

# Promoting Ethical Business Behaviour Role of Indian CSOs and National Guidelines on Responsible Business

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# **Promoting Ethical Business Behaviour:**

## Role of Indian CSOs and National Guidelines on Responsible Business

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# April 2024

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## **Executive Summary**

Businesses has always played a great role in development of the socio-economic dimensions of any society. In India, formulation of policies and guidelines to ensure ethical business has gone through many changes and amendments. Promotion of ethical business behavior in various sectors has gained a notable recognition in India in the recent years. Rapid globalization made a road in making the world interconnected, where businesses require perspectives of global understanding.

Information dissemination on the NVGs and NGRBC issued by the Ministry of Corporate Affairs, India. How collective efforts of CSOs, Government and the Corporates itself can support each other in implementation and enforcement of these guidelines is briefed.

This article/study explores the crucial role of Corporate Social Responsibility within businesses, emphasizing the need to the contribution to development of society and community at large while maximizing profits.

This secondary research aims to: Assess the role of CSOs in promoting ethical business in the corporate sector, influence policy development, to examine the current state of ethical business behavior in context of the national guidelines, to identify case studies on bad and best practices, formulating recommendations for CSOs, Corporates, Government and relevant stakeholders to strengthen the collaboration between them and working towards a positive and a sustainable future for next generations through commitment and shared goals to ethical principles.

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Harsh Jaitli Chief Executive Officer - VANI

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#### **ACRONYMS**

**CSR** – Corporate Social Responsibility

**CSOs** – Civil Society Organizations

**NVGs** – National Voluntary Guidelines

**ONGC** – Oil and Natural Gas Corporation

**SBI** – State Bank of India

**SAIL** – Steel Authority of India Limited

**PSUs** – Public Sector Undertakings

NGRBC - National Guidelines on Responsible Business Conduct

MCA – Ministry of Corporate Affairs

**NGOs** – Non Government Organizations

**ESG** – Environmental, Social and Governance

**BRR** – Banking Regulatory report

FinTech – Financial Technology

#### Introduction

Ethics is a study of judging right and wrong perception. 'Ethics' is derived from the Greek word "ethos" which means a person's fundamental orientation toward life. Ethics may be defined as a theory of morality which attempts to systematize moral judgements<sup>1</sup>. Business ethics can be defined as application of "Ethics" in business. It is the analysis of business situations, activities, and decisions where issues of right and wrong are addressed. The term business ethics is grabbing a lot of attention in recent times globally. Ethical considerations are very important in every occupation and field of work.

Recently much attention is being directed towards emerging economies, and in particular the BRICs countries (Brazil, Russia, India and China) the four largest developing markets in the world<sup>2</sup>. Being one of the largest country in the world India is religiously, socially, culturally heterogeneous by nature and hence understanding about the vast existing businesses and their dynamics is complex. Ethical business behavior involves adhering to high standards of integrity, honesty, transparency and accountability in all aspects of business operations, interactions, and decision-making processes. Ethical behaviors are necessary for maintaining employee safety, adherence to law and regulation, and protection of the environment.

#### **Background of CSR**

In India, charity and philanthropy have been important for ages. India has a deep-rooted culture of sharing and caring in the form of donations belonging to various religions. During the early years of the 19<sup>th</sup> century, there were large businesses mostly owned and run by families who committed to giving back to communities where they work by spending a percentage of profit on various welfare activities such as providing education, healthcare, and infrastructure to the poor and needy.

After Independence, the Government of India regulated laws and regulations for responsible businesses focusing on addressing the needs of marginalized communities and promoting social welfare. Public Service Undertakings have been making efforts to bring about the holistic development of the region in which they are functioning which has become great examples of responsible and ethical business behavior.

ONGC is the oldest, among Indian PSUs, to become a member of the United Nations Global Compact - the world's biggest voluntary corporate citizenship movement under which member companies agree to adhere to ten principles of the compact related to human rights, labor, environment, and anti-corruption. SAIL operates one of the largest health and education infrastructure run by any corporate entity in India.

