Preface

The discipline of Risk Management has been in vogue since time immemorial. The earliest practice of this concept of Risk Management can be traced back to prehistoric humans, who lived in caves to save them from the risk of attack from animals.

Risk Management has come of age since then. It is now widely practiced world over and it has found its applicability in various streams. Rather we can say that Risk Management is universal and its concept is applicable in every field that we can visualize.

In western countries Risk Management is an important area which has attracted the attention of Government, business houses, Scientists, Individuals in forecasting the imminent risk in undertaking any project/work and taking suitable precautions to avoid or minimize the adverse impact of risk.

However in India though the importance of Risk Management has been recognized but no concrete step has been taken to establish it as integral part of activity so that risks may be perceived in advance and suitable measures be taken to avoid it.

Risk is omnipresent in all activities we undertake. The only difference being the ability of the person to perceive the risk and manage it effectively.

The study shall find out how far this concept has been implemented in the Indian Industries, hindrances in application, and what would be the benefit of application of risk management measures. Insurance companies in India pay insurance claim for more than 3500 crores each year. This figure does not include amount of consequential loss from stoppage of business which would aggregate to a sizeable
amount. Again this does not include losses which are not insured and borne by the companies/insured themselves.

If risk management is implemented in India properly thousands of crores may be saved and this money may be utilized for the further development of the business.

Besides industries this concept is equally applicable to government. Every year there is huge loss of life and property due to natural disasters and terrorism. If the government takes adequate risk management measures in time, many life as well as property worth thousands of crores may be saved. The only need is to identify the hazards in advance and make a sustained effort with the help of well planned strategy to fight the menace.

Incidentally, the year 2008 has been regarded as the year of Industrial Safety and Health in India. Also the government has ratified ILO convention No.174, Geneva concerning prevention of major industrial accidents on 6th June 2008. The purpose of the convention is to prevent major accidents in factories and industrial establishments involving hazardous substances and limiting the consequences of such accidents. This convention will go a long way in prevention of industrial accidents in India.

This research work shall take into account all the factors mentioned above and try to establish a road map for the industries and the government.

\[\text{Rakesh Agarwala}\]

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