

“Motivation is what gets you started. Habit is
what keeps you going.”
Jim Ryun



Jatin Gupta

About me

A development sector professional with a passion for teaching

Interest Areas: Constitutional Law, Cyber Laws and Intellectual Property Rights

Favourite Book : Man's search for meaning in life

Favourite Music : A.R Rahman, Amit Trivedi, Pink Floyd

Childhood Hero: Mahatma Gandhi

Paper IV Syllabus

Ethics, Integrity and Aptitude

This paper will include questions to test the candidates' attitude and approach to issues relating to integrity, probity in public life and his problem solving approach to various issues and conflicts faced by him in dealing with society. Questions may utilise the case study approach to determine these aspects. The following broad areas will be covered:

- Ethics and Human Interface: Essence, Determinants and Consequences of Ethics in - Human Actions; Dimensions of Ethics; Ethics - in Private and Public Relationships. Human Values - Lessons from the Lives and Teachings of Great Leaders, Reformers and Administrators; Role of Family Society and Educational Institutions in Inculcating Values.
- Attitude: Content, Structure, Function; its Influence and Relation with Thought and Behaviour; Moral and Political Attitudes; Social Influence and Persuasion.
- Aptitude and Foundational Values for Civil Service, Integrity, Impartiality and Non-partisanship, Objectivity, Dedication to Public Service, Empathy, Tolerance and Compassion towards the weaker-sections.
- Emotional Intelligence-Concepts, and their Utilities and Application in Administration and Governance.
- Contributions of Moral Thinkers and Philosophers from India and World.
- Public/Civil Service Values and Ethics in Public Administration: Status and Problems; Ethical Concerns and Dilemmas in Government and Private Institutions; Laws, Rules, Regulations and Conscience as Sources of Ethical Guidance; Accountability and Ethical Governance; Strengthening of Ethical and Moral Values in Governance; Ethical Issues in International Relations and Funding; Corporate Governance.
- Probity in Governance: Concept of Public Service; Philosophical Basis of Governance and Probity; Information Sharing and Transparency in Government, Right to Information, Codes of Ethics, Codes of Conduct, Citizen's Charters, Work Culture, Quality of Service Delivery, Utilization of Public Funds, Challenges of Corruption.
- Case Studies on above issues.



Foundational Values of Civil Services

Values:

Values are **intrinsic beliefs** of an individual that guide and motivate one's behaviour.

Some of the **universally desired values** include truthfulness, courage, loyalty, helpfulness, sincerity, respect for others, etc.

The **values** may **differ** from place to place and vary according to the times live in.

Foundational Values of any organization:

These are those **values** or **principles** that form the **very basis** of an organization.

In other words, they form the **core identity** of an organization.

These values are given the highest priority in the functioning of an organization.

Eg: Google on innovation; TATA on employees friendly environment, etc.

Foundational Values of Civil Services

Significance/importance of the foundational values for civil services

- Civil services possess wide discretionary powers and by following the foundational values they can maximize the public good.
- Often civil servants end up in ethical dilemmas, in such situations, the foundational values can help them in making decisions.
- Establish trust between the citizens and the civil servants.
- Help in ensuring consistency in the decision-making or functioning of civil services.
- Ensure maximum utilization of limited resources for the well-being of society.
- Ensuring maximum utilization of limited resources.
- It will help in promoting good governance.

Sympathy, Empathy, Compassion



Awanish Sharan walking his daughter Vedika into class.

Sympathy, Empathy, Compassion



**Awanish Sharan sharing Mid-Day-Meal with
his daughter**

Sympathy, Empathy, Compassion

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District Magistrate Sets Example, Admits Son To Anganwadi Centre

The factor that motivated her to make the choice was to help her son grow up in an atmosphere which encourages sharing, Chamoli District Magistrate Swati S Bhadoria said.

[All India](#) | [Press Trust of India](#) | Updated: November 01, 2018 9:36 pm IST

Objectivity

Sadhu dreams of buried gold, government starts digging

All India | Reuters | Updated: October 18, 2013 11:22 am IST

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Objectivity

Denied food because she did not have Aadhaar-linked ration card, Jharkhand girl dies of starvation

Supreme Court guidelines have made it clear beneficiaries cannot be denied access to welfare schemes even if they don't have Aadhaar, activists say.



