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With this thought, we hereby present to you

W H I T E   B L A C K  
L E G A L

# **CORPORATE ACCOUNTABILITY FOR VIOLATION OF HUMAN RIGHTS**

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## **Abstract**

Human rights are inherent to all individuals, transcending any bestowed authority. The onus falls upon states to ensure the protection of these rights, whether the violation occurs through direct actions or indirect means. It is imperative for us, as individuals, to vocally oppose any transgression, regardless of whether it originates from a singular actor or a corporate entity. Yet, when confronting corporate wrongdoings, we confront a distinct challenge. We must navigate specific legal frameworks to hold them accountable for their actions. In this article, we shall embark on a thorough examination of these complexities, delving into key legal principles to elucidate how corporations can be held liable for infringing upon human rights.

**Keywords:** corporate accountability, human rights, responsibility

## **1. CORPORATIONS AND HUMAN RIGHTS**

In recent decades, there has been a notable shift in approaches to safeguarding human rights, with a growing focus among global stakeholders on scrutinizing the actions of business entities, especially multinational corporations, rather than solely concentrating on government abuses as previously done.<sup>1</sup> There is no specific definition as to what exactly is corporate accountability. The term -accountability would literally mean the process of giving an account for an incident. It can broadly include, -responsibility, disclosure, and legitimacy.

However, according to the Business Dictionary, it can be referred as -responsibility of an

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<sup>1</sup> Steven R. Ratner, Corporations and Human Rights: A theory of Legal Responsibility, 111 YALE LAW JOURNAL 443, 446, (2001).

organization to answer to its stakeholders, who may include customers, the local community, shareholders, employees, suppliers, and even the country in which the firm operates. In essence, it encompasses the capacity of those impacted by a corporation to hold it answerable for its activities.<sup>2</sup>

Since the early 1970s, there have been numerous attempts to create internationally enforceable mechanisms aimed at dealing with human rights abuses by corporations. However, legal recourse against corporations has primarily been confined to tort or criminal courts, with human rights courts largely playing a minimal role in addressing corporate violations of human rights.<sup>3</sup>

Empirical data suggests that corporations, sometimes in collaboration with governments, engage in numerous human rights violations. These violations encompass various forms, including practices resembling slave labor<sup>4</sup>, cultural genocide, ethnic discrimination, and disregard for environmental rights (e.g., the Texaco case in Ecuador). Instances also involve conspiracies which are even leading to the murder of activists, as well as incidents of murder, extrajudicial killings, unlawful detentions, and torture (e.g., the Coca-Cola case in Colombia). Additionally, corporations have been implicated in environmental disasters and negligence regarding workplace safety regulations<sup>5</sup>.

An increasing number of instances where corporations violate human rights are coming to light—not because these violations were absent previously, but due to a heightened interest and dedication to uncovering corporate misconduct<sup>6</sup>. Companies wield significant influence over both individuals' lives and the environments they inhabit. While their impact can be beneficial through job creation, technological advancements, and community investments, there are instances where corporations

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<sup>2</sup> Kanchan Lata Tripathi, *Corporate Accountability: A Review*, 3 SSRG – IJEMS 28, 28, (2016).

<sup>3</sup> Stefanie Khoury, *Corporate (Non-) Accountability and Human Rights*, 46 AJSS 503, 503 (2018).

<sup>4</sup> *Doe v. Unocal*, 395 F.3d 932 (9th Cir. 2002). Where, Unocal, a US oil company, partnered with the Burmese military to build a gas pipeline, despite knowing about human rights abuses. The military forced villagers to work for the project, committing atrocities like rape and murder. Unocal settled a compensation lawsuit in 2005, marking the first such case against a multinational corporation.

