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SHIFT FROM COMPLIANCE TO SUSTAINABILITY: CORPORATIONS AS ENVOY OF ENVIRONMENTAL SECURITY

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ABSTRACT:

Corporations have several responsibilities in societal nature. It is okay to be updated and developed with the huge knowledge and technology, but at the same time the consciousness of expending and injuring the same needs to be noted all around. Many global industries and multinational companies run their businesses only with the basis of the environment; i.e., underground minerals from land and other resources from water, etc., are helping them for expeditious growth. For these reasons, all the companies have their corporate social responsibility towards the environment, which is authorized through the laws of the respective nations. Are they really aware of it? Or is every company showing such responsibility toward the environment? It is said to be a million-dollar question in the present scenario. Everywhere in this beautiful world, the land is polluted. Polluting the land isn't only a big thing, but even the deep ocean is polluted. The oceans are utilized by the rarest of rare human beings. But it is being polluted by the activities of human beings, majorly through the companies and industrial activities. It is our duty to find out the major cause of every problem, and it should be resolved with proper measures and remedy. As the personality of this beautiful verse companies have their own accountability to safeguard every nation's pride of pure breath and healthy lifestyle. The Author highlights the present severe issues in the world and India, in the aspect of cosmetic industry and also analyses the applicable provisions in India for the welfare of the People.

Key Words: *Corporate Social Responsibility, Sustainable Development, Safe Environment.*

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1. INTRODUCTION:

Our breath in this world is gifted by our environment. None can live their happy life without the fresh air and peaceful surroundings. All our lives are promised and safeguarded by the environment Mother. As blessed mankind, it is our responsibility to protect the present and future breath. Referring to Article 21 of the Indian Constitution, which says that everyone has the right to live in a clean atmosphere, and it is has been and being addressed in various Judgements in India by the Honourable Apex Court and all the High Courts. India was a welfare state in its early years as an independent country. Since 1991, it has been governed by the policies of liberalization, privatization, and globalization, which have turned the public sector into a private one. In order to protect the environment, it is crucial to instil the idea of Corporate Environmental Responsibility (CER) in every corporation.

Therefore, every corporation must carry out the welfare functions required to uphold social interest as well as the management, preservation, and protection of the environment. As the Corporate have involved in several areas this paper limited to the corporates indulged with cosmetics. This paper segmented into three units where the first unit highlights the predominant international documents and the important principles, the second unit is about the corporate social responsibility provisions and concepts and about the actual role played by the corporations in real time, along with provisions related to Environmental obligations, the third unit is about the cosmetics regulation and their standards, actual need of the hour measures and actions for the goodness of the world environment and also for my next generation kids. And lastly the author ends the article with her own suggestions and recommendations.

2. ADHERANCE TO FUNDAMENTAL PRINCIPLES WHICH AWARDED TO US SEVERAL DECADES AGO

I. PIVOTAL ENVIRONMENTAL DOCUMENTS AT A GLANCE:

By knowing the importance Earth health our United Nations conducted a conference on the Human Environment. This was the first and foremost Conference to be held Exclusively on the concept Environment. It laid down the principles for management of the environment including declaration and Action plan for the Human environment and several resolutions. With its 26 guiding principles, the Stockholm Declaration elevated environmental issues to the top of the global agenda and initiated a discussion

between developed and developing nations about the relationship between economic expansion, air, water, and ocean pollution, and global population health.[2] The Agenda had three primary classifications: a) Global Environmental Assessment Programme (monitoring plan); b) Environmental management initiatives; c) International measures to bolster assessment and management actions conducted at both national and international levels. In addition, these classifications were broken down into 109 recommendations.

Later, Reiterating the United Nations Conference on the Human Environment Declaration, which was adopted in Stockholm on June 16, 1972, and aiming to expand upon it in order to create a new and equitable global partnership by fostering new levels of cooperation between States, important societal sectors, and individuals, as well as working toward international agreements that uphold the integrity of the global environmental and developmental system and respect the interests of all, Acknowledging that the Earth, our home, is an essential and interrelated entity, the Rio Declaration came up with 27 Golden Principles that every nation should for the global wellness. The corporate environment accountability has been either directly or impliedly engraved in the principle 16 of the Rio Summit[3] which is commonly called as Polluter Pay Principle. In simple words we can say it as the person who spoils the earth for his development should repay the loss. This is said to be the most important thing that every corporate company must follow.

