

## **CORPORATE GOVERNANCE & RESPONSIBILITY -POST BHOPAL INDIAN SCENARIO**

Surendra Kumar – Ashu Chopra

Aftermath of Bhopal Disaster, the Corporate Governance & Responsibility have assumed greater significance in India. During analysis of the causes of the Disaster, it was found that the corporate negligence was equally responsible. In the changed scenario unlike the compliance oriented response, business is growing beyond and is proactively demonstrating Corporate Stewardship. International competition is also adding to this pressure where only environmentally responsible companies would be able to retain and enhance their share of growing international market.

### **Corporate Governance and Responsibility**

Corporate governance in the first place introduces change in mindset of the directors and other important office bearers to an extent that they are able to view environmental preservation measures in their units as a necessary requirement for operations to stabilize and flourish.

Corporates understand the latest philosophy of “Pollutor Pays Principle” wherein pollution control system if properly designed and operated not only brings relief by way of legislative compliance but also inspires confidence in the manpower and has definite pay back period which in the long run adds to profitability.

It is only corporates which can induce and motivate industries under their command to bring in maximum participation of employees in environment improvement activities and also make the industries to adopt **Green Logo** and achieve high **Green Ratings**.

### **Current Practices of Corporate Governance and Responsibility**

Proactive approach of corporates towards environment include:-

- **Strategic Planning on Environment Policy Initiatives** in their units spread across the country also includes Resource Conservation, Interlinkages between energy and environment, Product substitution, bringing Industry in Harmony with Environment, Introduction of Clean Development Mechanism (CDM) supporting control of green house gases emissions for abatement of global climate change. Other significant measures include Promotion of Life Cycle Assessment Studies for various products/processes, ISO certifications for sound environment management systems. Water and Waste water management techniques for waste minimisation, reuse and recycling practices, improvements through good house keeping.
- Technology upgradation including process, material and/or hardware substitution, promotion of labour and their families participation on initiatives on sound management work practices, adopting residential colonies/schools/villages for development under

Outreach Programmes, Instituting awards for deserving school children to develop literary skills, propagation through media solutions for burning environmental and social issues where enough funds are provided for the deprived for resettlement & Introduction of Green Sourcing including Green Financing.

### **Significance of the Study**

The study of **Corporate Governance and Responsibility** in India with survival and development success stories is significant to clearly bring out the present day status with regard to intentions in terms of investment and strategies to deal with in a pro-active and active manner and the full text of the paper proposes to discuss the same in details.