Tolerance



Impartiality and Non-Partisanship



Dedication to Public Service

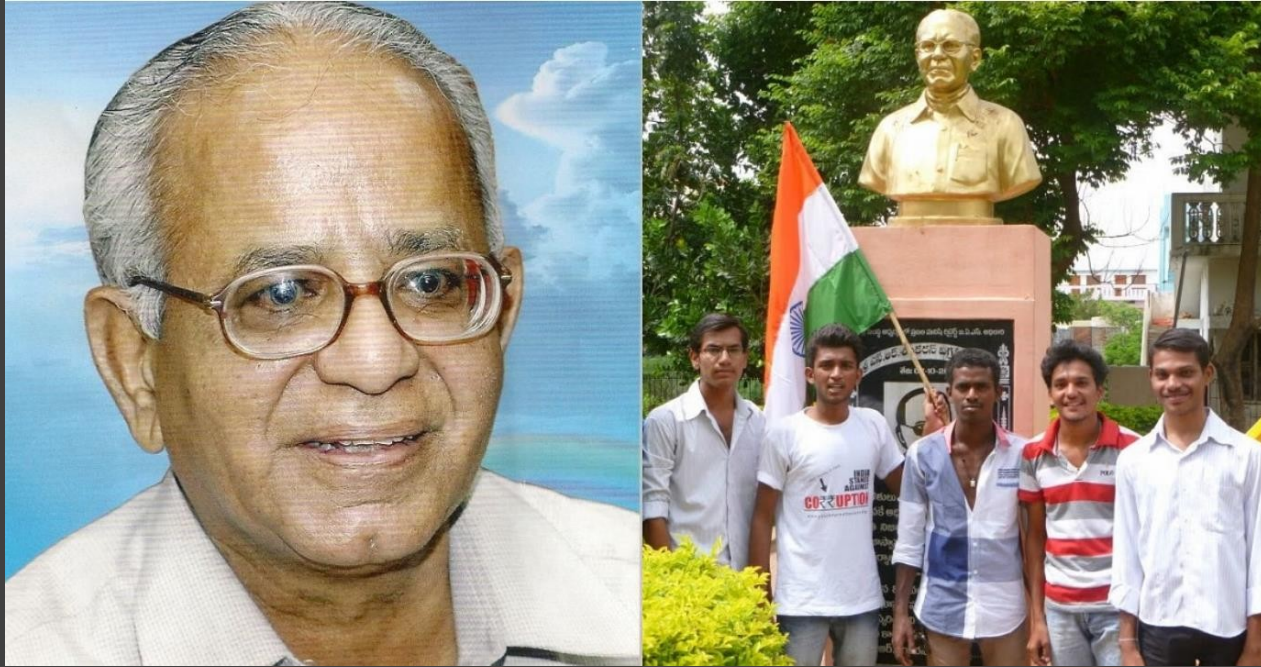


Courage and Fearlessness

Fearlessness and Courage : The Shah Commission which investigated the 'excesses' committed during Emergency (1975-77), found that public servants committed irregular and illegal acts, which caused immense suffering to the masses out of fear of their political masters. The Commission observed, 'they crawled while they were asked to bend'. During the Nuremberg trial the top German army commanders told the War Crime Tribunal that they committed atrocities against the Jews out of fear of Nazi top brass. It is often seen that many public officials though honest themselves, succumb to unjust demand of political masters or their own official superiors, out of fear that their CR will be spoiled or they will be transferred to a inconvenient place, or their promotion will be jeopardized. This happens largely due to weak character and lack of conviction that they are doing an honest job.

P S Appu Director of National Academy of Administration, showed great courage of conviction and stood by his principles and quit his job, when he found that political masters interfered with his demand to terminate the services of an IAS probationer who was indisciplined and indulged in criminal behaviour. One of the charges against bureaucracy is that they play safe and are afraid of taking bold decisions. In the complex and technocratic world of today public servants are required to take speedy and innovative decisions which needs courage. Courage means mustering the strength and will to do what you know you should do, even though you are afraid. Aristotle had said, " we become brave by doing brave acts".

Honesty and Integrity





thanks!

Any questions?

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Corporate Governance
Handout for Foundation Batch
Faculty: Jatin Gupta

Corporate governance is the system of rules, practices and processes by which a company is directed and controlled. It essentially involves balancing the interests of all stakeholders, and is important for attracting investors.

Important principles/values of Corporate Governance- (01:26 PM)

1) Transparency - A corporate entity should take all the necessary measures to keep all the stakeholders' information about the functioning of the organization.

2) Accountability - It should adhere to the highest standards of accountability to ensure its commitment to the stakeholders to conduct its business in an ethical manner.

