**Background**

The Ministry of Corporate Affairs (MCA) issued the National Voluntary Guidelines on Social, Environmental & Economic Responsibilities of Business (NVGs) in July 2011 with a view to provide a clear, broad-based framework for carrying out responsible business and be accountable to all its stakeholders. The NVGs were developed based on India’s socio-cultural context and priorities as well as global best practices and finalised after extensive consultations with business, academia, civil society organisations and the government. The Security and Exchanges Board of India (SEBI) has mandated that the top 500 companies furnish Business Responsibility Reports (BRRs) on the uptake of NVGs as part of the listing agreement.

In view of passage of considerable time since their launch and various new developments such as enactment of Companies Act, 2013, change in global business environment having taken place, the process for updating NVGs was initiated with a two member Expert Committee by the Indian Institute of Corporate Affairs under the aegis of MCA. The **updated NVGs**, have been renamed as the **National Guidelines (NGs)** and are presented here for **public comment**.

**Guidelines for comments**

Responses may be sent to garima.dadhich@gov.in.

 The NGs consists of 5 Chapters and 4 Annexures. While public comment on the whole document is welcome, respondents are requested to specifically **provide inputs on Chapters 2 (Principles and Core Elements) and 5 (Business Responsibility Reporting Framework)**.

All respondents are requested to use **only** the attached NG Response form for furnishing their comments and feedback in any other format shall not be considered.

The draft NGs will be available for public comment **till July 20, 2018** only.

All comments received till this date will be analysed by a Review Committee for updating NVGs before finalization of the National Guidelines.

**Name of the respondent:**

**Name of organisation and job title (if relevant):**

**Type of organisation (tick appropriate): MSME/ Other business (including MNCs)/ NGOs/ Academia/ Government/ Others**

**Address:**

**Contact details: Phone - Mobile - Email:**

**Chapter 1:**

| Principle | Comments on the Principle description | Comments on the Brief Description | Comments on the Core Elements |
| --- | --- | --- | --- |
| Words to delete | Words to add | Keywords/ideas to add | Words/ideas to delete | Core element to add (upto 80 words) | Keyword to add to any existing Core Element | Words to delete from any existing Core Element |
| 1. Businesses should conduct and govern themselves with integrity in a manner that is Ethical\*, Transparent\* and Accountable\*. |  |  |  |  |  |  |  |
| 2. Businesses should provide goods and services in a manner that is safe and sustainable\* |  |  |  |  |  |  |  |
| 3. Businesses should respect and promote the well-being of all employees\*, including those in the value chain\*. |  |  |  |  |  |  |  |
| 4. Businesses should respect the interests of and be responsive to all its stakeholders\*. |  |  |  |  |  |  |  |
| 5. Businesses should respect and promote human rights. |  |  |  |  |  |  |  |
| 6. Businesses should respect and make efforts to protect and restore the environment. |  |  |  |  |  |  |  |
| 7. Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent\*. |  |  |  |  |  |  |  |
| 8. Businesses should promote inclusive growth and equitable development. |  |  |  |  |  |  |  |
| 9. Businesses should engage with and provide value to their consumers\* in a responsible manner. |  |  |  |  |  |  |  |

**Chapter 5:**

Section A

Please indicate what additional information should be sought from the businesses

Section B

Please indicate any changes in the following sections *(please limit responses to 80 words*):

* Leadership
* Integration
* Stakeholder Engagement
* Communication and Disclosures
* Inclusion

