

ABSTRACT

Triple Bottom Line Reporting System as a Tool to achieve Good Corporate Governance: A study of Indian Practices.

There is much greater awareness and activism of stakeholders for better and more transparent direction and management of their companies, an increasing demand for greater accountability in the face of a series of corporate failures. There are pressures on the regulators to provide a meaningful protective environment to safeguard the interests of stakeholders, and of course, a wider recognition on the part of company managements themselves, of the need to become competitive and attractive in terms of ability to globally access capital and compete in business. Management has to now deal with the entire globe and in this globalized era “stakeholders” now include the whole world. When investments take place across national borders, the investors want to be sure that not only is their capital handled effectively and adds to the creation of wealth, but the business decisions are also taken in a manner which is not illegal or involving moral hazard. A **good corporate governance practice** is needed and a company has to adopt it to be and remain in a strategically competitive position. The term ‘**triple bottom line**’ is used as a framework for measuring and reporting corporate performance against economic, social and environmental parameters. At its broadest, the term is used to capture the whole set of values, issues and processes that companies must address in order to minimize any

harm resulting from their activities and to create economic, social and environmental value. (GRI report, 2002)

Objective of the study

To study whether the use of Triple Bottom Line Reporting results in a better corporate governance practice.

Methodology:

Cases of some of the Indian manufacturing companies are taken who have successfully implemented this reporting system and are examples of good corporate governance practice.

Some of the cases of companies like Aditya Birla group of Companies, India Tobacco Company, WIPRO, Infosys and Mahindra and Mahindra , Sahara India Ltd are taken. Secondary data mainly literature review of studies done on it is also used to arrive at a conclusion along with the analysis of the cases of Indian Manufacturing companies.

Conclusion:

I have come to the conclusion that a proper reporting is essential for full and fair disclosure of overall information to the stakeholders and that it forms a part of good

corporate governance. Triple Bottom Line Reporting is an essential tool of achieving better corporate governance practice and thus better stakeholder satisfaction.