<sup>5</sup> *Union Carbide Corporation v. Union of India*, 1990 AIR 273. The Bhopal Gas Tragedy involved a catastrophic gas leak from a Union Carbide pesticide plant in Bhopal, India, resulting in thousands of immediate deaths and widespread health issues for survivors. Legal proceedings ensued, with Union Carbide settling with the Indian government in 1989 for \$470 million, criticized for its inadequacy, and granting immunity from further prosecution. In 2010, eight former Union Carbide officials were convicted in India on charges of negligence, while CEO Warren Anderson avoided trial due to his passing. The tragedy remains a stark reminder of corporate negligence, governmental oversight failures, and the quest for justice for victims.

<sup>6</sup> Stefanie Khoury, *Corporate (Non-) Accountability and Human Rights*, 46 AJSS 503, 505 (2018).



exploit tax regulations, resulting in severe consequences for people and communities. Unfortunately, there are insufficient mechanisms, both domestically and internationally, to effectively prevent corporate human rights abuses or hold companies accountable for their actions.<sup>7</sup>

## **2. CORPORATE RESPONSIBILITY UNDER THE INTERNATIONAL HUMAN**

### **RIGHT LAWS**

Contemporary corporations operate globally, engaging often in the extensive cross-border investments in collaboration with sovereign governments. Historically, international law has primarily protected states, considering them the only subjects with legal personality capable of rights and duties under international law. This principle has meant that international agreements do not directly create obligations for private individuals or non-state entities.<sup>8</sup> However, post-World War II, non-state actors such as international organizations and individuals gained recognition, allowing them to seek remedies under international human rights law, including holding their own states accountable.<sup>9</sup>

The focus of international law has expanded beyond individuals to encompass non-state entities, particularly transnational corporations. This shift occurred as corporations increasingly faced lawsuits alleging violations of customary international law, often on the grounds of aiding and abetting governments in committing humanitarian atrocities.<sup>10</sup> There are various other conventions which are related to the corporations and human rights, these include,

- Organisation for Economic Co-Operation and development (OECD) Guidelines for Multinational Enterprises,<sup>11</sup> 1976;
- International Labour Organization (ILO) Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy,<sup>12</sup> 1977

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<sup>7</sup> Kanchan Lata Tripathi, Corporate Accountability: A Review, 3 SSRG – IJEMS 28, 29, (2016).

<sup>8</sup> Julian G. Ku, The Limits of Corporate Rights Under International Law, 12 Chi.J.Int'l L. 729, 733 (2012)

<sup>9</sup> These include transnational corporations, business entities, private voluntary groups such as churches, labour unions, human rights group, World Bank, IMF, and WTO.

<sup>10</sup> Julian G. Ku, The Limited of Corporate Rights Under International Law, 12 Chi.J.Int'l L. 729, 735 (2012)

<sup>11</sup> OECD, 'Guidelines for Multinational Enterprises' OECD Doc.C(76)99(1976).

<sup>12</sup> ILO, Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy 240th Sess., O.B.Vol.LXI, Series A, No.1, ILO.Doc.28197701 (1978).

Additionally, the United Nations initiated various reports on the responsibilities of corporations under international law<sup>13</sup>. Nevertheless, these instruments are not legally binding treaties but are regarded as 'soft law', representing international norms that do not enforce binding legal obligations.

In June 2011, the UNHRC has endorsed the –Guiding Principles on Business and Human Rights, which are proposed by Professor John Ruggie, the Special Representative of the United Nations Secretary-General<sup>14</sup>. This endorsement solidified the Guiding Principles as the accepted global benchmark for the conduct expected from both states and businesses concerning business operations and human rights. On June 25, 2014, the UNHRC adopted a resolution to create a legally binding treaty that holds Transnational Corporations accountable for human rights violations. However, there is a debate over whether these proposed treaties enhance the current guiding principles framework or if they are merely redundant and lacking in substance.<sup>15</sup>

### **Applicability of Conventions to the Corporations:**

For the purpose of establishing the accountability to the corporations for violating the human rights, Susanne Prochazka has adopted two interpretations of legal principles. She has demonstrated two approaches. The first approach involves the application of the Universal Declaration of Human Rights (UDHR) and international law provisions to hold multinational corporation accountable for the actions. The second interpretation challenges the notion that corporations lack human rights obligations by asserting that they are subjects of international law, thus possessing rights and duties.

