover and formulate with great care and caution the matters of human rights and environmental development.

The establishment of the National Foundation for CSR (NFCSR) is an effective step for the CSR development in India. The NFCSR has been establishment by the Ministry of Corporate Affairs or MCA in partnership with various chambers, members of corporations, and Indian Institute of Corporate Affairs. The main function and purpose of NFCSR is to develop an environment for the corporate sector helping them to work with the government, NGOs, etc. This machinery will facilitate them to contribute in sustainable growth and development more effectively. There is no doubt that sustainable development means the proper and rational use of nature and human resources for the real benefits of the mankind.

The Reserve Bank of India is the chief regulator of the banking and financial institutes in India. RBI has great impact on the society at large. The whole economy is being regulated bt the policy formulated by RBI. The banking companies and other banking institutions of this country cannot sit idle without contributing to the society where these institutes have been carrying on business activities. To bring awareness and development the culture of CSR in their regime RBI has issued the circular dated 20 December 2007. The circular addressed the institutions on CSR, sustainable development and non-financing reporting role of banks.

The companies may consider the CSR policy as auspicious to the substantial growth of the company. The policy demands the proper and disciplined utilization of natural resources and human resources. Rational utilization of capital is very much needed for the growth of the company. The company must satisfy their customer. Now companies have to ensure that their activities are really beneficial to the society. Competitive price and best quality of product and services must not be at the cost of future. The right minded people are highly conscious about the global environment problems. The positive minded customers always demand for the creative and judicious use of their wealth and labour.

The developed nations are far ahead us. In the United Kingdom (UK), over 100 civil society organizations and political parties have joined the Corporate Social Responsibility Coalition (CORE), which is calling for mandatory triple bottom-line reporting; legal liability for human rights, and environmental abuse committed by UK companies abroad; and extending the company directors' duties so that they take into account not only the impact of decisions on shareholders but also on other stakeholders [7].

The principle of Responsible Investment (PRI) is very relevant. This principle encourages the institutional investors to address the certain environmental and social issue. In 2006 this principles were launched and promoted by the United Nations, in particular the United Nations Environment Programme Finance Initiative (UNEP FI) and the UN global Compact. The said compact deals with principles of human rights, environment and workers rights. Proposing that every corporate entity must take the responsibility as a prime obligation otherwise the very existence of the mankind will have to face serious difficulties. The business communities cannot be allowed to suck the resources of the generations without having any compulsory mechanism of restoring them.

8. CONCLUSION

There is no question of compromising with natural resources and environment. To provide healthy and pollution free environment is the constitutional mandate guaranteed under Article 21 of the Constitution of India. The development of the economy is largely dependent on the industrial growth of the nation. So it is matter of proper management. The industrialists need natural resources for the development of their industries. The globalization brings the opportunities to extend the business activities of the corporate world through the

The companies may reduce its cost by proper management of waste, like wasted energy, wasted water, and raw materials. These are often thrown away carelessly without caring the environment and health of the people of the surroundings. Sometimes these waste materials caused serious accident leading mass destruction to the community at large. The company has to spend huge amount as fine. If they follow the CSR norms they can avoid those haggard and reduce cost. Sometimes what happens the company has to end its journey due to such accident and its consequences. There is only loss in every sense for the company, for the stakeholders, for the society at large. So avoid these unfortunate consequence the company should follow the CSR policy beneficial to the society at large.

world. This extension must not be at the cost of environment and human rights.

There is no legislation in India on CSR to compel the corporate entities to perform these responsibilities. The big corporate houses voluntarily perform some charitable works. The big corporate houses are involved in developing the environment and human resources. But most of the corporate entities are not contributing in this matter because of absence of any specific legislation and sanction to the non performers. The only thing is that the media, NGOs, civil society organizations, public opinion to judge the credit worthiness of a company raising its name or shame. This is an indirect sanction to improve the CSR performance on the part of the most of the corporate entities. In 1990s the big corporate bodies of the world used to regulate the self-regulation on CSR, in 2000s there is some sign of compulsory regulation in various parts of the world especially in developed country.

The companies Bill provides the CSR mandate and it is said that these provisions are the main reasons for the delay of passing of that bill. The corporate management must understand one thing that no organization or institution can prosper with unhealthy human resources. If there is some sort of investment in compulsory bases for the development of the society it will help the companies in the long run. If the society is healthy there is a chance of supply of healthy workers both in management and work field. The healthy society will consume the product and service of the companies and extend the market and business of the companies. The investment or the contribution in the Name of CSR is not bad investment but one has to admit this investment as good investment if he things the matter properly. In the long run this contribution on the part of companies will help in converting prospective customer to customer and widen their market of business. The society at large will be enriched as a whole. .In spite of

opposing the CSR provision in Companies Bill modern corporate entities must perform this responsibility whole heartedly for the very existence of human race.

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