



Corporate ethics, value-based corporate governance and Corporate Social Responsibility (CSR): The tools to curb the menace of corporate misconduct

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Abstract

Corporation has the potential to impact - positively and negatively - virtually all human beings. The enormous ever-growing nature of multinational corporation activities around the globe calls to have international firm legal policies, legal instruments and legal institutions. The primary aim of these should be to protect the community where the corporations are operating and also providing better grounds for trading for the corporations. It is with this instrumentalities it would be possible to regulate their conduct and accountability in case if they breach the duties owed by them under the law. This paper attempts to address Corporate Ethics, Value-based Corporate Governance and Corporate Social Responsibility as the means and tools to curb menace of corporate misconduct globally. This paper is very much relevant due to elevated and intensified attention on corporate misdeeds globally. Means and tools are carved out by legislature, judiciary and executives to curb this menace. This paper will contribute to the body of knowledge in rarely trodden path that is of controlling the corporate misconduct by ensuring corporate ethical comportment.

Keywords: corporate misconduct, corporate ethics, value-based corporate governance, corporate social responsibility

1. Introduction

Giant corporations trans-national or national are the new defining and dictating forces in this new international order. They are almost everywhere, touching almost every aspect of lives of mankind. On account of insidious dominance acquired by them many a times the corporations usurps the powers of states by not only dictating the policy of the states but also indirectly involving in the process of state administration. They have re-defined the economy of number of nations. The revenue of many trans-national corporations equals the economy of smaller countries. The multitude of roles the corporation play in the present day in the life of mankind have been necessitated by the demands of the particular given society. The industrialization and globalization had given the corporates the status of utmost necessary entity. Given that the old police state has converted itself into welfare state perhaps initiated the importance of corporations. Obviously each nation is interested in boosting their economy by giving red-carpet welcome to multinational companies. The overall result being that the power now wielded by corporations is both enormous and unprecedented in present day human civilization. Their powers have grown at an astonishing rate over some decades inasmuch as that some corporations are compared to stand parallel to entire nation as far as financial powers are concerned.

This world of new order cannot sustain without corporations and so their demeanor if inclined towards misconduct of that magnitude which nearly reaches the definition of crime, will not allow the globe to prosper and live in peace. As the free trade market continues to push forward the global economy, the corporations are rushing harder to graze on new and alluring untrodden pastures (markets) to make more profit for the stake holders.

In order to achieve these above hefty profit-making objectives corporations are resorting to following misdeeds namely:- Corruption, allurement and gratification of Nation's policy makers and executives by corporation has become rampant. Fraud by corporation has become a worldwide phenomenon encompassing multitudinous illicit practices and illegal acts some to mention like intentional deception or misrepresentation. Exploitation of workers by corporations in the workforce and also failing to provide safe work environment to them. Monopolizing media outlets, censoring content etc. by corporate powers.

Posing a threat to environment and ecosystem as a whole by contaminating it by the hazardous work units only to make profit without applying safety criterions.

Due to the above discussed odious, vicious misdeeds of corporation coupled with the undeniable presence had made the corporations a necessary evil. Therefore there is an imminent call to have global firm legal policies, legal instruments and legal institutions to monitor and curb the menace of corporate misconduct through different approaches.

2. Multiple factor approach for control of corporate misconduct

The Controlling of this mammoth immensely requires a multifactor approach of legal controlling with new defined international policies, instruments, conventions, institutions coupled with pouring of some sort of following ethical behaviour pattern of corporation by virtue of corporate ethics, value based governance and social responsibility as a built in self-regulating mechanism in them.

2.1 Corporate Ethics

While states have the primary responsibility to respect, protect

and fulfill human rights^[1], the same obligations and responsibilities of corporations pertinently transnational corporations may also be recognized by international instrumentalities and institutions.

The UN Global Compact which is a voluntary initiative based on CEO commitments to implement universal sustainability principles and to take steps to support UN goals and also enjoys the support of the United Nation General Assembly and G8, is a principle based framework for businesses, stating ten principles^[2] in the areas of human rights, labour, the environment and anti-corruption. Under this, corporations are brought together with UN agencies, labour groups and civil society. The UN Global compacts general assembly mandate (A/RES/70/224) is to, "promote responsible business practices and UN values among the global business community and the UN system".

The ten principles

The UN Global Compact's ten principles in the areas of human rights, labour, the environment and anti-corruption enjoy universal consensus and are derived from:

- The Universal Declaration of Human Rights
- The International Labour Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment and anti-corruption.