The company has taken the initiative to develop 'Model Steel Villages' for providing medical & education facilities, roads, sanitation, and income generation schemes. SBI, the largest bank in India, reinvests part of its profits in various community welfare projects to the welfare of the less endowed segment of the society<sup>3</sup>. Tata has been India's largest and most popular corporation. Through its Trust, supported India's first higher education institute dedicated to science and technology, professional school of social science, specialized cancer hospital, and an Institute of Fundamental Research that served as the cradle of India's atomic program.

Around 1990s, there was a boom in the economic liberalization with rise in Government control and new licensing systems in the corporate sector. There was a mixed economy with public sector organizations, multinational corporations and international corporations operating in the country. Promoting ethical business and social welfare has become very significant. This timeline lead to change nation's priorities and the role of corporate sector in working hand in hand with Government for the welfare of underprivileged section.

One of the highest priority in the 11<sup>th</sup> five year plan of India is adoption of inclusive growth. The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs (MCA) in July 2011, is essentially a set of nine principles that offer Indian businesses an understanding and approach to inculcate responsible business conduct.

In 2013, Enactment of Companies Act, by the Ministry of Corporate Affairs Government of India has introduced the "Corporate Social Responsibility" as a mandatory provision by imposing statutory obligation on companies to take up CSR projects towards social welfare activities. The Parliament of India later adopted these principles as Section 135, Schedule VII, and CSR Rules of the Companies Act, 2013. The rules required a particular class of corporations that met specific criteria to spend 2% of their net profit on activities from Schedule VII.

This Initiative lead to a positive path for the nation towards achievement of sustainable development goals and public-private partnership in transforming India. This made India the only country which has regulated and mandated CSR for some select categories of companies registered under the Act.

However, taking into account the national and international developments in the arena of sustainable business since 2011, the NVGs have been updated and released as 'National Guidelines on Responsible Business Conduct' (NGRBC) on 15<sup>th</sup> March 2019 steering companies towards responsible business practices leading to inclusive growth in the society at large.

# Relation between ethical business and corporate social responsibility based on prominent factors:

#### a. Business image

Any company's image is created by the perception of internal stakeholders – Owners and employees and external stakeholders customers, suppliers, investors, creditors, media, communities, trade unions, Government and general public at large. To create a positive and impactful image in the society the companies are communicating about their work and how they are bringing change in the society through CSR initiatives.

The Coca-Cola Company took significant steps to address the issue of obesity and promote healthier choices committing to delivering more beverage options like - low and no calorie promoting "anti-obesity" campaign. Showing transparency by providing clear information about the calorie content to that consumers can make informed choices. Companies are trying to communicate ways showcasing self-integrity in the minds of its stakeholders.

#### b. Supply chain management, environmental practices:

The Bhopal gas tragedy in the year 1984 in India is one the instances of oversight in governance. The leakage and spread of poisonous emissions that led to disability, death and disease. Responsibility towards protection of earth has to be integrated into the system of working in all the companies. Companies need to be aware of the following areas of social responsibilities as they pertain to the supply chain: human rights (including working conditions, slave labor, and child labor), occupational health and safety, as well as sustainable production and environmental practices. Companies need to navigate potential ethical, legal, and economic concerns and risks that could arise if they choose a supplier that has, for example, poor safety conditions for their workers, employs child or slave labor, or does animal testing<sup>4</sup>.

#### c. Consumer movement:

Consumer Protection Act, was introduced in 2015. This is a law to protect the interests of the consumers. According to this act, consumers can file their complaints about the products or services they utilize, in consumer courts. Organizations must maintain contact with consumers and establish lasting relationships through known 'relational marketing' techniques, whereby organizations adapt their ways of interacting with consumers and their immediate environment. This relational approach considers interchange as a continuous process in time, which allows higher benefits to be achieved, including: enhanced flexibility and greater capacity to respond to change; a faster order—delivery cycle; increased profits; improved service; cost reductions; and quality improvements among others. In this respect, trust and commitment are essential relational marketing variables: building relationships and their long-term sustainability rely on them (Morgan & Hunt, Citation1994; Palmatier, Dant, Grewal & Evans, Citation2007; Sanzo, Santos, Vázquez & Álvarez, Citation2003)<sup>5</sup>.

#### d. Product or service promotion:



Image Source: wisepops.com

This picture depicts all the points to be considered in marketing. Any brand authenticity is established by delivering honest and trustworthy offerings. Promotion of products and services using advertising as a major process in marketing should be harmless and spread positive impacts. Sometimes there may arise false claims about a competitor's product which is unethical.