II. SIGNIFICANCE OF FUNDAMENTAL DOCUMENTS

i. POLLUTER PAYS PRINCIPLE:

The 'polluter pays' idea asserts that individuals responsible for pollution must incur the expenses associated with its management to avert harm to human health or the environment. A factory that generates a potentially toxic by-
product is often accountable for its proper disposal. The polluter pays principle is integral to a broader framework of ideas that directs global sustainable development. The principle asserts that the polluter is

[2] United Nations Conference on the Human Environment, United Nations, *available at*: https://www.un.org/en/conferences/environment/stockholm1972 (last visited on June 10, 2026).

[3] National authorities should endeavour to promote the internalization of environmental costs and the use of economic instruments, taking into account the approach that the polluter should, in principle, bear the cost of pollution, with due regard to the public interest and without distorting international trade and investment.

responsible for the costs associated with implementing the measures mandated by public authorities to maintain the environment in an acceptable condition.[4] This concept from the earth summit and the principal document of environment is reflected in CER under companies Act. Various country has adopted the concept of PPP. Many countries like Sweden adopted it as Extended Producer Responsibility (EPR).

The Landmark cases throughout the world have uplifted the principle, In Imperial Oil Limited v. Quebec (Minister of Environment)[5], though the Supreme Court addressed the question whether the Minister has the authority to order the most previous landlord of the land to recover the polluted land for the good health and clean breath of the subsequent holders. This is because the judiciary encourages sustainable development through this principle. Hence, the appeal made by the Imperial get dismissed.

In India, one among the very famous case and it also crowned as first case to interpret and apply the Principle of EPR by the Supreme Court. The judgement of the case being an exclusive one illuminated that the private companies due to their act against nature are not only accountable for the recoverment of the victims suffering but also for the restoration of the land in the circumstances.[6] These Principles were deeply analysed and are being promoted through various legislation and regulations. Many countries adopted this principle and are being used widely. As these were the first step to achieve sustainable development. Still there is a lacuna on the application as there were no strict penalization.

ii. PRECAUTIONARY PRINCIPLE:

Being a human, we have to deal with the risks that come with our lives. Rather than anticipating wreckage, sailors choose to go on vessels equipped with lifeboats because they understand that it would be illogical to not be ready for any potential hazards they may face while at sea. In addition to alleviating some of life's hardships, science and technology may help prevent or lessen some of nature's most dangerous threats. By knowing the importance of precautionary concept, the basic conference of environmental health came up with the principle called precautionary approach. It

[4] Organization for Economic Co-operation and Development, Polluter Pays Principle, *Recommendation of the Council on Guiding Principles Concerning International Economic Aspects of Environmental Policies* annex. para.4 (May 26, 1972).

[5] CSCR 2 2003 624.

[6] Indian Council for Enviro-Legal Action v. Union of India (1996) 3 SCC 212.

means that depending on their capacity, states must implement the precautionary approach widely in order to save the environment. Lack of complete scientific confidence should not be a justification for delaying cost-effective actions to prevent environmental deterioration when there is a chance of serious or permanent damage.[7]

There are ample of examples that many corporates failed to follow the precautionary approach on their field. And it causes huge losses throughout the world in many ways right from spread of cholera etc. It is also the responsibility of the commons to think about usage of scientific technology and the products from various process is environment friendly or not.

In the case of cosmetics many companies violating already existing rules and principle like precautionary approach in India also International. As we know that the actual target of the cosmetic company are the young ladies and babies. One advertisement that comes for skin brightening will make drastic change in cosmetic industry. With this weakness the cosmeceutical companies composing highly toxic chemical formula to come up with new product.

One example that a cosmeceutical company fails to follow the principle is a famous baby products company. The issue with the baby powder is they have two varieties of base for the baby powder. One is based on cornstarch and the other is based on the talc. The company well know that when the talc is being mined it contains the minimum amount of asbestos which is crucial and make severe damage to the human organs. It was been proved that the powder based on talc caused ovarian cancer in female and have developed mesotheliomas. And this issue has heavily disputed and the company was awarded with hefty of compensation to the victims. The company instil that their products are health friendly but they failed to be cautious and resolve the containment of asbestos. They are even being silent when the experts and the media questioned on the presence of asbestos. This is how; many companies failed on their responsibility and indulge more in their profit making.

iii. SUSTAINABLE DEVELOPMENT:

The major achievement of every corporate is met with the raw materials shoveled from the nature mother. It is being exploited over the world day by day, hour by hour, minute by minute. Even the by product is being

[7] United Nations, *Rio Declaration on Environment and Development*, principle 15 (June 14, 1992).

achieved through vigorous chemical processing of raw material. For example, the face wash which is used by majority people daily is being marketed by various fragrances like neem, turmeric, rose, almond etc., these face washes are manufactured through countless number of raw materials availed from the world and being processed and selling it in millions of tubes throughout the world. This will be okay when a particular brand alone selling these kinds of fragranced face washes, but 100s of brands selling the same thing by exploiting the nature. Here the question arises, do every brand who is collecting their raw materials are planting the same for the future use? Does every company have been aware of sustainable development?

The term Sustainable Development is beautifully described and defined in the World Commission on Environment and Development, popularly known as Brundtland Commission. In its report it says, Development can be reached sustainable by humanity so that it satisfies current needs without endangering the capacity of future generations to satisfy their own.[8] Many cosmetic industries to showcase their work on sustainable development indulging us in the concept of Greenwashing.

III. GREENWASHING:

Greenwashing is the strategy or the practice that the companies follow for their product are sustainable. This is more like changing the package of the product or adding some environmentally friendly slogan, recycling of the packages or by marketing with environmental concern. This may mislead the consumers and they believe in the brands. We can ample of example for this concept of greenwashing; back in 2019 Mc Donald's introduced the paper straws for their soft drinks to avoid the plastics. This may result in cutting down of numerous trees for these disposable straws.[9] One other best example is 'Coca-Cola Life' which is refined with 6.6% sugar which they labelled it as ecofriendly.

Greenwashing is blooming in the cosmetic industry. Many companies like Bondi Sands' (sun care product), Head & Shoulders' (Hair Care product), Lilly Lashes (an eye makeup product) were accused of Greenwashing.[10] The rise of

[8] United Nations, *Report of the world commission on environment and Development: Our Common Future*, para. 27 (March 20, 1987).

[9] Greenwashing: 20+recent stand-out examples, *available at:* https://thesustainableagency.com/blog/greenwashing-examples/ (last visited on September 25, 2026).

[10] Greenwashing in cosmetics: The evolution of the cosmetics industry and the likely impact of approaching EU regulations, *available at:* https://www.potterclarkson.com/news/greenwashin

"greenwashing" in the cosmetics sector is a reflection of consumers' increased concerns about corporate accountability and environmental effects. Many companies came under fire for creating false statements that don't match real practices as they promote themselves as eco-friendly. Legal action and regulatory changes intended to safeguard consumers and promote true sustainability have been triggered by this trend. We the consumers have to be aware about the product and its usage. Companies should be responsible in their advertising and they have to keep up their credibility by the consumers. Adhering to Indian Standards which is laid by the Bureau of Indian Standards (BIS) the manufacturing company has to detail all the necessary warnings or cautions, added to this usage of net contents, and all other information like biodegradability of products, use of sulphur or parabens as such to help the customers. But still Greenwashing is in its peak to fake the consumers.

3. CORPORATE ENVIRONMENT RESPONSIBILITY IN COSMECEUTICAL COMPANY:

I. CORPORATE SOCIAL RESPONSIBILITY – IN GENERAL:

In India, many nations as well, been the part of the management concept known as "corporate social responsibility," businesses incorporate social and environmental issues into their operations and stakeholder interactions. Generally, the corporate social responsibility principle comprises many activities that is detailed under section 135 of the companies act 2013. But the corporate environmental responsibility or also called as corporate environmental accountability was emerged with the establishment of Rio Declaration. Section 135 of the Companies Act, 2013 (henceforth referred to as the Act) addresses the topic of corporate social responsibility and establishes the requirements for companies that must engage in CSR activities. These requirements are based on the companies' net worth, turnover, and net profit from the previous fiscal year. This section, among other things, outlines the general procedures by which the company's board of directors chooses, carries out, and oversees CSR initiatives. The activities are outlined in Schedule VII of the Act and may be incorporated by the firms into their CSR strategies. The Act's Schedule VII and

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Section 135 apply to all businesses, including State Public Sector Enterprises (SPSEs). According to the Act, a business must allocate at least 2% of its yearly average net profit from the three fiscal years prior to this one to corporate social responsibility initiatives. Every firm that is eligible to engage in CSR activities must establish a CSR committee of the Board made up of three or more of the company's directors in accordance with Section 135(1) of the Act, 2013.

