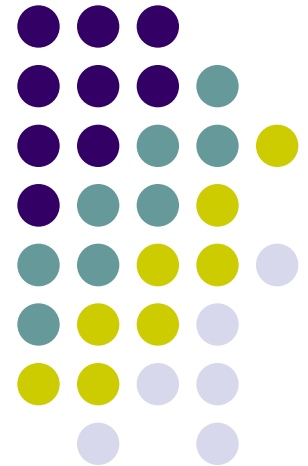
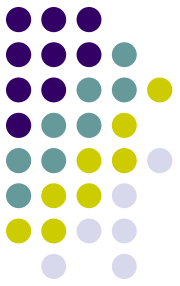


Ethics in Business

Ethics Or Ethical Law
What comes First?



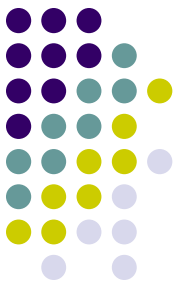
Our opinion



ETHICS COMES FIRST

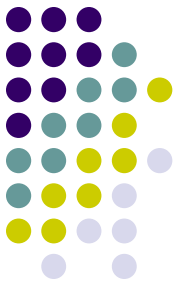
before

Ethical Laws



Reason

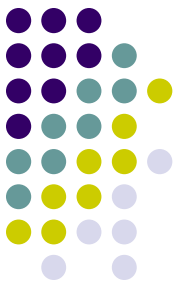
- There exists numerous Laws all over world to curb Unethical practice of Child Labor.
- But the Fact !!!
- The ILO believes about 250 million children worldwide work today, 120 million full-time and 130 million part-time.
- Not only are these total numbers high, but the ILO estimates that tens of millions of children are engaged in the worst forms of child labour -- slavery and bonded labour, hazardous jobs, drug trafficking and the sex industry.



The same facts for other unethical practices

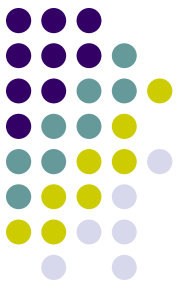
- Such as

Environmental Abuses & Unethical Financial Practices



Philosophical Aspects

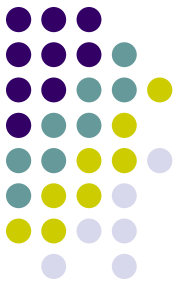
- In its broad sense ethics in business is application of everyday moral or ethical norms to business.
- Example from the Bible that comes to mind most readily is the Ten Commandments,
 - In particular, the injunctions to truthfulness and honesty.
 - Prohibition against theft and envy.
 - A notion of stewardship can be found in the Bible as well as many other notions that can be applied to business.
- Other traditions and religions have comparable sacred or ancient texts that have guided people's actions in all realms, including business, for centuries, and still do.



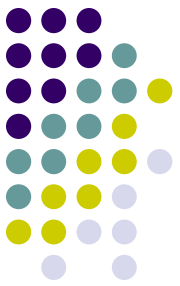
Philosophical Aspects

- Many business persons are strongly influenced by the ethical norms that they have been taught as part of their religion, and apply these norms in their business activities.
- Aaron Feuerstein is a prime example of someone whose actions after fire destroyed almost all of his Malden Mills factory complex kept his workers on the payroll until he could rebuild. He has stated often and publicly that he just did what his Jewish faith told him was the right thing to do.

Philosophical Aspects of ethical actions in ISLAM



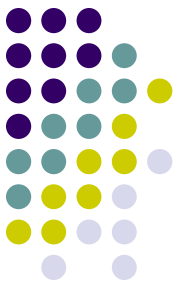
- No fraud or deceit, the Prophet (peace and blessings be upon him) is reported to have said, " **When a sale is held, say, "There's no cheating"** (Al-Bukhari).
- 2. Sellers must avoid making too many oaths when selling merchandise. The Prophet (peace and blessings be upon him) is reported to have said, "**Be careful of excessive oaths in a sale. Though it finds markets, it reduces abundance**" (Muslim).
- 3. Mutual consent is necessary. The Prophet (peace and blessings be upon him) is reported to have said, "**The sale is complete when the two involved depart with mutual consent**" (Al-Bukhari).
- 4. Be strict in regard to weights and measures. The Prophet (peace and blessings be upon him) is reported to have said, "**When people cheat in weight and measures, their provision is cut off from them**"(Al-Muwatta '). He told the owners of measures and weights, "**You have been entrusted with affairs over which some nations before you were destroyed**" (Al-Tirmidhi).
- 5. The Prophet forbade monopolies. "**Whoever monopolizes is a sinner**"(Abu Dawud).
- 6. Free enterprise, the price of the commodities should not be fixed unless there is a situation of crisis or extreme necessity.



