



Disclosure of Corporate Environmental Policies: A study on selected industrial units of Assam

KEYWORDS

Environmental Protection, Sustainable Development, Corporate Environmental Policy

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ABSTRACT *The issue of environmental protection and sustainable development of natural resources to preserve the fragile ecological balance for future generations is of vital importance. For protection of environment and sustainable development, different industries of Assam are committed to abide by environmental norms and various conditions stipulated by the Govt of India. These industries have their own environmental policies and they are giving their best efforts for the protection of environment. This paper is an attempt to examine the disclosure level of Corporate Environmental Policies (CEPs) of the selected major industries of Assam. The study observed that most of the companies are having some CEPs focussing on certain areas like safety, quality, health related issues and environment.*

INTRODUCTION

Protection of environment has become an important issue throughout the world in recent times. Now, industries are increasingly realising their role in environmental protection and sustainable development which is a need of the hour. To overcome this, environmental policies and its proper implementation is considered must for running any industries in India. Environmental policy refers to the commitment of an organization to the laws, regulations, and other policy mechanisms concerning environmental issues.

Most of the industries have committed to continuous improvement in all aspects of health, safety and environmental performance and have committed to comply with environmental laws and regulatory standards. For reflecting their commitment to protect the environment, all the industries have made big contributions in environmental performance by adopting environmental sound technologies. The environment concern of major industries has been appropriately shown by their Environmental Management System, which conforms to ISO 14001. Environmental Management System is a structured and systematic process for achieving continuous improvement in environmental performance (Wu, 2003). ISO 14001 standard provides organizations with an effective Environmental Management System to derive the benefits of environmental positioning and public goodwill. An Environmental Policy is a key element of an efficient EMS and in the absence of such a policy, only partial environmental management (EM) can be practiced.

There are two major types of environmental policies. First, charters that are developed by an outside body and subscribed to by various organisations, and second, those that are developed by the company itself-or 'in-house' policies (Tilt, 1998). The 'in-house' policies or popularly known as corporate environmental policies (CEPs) were adopted by major industrial units in Assam. It is worthwhile to mention here that there are refineries, paper mills, coal, petroleum and natural gas, cement and plywood industries in the public and private sectors which are functioning profitably in the State. However, the state faces severe environmental degradation and resource depletion, which threaten opportunities for sustainable economic growth.

Objective of the Study

The present study aims to examine the disclosure level of Corporate Environmental Policies (CEP) of the selected industrial units in Assam.

Sample of the Study

The study was conducted mainly on eight major industrial units of Assam. The industries identified are paper & pulp, oil refinery, petroleum and natural gas, coal and plywood industries. The unit of study undertaken are Hindustan Paper Corporation Ltd. (Cachar Paper Mill), Indian Oil Corporation Ltd., (Bongaigaon Refinery Ltd. and Digboi Refinery Ltd.), Numaligarh Refinery Ltd., Assam Gas Company Ltd. (AGCL), Gas Authority of India Ltd., Coal India Ltd and Kitply.

Data Source

The method adopted for the present study involved secondary data collection from the annual reports and other publications from print or electronic statements. The other supported data also collected from journals, articles, magazines and websites.

Findings and Discussion

Brief overview on Corporate Environmental Policies (CEPs) of the selected industrial units of Assam is as follows:

Hindustan Paper Corporation Ltd (HPCL)- Cachar Paper Mill

The Cachar Paper Mill, one of the units under Hindustan Paper Corporation Ltd (HPCL) in Assam is committed to adopt an environment friendly approach in all activities related to its products and services. It ensures compliance of all relevant legislative enactments, statutory regulation and orders, evolve eco-awareness amongst its members, minimise the use of non-biodegradable substances, upgrade process controls and operating practice to contain and counter pollutants at source, reduce the consumption of natural resources especially fibre, fossil, fuel, water and energy through conscious efforts to re-use and re-cycle wherever possible; promote compensatory afforestation through community initiatives to reciprocate the gift of virgin fire and also disseminate information through frequent exchange and interaction with internal and external constituents on the progress in implementation of Environmental Management Plans (EMPs).

Digboi Refinery Ltd.

Digboi Refinery Ltd., a unit of Indian Oil Corporation Ltd. (IOCL) will continue effectively to ensure that its operation does not cause any adverse impact on the environment. They are committed to maintain good environment in and around its surroundings having compliance with relevant environmental regulations and laws. They strive for continual improvement in environmental performance and prevention

of pollution by adopting state-of-the-art technology and by developing the skills of the employed persons through training. To minimise effluent generation, improve treated effluent quality, reduce solid waste generation and optimise energy consumption.