#### e. Concerns related to cost cutting:

Reducing cost for maximizing profits is a regular practice in business. The cost cutting measures should be in line with well-being of employees, the environment and the quality of products and services. As a course of cost cutting actions, when there are sudden changes in company which create situations like layoff, reduced benefits or low wages can affect employees in different ways in their lives. Another major concern can be compromising on the quality of products or services offered. Dissemination of accurate product information will ensure informed decision making to consumers. Striking a balance between cost cutting and business goals or objectives will contribute to a sustainable and healthier ecosystem.

#### f. Subcontracting:

Subcontracting costs incurred by India's top four IT firms have risen nearly 60% in the last two years, fuelled by heightened attrition and digital upsurge that the sector witnessed after the pandemic as per a report in Economic times, June 30<sup>th</sup>, 2023<sup>6</sup>.

"Contract labourers" are those workers in India who have been hired in connection with work in an establishment through a "contractor" whereas a contractor includes both those who have undertaken to supply workers for work in an establishment, and undertake any work in an establishment to produce a given result with the help of contract labour. Rural poor population is provided opportunity in construction work to earn more income which may sometimes carry significant risks of labor exploitation.

Construction work offers an opportunity for the rural poor to earn more income, especially during agricultural off-seasons, but also carries significant risks of labor exploitation. Transient and highly dependent on daily wages, construction workers are particularly vulnerable to exploitation.

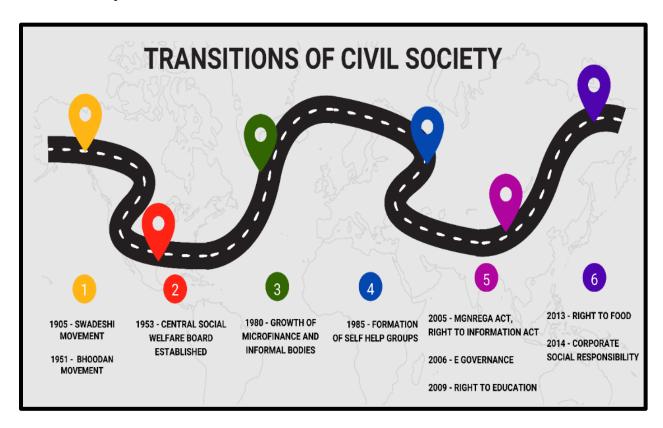
Each state in India has established a Construction Workers Welfare Board to provide social welfare benefits such as health insurance, education or child care support, or compensation for workplace injury or death. However, interviews with migrant workers revealed that just 28 percent had even heard of the Boards. Only five percent had registered for benefits. Nor were most micro-contractors aware of the Boards.

Even for those micro-contractors who had heard of the Boards and understood them to offer some benefits, there was still limited awareness of how to register. Notably, more male workers than female workers had heard about the construction workers welfare board (32 percent vs 17 percent).<sup>8</sup>

Contractors, subcontractors, and suppliers working in factories must comply with the safety requirements such as ATEX tools, and own PPEs, tools, and machines to ensure their safety. Running a business with a motive not only for profit but also working towards the welfare of its employees, investors, stakeholders, and customers is a basic requirement for bringing a positive impact in society at large<sup>9</sup>.

# CSOs and promotion of ethical practices

#### **Civil Society Overview:**



Civil society in India is often considered synonymous with the terms "voluntary sector," "voluntary organizations," "nongovernment organizations" (NGOs), and "nonprofit organizations" (NPOs), even though it encompasses a larger group. The rise of social movements, NGOs, and voluntary organizations in the 20th century led to the conceptualization of the term "civil society" 10.

Daana (giving) and Seva (service) are an integral part of human lives in India. During the medieval period and the British rule period, voluntary organizations worked towards the welfare activities of the communities according to the changing times and challenging social norms. , voluntary contribution in the country took shape through the social and religious movements of serving others. During the 18<sup>th</sup> and early 19<sup>th</sup> century organizations such as Brahmo Samaj, Theosophical Society, Ramakrishna Mission, and Seva Samiti were established for the service of the disadvantaged.