From the analysis it can be demonstrated that, through the first approach, even though the UDHR imposes obligations upon the corporations to respect the human rights, due to lack of any precedents they are not considered as binding. Although numerous scholars advocate for considering the UDHR

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<sup>13</sup> UN Sub-Commission on the Promotion and Protection of Human Rights, Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights, UN Doc E/CN.4/Sub.2/2003/12/Rev.12 (2003); UN Human Rights Council, Special Representative of the Secretary General on the Issue of Human Rights and Transnational Corporations and Other Business Enterprises, Promotion of All Human Rights, Civil, Political, Economic, Social and Cultural Rights, Including the Right to Development, UN Doc A/HRC/11/13 (2009).

<sup>14</sup> United Nations Commission on Human Rights, Guiding Principles to the Corporate Responsibility to Respect Human Rights, 2011.

<sup>15</sup> Susanne Prochazka, Did You Ever Expect a Corporation to Have a Conscience?: Human Rights Obligations of Transnational Corporations, 2(1) QMHRR 84, 88, (2015), <https://www.qmul.ac.uk/law/humanrights/media/humanrights/news/hrlr/2015/Prochazka-2015-2-QMHRR-84.pdf>.

as legally binding, neither states nor have international or domestic courts recognized it as such. Thus, it becomes imperative to devise a system that addresses the challenge of establishing a legal connection between TNCs and individuals.<sup>16</sup>

With respect to the second approach, utilizing the framework of –respect, protect, and fulfill to analyse two prevalent corporate human rights violations (which are the violations of right to life and right to free from slavery) illustrates how corporations can significantly affect human rights within their areas of operation. Consequently, by reconceptualising international law to recognize corporations as subjects of international law, it becomes evident that human rights responsibilities can be legally imposed on corporations.<sup>17</sup>

### **3. ACCOUNTABILITY UNDER DOMESTIC LAW: INDIAN PERSPECTIVE**

–Corporate law in India is regulated in the Union Level through the Ministry of Corporate Affairs (MCA). The MCA has the authority to investigate and penalize companies for any non-compliance of its regulations; the most relevant in this regard is the Companies Act<sup>18</sup>, 2013. India has ratified various international human rights conventions such as UDHR<sup>19</sup>, International Convention on elimination of all forms of racial discrimination<sup>20</sup>, International Covenant on Economic, Social and Cultural Rights<sup>21</sup>, and Convention on the elimination of all forms of discrimination against women<sup>22</sup>. In addition, to this Indian Constitution also grants fundamental rights to all citizens.<sup>23</sup> This includes: a) Right to equality before law; b) Right to freedom of speech & expression; and c) Right to Life<sup>24</sup>

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<sup>16</sup> Id. At 15.

<sup>17</sup> Susanne Prochazka, Did You Ever Expect a Corporation to Have a Conscience?: Human Rights Obligations of Transnational Corporations, 2(1) QMHRR 84, 107, (2015), <https://www.qmul.ac.uk/law/humanrights/media/humanrights/news/hrlr/2015/Prochazka-2015-2-QMHRR-84.pdf>, See the article for the analysis made by the author Susanne Prochazka, in which she reached the above specified conclusion.

<sup>18</sup> Companies Act, 2013, No. 18, Acts of Parliament, 2013 (India).

<sup>19</sup> Universal Declaration of Human Rights, G.A. Res. 217A (III), U.N. Doc. A/810, at 71 (1948).

<sup>20</sup> Convention on the Elimination of All Forms of Racial Discrimination, Dec. 21, 1965, 660 U.N.T.S. 195.

<sup>21</sup> International Covenant on Economic, Social and Cultural Rights, Dec. 16, 1966, 993 U.N.T.S. 3.