3) Legality - It should comply with all the laws of the land and should not perform functions contrary to them.

4) Independence - Good corporate governance requires independence on the part of the top management of the corporation, that is the board of directors must be non-partition and should take all the decisions based on business prudence.

5) Equity and Diversity - It should represent different sections of society and promote inclusivity through the appointment of directors and employees from the weaker sections of society.

Why are Corporate Governance norms needed in India?

Many companies in India, including the large corporate groups, were born as family-owned enterprises. Family members occupied managerial positions in such companies and took all the key business decisions. This practice had blurred the distinction between company's finances and that of family owners. With the evolution of equity markets, many such family-run businesses listed themselves on the stock markets. This led to a separation of the ownership from the management of firms. Despite this, the promoters continue to wield disproportionate influence over company decisions.

Corporate Governance norms are needed to ensure that a company is run in the interest of all the stakeholders, without the promoters and the management lining their own pockets. Moreover, a company with good corporate governance standards enjoys greater investor confidence, adding value to its share price in the stock markets. Foreign Institutional/Portfolio Investors (FII/FPI) prefer to invest in those companies with good corporate governance.

India has a history of high profile scams like the stock market scams (of Harshad Mehta, Ketan Parekh), UTI scam, Satyam scandal etc. which were termed as the outcomes of failed corporate governance. Hence, there is a need to institutionalize stringent norms surrounding corporate governance to prevent their recurrence.

Importance of ethically-based corporate governance:

1) Good corporate governance ensures corporate success and economic growth. Ethical Corporate Governance helps in growing the reputation of a company and thus, increase the profits. It leads to better relationships among stakeholders that enhances performance of organisations.

2) It helps in the brand formation and establishing a strong reputation for a corporate entity which automatically translates into higher profits. Customer relationships are also improved. Ethical governance increases customer loyalty, enhances brand image, and cater to customers service and satisfaction. With ethical business practices, complaints and issues of customers are solved transparently leading to trust in the corporation.

3) Better prospects for investment - It maintains investor confidence as a result of which the company can raise capital efficiently and effectively.

For example - According to a **study conducted by McKinsey**, institutional investors were willing to **pay an average of 20% more for well-governed companies.**

4) Improved work culture - Corporate governance can have a significant impact on work culture. It ensures greater trust among the employees and results in a positive work environment and therefore higher employee retention rates. It means that a company can save costs associated with the recruitment and training of employees. It provides a proper inducement to the owners as well as managers to achieve objectives that are in the interest of shareholders and the organization.

5) It minimizes wastage, corruption, and mismanagement - In recent times several private entities have been involved in various scams, which have affected the image of the nation. To make India an Investment destination in the future, adherence to the principles of corporate governance is a must. Not only that, private sector/ corporate entities have been dropped in for the delivery of essential public services, **such as electricity distribution.** Given the dependence of the citizens on the corporate sector, corporate governance has assumed significant importance.

Kotak Committee Recommendations w.r.t Corporate Governance

The Kotak committee has extensively examined the current state of affairs and recommended sweeping changes that will help improve governance and enhance investor confidence. Emphasis has been laid on strengthening the **three gatekeepers**—the board, the auditors and the regulator. It focused on the following:

Independent Directors

- Their strength should be increased from 33% to 50% of the board to protect small investors.
- No board meeting can be conducted without the presence of an independent director.
- Suggested measures so that independent directors inducted in the board are truly independent.

Regarding Audit:

- An audit committee to look into utilization of funds infused by a listed entity into unlisted subsidiaries, including foreign subsidiaries.
- It covers issues in accounting and auditing practises by listed companies and seeks to improve the effectiveness of board evaluation practises.

Strengthening the regulator:

- Strengthening the role of the market regulator to improve the governance practises at listed entities.
- SEBI should have the power to act against auditors if the need arises.
- SEBI to develop capabilities to be able to regulate listed companies more effectively and protect the interests of small shareholders.

Other Reforms:

- For government companies, it recommended that the board have final say on the appointment of independent directors and not the nodal ministry.
- It made some radical suggestions to improve the safeguards and disclosures pertaining to related-party transactions.
- It seeks to address the issues faced by minority investors on voting and participation in annual general meetings.

Although most of the recommendations in the committee's report are incremental in nature, there are a few far-reaching as well, they aim to strengthen corporate governance further particularly in the realm of implementation. These would help in realizing the objectives of Companies Act 2013 and SEBI's subsequent reforms for improving Corporate Governance.