Section C

| Principle | S.No | Essential Indicators | Leadership Indicators |
| --- | --- | --- | --- |
| Current Indicators  | Indicators to be added/modified/deleted | Current Indicators  | Indicators to be added/ modified/deleted |
| 1 | 1 | How often in the year does the Governance Structure review performance of the business across the Principles and Core Elements of the Guidelines? |  | What percentage of all employees was covered by awareness programmes for the Guidelines in the year? |  |
|  | 2 | What percentage of the leadership team was covered by awareness programmes on the Guidelines in the year? |  | What percentage of suppliers and distributors (by value), in the year were covered by audits on social and environmental issues? |  |
|  | 3 | What percentage of suppliers and distributors (by value), in the year: Were covered by awareness programmes for the Guidelines? Had responsible/sustainable business policies? |  | Was a business responsibility report made, in the year: * 1. As per global reporting frameworks.
	2. Available in the public domain.
	3. Assured by a third party
 |  |
|  | 4 | How many meetings/ dialogues with minority shareholders were organized in the year?  |  | Have details of the fines/penalties imposed on your business by regulatory and judicial institutions in the year made available in public domain?  |  |
|  | 5 | How many complaints / suggestions were received in the year from: * 1. shareholders
	2. lenders
 |  | Provide examples (up to 3) of corrective action taken on the above fines/penalties imposed.  |  |
|  | 6 | How many of the above complaints were pending resolution at close of year?  |  | Provide examples (up to 3) of corrective action taken on the complaints / cases of corruption to prevent recurrence.  |  |
|  | 7 | How many fines / penalties were imposed on your business by regulatory and judicial institutions in the year?  |  |  |  |
|  | 8 | How many complaints / cases were of corruption were registered in the year?  |  |  |  |
|  | 9 | How much fiscal benefits and concessions did you receive from the government in the past year?  |  |  |  |
| 2 | 1 | Provide a list of key goods and services (top 3 by revenue in the year) which incorporateenvironmental and social concerns, risks, and/or opportunities in their design. |  | What percentage of your local and small vendors/producers were covered by capacity and capability developmentinitiatives? |  |
|  | 2 | What percentage of input material and services (by value), in the year, were sourced from suppliers adhering to internal or external sustainability standards / codes /policies / labels. |  | For goods and services that incorporated environmental and social concerns, givedetails of:1. Resource use (energy, water, raw

material) per unit produced in theyear.1. Reduction in resource use covering

sourcing, production, anddistribution in the year.1. Sustainability standards/codes/