Bongaigaon Refinery Ltd. (BGR)

Bongaigaon Refinery Ltd., a unit of Indian Oil Corporation Ltd. (IOCL) is committed to carry out business with strong environment conscience thereby ensuring sustainable development, preservation of ecological balance, safe work places and enrichment of Quality of life of Employees, Customers and the Community and strongly believes that good Quality, Safety, Health and Environmental performance is an integral part of an efficient and profitable business organisation. They are committed to ensure high standards for Product Quality, Safety and Health of the people, processes and assets also plan, design, operates and maintain the facilities, processes and procedures for ensuring Product, Quality, Safety, Health and Environmental protection. They comply with all Rules, Regulations and Statutes on Quality of products and services, Safety Occupational Health and Environmental protection. Remain equipped and ready for effective and prompt response to accidents and emergencies. Conserve key resources, minimise waste generation and ensure environmentally safe disposal of inevitable waste. Make all efforts to preserve its ecological balance and heritage and feel the customer requirements through timely supply of quality products and services. Inculcate awareness on Quality, Safety, Health and Environment amongst employees, contractors and interested parties. Ensure continual improvement of its Quality, Safety, Health and Environment performance by adopting industry best practices. The company welcome audit of Quality, Safety, Health and Environment Management Systems by external bodies, so that stakeholders' confidence is safeguard.

Numaligarh refinery Ltd (NRL)

The Numaligarh Refinery Ltd. (NRL) is complied with all statutory regulations for the benefit of the environment. They consider Health, Safety and Environmental aspects are an integral part of their business planning and operation process. Based on these guiding principles, NRL provides safe facilities and working conditions, recognising that all employees have responsibility for their own safety and actions which could affect the safety of others, adoption of appropriate technologies to minimise the impact of refinery activities on the Environment. It established clear objectives and targets to improve continuously for prevention of accidents & occupational illnesses and minimising any impact of refinery activities on the environment; Promote learning through training and sharing of experiences and best practices including values and attitudes conducive to achieve excellence in Health, Safety and Environmental performance. It creates appropriate forums for deliberations on Health, Safety and Environmental issues.

Assam Gas Company Ltd. (AGCL)

The Assam Gas Company Ltd (AGCL) is engaged in transporting natural gas to industrial, commercial and domestic consumers for use as energy source and raw material. They are committed to maintain continual improvement in Health, Safety and Environment (HSE) management along with good performance and zero accident goals. To achieve this, they adopt and maintain high level of safety by safe work practices and latest technology, promote environmental awareness by considering eco friendly approach, comply with all environmental awareness by considering eco friendly approach, educate their employees in respect of Health, Safety and Environment by giving adequate training periodically, to protect employees in their employment from risks resulting from factors adverse to health. AGCL shall fulfil its commitments to society, to minimize and manage levels of pollution, waste and emission.

Gas Authority of India Ltd. (GAIL)

GAIL is committed to promote globally comparable levels of Health, Safety, Environment and Loss Control in the areas of its business of Exploration and Production of Hydrocarbons, Natural Gas and LPG transmission, Production of LPG, Petrochemicals etc., with clear emphasis on improving the Environment for Sustainable Development. Projects, E&P etc. are brought under the monitoring purview of HSE. PNGRB regulations are being adopted at all sites. The safety and occupational health of its employees and external stakeholders are of paramount importance and all these attributes are embedded within the core organizational values of your Company.

Coal India Limited (CIL)

Coal India limited affirms its commitment for environment friendly mining with right mitigation of pollution, reclamation of the degraded land, preservation of biodiversity and proper disposal of waste following the best environmental practices including judicious use of the non-renewable energy of the path of continual improvement. Coal India Ltd conducts mining and associated operation in an environmentally responsible manner to comply with applicable laws and other requirements related to environmental aspects. They designed their projects with due consideration of sustainable development. Policies are made to prevent pollution of surrounding habitation by continuous monitoring and adopting suitable measures for environmental protection. They implement environmental management plans for all mines effectively to mitigate pollution on air, water and noise, reclamation of degraded land and proper disposal of wastes, strive to conserve biodiversity, conserve natural resource through recycling of wastes on the principle of REDUCE, RECYCLE and REUSE, strive for continual improvement in environmental performances by setting targets, measuring progress and taking corrective action. The creation of environmental awareness among the employees and the local communities through pro-active communication and training is also a part of their environmental policies.

Kitply Industries Ltd

The Kitply Industries Ltd is a major plywood industry in Assam which is committed to the preservation and improvement of the environment, and is always working on new ways to realize this goal. As part of its commitment to a green and vibrant environment, Kitply Industries has been dedicated to the research and development of ecological products to contribute to the conservation of the latter. Through its endeavours to develop more effective ways and methods to conserve natural resources, the Industry is determined to fulfil its responsibility of beautifying and protecting the natural ambience by enhancing the awareness of its employees. They conserve energy and resources in all their activities. They promote the development of products and technologies that minimize environmental impact, while at the same time taking into account the maintenance of people's safety and health. In their policy, strive to safeguard the safety and health of local citizens and employees is also mentioned.