The principles of UN global compact are

- 1) *'Businesses should support and respect the protection of internationally proclaimed human right'; and Why human rights are important for business.*

Company activities and relationships can pose risks that the company might negatively impact human rights, but they also present opportunities to support or promote the enjoyment of human rights while also advancing one's business.

Societies where human rights are respected are more stable and provide a better environment for business. Businesses whether operating outside their country of origin or at home may have the opportunity to promote and help raise standards in countries where protection of human rights issues is insufficient, especially in ways that are strategically relevant to its core business by -

- Addressing consumer concerns
- Value chain management
- Increasing worker productivity and retention
- Building good community relationships
- Respecting Human Rights

Some examples of how companies can support and respect human rights through their daily activities

In the workplace

- By providing safe and healthy working conditions,
- By guaranteeing freedom of association,
- By ensuring non-discrimination in personnel practices,
- By ensuring that they do not use directly or indirectly forced labour or child labour,
- By providing access to basic health, education and housing for the workers and their families, if these are not provided elsewhere,
- By having an affirmative action programme to hire victims of domestic violence, and
- By making reasonable accommodations for all employees' religious observance and practices.

In the community

- By preventing the forcible displacement of individuals, groups or communities,
- By working to protect the economic livelihood of local communities,
- By contributing to the public debate. Companies interact with all levels of government in the countries where they operate. They therefore have the right and responsibility to express their views on matters that affect their operations, employees, customers and the communities of which they are a part,
- Through differential pricing or small product packages create new markets that also enable the poor to gain access to goods and services that they otherwise could not afford.
- By fostering opportunities for girls to be educated to empower them and also helps a company to have a broader and more skilled pool of workers in the future, and
- Perhaps most importantly, a successful business which provides decent work, produces quality goods or services that improve lives, especially for the poor or other vulnerable groups, is an important contribution to sustainable development, including human rights.
- If companies use security services to protect their operations, they must ensure that existing international guidelines and standards for the use of force are respected.

- 2) *'Businesses should make sure they are not complicit in human rights abuses'.*

Complicity basically means being implicated in human rights abuse that another company, government, individual, group etc. is causing.

Respecting human rights includes avoiding complicity, which is another way, beyond their own direct business activities, that businesses risk interfering with the enjoyment of human rights.

Complicity is generally made up of 2 elements:

1. An act or omission (failure to act) by a company, or individual representing a company, that "helps" (facilitates, legitimizes, assists, encourages, etc.) another, in some way, to carry out a human rights abuse, and

¹ United Nations Human Rights Committee General Comment 31, Nature of the General Legal Obligation on State Parties to the Covenant, Human Rights Committee, UN DOC. CCPR/C/21/Rev. 1/Add. 13.

² www.unglobalcompact.org. accessed on 14/01/2018.

2. The knowledge by the company that its act or omission could provide such help. The risk of an allegation of complicity is reduced if a company becomes aware of, prevents and addresses risks of complicity through adopting a systematic management approach to human rights issues, including exercising due diligence.
3. *'Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining'*.

Freedom of association implies a respect for the right of all employers and all workers to freely and voluntarily establish and join organizations of their own choice. These organizations have the right to carry out their activities in full freedom and without interference, including the promotion and defense of their occupational interests. Employers have the right to freedom of expression provided that its exercise does not infringe a worker's right to make a free decision on whether or not to join a trade union. Employers should not interfere in an employee's decision to associate, or discriminate against the employee or their representative. "Association" includes activities of rule formation, administration and the election of representatives. The freedom to associate involves employers, unions and workers representatives freely discussing issues at work in order to reach agreements that are jointly acceptable. These freedoms also allow for industrial action to be taken by workers (and organizations) in defense of their economic and social interests.

Collective bargaining refers to a voluntary process or activity through which employees and workers discuss and negotiate their relations, in particular terms and conditions of work and the regulation of relations between employers, workers and their organizations. Participants in collective bargaining include employers themselves or their organizations, and trade unions or, in their absence, representatives freely designated by the workers. An important part of the effective recognition of the right to collective bargaining is the "principle of good faith". This is important for the maintenance of the harmonious development of labour relations. This principle implies that the social partners work together and make every effort to reach an agreement through genuine and constructive negotiations, and that both parties avoid unjustified delays in negotiations. The principle of good faith does not imply a predefined level of bargaining or require compulsory bargaining on the part of employers or workers and their organizations.

