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Chhattisgarh

1. Opportunities and Challenges in Implementing the Muluki Criminal Procedure Code, 2017  
*Dr. Balram Prasad Raut*
2. Constitutionality of Narco Analysis Test  
*Dr. Rajshree Chaudhary & Pooja M...*
3. Cultural Diversity in India – Socio-Legal Reflections  
*Ashutosh Mishra & Dr. Ajay B. Sarma*
4. The Rights of the Third Genders under Indian Legal System; A Study  
*Debabrata Basu*
5. The Evolution of the Right to Privacy as a Fundamental Right in India and Emerging Issues: A  
Introspection  
*Dr. Yogendra Kumar Verma*
6. Criminology of crimes against elderly persons  
*Prof. (Dr). P. K. Shukla & Praso...*
7. Custodial Voilence: An Overview  
*Ms. Nilesh Shakya*
8. Banking Law: Issues and Challenges -Merge of Banks in India and its effect.  
*Dr Anup Kr Ray*
9. Legal Aspects of Narco Analysis Test in India  
*Dr. Kalpesh Nikawat*
10. Role of Indian Government in Protecting and Promoting Public Health  
*Amandeep Nadda & Dr. Anupam Manhas*
11. Dalit Literature and Higher Education  
*Prof. Rajendra Prasad Pandey*
12. Theoretical and empirical aspects of Parliament  
*Dr. Aryendu Dwivedi*
13. Unorganized Workers Social Security Act, 2008: Issues and Challenges  
*Dr. Sheetal Prasad Meena & Ritu Meena*
14. Principle and Monuments of Buddhism: Enlightenment into Morality and Ethic on character of law.  
*Prof. (Dr). Krushna Chandra Dalai*
15. An Indian view of forest canopies: A critical Appraisal  
*Prabhash Nath Jha & Dr. Kameshwar Prasad*
16. Mediation: An Effective Mode of Dispute Resolution  
*Arvind Kumar Jha & Kmalesh Kumar*
17. A Study on Homosexuality in the Light of Law And Morality  
*Sanskriti Shahi*
18. Importance of Independent Directors in Strengthening Corporate Governance in India: Critical Study  
*Sunil Pandey*
19. Political And Democratic Rights of Women Globally: A Situational Analysis With Special Reference To  
India  
*Dr. Rajshree Choudhary & Sneha Singh*
20. Rights of the Patients in India: A legal Study  
*Dr. Simmi Virk*
21. The Indian Company Law and Environmental Sustainability  
*Dr. Shilpa Seth*
22. Maya Chablani vs Radha Mittal : Case Analysis  
*Dr. Ratan Singh Solanki & Megha Middha*
23. PIL And Development of Enviornmental Jurisprudence in India  
*Dr. Piyush Kumar Trivedi & Gyanendra Pratap Singh*
24. Potential Impact of new social security code on the employees of organized sector in India  
*Purnima Bhardwaj*
25. Highway Projects And its Impact on Biodiversity: A Critical Analysis  
*Himanshi Babbar*
26. Impediments of Equal Access to Justice in India: A critical analysis  
*Dr. Bharti Yadav*

Abstract

This article focuses on environmental sustainability as an important factor of the Corporate Social Responsibility of Business entities. The article highlights how business activities for development act as a cause for environmental degradation. Along with that, emphasis is laid on why Business entities shall help save the environment and reverse the adverse effects caused by their activities. The article also throws light on such initiatives taken by many entities to help contribute to the environment as a part of CSR.

KEYWORD:Environment, Depletion, Business Entities, Corporate Social Responsibility, The Indian Companies Act, Sustainability, Corporate Law.

INTRODUCTION

A proper external habitat, appropriate material resources, and meaningful services are all necessary for a species' survival. Resource depletion and environmental degradation have developed as key challenges as a result of contemporary growth.<sup>1</sup> Today business activities are accused of adverse environmental impacts under the garb of development. But what is the truth of the moral obligations of business entities?

CORPORATE LAW IN INDIA

The Indian Companies Act 2013<sup>2</sup> largely governs the companies and the corporate sector in India. Section 135 along with 7<sup>th</sup> Schedule of the Act covers Corporate Social Responsibility (CSR) which therefore ensures a business's moral responsibility to the society, environment and planet at large.<sup>3</sup> Sustainability of Environment is thus one such goal that corresponds to the 13<sup>th</sup> Sustainable development Goal.<sup>4</sup>

Therefore CSR becomes the connecting bridge between production & profit and sustainability of society and environment.

DO COMPANIES OF THE COUNTRY CARE ABOUT THE ENVIRONMENT?

According to data analyzed by the ministry of corporate affairs for CSR expenditure by all Indian enterprises in 2014-15, 14 percent (Rs.1,213Crore) of overall CSR spending in India was spent on environmental activities.<sup>5</sup> These findings demonstrate that businesses are becoming more aware of the risks and opportunities that climate change poses to their strategy and operations, and that larger sustainability concerns caused by climate change are becoming an integral component of talks with key stakeholders.<sup>6</sup> Verifiable corporate and partner accountability and reporting, on the other hand, have proven to be important drivers of CSR becoming integrated into the mainstream of business strategy and operations.<sup>7</sup> The most attractive environment related CSR initiative involved the use of renewable energy in the form of solar street lamps, biomass cooking stoves, rooftop solar projects, rainwater harvesting, and watershed development and so on.

