



BUSINESS ETHICS IN INDIA

Dr. D.V.Ujagare¹ and Dr. P. V. Sathe²

¹Dept of Commerce & Research Centre, S.S.C.COLLEGE, JUNNAR.

²B.M.College of Commerce, Pune.



ABSTRACT

It is found that above mentioned business ethics are not largely adopted by businessmen in India .Chambers of commerce, Trade association and other institution which are safe guarding the interest of businessmen are finding it difficult to work out business ethics in business .In U.S.A 88% of big corporation have prepared business ethics codes.50% corporation has prepared business ethics code for their managers .Their managers have recognized the importance of business ethics codes. They have made financial provision for business ethics curriculum for organization .In different parts of the world many corporation have recognized the need of business ethics. U.K organizes a conference of European Countries on business Ethics. This paper is an attempt to review the status of Business Ethics in India. Hence, "A Study of Agri Tourism as an emerging business for rural India, in borderless world"

KEYWORDS : *Business Ethics, India, Code of Business Practices.*

INTRODUCTION :

In Webster's Dictionary, Ethics is defined as "the discipline dealing with what is good and bad with moral duty and obligation."

According to ethicist Richard Niebuhr, "it is the mission of the enterprises that binds the people involved in it "and gives value and meaning of their relationship .the value and meaning of these relationships are greatly enhanced and satisfying to all involved when the business functions in accordance with moral altruism.

Although there is general agreement on the need for and benefit of ethical codes and principles it is difficult to establish them John W.Clark prepared a set of tentative statement of ethical guides .These guideline will serve as a basis for guiding behavior and for formulating ethical principle.

- 1) Social Institute:- Business is a social institution and integral part of society and is expected to act in a way that contribute to the society.
- 2) Respect for Others:- This respect is essential for interpersonal, mutual relationship ,honesty in communication and in business transaction accepting the personal dignity ,rights and privileges of others.
- 3) Individual Integrity:- A person with integrity behaves according to ethical standards and draws attention to the personal responsibility for one' own behavior and action.
- 4) Behaviors in congruence with laws:- Laws are expression of society prescribing how citizens should behave. Social Institution such as business are part of society and business are obligated to observe the laws of the land.

- 5) Representative Authority:- Manager's must not act solely for their own personal advantages .Managers must especially refrain from action that are in conflict with the interest they represent.
- 6) Parity of Authority and Moral Responsibility:- Authority and power without responsibility lead to arbitrary actions. on the other hand, it is unreasonable to hold people responsible and accountable for situation which they do not have the authority or the power to change.
- 7) Private enterprise as an Essential and Legitimate Institution:- By providing individual freedom and opportunity, people will through private enterprise, contribute to the welfare of society.

These guides are broad and still required considerable judgment in their application to specific situation.

Although no single code for business has been developed many companies, industries and trade association have come up with ethical codes .following are the ethics written by the National Association of Manufacturers of U.S.A. Business organization must serve the public interest as separate entities and in the overall sense, if this right is to be respected and maintained. NAM and Its member companies are committed to policies and practices which will strengthen faith in our free economy and inspire public confidence in our business enterprises and those who manage them.

All members are urged to subscribe to the official CODE OF BUSIENESS PRACTICES.

- 1) We will strive at all times to conduct the affairs of this company to merit public confidence in business and industry and faith in our free private competitive enterprise system.
- 2) We will see that our employee are gives every opportunity to progress with the company and are appropriately compensated for their work
- 3) We will deal fairly with customers and supplies and extend to them the same treatment we wish to receive ourselves.
- 4) We will compete vigorously to serve our customers and expand our business but we will avoid unfair or unethical practices.
- 5) We will seek through sound management practices to produce the profit necessary to the continued progress of the business and so fulfill our responsibilities to our stockholder, employers, customers, community and nation.

INDIAN SCENARIO AND BUSINESS ETHICS

It is found that above mentioned business ethics are not largely adopted by businessmen in India .Chambers of commerce, Trade association and other institution which are safe guarding the interest of businessmen are finding it difficult to work out business ethics in business .In U.S.A 88% of big corporation have prepared business ethics codes.50% corporation has prepared business ethics code for their managers .Their managers have recognized the importance of business ethics codes. They have made financial provision for business ethics curriculum for organization .In different parts of the world many corporation have recognized the need of business ethics. U.K organizes a conference of European Countries on business Ethics.

In India there are many finance companies, companies incorporated for plantation have cheated the public. There are very few companies which recognized the importance of Business Ethics .In India companies are exploiting worker, banker financial institution, customer and society.

They are polluting the environment which affect the health of the people i.e. chambur, shahad etc. other areas have become gas chambers because of air pollution.

Water around the Nagothane has become polluted because of petrochemical companies.

Companies exploit workers by depriving them to their rightful wages. Facilities and concessions are never given to the workers and customer are scapegoats, they are deceived in variety of ways .in fact in India It is accepted as Business Ethics not to follow any ethics. In fact it is time that the Indian Business community

had self appraisal and thought for the Business Ethics that would maintain social, commercial, and environmental health & hygiene.

I would suggest that the Businessmen not only in India but all over the World would do better by remembering the greatest intellectual of the 20th century Einstein who said, " A hundred times every day I required myself that my inner and outer life are based on the labours of other men , living and dead , and that I must exert myself in order to give in the same measures as I have received and am still receiving."

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