4. *'Businesses should uphold the elimination of all forms of forced and compulsory labour'*.

Forced or compulsory labour is any work or service that is exacted from any person under the menace of any penalty, and for which that person has not offered himself or herself voluntarily. Providing wages or other compensation to a worker does not necessarily indicate that the labour is not forced or compulsory. By right, labour should be freely given and employees should be free to leave in accordance with established rules.

What companies can do

In the workplace

- Have a clear policy not to use, be complicit in, or benefit from forced labour.
 - Where adherence to forced labour provisions of national laws and regulations is insufficient, take account of international standards.
 - Ensure that all company officials have a full understanding of what forced labour is.
 - Make available employment contracts to all employees stating the terms and conditions of service, the voluntary nature of employment, the freedom to leave (including the appropriate procedures) and any penalties that may be associated with a departure or cessation of work.
 - Write employment contracts in languages easily understood by workers, indicating the scope of and procedures for leaving the job.
 - Be aware of countries, regions, industries, sectors, or economic activities where forced labour is more likely to be a practice.
 - In planning and conducting business operations, ensure that workers in debt bondage or in other forms of forced labour are not engaged and, where found, provide for the removal of such workers from the workplace with adequate services and provision of viable alternatives.
 - Institute policies and procedures to prohibit the requirement that workers lodge financial deposits with the company.
 - If hiring prisoners for work in or outside prisons, ensure that their terms and conditions of work are similar to those of a free employment relationship in the sector involved, and that they have given their consent to work for a private employer.
 - Ensure that large scale development operations do not rely on forced labour in any phase.
 - Carefully monitor supply chains and subcontracting arrangements.
5. *'Businesses should uphold the effective abolition of child labour'*.

The term "child labour" should not be confused with "youth employment" or "student work." Child labour is a form of exploitation that is a violation of a human right., and it is recognized and defined by international instruments. It is the declared policy of the international community and of almost all governments to abolish child labour.

Developing an awareness and understanding of the causes and consequences of child labour is the first step that a company can take toward action against child labour. This means identifying the issues and determining whether or not child labour is a problem within the business. Companies sourcing in specific industry sectors with geographically distant supply chains need to be particularly vigilant. However, child labour also exists less visibly in developed, industrialized countries where it occurs, for example, in some immigrant communities. Discovering if child labour is being used can be difficult, for example in the case where documents or records are absent, and companies may consider using local non-governmental organizations, development organizations or UN agencies to

assist in this process.

If an occurrence of child labour is identified, the children need to be removed from the workplace and provided with viable alternatives. These measures often include enrolling the children in schools and offering income-generating alternatives for the parents or above working age members of the family. Companies need to be aware that, without support, children may be forced into worse circumstances such as prostitution, and that, in some instances where children are the sole providers of income, their immediate removal from work may exacerbate rather than relieve the hardship.

What companies can do

In the workplace

- Be aware of countries, regions, sectors, economic activities where there is a greater likelihood of child labour and respond accordingly with policies and procedures.
- Adhere to minimum age provisions of national labour laws and regulations and, where national law is insufficient, take account of international standards.
- Use adequate and verifiable mechanisms for age verification in recruitment procedures.
- When children below the legal working age are found in the workplace, take measures to remove them from work.
- Help to seek viable alternatives and access to adequate services for the children and their families.
- Exercise influence on subcontractors, suppliers and other business affiliates to combat child labour.
- Develop and implement mechanisms to detect child labour.
- Where wages are not determined collectively or by minimum wage regulation, take measures to ensure that wages paid to adults take into account the needs of both them and their families.

6. *'Businesses should uphold the elimination of discrimination in respect of employment and occupation'*.

Principle 6 allows companies to consider additional grounds where discrimination in employment and occupation may occur.

Discrimination can arise in a variety of work-related activities. These include access to employment, to particular occupations, promotions and to training and vocational guidance. Moreover, it can occur with respect to the terms and conditions of the employment, such as:

- Recruitment
- Remuneration
- Hours of work and rest/Paid holidays
- Maternity protection
- Security of tenure
- Job assignments
- Performance assessment and advancement
- Training and opportunities
- Job prospects
- Social security
- Occupational safety and health

7. *'Businesses should support a precautionary approach to environmental challenges'*.