Entry 4 of the schedule VII of the Act says "preserving natural resources, ecological balance, animal welfare, flora and fauna protection, agroforestry, environmental sustainability, and soil, air, and water quality, including funding the Central Government's Clean Ganga Fund for Ganga revitalization." This responsibility of the corporate is reflected under the environment protection Act, 1986.

II. CORPORATE ENVIRONMENT RESPONSIBILITY OF COSMECEUTICAL INDUSTRY:

It is scientifically proven that many products by the cosmeceutical industry are made with the several raw materials from the environment. Also, the products were made with composition of mercury, chromium, nickel, etc., which are highly dangerous to the humans.[11] In an investigation of Centre for Science and Environment, it was found that Mercury was found in 44% of the fairness creams tested, Chromium was found in 50% of lipsticks tested, Nickel was found in 43% of the lipsticks tested. Such high levels of heavy metals are unsafe for the human health. Yes, this paper is limited to the responsibility of corporates over the environment it is also a responsibility of me as an author to underline and to highlight the endangerment of public health as because several of us were unaware of these things which we have as a daily habit.

Let's have a look of the cosmeceutical industries which follows the CER along with their development. The Blossom Kochhar group of companies, 'aroma magic', as a natural beauty and wellness brand is sourcing all their ingredients in the Nature's treasure. Due to that they showcase their CER in planting of trees with the help of Give Me Trees Trust.[12] They also engaged with the schools to promote ecofriendly activities for the

[11] Toxic chemicals in cosmetics in India: need for better legislation, available at: https://chemycal.com/news/5381afd0-f02f-42ab-8b26- (last visited on September 25, 2026).

[12] Educate today, empower tomorrow, *available at:* https://aromamagic.com/pages/csr?srsltid=AU7gw4V4KABs- (last visited on September 26, 2026).

wellness of our planet. The one other industry I take up here is AL POL cosmetique were they implemented CSR in a way that they are sourcing bio-based ingredients for a cosmetic product. By complying the law of France, they have reduced carbon footprint since 2022. They have also implemented waste valorisation as they have conducted a comprehensive audit in the year of 2021 and currently 45% of waste is being recycled, and they were aiming to identify new recycling channels by 2028 to increase the recycle proportion rate.[13]

III. LAWS RELATED WITH ENVIRONMENTAL OBLIGATIONS:

There are several environmental regulations in India, for say, The Environmental Protection Act, 1986, an umbrella legislation for the environmental problems, the Water (prevention and control of pollution) Act, 1974, a legislation for the abatement of water pollution, the Air (prevention and Control of Pollution) Act, 1981, a legislation for the abatement of Air pollution. And from these Laws we have pollution control boards both in state and central to regulate the industries and establishments for their activities. It is well said law that every establishment or industry is necessary to get approval from the pollution control boards to establish it. Several other regulations for forest conservation, biological diversity, noise pollution, groundwater conservation, wildlife protection, etc., most of the laws impliedly highlighted the corporates responsibility over environment.

4. REGULATIONS WITH RESPECT TO COSMETICS AND ITS LEGAL GAP:

I. LEGISLATION ON COSMETICS IN INDIA:

In India, we have several regulations for cosmetics. Most important among them is the Drugs and Cosmetics Act, 1940, an act to regulate the import, manufacture, sale and distribution of drugs and cosmetics. This Act is a pre-constitutional Act which completely relied on import and manufacturing. We can see the provisions related with the drugs technical board, misbranded cosmetics, spurious cosmetics, adulterated cosmetics etc., but unfortunately the whole of the Act is mostly relied on drugs on all categories for human and animals as well. The Act has also the definition of Cosmetic refers to any substance that is meant to be rubbed,

[13] Our CSR approach, *available at:* https://alpol-cosmetique.com/en/our-commitments/ (last visited on September 26, 2026).

poured, sprinkled, sprayed, introduced into, or otherwise applied to the human body or any part of it in order to clean, beautify, promote attractiveness, or alter the appearance. This includes any substance that is meant to be used as a component of cosmetic.[14]

The Drugs and Cosmetics Act is also considered to be a punitive act which has penalty under section 27A of the Act for manufacture, sale, etc., of cosmetics in contravention of the Act.[15] The Act also enforced penalty under section 29, for using of any report of a test or analysis made by the Central Drugs Laboratory or by a Government Analyst, for the purpose of advertising any drug or cosmetic.[16]

With respect to the Drugs and Cosmetics act, we have the comprehensive rules regarding process for manufacturing the cosmetics in India.[17] India's national regulatory body in charge of regulating the import, registration, and safety of cosmetics is the Central Drugs Standard Control Organization (CDSCO). CDSCO, which operates under the Ministry of Health and Family Welfare, makes ensuring that cosmetics sold in India adhere to the Cosmetics Rules, 2020 and the Drugs and Cosmetics Act, 1940.