labels adhered to.1. Product life cycle assessment

completed. |  |
|  | 3 | What percentage of input material and services (by value), in the year, were procured from local and small vendors /producers? |  | Was the information on the impacts of your products across the value chain communicated in the year to yourstakeholders? If yes:1. To which stakeholder groups?
2. By which channels for each group?
3. At what frequency?
 |  |
|  | 4 | What proportion of your total raw material consumed in the year by value consisted of material that was recycled or reused? <5%,between 5% and 25%, > 25%. Provide detailsin 50 words |  | Provide examples (up to 3) on how the feedback received from stakeholders is used for improvements?  |  |
| 3 | 1 | How many complaints were received on cases arising out of discrimination in the last year? How many of the above complaints were pending resolution at end of the last year?     |  | Which categories of employees (list up to 3) are supported by affirmative action, and has there been any change from last year? |  |
|  | 2 | Do you have employee association(s)recognised by management? Whatpercentage of permanent employees arepart of the employee association(s)recognised by the management? |  | Have you supported or facilitated the formation of any standing platform/association for non-permanent employees? If yes, what percentage of non-permanent employees are linked to this platform? |  |
|  | 3 | What percentage of your establishments /value chain has been inspected for childlabour in the last year? |  | What percentage of children identified as employed in your establishments / value chain have been remediated in the last year? |  |
|  | 4 | How many cases of child labour in yourestablishments/ value chains identifiedduring the year,a. Were resolved?b. Are pending resolution? |  | What percentage of forced/bonded labour identified in your ‘establishments’ / supplychain have been remediated? |  |
|  | 5 | What percentage of your ‘establishments’ /supply chain have been inspected for forced/ bonded labour in the last year? |  | How much above the minimum wage on average did you pay your employees last year? |  |
|  | 6 | How many cases of forced / bonded labouridentified during the year,a. Were resolved?b. Are pending resolution? |  | What percentage of your suppliers adhered to minimum wages last year?  |  |
|  | 7 | What percentage of your employees were paid above the legal minimum wage in the last year?  |  | For complaints of harassment received during the year, give (up to three) examples of steps taken to prevent adverse consequences to the complainant. |  |
|  | 8 | How many cases of delay in payment of wages during the year, * 1. Were resolved?
	2. Are pending resolution?
 |  | What percentage of supply chain partners were assessed for adherence to health and safety norms?  |  |
|  | 9 | How many complaints related to harassment during the year, * 1. Were resolved?
	2. Are pending resolution?
 |  | Provide (up to 3) examples of where identified work-life balance topics have been implemented.  |  |
|  | 10 | How many instances of the following occurred during the year, * 1. Accidents at the workplace?
	2. Fatalities caused?
	3. Disability caused?
 |  | What is the number of accident affected persons integrated back into employment? |  |
|  | 11 | What percentage of employees (all categories) were trained on health and safety issues and measures in the year?  |  | Describe the work-life balance issues that were brought up by employees  |  |
|  | 12 | What percentage of employees were provided training and skill upgradation in the year?  |  |  |  |
| 4 | 1 | Which stakeholders groups have been identified as key for your business?    |  | Provide a list of the vulnerable and marginalised groups (refer Annexure C of the Guidelines) in each stakeholder group. |  |
|  | 2 | Which positions / departments / functions are responsible for engagement with eachstakeholder category identified above? |  | Provide examples (up to 3) of how the business has incorporated inputs fromstakeholders? |  |
|  | 3 |  |  | Provide examples of decisions and actions taken by the business to address theInterests of vulnerable/ marginalised groups. |  |
|  | 4 |  |  | Have the impacts and non-mandated benefits of the business on stakeholders been described in its business responsibility report? |  |
| 5 | 1 | What percentage of employees have beenprovided training on human rights issues in the year? |  | What percentage of contractual employees and value chain partners have been made aware / provided training on human rights issues? |  |
|  | 2 | Which employee categories are covered bythe human rights policies of the business? |  | Which external stakeholder groups and representatives are covered by the human rights policies of the business? |  |
|  | 3 | How many business agreements andcontracts with third party partners werereviewed in the year to avoid complicity withadverse human rights impacts in the lastyear? |  | List (up to 3) corrective actions taken to eliminate complicity with adverse human rights impacts in the last year. |  |
|  | 4 | How many stakeholders reported humanrights related:a. Grievances and/or complaints in thelast year?b. What percentage of these complaintshave been resolved? |  | Provide (up to 2) examples of a business process being modified / introduced as a result of addressing human rightsgrievances/complaints. |  |
| 6 | 1 | Which environmental risks identified havebeen identified as material to the business?What are the mitigation and adaptationmeasures put in place for the aboveenvironmental risks?    |  | In case of any environmental impact assessments undertaken in the year:1. Have the results been