<sup>22</sup> Convention on the Elimination of All Forms of Discrimination Against Women, Dec. 18, 1979, 1249 U.N.T.S. 13.

<sup>23</sup> Cividep-India, <https://cividep.org/wp-content/uploads/2012/02/10-Corporate-Accountability-in-India%E2%80%93Cividep201232.pdf>, last visited 29/02/2024.

<sup>24</sup> See Article 14, 19, and 21 of the Indian Constitution.

In general the fundamental rights enshrined in the Constitution are enforceable against the State only. Because of it, Government Companies is liable in case if they violate the fundamental rights. With respect to the private limited companies, the following legislations and acts shall also be considered: Protection of Human Rights Act, 1993<sup>25</sup>; Consumer Protection Act, 1986<sup>26</sup>; Special Economic Zones Act, 2005<sup>27</sup>; Labour legislations; and Environmental Protection laws.

Once, a corporation is incorporated under the Companies Act of 2013<sup>28</sup>, the company acquires several characters out of which is the separate legal personality and is therefore will account to legal actions initiated against it. The concept of the veil of incorporation separates a corporation from its shareholders and directors, shielding them from personal liability for the company's actions. However, this veil can impact corporate accountability, as the company's business often serves the interests of specific individuals. In certain cases, courts may disregard the corporate entity and –pierce the corporate veilll to ensure justice. This occurs when the company is a facade, engages in economic offenses, or seeks to evade regulations. Additionally, the veil can be lifted to prevent fraud, misconduct, or tax evasion. In India, there are no statutory requirements for companies to uphold human rights, but companies should operate lawfully and ethically.

While companies are subject to accountability under labor and environmental protection legislation, there are no mandates for reporting their social and environmental impacts. Additionally, there is no obligation for companies to assess the human rights implications of their subsidiaries.

In the case of *Consumer Education and Research Centre v Union of India*<sup>29</sup>, the Supreme Court asserted its authority to issue directives to employers, whether governmental entities, state undertakings, or private employers, to safeguard the right to life, prevent workplace pollution, and ensure the protection of the environment and workers' health. The court emphasized that its directives under Articles 32 and 142 of the Constitution must be followed by authorities, private individuals, or industries. Furthermore, the court stated that monetary compensation can be sought for violations

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<sup>25</sup> Protection of Human Rights Act, 1993, No. 10, Acts of Parliament, 1993 (India).

<sup>26</sup> Consumer Protection Act, 1986, No. 68, Acts of Parliament, 1986 (India).

<sup>27</sup> Special Economic Zones Act, 2005, No. 28, Acts of Parliament, 2005 (India).

<sup>28</sup> Companies Act, 2013, No. 18, Acts of Parliament, 2013 (India).

<sup>29</sup> Consumer Education and Research Centre v. Union of India, (1984) 3 SCC 161.

committed by the state, its servants, instrumentalities, companies, or individuals in the purported exercise of their powers.

In the case of *Bodhisattva Gautam v Subhra Chakraborty*<sup>30</sup>, the Supreme Court granted interim compensation to a rape victim, emphasizing that private individuals and entities, including corporations, have a duty to uphold the fundamental rights granted by the Indian Constitution. Additionally, the Civil Procedure Code<sup>31</sup> permits representative suits to be filed on behalf of a group of victims against transnational corporations for violations of statutory rights under any law.

However, there remain several areas where India could enhance corporate accountability for human rights. Some Directive Principles of State Policy outlined in the Indian Constitution could be elevated to Fundamental Rights status, ensuring their enforceability in Indian courts.