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Companies have begun to shift away from traditional charity programs and to institutionalize CSR activities, taking it to the front.<sup>8</sup>

## MODELS FOR SUSTAINABLE DEVELOPMENT

With a rise in the notion of CSR and environmental sustainability, there shall be creation of proper models for environmental protection so that such CSR projects<sup>9</sup> can be applied equally to the whole humanity and nature on earth. Certain models are as follows:

### 1. Air Quality Models:

Air being one of the elements supporting life force, is one of the most polluted element as well. Projects in India, like promotion of startups creating electric vehicles<sup>10</sup>, alternative cooling devices<sup>11</sup>, etc., are promoted and well established so as to reduce the negative impacts that can be traced back to the industrial revolution.<sup>12</sup>

### 2. Water Models:

Water sustains life, but it has been polluted to such an extent that numerous people have no access to drinking water. Around 2.8 billion people all over the world face water scarcity every year.<sup>13</sup> The Companies should focus on creating treatment channels or mitigating tools to reduce water pollution.

### 3. Soil Quality:

Sufficient CSR funds can help to protect the top soil and mitigate soil erosion, which can take up to hundreds of years to rejuvenate.<sup>14</sup> Proper initiatives and projects can help in building sufficient infrastructure to prevent pollution and soil erosion, thereby also aiding food security.<sup>15</sup>

## EXEMPLARY COMPANIES SHOWING THE PATH OF SUSTAINABILITY

Given the current state of environmental degradation, it is highly expected that, in addition to maximizing profits, corporations and governments should adopt policies and actions, including those of governments, providing enough space for long-term environmental protection and intergenerational considerations.<sup>16</sup> This is where the notion of environmental CSR, often known as CSR Green Initiative, comes into play. It's also worth noting that many corporations have implemented different interventions in the past aimed at reducing environmental degradation, such as process changes, usage of alternative technologies, optimal raw material utilization, recycling, and sustainability. Certain examples are as follows:

1. The Axis Bank of India had committed Rs.30,000 Crore towards reducing greenhouse gas emissions and promoting sustainable lending through renewable energy generation and reduction of the company's carbon footprint.<sup>17</sup>

<sup>8</sup>CSR And Sustainable Development: Do Indian Companies Care About The Environment? | Forbes India Blog. (2021). Forbes India.

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<sup>12</sup>Guo, H., Kota, S. H., Sahu, S. K., Hu, J., Ying, Q., Gao, A., & Zhang, H. (2017). Source apportionment of PM<sub>2.5</sub> in North India using source-oriented air quality models. Environmental Pollution, 231, 426-436.

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<sup>15</sup>Brown, L. R. (1981). World population growth, soil erosion, and food security. Science, 995-1002.

<sup>16</sup>Shahrier, S., Kotani, K., & Saijo, T. (2017). Intergenerational sustainability dilemma and the degree of capitalism in societies: A field experiment. Sustainability science, 12(6), 957-967.

<sup>17</sup>India. (2021, September 22). Axis Bank commits Rs 30,000 crore till FY26 towards sustainable lending.

Chambers India Ltd. is a company based in Pune which decided to combat climate change by 'Creating Oxygen  
Trees'. The Company had spent its CSR funds to convert non forest lands into forest covers and planted more than  
5000 trees in 2013-14.<sup>18</sup>  
The Karnataka Bank Ltd. had spent around Rs.500 Lakh towards its green initiative and animal welfare programs  
in the form of afforestation drives and animal security drives in Karnataka and its cities.  
The Century Plyboards India Ltd., a company based in Kolkata (West Bengal) had run Animal Welfare programs  
as its Flagship event to protect helpless and handicapped cows. The company spent Rs.300 Lakh of its CSR funds  
for the same.  
The Bharat Heavy Electricals Ltd. had carried out certain mass tree plantation drives, and green belt development  
belt programs in Orissa to ensure environmental sustainability. The Company carried out a large scale program to  
produce biodegradable cutlery for spreading the message of environmental conservation.  
Rallis India Ltd. is another such company based in Mumbai which took the oath to stay committed towards  
conserving the environment and thus planted thousands of trees in seven different regions of Maharashtra to create  
green belts, thereby spending its CSR funds and contributing to the society.  
The examples of such companies are numerous. The simple conjecture to be made here is that environmental sustainability  
has become a way of carrying out business. Despite the rise of individual thought leaders, the majority of Indian firms  
continue to place little emphasis on sustainability in their CSR efforts.<sup>19</sup>

**CONCLUSION**  
The developments in environmental CSR initiatives reveal a divide in how firms in India handle environmental protection  
activities. While some in the area are leaders who view sustainable growth and environmental preservation as opportunities,  
the urgent need to act on natural resource conservation is yet to materialize for many others.  
As we move toward a sustainable economy, it is hoped that more businesses will follow the lead of emerging thought leaders  
and contribute to the cause of saving the environment. It is rightly said that "*We have not inherited this earth from our  
forefathers; we have borrowed it from our children*".<sup>20</sup>  
The business entities owe their existence to the society. They use the resources of the society to gain profit and survive  
perpetually.<sup>21</sup> It is therefore their moral responsibility to conserve the environment. Therefore, the ideas of environmental  
sustainability under CSR shall be recognized and pursued with full force, since it is crucial for the survival of the business  
itself.

<sup>18</sup> 10 Green CSR projects by Indian companies- CSRBOX.(2017). Csrbox.org.

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