Introducing the precautionary approach, Principle 15 of the 1992 Rio Declaration states that "where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation".

Precaution involves the systematic application of risk assessment (hazard identification, hazard characterization, appraisal of exposure and risk characterization), risk management and risk communication. When there is reasonable suspicion of harm and decision-makers need to apply precaution, they have to consider the degree of uncertainty that appears from scientific evaluation. Deciding on the "acceptable" level of risk involves not only scientific-technological evaluation and economic cost-benefit analysis, but also political considerations such as acceptability to the public. From a public policy view, precaution is applied as long as scientific information is incomplete or inconclusive and the associated risk is still considered too high to be imposed on society. The level of risk considered typically relates to standards of environment, health and safety.

8. *'Businesses should undertake initiatives to promote greater environmental responsibility'*.

In Chapter 30 of Agenda 21, the 1992 Rio Earth Summit spelled out the role of business and industry in the sustainable development agenda as: "Business and industry should increase self regulation, guided by appropriate codes, charters and initiatives integrated into all elements of business planning and decision-making, and fostering openness and dialogue with employees and the public."

Steps that the company could take to promote environmental responsibility would be the following:

- Re-define company vision, policies and strategies to include the 'triple bottom line' of sustainable development - economic prosperity, environmental quality and social equity.
- Develop sustainability targets and indicators (economic, environmental, social).
- Establish a sustainable production and consumption programme with clear performance objectives to take the organisation beyond compliance in the long-term.
- Work with suppliers to improve environmental performance, extending responsibility up the product chain and down the supply chain.
- Adopt voluntary charters, codes of conduct or practice internally as well as through sectoral and international initiatives to confirm acceptable behaviour and performance.
- Measure, track and communicate progress in incorporating sustainability principles into business practices, including reporting against global operating standards.
- Ensure transparency and unbiased dialogue with stakeholders.

9. *'Businesses should encourage the development and diffusion of environmentally friendly technologies'.*

Environmentally sound technologies, as defined in Agenda 21 Rio Earth Summit, should protect the environment, are less polluting, use all resources in a more sustainable manner, recycle more of their wastes and products and handle residual wastes in a more acceptable manner than the technologies for which they were substitutes. They include a variety of cleaner production process and pollution prevention technologies as well as end-of-pipe and monitoring technologies.

10. *'Businesses should work against corruption in all its forms; including extortion & bribery'.*

Corruption is now recognized to be one of the world's greatest challenges. It is a major hindrance to sustainable development, with a disproportionate impact on poor communities and is corrosive on the very fabric of society. The impact on the private sector is also considerable - it impedes economic growth, distorts competition and represents serious legal and reputational risks. Corruption is also very costly for business, with the extra financial burden estimated to add 10% or more to the costs of doing business in many parts of the world. The World Bank has stated that "bribery has become a \$1 trillion industry."

The rapid development of rules of corporate governance around the world is also prompting companies to focus on anti-corruption measures as part of their mechanisms to protect their reputations and the interests of their shareholders. Their internal controls are increasingly being extended to a range of ethics and integrity issues and a growing number of investment managers are looking to these controls as evidence that the companies undertake good business practice and are well managed.

The international legal fight against corruption has gained momentum in more recent times through Council of the Organization for Economic Co-operation and Development (OECD) by adopting Convention on Combating Bribery of Foreign Public Officials in International Business Transactions in 1997 and through the entering into force of the first globally agreed instrument, the United Nations Convention against Corruption (UNCAC) in December 2005.

The OECD Guidelines for Multinational Enterprises define extortion in the following way:

"The solicitation of bribes is the act of asking or enticing another to commit bribery. It becomes extortion when this demand is accompanied by threats that endanger the personal integrity or the life of the private actors involved."

Practical steps to fight corruption

The UN Global Compact suggests to participants to consider the following three elements when fighting corruption and implementing the 10th principle.

1. **Internal:** As a first and basic step, introduce anti-corruption policies and programs within their organizations and their business operations;
2. **External:** Report on the work against corruption in the annual Communication on Progress; and share experiences and best practices through the submission of

examples and case stories;

3. **Collective:** Join forces with industry peers and with other stakeholders

2.2 Value-based corporate governance

Corporate Governance is a multi faceted subject involving and engulfing customs, policies, laws, processes and institutions having in toto impact on the way a corporation is directed, controlled and administered. It also includes the relationship inter se of stakeholders, the principal or primary amongst them being the shareholders, management and the board of directors. The secondary stakeholder also has to be involved pertinently namely the employees, customers, creditors, suppliers, regulators and last but not least the community at large.