These directives could also be translated into legislation, outlining clear rights for individuals against both state and private entities. Given that the majority of human rights violations are labor-related, India should strengthen protections for workers under its various labor laws. Furthermore, environmental laws in India should impose stricter penalties for violations. The Air (Prevention and Control of Pollution) Act, 1981<sup>32</sup>, and the Water (Prevention and Control of Pollution) Act, 1974<sup>33</sup>, currently have penalties that are deemed insufficient. Permits and licenses required under environmental laws must be rigorously enforced to prevent environmental degradation caused by corporate activities.<sup>34</sup> In summary, it is argued that with stronger enforcement of laws and regulations, disasters like Bhopal can be avoided, provided the Indian government upholds its duty to respect, protect, and promote the human rights of its citizens. Let's delve into the ways through which one can raise the issue of human right violations in India by corporations.

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<sup>30</sup> *Bodhisattva Gautam v. Shubhra Chakravarthy*, 1996 AIR 922.

<sup>31</sup> Code of Civil Procedure, 1908, No. 5, Acts of Parliament, 1908 (India).

<sup>32</sup> Air (Prevention and Control of Pollution) Act, 1981, No. 14, Acts of Parliament, 1986 (India).

<sup>33</sup> Water (Prevention and Control of Pollution) Act, 1974, No. 44, Acts of Parliament, 1986 (India).

<sup>34</sup> Ratna Kapur, *From Human Tragedy to Human Rights: Multinational Corporate Accountability for Human Rights Violations*, 10:1, BCTWLJ 1, 4, 1990.

### **Action in Tort Law:**

Prior to the Bhopal case<sup>35</sup>, Indian tort law had not encountered the complexities presented by large-scale disasters. The development of tort law in India had been hindered to the extent that it struggled to handle even typical tort situations, let alone mass disasters. The Indian law system, was developed from the British Colonial rule. Therefore, it is mostly structured to serve the interests of the rulers and is much considerate upon the population.

There have been minimal doctrinal advancements in tort law. Since its establishment in 1950, the Supreme Court has addressed only a few tort cases. From 1914 to 1965, only 132 negligence cases were reported in the All India Reports<sup>36</sup>. These instances predominantly addressed injuries not associated with industrial processes, hazardous chemicals, or intricate technology. Following independence, the few tort cases mainly revolved around traffic accidents under the Motor Vehicles Act. These cases typically entailed private risks between two parties, with identifiable impacts of the activity and measurable damages. However, they are inadequate analogies or precedents for addressing potential injuries stemming from new technology, which often lead to widespread harm that is challenging to promptly assess and quantify in terms of damages. As a result, tort law in India is not sufficiently developed to effectively address the technological or scientific hazards and provide a definitive remedy.<sup>37</sup> These shortcomings should not allow multinational corporations to evade their liabilities, particularly when they involve the violation of human rights, such as the right to life.

### **Action by State:**

Human rights have traditionally been enforceable solely against the state. In India, the state action doctrine has evolved, leading to activities being subjected to constitutional constraints. India, being heavily regulated, has witnessed its courts successfully restraining government arbitrariness. This has been aided by the Supreme Court's unique writ jurisdiction under Article 32 of the Indian Constitution, which enables parties to directly contest laws or administrative decisions that violate fundamental rights. This jurisdiction, known for its quick and cost-effective nature, is often utilized.

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<sup>35</sup> Union Carbide Corporation v. Union of India, 1990 AIR 273.

<sup>36</sup> Ramamoorthy, Difficulties of Tort Litigants in India, 12 J. IND. L. INST. At 320 (1970).

<sup>37</sup> Ratna Kapur, From Human Tragedy to Human Rights: Multinational Corporate Accountability for Human Rights Violations, 10:1, BCTWLJ 1, 4, 1990.

The expansion of the state action doctrine in India has been achieved through the interpretation of Article 12<sup>38</sup> of the Constitution.

In the *Rajasthan State Electricity Board Jaipur v. Mohan Lal*<sup>39</sup> case, the Supreme Court held that bodies like the Rajasthan Electricity Board constituted –other authorities‖ under Article 12, encompassing all constitutional and statutory bodies with legally conferred powers. Justice Mathew in *Sukhdev Singh v. Bhagatram*<sup>40</sup> elaborated on this, stating that public corporations are agents of the state and subject to constitutional limitations if created by the state and empowered to infringe upon individual rights.