Ethics and GITA

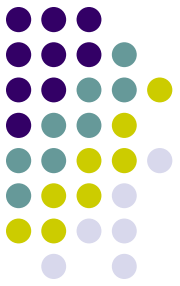
- The main teaching of Geeta is based on the cardinal principle of *loka sangraha* (welfare of the mass).
- Sri Krishna declares that though he is the supreme lord of universe and he has nothing to gain still he goes on performing the duties for the benefit of the humanity.
- Therefore, those who are in the position of power should act in such a way that they will be the models of other to follow.

Ethics and GITA

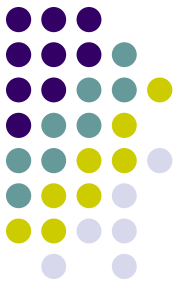


- The principles of *lok sangraha* lies at the root of all business houses because business is after all a system of production and distribution of material goods and services with an aim to serve the needs of man.
- The goodwill of the masses lies at the heart of phenomenal rise of any business house, starting from the chief executive officer down to the workers, all should work in a spirit of *lok sangraha* so that their company will thrive and prosper.

Ethical Reporting by corporates



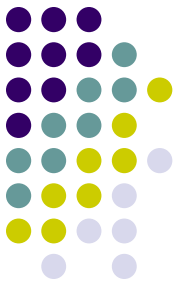
- The notion of a Triple Bottom Line, which involves financial, social and environmental corporate reporting, has been adopted by a number of companies.
- Other popular reporting mechanisms include corporate environmental sustainability reports and social audits.



Ethical investing

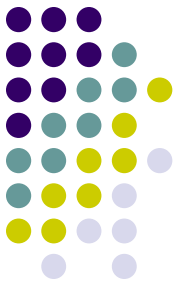
- Ethical investing is another aspect of the movement,
- Managers of ethical investment funds have begun proposing stockholder proposals as a means of encouraging more ethical behavior on the part of corporations in which they own stock.

Present Ethical Ambassadors of INDIA



- But not limited to
 - Dr. A P J Abdul Kalam
 - Shri Anna Hajare
 - Baba Ramdeo -Bharat Swabhiman Trust
 - Shri Ratan TATA
 - Shri. Narayan Murthy
 -
 -
 - And so on so forth

**These Ambassadors have already
proved that**

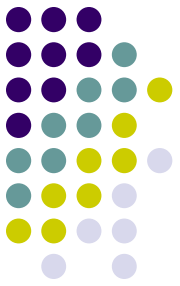


ETHICS COMES FIRST

before

Ethical Laws

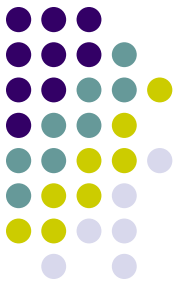
So we Conclude



ETHICS COMES FIRST

before

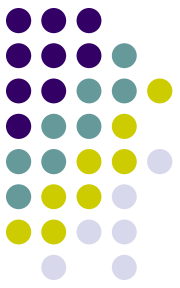
Ethical Laws



Suggested Action plan

- Prepare Roadmap to address & eradicate unethical business practices.
- Work in ten years (2010-2020) mission mode and integrate it with INDIA 2020 Vision
 - Set priorities to tackle issues related to :
 - Environment
 - Child labour
 - Accounting practices
 - Unethical Advertisement
 - ..
 - And so on ..

Creation of “Light Houses” to guide business enterprises



- Integrate with one of the existing mission like “PURA” (Providing Urban Amenities in Rural Areas)
- Existing operational PURAs in Periyar, Loni, Chitrakoot & Byrraju may be considered for creation of Light House projects for ethical business practices.
- Existing IIMs or other business schools may own these Light Houses