Table 1. No. of items disclosed in CEP by selected industrial units (%) of Assam

Sl. No.	Items in CEP	No. of Units (N=8)	Units disclosed (%)
1	Action plan for national commitment	1	12.5
2	Afforestation	1	12.5
3	Beautification and protection	1	12.5
4	Best practices adoption	3	37.5
5	Biodegradation	1	12.5
6	Cleaner technology	1	12.5
7	Eco-awareness	4	50

8	Eco-friendly products	6	75
9	Environmental audit	1	12.5
10	Environment friendly technologies	2	25
11	Environment legislation and regulation	3	37.5
12	Environmental conservation	3	37.5
13	Health hazards Protection	1	12.5
14	Implementation of EMPs	1	12.5
15	Minimising impact of activities	1	12.5
16	Mitigation and reclamation	1	12.5

17	Mitigation of GHG emission	1	12.5
18	Recycle of natural resources	3	37.5
19	Response to accidents and emergencies	1	12.5
20	Safety, Health and Environment	7	87.5
21	Substitution of raw materials	1	12.5
22	Sustainable development	2	25
23	Training on HSE	2	25
24	Up gradation of operating practices/ technology	1	12.5
25	Waste/effluent management	5	62.5

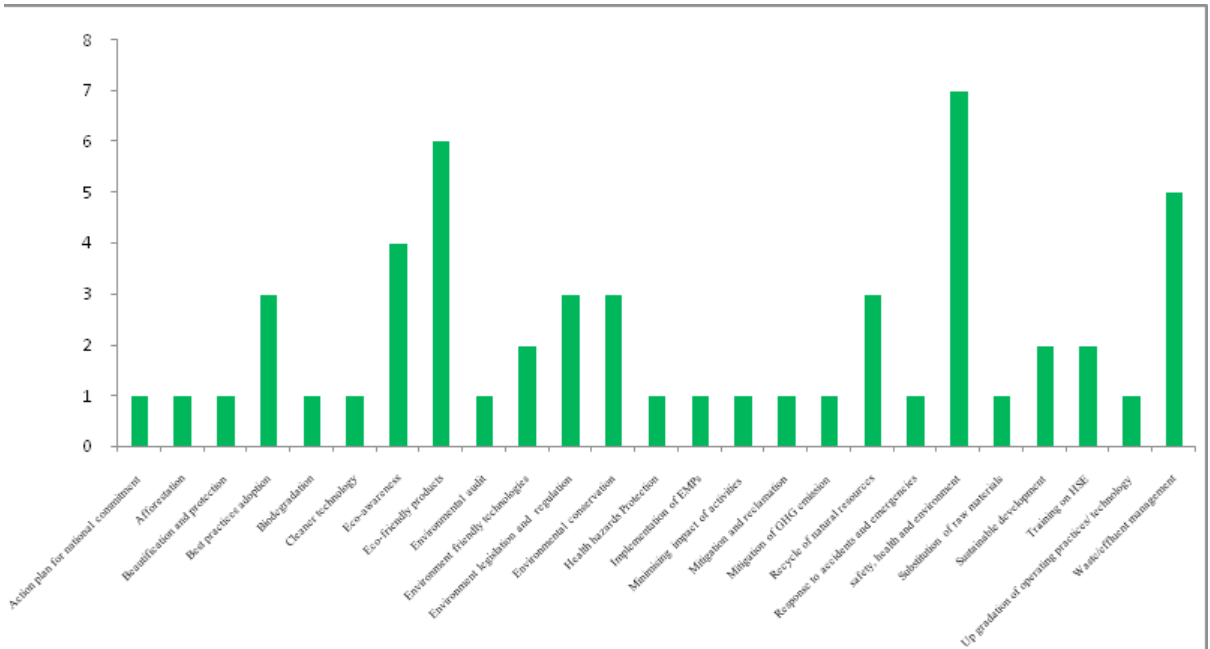


Figure 1. Number of items disclosed by eight major industrial units of Assam

Table 1 represents number of items disclosed in CEP by selected industrial units of Assam. Disclosure on safety, health and environment was 87.5% compared to other items of CEP which is very encouraging. Waste/ Effluent Management scored 62.5% which indicates positive awareness. The other disclosure items of CEP were not satisfactory. Figure 1 shows that the items of CEP were not uniform in all industrial units.

Most of the industrial units have “written environmental policies”. However, it was found that few of the industries applied “environmental criteria in the evaluation and/or compensation of employees” and all of them issued “public environmental reports”.

Conclusion

It is observed from the corporate environmental policy statement of the selected units that these policies focus on certain areas like safety, quality, health related issues and environment. There is hardly any uniformity in environmental

policies of these units. So, an industry should adopt uniform environmental policies and disclosure standards of environmental issues for the purpose of control and measurement of environmental performance. In case of major industries of Assam, the implementation and formulation of environmental policies is very important to enhance their competitiveness which would subsequently lead to high corporate performance.

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