The important aspect of corporate governance is to ensure the accountability of certain individuals in an organization through mechanisms that try to reduce or eliminate the principal agent problem.

In A Board culture of corporate Governance, business author Gabrielle O'Donovan defines corporate governance as "an internal system encompassing policies, processes and people, which serves the needs of shareholders and other stakeholders, by directing and controlling management activities with good business savvy, objectivity accountability and integrity. Sound corporate governance is reliant on external market place commitment and legislation, plus a healthy board culture which safeguards policies and processes".

Sir Adrian Cadbury says: "Corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals..... the aim is to align as nearly as possible the interests of individuals, corporations and society."^[3]

Value-based Corporate Governance is a system of structuring, operating and controlling a corporation with a noble objective of achieving long term strategic goals by satisfying shareholders, creditors, employees, customers and suppliers, together with complying the legal and regulatory requirements apart from satisfying to a greater extent the environment and local community needs.

The King Committee report 2002^[4] on Corporate Governance along with King III report 2009 and King IV report 2016 are important documents on corporate governance for Southern Africa which can well be adopted by other parts of the world. According to King's report 2002 a distinction needs to be made between accountability and responsibility. "One is liable to render an account when one is accountable and one is liable to be called to account when one is responsible".

The latest King IV report for Corporate Governance for Southern Africa 2016^[5] i.e. King IV in the series defines Corporate Governance as the exercise of ethical and effective leadership by the governing body towards the achievement of the following governance outcomes.

³ Sir Adrian Cadbury, Corporate Governance Overview, 1999, World Bank Report.

⁴ Institute of Directors in Southern Africa Executive summary of the King Report 2002, www.iodsa.co.za.

⁵ The King IV Report for Corporate Governance for South Africa 2016 The Institute of Directors in Southern Africa NPC www.iodsa.co.za accessed on 15/01/2018.

- (a) Ethical culture (b) Good performance
 (c) Effective control (d) Legitimacy

The above report also throw light on ethical leadership as follows:

Ethical leadership is exemplified by integrity, competence, responsibility, accountability fairness and transparency. It involves the anticipation and prevention, or otherwise amelioration of the negative consequences of the organisations activities and outputs on the economy, society and the environment and the capitals that it uses and effects^[6].

Thus Development Business Ethics is one of the forms of applied ethics that examines ethical principles and moral or ethical problems that can arise in a business environment through which corporate misconduct can be well checked.

2.3 Corporate Social Responsibility (CSR)

The corporations should initiate to realize that they are part of a large complex network and society, and that all the wealth and abundant power they ignite is not their own. It has the hold of other stakeholder's too. Corporations should adopt the approach of pursuing a stakeholder centric approach while at the same time pursuing profits for their shareholders. This is what is stakeholder philosophy. The philosophy of the *laissez-faire* of 1980s that businesses are owned by their shareholders and any money they spend on so called social responsibility is effectively theft from those shareholders, has to be done away with.

Business ethics can be both a normative and a descriptive discipline. As a corporate practice and or career specialization, the field is primarily normative. In academia, descriptive approaches are also taken.

Nevertheless, there are ample varieties of definitions denoting the term "Corporate Social Responsibility" (CSR). But CSR predominantly means the ethical behaviour of business towards it's constituencies ranging from shareholders to society at large.

In the initial phase charity and philanthropy were the main drives of CSR. The present form of CSR emerged in 1990s which is the outcome of intersection of various ideas and developments around the globe. As there may be enormous sources of CSR concept, predominantly one comes from concern about the environment emanating from the idea of sustainable development evolved by the Brundtland Commission^[7] in the late 1980s. The other sources which also played a pivotal role in evolving the current concept of CSR are privatization, liberalization and deregulation of economies in most countries and the incorporation of opinion's carved from human resource development relating the training of workforce.