The Sir Dorabji Tata Graduate School of Social Work (now called the Tata Institute of Social Sciences) played an important role in shaping civil society in India as it led to the emergence of community development as a scientific practice. It was the first university of social work established in India that offered a structured teaching of the subject. Post-Independence there is a consistent rise in CSOs.

Towards the end of the 20<sup>th</sup> century, through social change movements, there was a significant contribution of civil society. There was a shift from a pure reform and development-based approach to a rights and empowerment-based model.

Today there are a wide range of CSOs such as Non-Government Organizations, Religious organizations, Community-based organizations, Youth organizations, student organizations, Membership associations, Trade unions, professional associations, and foundations.

#### **Contribution of CSOs in promoting ethical business practices**

There is a modernized plunge in the contribution of civil society to emerging resilient global system as the CSOs working side by side with Government and corporate businesses. Digitization and the technology has improved and influenced the efficacy of their operations.

Over the years there has been lot of changes and speculation on ethical business, sustainable social development practices and corporate social responsibility. The need for corporates to understand ground issues and invest in need based initiatives for implementing ethical business practice has grown. Since CSOs work closely within the communities have direct engagement with the society and these organizations act as vocal champions.

These organizations can understand the issues from the grassroots level so they can guide the corporates in utilizing the funds under Corporate Social Responsibility ensuring ethical standards set in the national guidelines.

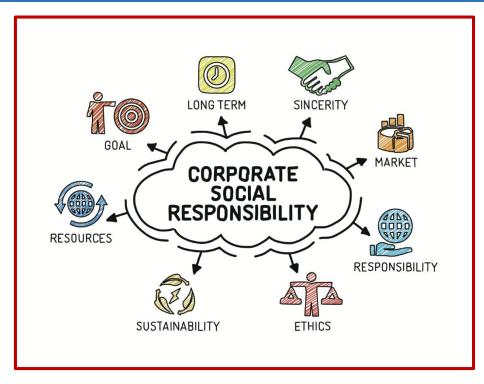
Civil society is often described as the "social basis of democracy." It encompasses a growing diversity of groups, organizations, networks, and movements that play myriad roles in strengthening the common good<sup>11</sup>.

# **Role of CSOs in promoting ethical business**

- 1. **Build transparency and social accountability:** CSOs act as a catalyst for corporate resources to be pooled, avoiding duplication of effort and dilution of influence so that there is transparency in the governance. Given the fact that the government remains the primary welfare service provider in India, civil society can play a gap-filling, complementary role in this, by working to ensure that principles of participatory good governance, social justice, and human rights are upheld. Social Work professionals with their knowledge of serving society and expertise can help address this challenge by considering different options and developing creative approaches to CSR and social accountability mechanisms in the company.
- 2. **Enablers:** CSOs seek to create an enabling environment for ethical business practices, by engaging discussions and meetings with policymakers, legislators and regulatory authorities to advocate for the adoption of laws, regulations, and standards that prioritize ethical conduct, corporate governance, and sustainability.

- 3. **Watchdogs:** CSOs keep track of corporate behavior, actions of businesses, assessing their adherence and scrutinizing ethical standards.
- 4. **Empowerment:** Small and medium sized enterprises (SMEs) need knowledge and tools to integrate ethical principles into their operations. CSOs can empower these organizations by providing training programs, mentorship initiatives, and knowledge sharing sessions, equip entrepreneurs and executives with the skills to navigate ethical dilemmas, sustainable production methods.
- 5. **Positive business image building:** Civil Society organizations can support business to integrate community interests into their core values and discharge social commitment and in turn generate a positive image in the minds of the people within the communities at large.
- 6. **Earth and environment protection:** Many environmentalists and NGOs that work towards conserving nature as their foremost mission can guide the corporates with innovative ideas to safeguard and protect environment. Frequent audits and rigid controls by Government can prevent environmental hazards and lapse in corporate governance.

# **Current status of Ethical business behavior in various sectors**



There has been a gradual rise in awareness on concept of Corporate Social Responsibility and Corporate governance which attributed to the need for ethics in the corporate business world. The companies in India are more involved in the developmental projects which is a part of their CSR policy. There are few companies which a working beyond their limits to bring an impactful change in the community they are operating.