Justice Bhagwati in *Ramana D. Shetty v. International Airport Authority*<sup>41</sup> further developed criteria for determining state action, emphasizing that a corporation’s operation could be characterized as state action if it exhibited a combination of state control, financial support, and influence over management and policies. The court stressed that government functions should not be confined to traditional notions, recognizing that institutions engaged in matters of significant public interest or performing public functions are essentially government agencies. This doctrinal approach was reaffirmed in *Ajay Rasia v. Khalid Mujib Sehravardi*<sup>42</sup>.

### **The Shriram Case:**

The culmination of doctrinal developments occurred in the case of *M.C. Mehta v. Union of India*<sup>43</sup>, commonly known as the Shriram decision. In this case, the Indian Supreme Court addressed the scope of Articles 21 and 32 of the Indian Constitution in the context of determining the liability of large enterprises manufacturing hazardous products and assessing damages. In the traditional sense, human rights have typically been applicable only in cases involving the state. However, in India, there has been an expansion of the state action doctrine, resulting in activities being subject to constitutional constraints. With India being heavily regulated, its courts have been effective in curbing arbitrary actions by the government. This has been facilitated by the unique writ jurisdiction under Article 32

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<sup>38</sup> INDIA CONST. art. 12.

<sup>39</sup> Rajasthan State Electricity Board Jaipur v. Mohan Lal, AIR 1967 SC 25.

<sup>40</sup> Sukhdev Singh v. Bhagatram, Appeal 992 of 2002.

<sup>41</sup> Ramana D. Shetty v. International Airport Authority, 1979 AIR 1628.

<sup>42</sup> Ajay Rasia v. Khalid Mujib Sehravardi, (1991) 1 SCC 722.

<sup>43</sup> M.C. Mehta v. Union of India, 1981 AIR SC 1086.

of the Indian Constitution, allowing parties to directly challenge laws or administrative decisions that infringe upon fundamental rights. This jurisdiction, known for its prompt and cost-effective nature, sees frequent utilization.

The Supreme Court then examined whether the defendant, a private entity, fell under the purview of Article 12. The discussion centered on the government's policy, which deemed the production of chemicals and fertilizers as being of significant public interest. Although private companies were permitted to support governmental initiatives, the government retained operational oversight over activities that could endanger public welfare, despite not directly managing the internal policies of the defendant corporation. The court determined that the defendant, involved in producing a chemical deemed crucial to public welfare and posing life-threatening risks, could potentially violate the population's right to life. The Court emphasized that *not only the state's economic activities but also those of private corporations under functional state control, engaged in hazardous activities with public interest implications, should be subject to fundamental rights limitations*. While it did not definitively decide the matter, the Court suggested that private corporations under state functional control could be subject to similar limitations.

By expanding the scope of Articles 12 and 21 of the Indian Constitution, the Supreme Court aimed to instill respect for human rights within corporate structures. Universalizing these principles would establish a consistent standard for the conduct of multinational corporations, particularly in developing countries, and address the challenges faced by courts in managing mass disaster situations.

#### **Remedies Available in India Law:**

Until recently, the Indian Supreme Court did not typically consider damage awards in its original jurisdiction. Historically, damages were not granted against the state for violating fundamental rights due to the nature of writ remedies, which do not typically involve monetary compensation. The Supreme Court has undertaken measures to expand the range of available remedies within its original jurisdiction. In recent instances related to enforcing Article 21<sup>44</sup> of the Indian Constitution, the Court has implicitly acknowledged its significant position within the Constitution and the necessity to devise remedies that correspond with the evolving interpretation of the article. The Court sought to

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<sup>44</sup> INDIA CONST. art. 21.