United States Council on International Business defines CSR as follows,

"Corporate responsibility involves a commitment by a company to manage its role in society as producer, employer, marketer, customer and citizen-responsible and sustainable manner. That commitment can include a set of voluntary

principles over and above applicable legal requirement that seek to ensure that the company has a positive impact on societies in which it operates."^[8]

Corporate social Responsibility actually denotes a concept where by organizations consider the interests of society by taking responsibility of the overall influence of their gross activities on varied stakeholders ranging from employees, shareholders, customers, communities and last but not least of environment. The statutory obligation to comply with enactments and legislations is stretched to the level of taking more steps forward to improve the quality of life of their own workforce extended to their families, local community and the society at large. As discussed earlier the very emanation of current CSR is the principle of sustainable development which argues that the decisions and policies of corporations should be based an short term and long term social and environmental consequences of their gross activities and not only on financial factors ensuring hefty profits.

Corporate Social Responsibility also called as responsible business or corporate conscience is infact a form of corporate self-regulation integrated into a business model whereby the corporation should monitor and ensure its active compliance with international norms, spirit of legislations and ethical standards. Development Business Ethics is one of the forms of applied ethics that examines ethical principles and ethical problems that can arise in business environment. This is era of conscience focussed market places and therefore demand for more, ethical business processes and actions are certainly not out of place. Tremendous increase in pressure on corporations to improves business ethics through multifactor approach of CSR will prove a key in curbing the menace of corporate misconduct.

As far as domestic laws are concerned when it comes to India to respond in the field of CSR, under the Companies Act, 2013, every company having a net worth of rupees five hundred crore or more, or a turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the board consisting of three or more directors, out of which at least one director shall be an independent director. The committee thus constituted shall recommend to the Board, a Corporate Social Responsibility Policy indicated in the field's enshrined in schedule VII. The Board in turn is made to ensure that the company spends', in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial year, in pursuance of its corporate social responsibility policy.^[9]

The activities to be carried out under the head of corporate Social Responsibility shall be relating to

1. Eradicating extreme hunger and poverty;
2. Promotion of education;
3. Promoting gender equality and empowering women;
4. Reducing child mortality and improving maternal health;
5. Combating human immune deficiency virus, acquired

⁶ Ibid.

⁷ See, Brundtland Report, from the United Nations World Commission on Environment and Development.

⁸ United States Council on International Business, Advancing Corporate Responsibility - A Statement by the USCIB Corporate Responsibility Committee, November 2002.

⁹ Section 135 of the Companies Act, 2013.

- immune deficiency syndrome, malaria and other diseases;
6. Ensuring environmental sustainability;
 7. Employment enhancing skills;
 8. Social business project's
 9. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the central Government or the State Government for Socio-economic development and relief and fund's for the welfare of the scheduled castes, the schedule tribes, other backward classes, minorities and women; and
 10. Such other matters as may be prescribed.^[10]

The above legislation is also fortified with the companies (corporate social responsibility polity) rules, 2014.

The above discussed mandatory CSR spending in India have raised questions and criticism. Some says it is counter productive other says it is vague while some other criticise it as outsourcing of governance. But what ever be the opinion it is a welcome stance. Therefore, compulsive CSR can also be one of the tools to curb menace of corporate misconduct.

3. Conclusions

Post WTO and GATT, business in the world has got due importance. Industrialization has boosted the trade and commerce across the globe. This in turn has given rise to different corporate misconduct. There is a urgent call to curb the corporate miscondacts of varied nature for which various legislation, International Instruments has a role to play. In addition to this, inboosting of ethical demeanor by efficacy of value based governance and corporate social responsibility as a built in self-regulating mechanism in them, will prove a dynamic tool a curb the deviant/delinquent management of affairs of corporations.

Enshrining corporate ethics with the help of principles of the UN Global Compact relating to running of businesses will prove a milestone if efficiently endorsed by the managing mind comprising of the Board of Directors.

Value-based Corporate Governance has also a pivotal role to play when it comes to controlling of deviant behaviour of corporations by the strengthening the inherent character and integrity of the decision making and policy formulating body of the corporation by imbibing accountability, liability, responsibility, legitimacy in the mindset of the decision making body of corporations thereby ensuring ethical culture in management.

Corporate Social Responsibility imbibes in the mindframe of management of corporations who are infact the mind of corporation, a sense of realization that they are not only a profit making entity but are a part large complex network and society. It enshrines a policy that businesses are not only owned by shareholders but there are other stakeholders too the last but not least being the society. This sense of societal-being will awaken the mammoth from the isolated breeze of profit making and thus restrain them from deviant compartment. It will thus imbibe the sense of sustainable business in corporation decision making and in return will allow the globe to prosper and love in peace.

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¹⁰ Schedule VII of the Companies Act 2013.