The Companies Act and National Voluntary Guidelines remain the two principal mechanisms through which socially and environmentally sustainable practices of Indian companies are regulated.

Reliance Industries Limited has been the top CSR spender in the country for the last several years. The Company spent Rs. 1186 crores on its CSR initiatives in FY 2021-22, higher than what it was obligated to spend as per the Company's Act (Rs. 1112 crores) There are corporates like Infosys, Hindustan Unilever Limited in India which have been carrying our CSR projects long before the CSR act was legislated in the country. Such corporates believe that CSR is not limited to philanthropy, but also encompasses holistic community development, institution-building, and sustainability-related initiatives.

Many corporations have established their foundations or Trusts through which they conduct CSR activities. On the other hand, some corporations joined hands with NGOs as working partners utilizing their expertise in implementing projects addressing the local community social issues. This has given way to inclusive and equitable growth in society.

Infosys has been recognized as the "World's Most Ethical" Companies in 2023, demonstrating high standards of business integrity through best-in-class ethics, compliance, and governance practices.

# Significance of the NGRBC for business

The guidelines, provide a comprehensive framework to guide companies in disclosing their CSR activities through annual reports and fulfilling their CSR obligations. Businesses and companies that adhere to the national guidelines will get support to meet expectations from investors, customers, and employees. This will also help in building trust and goodwill in the market.

Adopting the National guidelines, companies can mitigate various risks like regulatory fines, operational issues, and reputation by addressing ESG considerations and risk management practices can be implemented in the proper way.

Sustainable and responsible business practices may help owners of companies to meet customer preferences for their brands. These guidelines show a roadmap for businesses/companies to integrate sustainable business strategies to their successful operating system.

# Monitoring and Implementation of NGRBC for business in India

**Business responsibility Reports:** Self reporting and disclosure of activities of a company is published which also includes information on responsible business practices based on environmental, social and governance. These reports shows their adherence to the NGRBC principles.

**Third party verification:** Mostly companies undergo third party verification by independent auditors and agency which verifies and issues accurate and complete report on the Business.

**Submission of Business responsibility Reports at Ministry of Corporate Affairs:** It is mandatory for all corporates and business falling under CSR criteria should submit their BRR. The Government can check these reports at any point of time.

**Civil Society organizations:** Any business is responsible in being accountable and transparent to its stake holders, investors and customers. Civil society organizations play a crucial role in monitoring compliance at any time. They can seek clarification, raise concerns, and implement advocacy for responsible business practices.

**Legal implications:** The Ministry of Corporate Affairs can take legal action in case of any discrepancies or non-compliance violating the NGRBC principles. This can further lead to scrutiny or may be fined with penalties.

# **Challenges**

Promoting ethical business in India need continuous rigorous efforts from companies, corporates, CSOs and Government. All of them are responsible for shaping social, economic, and political landscapes. Addressing the ethical issues that arise in relations between Government CSOs and business is crucial for fostering accountability, transparency and sustainability.

**Undue influence:** When there arises a situation that may compromise the objectivity in decision-making conflicts of interest can occur between Government official or CSO members which have personal financial ties between them.

**Lack of transparency:** There are chances of lobbying where transparency is lacking in the business operations.

**Corporate Social Responsibility (CSR) Greenwashing:** Businesses engaging in CSR activities for the sake of improving their public image without a genuine commitment to social or environmental causes engage in "greenwashing." This practice misleads the public and undermines the credibility of CSR efforts<sup>12</sup>.

**Inadequate consensus:** There still exists a lack of consensus among the Government, local agencies, CSOs working at ground level, and corporate entities which can result in duplication of efforts by the firms in terms of CSR initiatives. The objective of bringing difference to the community may become misleading.

**Limited resources:** Most of the CSOs operate with constrained budgets and limited manpower, hence sustainability of their work may sometimes become challenging with inadequate financial resources.

# Case study 1

Bharatpe is an Indian fintech company was co-founded by Ashneer Grover and Shashvat Nakrani in 2018 with the vision to make financial inclusion a reality for Indian merchants<sup>13</sup>. Their app enables small and kirana store/small grocery shop merchants to accept digital payments using QR codes. It consolidates payments from different UPI apps like PhonePe, Paytm, and Google Pay into single interface. They have introduced a zero transaction fee model.

