

*A Special Report:*

## CORPORATE RESPONSE TOWARDS GREENER ENVIRONMENT

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**G**rasim Industries, the Aditya Birla group company, has become the first cement company in the world to reimburse the carbon credits it earned through the replacement of fossil fuels like coal with alternative fuels like waste in cement manufacturing. The company has received Rs. 17 crore by selling credits in Europe. The company set up a processing plant for municipal solid waste near Jaipur with an agreement with Municipal Corporation for regular supply of waste. Carbon credits are a concept that finds its origin in the Kyoto Protocol. Under its terms, limits are imposed on countries in terms of greenhouse gases it generates. In turn countries impose limits on businesses. If a company then exceeds the cap, it will have to pay carbon credits from companies in countries that have managed to reduce emissions and stay below the prescribed norms. Cement industry, worldwide, generates 2.2 billion tones of carbon dioxide per annum, which is 5% of all global emissions. In India cement plants, with an installed capacity of 160 million tonnes, emit an estimated 0.83 tonnes of carbon dioxide per ton of finished product. (Singh, 2007) Carbon credits are a tradable permit scheme that provides a way to reduce greenhouse gas emissions by giving them a monetary value. A credit gives the owner the right to emit one tonne of carbon dioxide.

As a specialized branch of marketing, green marketing deals with marketing of a specific category of products, namely the green products, which can comprise of both the green goods (such as fuel-efficient cars) and green ideas (such as bio-fuels). Marketing has been defined as, "All activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants". It includes the protection of the natural environment, by attempting to minimize the detrimental impact this

exchange has on the environment. Green marketing looks at how marketing activities utilize these limited resources, while satisfying consumer wants, both of individuals and industry, as well as achieving the organization's objectives.

As a philosophy, the concept of green marketing runs parallel to the societal marketing concept which holds the view that satisfying customers is not enough and business firms should serve interests of society at large including those related to environment protection and conservation. While societal marketing concept is a much broader concept and addresses environmental as well as social and ethical considerations of a business unit, green marketing in a philosophical sense can be conceived as being part of it. Based on the greenness span of a firm's business and marketing operations, green marketing can be classified as product related, process related or corporate related green marketing. While product-related green marketing pertains to marketing of products which have eco-friendly attributes (such as product is fuel-efficient in its use or product is biodegradable or recyclable) process-related green marketing has its focus upon marketing of products which have been made using eco-friendly production process (such as product made from recycled raw materials or fuel efficient production process used in manufacturing the product). Corporate-related green marketing, on the other hand, is much broader concept and impress upon the idea that the entire organization rather than only one product or production process is geared to preservation of environment.

HSBC has a tie-up with 'Earthwatch', an organization which supports various environmental projects. HSBC sends its employees to participate in a project of their choice for a period of three weeks for a lifetime experience and commitment

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