Corporate Social responsibility (CSR)

CSR or Corporate Social responsibility is also referred to as corporate citizenship and is a process by which an organization thinks about and evolves its relationship with various stakeholders for the common good and demonstrates its commitment in this respect by adopting appropriate business processes and strategies.

CSR is not charity or mere donation, but rather a way of conducting business by which corporate entities contribute to the social good. A socially responsible company should not be limited to using resources to engage in activities that only

increase their profits, they must use CSR to integrate economic, environmental, and social objectives with the company's operations and growth.

Advantages of promoting Corporate Social Responsibility

Corporate social responsibility is based on the premise that a business can only thrive if it operates within a thriving society. In that way, the business depends on the community it operates within, and as such, has an ethical and moral responsibility towards that community. A business is perceived as legitimate when its activities are congruent with the goals and values of the society in which the business operates.

Consumers and other companies are likely to shun firms that develop unethical reputations. And arguably, companies that don't pay attention to their social and ethical responsibilities are more likely to stumble into legal troubles, such as mass corruption or accounting fraud scandals – threatening the sustainability of the business itself.

By promoting respect for the company in the marketplace, CSR can result in higher sales, enhance employee loyalty and attract better personnel to the firm. It is also a way to connect to the personal well-being of customers. In this way, the CSR can contribute towards higher profits for the company.

Therefore, by ensuring brand loyalty and consumer patronage, CSR can ensure that the business remains sustainable in the long-term and it stays profitable.

Components of Corporate Social Responsibility

1) Business Ethics - Businesses should integrate core values, such as honesty, trust, respect, and fairness into their policies, practices, and decision-making. It should also adhere to legal standards and rules and regulations.

2) Employee welfare - Good CSR practices should focus on improving the workplace in terms of health and safety, as well as focus on a healthy balance between work and non-work life. CSR activities should also focus on the Diversity of the workforce and include people from marginalized sections of society.

A responsible company should prevent sexual harassment in the workplace and promote respect for the diversity of cultures.

3) Influencing the supply chain- If anyone from the supply chain neglects social, environmental, and human rights concerns it may reflect badly on a company. Therefore, it must use its position to influence the **entire supply chain to adopt ethical business practices**.

4) Environmental concerns- CSR also means that a company should go beyond mandatory requirements and deliver environmental benefits.

It would include finding sustainable solutions and reducing adverse impacts on the environment.

Such as ***the reduction of pollutants and emissions*** as well as producing environment-friendly goods and services.

5) Community Empowerment- A socially responsible company must make a positive change in the lives of the local community by executing various projects in partnership with the community.

Legal provisions related to CSR under the Companies Act 2013

- Companies have a net worth of **500 crores or more** (or)
- Companies having an annual turnover of **1000 crores or more** (or)
- Companies having a net profit of **5 crores or more**.

According to the act,

- Companies must constitute a CSR committee of the board comprising 3 or more directors, out of which at least 1 must be an independent director.
- The board should report the composition of the committee in its annual report.
- Any such company must spend at least **2% of its average annual profit of the last 3 years**.

Examples of activities permitted under CSR -

- Promotion of Education.
- Eradicating hunger and poverty.
- Gender Equality and women empowerment.
- Improvement in maternal health.
- Ensuring environmental sustainability.
- Livelihood development/skill development.
- Contribution to PM National Relief Fund.

According to the company's Act, Companies must give preference to the local areas in which they operate

Gandhi's ethical philosophy encompasses several key principles:

1.Ahimsa (Nonviolence): Gandhi believed in the practice of nonviolence, extending beyond physical harm to encompass thoughts, emotions, and behaviour's that cause harm to others. This included avoiding evil thoughts, hatred, harsh words, dishonesty, and lying.

For example: use of this principle to fight Manipur violence, mob-lynching etc..

2. Satyagraha: Satyagraha refers to the use of soul-force or nonviolent resistance against injustice, oppression, and exploitation. It involves suffering and trust as attributes of soul force, seeking to appeal to the heart and overwhelm opponents with the power of innocence.

For example: Chipko movement, Anti-corruption movement etc

3. Swaraj: Swaraj, meaning self-rule, represents an integral revolution that encompasses all aspects of life.

At an individual level, it involves dispassionate self-assessment, continuous self-purification, and self-reliance (swadeshi).

Politically, swaraj advocates for self-government based on pure moral authority and independence from both foreign and national government control.