The company evaluates the credit worthiness of merchants and provides them with personalized loan offers instantly with less documentation. Their process of working has enabled small merchants to accept digital payments easily. By ruling out the transaction fees there has been a boost in the profitability and less burden on their margins for merchants. Bharatpe emerged as a front runner, quickly gaining prominence as a leading UPI payment platform. However, the company's ascent took to a sudden dramatic turn in early 2022, when allegations of financial irregularities surfaced, casting a dark shadow over its reputation and sending shockwaves through the industry<sup>14</sup>.

An FIR (First Information report) was registered by Delhi Police's Economic Offences Wing (EOW) for embezzling funds by founder Ashneer Grover and family members. There were significant allegations raised about Grover's financial conduct including creating of network of fake vendors to divert money into their personal accounts. Inflated invoices involving exaggerated expenses, charging excessive fees for services. Company funds were used on unauthorized personal expenses, luxury purchases and travel.

Their case is though ongoing, the outcome is still uncertain. This had a significant impact by damaging reputation. There has been a steep decline in its valuation due to unethical practices.

This case stands as a valuable lesson for the fintech sector, emphasizing the significance of ethical business behavior with strong internal controls, accountability and transparency. It reinforces the necessity for companies to define explicit ethical guidelines and enforce rigorous monitoring mechanisms to prevent such financial misconduct, safeguarding the interests of investors and stakeholders.

# **Best Practice - Case study 2**

*Infosys – Transforming lives through ethical leadership and CSR* 

Infosys, a global technology corporate radiates as a catalyst in bring positive change in the Indian society. This case study explores how Infosys has charted an exceptional avenues towards societal betterment through their CSR activities.

**Education & health care -** Infosys education initiatives have supported improved access to education. Their Computer@classrooms program has provided educational resources and computers to around 50,000 schools in India, covering approx. 10 million students. Every year they support students with scholarships from rural areas around 20000 students were benefitted. Over 1000 students pursued post graduate studies in Science and technology, through fellowships. The Company has supported towards construction and operation of over 50 hospitals and clinics in underserved communities. In many remote and inaccessible areas, the company has provided mobile medical services. Awareness and prevention care program was implemented for care and support services to around 10,000 people living with HIV/AIDS. Also provided workshops on awareness and prevention education on HIV/AIDS.

Under their CSR the company provided microfinance loans to over 50000 rural entrepreneurs supporting them to start and grow their businesses. Under their destitute care program around 10,000 destitute people have been provided with food, shelter and other essential services. 50 Old age homes and 100 orphanages are supported by the company.

The Foundation collaborates with stakeholders to monitor the status of each project. It adopts the build-operate-transfer (BOT) model of project financing to develop self-sustaining communities. The Foundation partners with various non-profit and non-governmental organizations, among others, to make a difference in local communities<sup>15</sup>. A study by the Tata Institute of Social Sciences found that people who received services from Infosys Foundation Destitute Care programs experienced a significant improvement in their quality of life. Another study by the Centre for Development Studies found that farmers who participated in the Infosys Foundation Rural Development program had a 15% increase in their incomes.

#### **Source**

Infosys CSR - Infosys Foundation <a href="https://www.infosys.com/infosys-foundation.html">https://www.infosys.com/infosys-foundation.html</a> Infosys Foundation - Education Initiatives <a href="https://www.infosys.com/infosys-foundation/initiatives/education.html">https://www.infosys.com/infosys-foundation.html</a>

Healthcare for All: A Pillar of Responsibility

 $\underline{https://blogs.infosys.com/healthcare/healthcare-it/the-3-pillars-of-infosys-healthcare-transformation.html}\\$ 

**Infosys Foundation Annual Reports** 

https://www.infosys.com/infosysfoundation/about/reports/documents/infosys-foundation-report-2020-21.pdf

Infosys CSR website - <a href="https://www.infosys.com/investors/corporate-governance/socialresponsibility.html">https://www.infosys.com/investors/corporate-governance/socialresponsibility.html</a>