communicated in the public domain?1. Provide details of any actions taken to mitigate any negative social impacts.
 |  |
|  | 2 | Provide good practices (up to 3) inreduction, recycling, and reuse initiativesthat contributed to lowering the adverseenvironmental footprint of your businessactivities. Figures included should be for thelast 2 years. |  | Provide details of risk management strategies and measures for each material environmental risk identified for the business, giving target and achievement values for last and current year. |  |
|  | 3 | Provide details of top three investments (byvalue) in specific technology measures, if any, to improve the environmental impactsof your business. |  | Provide details of your specific contribution to India’s Nationally Determined Contributions (submitted at UNFCCC COP21 in 2015)? |  |
|  | 4 | Provide examples of any collective action byyour business with other businesses / NGOs/ government agencies / Internationalpartners / development institutionsundertaken to address any of theenvironmental risks / opportunitiesidentified above. |  | Provide examples, if any, of the creation of a new business line based on actions on the material environmental risks identified. What percentage do they contribute to your overall portfolio in terms of revenue earned? |  |
|  | 5 | Provide details of any show cause / legalnotices from CPCB/NGT/SPCB pending/unresolved at the end of the year. |  | Have the good practices cited in reduction, recycling, and reuse initiatives been benchmarked against industry best practice?If yes, provide details. |  |
| 7 | 1 | Has the governance structure reviewed itspublic policy advocacy positions forconsistency with Principles of theseGuidelines? If yes, provide up to 3 examples.   |  | Have the outcomes of a review of the business’ public policy positions for consistency with these Guidelines been communicated in the public domain? |  |
|  | 2 | Which trade and industry chambers andassociations are you members / affiliates of? |  | Provide examples (up to 3) of any policy changes in the past year as a result of your advocacy efforts? |  |
|  | 3 | Provide details of any notices received fromregulatory authorities for anti-competitiveconduct by the business. |  | Provide details of corrective action taken based on notices from regulatory authorities for anti-competitive conduct by thebusiness. |  |
| 8 | 1 | How many social impact assessments have you conducted for your business operations in the year? Was the above assessment conducted by an independent external agency? (Y/N). Provide details in 50 words.  |  | With respect to these social impact assessments: 1. Have the results been communicated in the public domain?
2. Provide details of any actions taken to mitigate any negative social impacts.
 |  |
|  | 2 | Provide examples (up to 3) of products, technologies or processes that contribute for the benefit of the vulnerable and marginalized sections of society?  |  | Specify the number of persons covered by such beneficial products, technologies or processes?  |  |
|  | 3 | With respect to projects during the year for which R&R is applicable, please indicate: * 1. How many persons were affected / displaced by these projects?
	2. What was the gross amount paid out to project affected and displaced persons?
 |  | Was the R&R policy and package developed in consultation with project affected people?  |  |
|  | 4 | Provide the number of grievances / complaints received from local community representatives and the numbers pending at the end of the year.  |  | Has the information on gross amounts paid project affected and displaced persons been communicated in the public domain?  |  |
|  | 5 | Provide list of investments (top 3 by value) in regions which are underdeveloped?  |  | List the channels/platforms through which information regarding resolution of grievances / complaints has been communicated in the public domain.  |  |
|  | 6 | Provide examples (up to 3) of goods and services which incorporated local traditional knowledge.  |  | Provide examples (up to 3) of economic and social value addition in these underdeveloped regions.  |  |
|  | 7 | Provide a list of intellectual property rights disputes related to traditional knowledge during the year, if any.  |  | Provide examples where benefits of this local traditional knowledge being used by the business are shared with the community.  |  |
|  | 8 | Provide a summary (up to 100 words) of the key themes covered by CSR (as per Section 135 of Companies Act 2013) initiatives or linked to the CSR Policy of the business.  |  | Provide the total number of beneficiaries covered under your CSR projects (as per Section 135 of Companies Act 2013), disaggregated by the vulnerable and marginalised group categories (refer Annexure C of the Guidelines).  |  |
|  | 9 |  |  | Provide examples of how the impact of your community initiatives contribute to local and national development indicators?  |  |
| 9 | 1 | Provide examples (up to 3) where adverseimpacts of goods and services of yourbusiness have been raised in public domainin the last year.   |  | Provide details of corrective actions taken, if any, on adverse impacts of goods and services of your business? Were details ofthe above corrective actions communicated in the public domain? |  |
|  | 2 | What percentage of goods and services ofthe business carry information about:1. Environmental and social parameters relevant to the product?
2. Information on their safe and responsible usage?
 |  | Provide a list of national / international product labels / certifications being used by the business? |  |
|  | 3 | How many consumer complaints in respectof data privacy were:1. Received during the year?
2. Remain pending at the end of the year?
 |  | Provide a list of channels / platforms where information on goods and services of the business can be accessed. |  |
|  | 4 | How many consumer complaints in respectof advertising were:1. Received during the year?
2. Remain pending at the end of the year?
 |  | Describe (not more than 50 words) the steps taken to inform and educate vulnerable and marginalised consumers about safe and responsible usage of products.  |  |
|  | 5 | How many consumer complaints in respectof delivery of essential services were:1. Received during the year?
2. Remain pending at the end of the year?
 |  | In case of any complaints received in respect of data privacy and advertising, indicate in 50 words what corrective actions were taken to ensure that these do not get repeated? |  |
|  | 6 |  |  | Describe (not more than 50 words) the processes in place to inform consumers of anyrisk of disruption/ discontinuation of essential services. |  |