II. CASES RELATED WITH COSMETICS:

In the landmark case the high court has decided that the consumer has the fundamental right to know whether the products have vegetarian origin or non-vegetarian origin. The court has also directed the executive to exercise delegated legislative power in a particular manner. i.e., the court can review governmental action, and can issue appropriate directions within its jurisdiction, they cannot strictly order the government. The aggrieved party have appealed the order in the supreme court and the apex court has set aside the order of the high court as it has no jurisdiction to give direction to the said authorities beyond its jurisdiction under Article 226 of the Indian Constitution.[18]

[14] The Drugs and Cosmetics Act, 1940 (Act 23 of 1940), s. 3 (aaa).

[15] (i) any cosmetic deemed to be spurious under section 17D or adulterated under section 17E shall be punishable with imprisonment for a term which may extend to three years and with fine which shall not be less than fifty thousand rupees or three times the value of the cosmetics confiscated, whichever is more; (ii) any cosmetic other than a cosmetic referred to in clause (i) in contravention of any provisions of this Chapter or any rule made thereunder shall be punishable with imprisonment for a term which may extend to one year or with fine which may extend to twenty thousand rupees, or with both.

[16] Whoever uses any report of a test or analysis made by the Central Drugs Laboratory or by a Government Analyst, or any extract from such report, for the purpose of advertising any drug or cosmetic, shall be liable to penalty which may extend to one lakh rupees.

[17] The Drugs and Cosmetics Rules, 1945.

[18] Indian Soaps & Toiletries Makers Assn v. Ozair Husain & Ors, AIR 2013 SC 1834.

One other case decided in the National Green Tribunal (NGT), as to presence of micro beads and micro plastics in the cosmetics and personal care products which is imported and sale. The microbeads and micro plastics released from cosmetics and personal care products are exfoliating in the waste water and they were mixed in all the water resources which can cause severe harm to the human health. In this purview the tribunal directed the Central Government to test and analyse the ingredients.[19]

5. CONCLUSION AND SUGGESTIONS:

However, all of us know about the actual significance of environment and sustainable development we failed to focus on it. The ultimate ambition of sustainability is to save for the future and save the future. Basic education of environment, science and its development should be made in all levels of education. That is why the first unit of this paper focused on the pivotal principle for the protection of environment. Responsibility of the corporate are much rather we think CSR. Because they were also a backbone of our Nation, world as well. CSR is intertwined with CER as well. In the real time, yes, the companies were focusing on the societal concerns and the environment. But the compliance should be even more effective than it is now. Many cosmeceutical companies failed to showcase their responsibilities in all the aspects. And the strict compliance can only be made through effective laws.

As we have seen earlier, so far, the effective law in India with respect to cosmetics is the drugs and cosmetics Act,1940. As a pre-constitutional law, it has the provision regarding the compliance of the rules. We even don't have much cosmetics related case study. This is not because it's just not a problematic, we need to understand that there is lack of awareness on this area. But it could have been convenient to have the specific special law relating to cosmetics and its manufacturing and importing. Because, we can see there were several cosmetics manufacturing companies are being increased year by year. It may result in the lack of resources in the fore coming generations. As the companies relies on the naturally available resources. The chemical which is used by them for the process of making the products are drastically harming the natural environment and the public health.

[19] Microbeads get banned internationally, *available at:* https://timesofindia.indiatimes.com/life-style/beauty/microbeads-get-banned-internationally/articleshow/62445157.cms (last visited on September 26, 2026).

The expected legislation should be of limiting the establishment of newly emerging cosmeceutical companies. It could be better if it limits the development of new products in the same genre with different ingredients, as we the human are rich in beauty by birth and by nature. Beautifying ourself is not a dispute, here beauty products and our health and our environment is getting disputed. Everyone should realise the earnings we generate now should be enjoyed by our future generations. So, everything should adhere with the limit and should be regulated. We have to keep in mind that if we disturbed the environment, it will disturb us.

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