# **Recommendations**

- a) CSOs can vouch for promoting ethical business practices through collaborating with policy makers which can further strengthen laws based on Corporate governance, corruption, zero tolerance for bribery, environmental protection, sustainability, Promotion of inclusive growth, human rights.
- b) Transparent practices and commitment to responsible and sustainable development are required in corporate sector.
- c) By fostering accountability Government, CSOs and businesses can collaboratively work towards building equitable, inclusive and strong society. Regular disclose of financial information, decision- making processes and project outcomes is important.
- d) Building strong relations between Civil Society organizations, Government and business is essential for developing economies. CSOs should engage in advocacy, share best practices and together address societal challenges.
- e) Strengthening civil society organizations will lead to platform to share their opinion and voices to advocate ethical practices and hold businesses accountable.
- f) Education and raising awareness can be done by CSOs by organizing workshops, seminars, webinars and campaigns on ethical business practices to educate employees, consumers and other stake holders.
- g) CSOs should encourage businesses in adopting ethical and fair labor practices, supply chain in compliance to the National guidelines for responsible business, by Ministry of Corporate Affairs.
- h) CSOs need to become resilient and adapt to changing situations and society norms and engage across sectors creatively and come to light with innovative solutions.

#### **Footnotes**

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- **6.** <a href="https://economictimes.indiatimes.com/tech/information-tech/subcontracting-costs-rise-60-in-2-years-for-top-four-it-firms/articleshow/101373298.cms?from=mdr">https://economictimes.indiatimes.com/tech/information-tech/subcontracting-costs-rise-60-in-2-years-for-top-four-it-firms/articleshow/101373298.cms?from=mdr</a>
- 7. The Contract Labour (Regulation and Abolition) Act of 1970 defines contract labour and contractor in Clause 2(b) and (c) of the Act as follows: "(b) a workman shall be deemed to be employed as "contract labour" in or in connection with the work of an establishment when he is hired in or in connection with such work by or through a contractor, with or without the knowledge of the principal employer; (c) "contractor", in relation to an establishment, means a person who undertakes to produce a given result for the establishment, other than a mere supply of goods of articles of manufacture to such establishment, through contract labour or who supplies contract labour for any work of the establishment and includes a sub-contractor.
- 8. <a href="https://gfems.org/wp-content/uploads/2023/01/GFEMS-Tackling-Labor-Exploitation-in-the-Construction-Sector-in-India-.pdf">https://gfems.org/wp-content/uploads/2023/01/GFEMS-Tackling-Labor-Exploitation-in-the-Construction-Sector-in-India-.pdf</a>
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About Voluntary Action Network India (VANI) VANI is a national platform of voluntary organizations of India, which was formed in 1988. Currently, it has a strong network base of over 620 direct and outreach to over 15,000 organizations, spread across 24 states and one Union Territory. VANI is widely known for its evidence-based advocacy for an enabling environment and efforts in collectivizing the voluntary sector for its sustainable development. Through its network, VANI disseminates pertinent information around policies, legislation, taxation, sustainable development, concerning the sector to its members as well as non-members in an effective and timely manner. VANI builds the capacities of Voluntary organizations on issues of critical importance including improved governance and effective leadership, legal compliances, accountability, transparency, strategic resource mobilization and Financial Management, for internal system strengthening and resilience building. Through stakeholder dialogues, VANI builds both intra and inter-sectoral convergences, thereby bringing government, corporate, civil society, donors on a common platform for cohesive and effective action. Through its created specialized forums a) Chief Executive Officers (CEOs) and Leaders; b) Chief Financial Officers (CFOs) Chartered Accountants and Legal experts, VANI is able to steer inter and intra peer learning on issues of common interest. VANI encourages partnerships for national-level policy reforms on the basis of the evidence-based narrative. VANI plays a pivotal role in establishing the global footprints of Indian voluntary organizations on the global development discourse. It is a member of various international networks like FORUS, CIVICUS, Affiliation Group of National Associations (AGNA), Asian Development Alliance (ADA), Asia Democracy Network. It has partnered with Accountable Now, International Civil Society Centre and eight accountability initiatives across the world to draft Global Standard for CSO Accountability and is presently engaged in encouraging voluntary organizations across India and South Asia to adhere to accountability and transparency standards for enhanced credibility. VANI has played an extensive role in drawing the attention of Civil Society and encouraging its enhanced role play on several international development agendas and partnerships including SDGs, BRICS, BBIN, BIMSTECH, Blue Economy and their social implications.

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