introduce compensatory measures to adequately safeguard an individual's fundamental rights to life and liberty and discourage violations by both the state and other influential entities.<sup>45</sup>

Recognizing the lack of adequate civil remedies directly addressing constitutional rights violations, the Court introduced compensation through its original jurisdiction. This highlighted the importance and value of the violated right, as well as the responsibility of the party responsible for the violation.<sup>46</sup> As Chief Justice Chandrachud stated in *Rudal Shah*<sup>47</sup>, denying compensation would undermine the significant content of Article 21<sup>48</sup>, which guarantees the right to life and liberty. Therefore, the Court's power to grant relief should not be limited to releasing individuals from illegal detention, but also include compensatory measures. Chandrachud suggested that preventing the violation of the right and complying with Article 21 could be achieved by directing violators to provide monetary compensation.<sup>49</sup> However, it wasn't until the *Shriram* case<sup>50</sup> that the Indian Supreme Court introduced a remedy fully aligned with the value and content of the right at stake. The Court recognized the necessity to offer more than just a temporary solution to victims of powerful entities capable of disregarding basic human rights. The *Shriram* case proposed punitive damages based on the defendant's financial capacity, emphasizing the importance of restoring the right to life as paramount among human rights.<sup>51</sup>

The Court acknowledged the significant value of the violated right and deemed traditional forms of damages insufficient for addressing human rights violations. Instead, it advocated for damages with a deterrent effect, correlated to the defendant's financial strength emphasizing the need for punitive damages to deter violations and underscore the value of the infringed right.<sup>52</sup>

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<sup>45</sup> *Rudal Shah v. State of Bihar*, 1983 AIR SC 1086.

<sup>46</sup> Ratna Kapur, *From Human Tragedy to Human Rights: Multinational Corporate Accountability for Human Rights Violations*, 10:1, BCTWLJ 1, 4, 1990.

<sup>47</sup> *Rudal Shah v. State of Bihar*, 1983 AIR SC 1086.

<sup>48</sup> INDIA CONST. art. 21.

<sup>49</sup> *Sebastian Hongary v. Union of India*, 1984 AIR SC 1026; *Anna Appa Sutar v. State of Maharashtra*, 1986 MAH. L.J. 851.

<sup>50</sup> *M.C. Mehta v. Union of India*, 1981 AIR SC 1086.

<sup>51</sup> Ratna Kapur, *From Human Tragedy to Human Rights: Multinational Corporate Accountability for Human Rights Violations*, 10:1, BCTWLJ 1, 4, 1990.

<sup>52</sup> *Id.* at 52.

## CONCLUSION

The multinational corporation, with its amassed power and influence, now possesses the capability to cause substantial harm comparable to, if not surpassing, that of nation-states. However, there is currently no effective mechanism in place to restrain its potential to violate fundamental human rights. The refusal to impose human rights obligations on these entities has been demonstrated to be unacceptable and lacking in justification. Multinational corporations must be held responsible for their blatant disregard for the sanctity of life in developing nations. They should not be allowed to transfer harm to other countries and reap full profits from their ventures without bearing equal liability for the resulting damage. Human rights law has the potential to address the current shortcomings in the legal framework by providing a unified and acceptable set of rules for all involved parties. In the context of multinational corporations (MNCs) engaged in highly hazardous activities, it is crucial to acknowledge and uphold the true essence and significance of the right to life, without allowing it to be fragmented by varying value systems. Regardless of wealth or poverty, the intrinsic value of this right must not be overshadowed. If life's existence or significance were solely judged by external standards, it would weaken human rights overall and undercut the fundamental principle of the right to life. The Universal Declaration of Human Rights emerged from a global community seeking unity and cohesion, reflecting the acknowledgment of the interconnectedness of nations. In the realm of human rights, the judiciary should embrace the essence of this sentiment and avoid adhering to narrow, limited definitions. Particularly in cross-border scenarios, the interpretation of human rights must be expansive enough to accommodate diverse value systems.

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