Economically, it emphasizes full economic freedom for the masses.

4. Trusteeship: Gandhi proposed the concept of trusteeship, wherein the wealthy consider themselves as trustees of their possessions and utilize their wealth for the benefit of society.

This idea is based on the belief that everything belongs to God and should be used for the service of God's creation, without coveting what belongs to others.

Trusteeship aims to reduce social and economic disparities through equitable distribution of resources.

(example: Bhoodan and Gramdan movement by Vinoba Bhave)

(example: Corporate social responsibility)

5. **Sarvodaya (Welfare of All)**: Gandhi stressed the importance of promoting the welfare and upliftment of all individuals in society, particularly the marginalized and oppressed. Sarvodaya focuses on achieving universal uplift and progress for the betterment of society as a whole.

For example: welfare state, reservation policy etc

6. **Simplicity and Selflessness**: Gandhi advocated for a simple and minimalist lifestyle, highlighting the importance of overcoming greed and embracing simplicity. He believed that there is enough on the planet to fulfil everyone's needs but not everyone's greed. Simplicity leads to selflessness and encourages individuals to consider the well-being of others.

For example: Mission LiFE, i.e. lifestyle for environment

These principles form the foundation of Gandhi's ethical philosophy, emphasizing nonviolence, self-rule, equitable distribution, welfare of all, and the virtues of simplicity and selflessness.

Gandhi outlined the "Seven Deadly Sins" as follows, emphasizing the need to avoid them:

1. **Wealth without Work**: Gandhi criticized the act of acquiring wealth through manipulation and without putting in genuine effort or creating value. He advocated for fair economic practices and discouraged exploiting others for personal gain. **Example: Tax evasion, corruption etc**

2. **Pleasure without Conscience**: Gandhi cautioned against seeking personal pleasure without considering the ethical consequences and its impact on others. He believed that mindful decision-making and responsible actions should prioritize the well-being of all. **Example: Drug Abuse**

3. **Knowledge without Character**: Gandhi recognized the dangers of possessing extensive knowledge without having a strong, principled character. He believed in the importance of education that nurtures both intellectual abilities and moral virtues, ensuring that knowledge is used ethically and for the betterment of society. **Example: unethical scientific research, plagiarism, fabrication of research data etc..**

4. **Commerce (Business) without Morality**: Gandhi emphasized the need for business activities to be guided by principles of fairness, honesty, and social responsibility. He condemned unethical practices, exploitation, and the

disregard for the welfare of others. **Example: engaging in child labour to maximize profits.**

5. **Science without Humanity**: According to Gandhi, scientific progress should be directed towards benefiting humanity and promoting social welfare, rather than being driven solely by ambition or profit. He considered it a grave mistake to pursue scientific advancements without considering their impact on human well-being. **Example: weaponization of science, unethical clinical trials.**

6. **Religion without Sacrifice**: Gandhi stressed that true religious devotion goes beyond mere rituals and involves selfless service and sacrifice for the betterment of others. He believed that religious beliefs should be translated into actions that positively impact society and foster harmony. **Example: too much focus on rituals without focussing on embodying the values of religion.**

7. **Politics without Principle**: Gandhi cautioned against engaging in politics devoid of moral principles, as it could lead to violence and moral decay. He advocated for political leaders to be guided by ethical values, integrity, and a genuine commitment to the welfare of the people they serve. **Example: partisan politics, criminalisation of politics. etc**

By highlighting these "Seven Deadly Sins," Gandhi underscored the significance of integrating material pursuits with ethical considerations, prioritizing the well-being of others, and upholding moral integrity in various facets of life, such as wealth, pleasure, knowledge, commerce, science, religion, and politics.

B.R. Ambedkar's ethical philosophy encompassed the following principles:

1. **Social Justice**: Ambedkar strongly advocated for social justice, recognizing that all individuals are born equal and that the caste system and the practice of Untouchability were social constructs that perpetuated inequality and discrimination. He championed human dignity, liberty, equality, and fraternity through legal provisions. His perspective on social justice was grounded in the principles of social democracy, emphasizing the importance of liberty, equality, and fraternity. Ambedkar called for the equitable distribution of resources, equal access to opportunities, and fair representation in all aspects of life.

2. **Human Rights**: Ambedkar firmly believed in the equality and universality of human rights. He held a deep faith in the fundamental principles of human

rights, including equality and the dignity of every individual. He advocated for the promotion of a higher standard of living, peace, and security in all spheres of human life. Ambedkar emphasized the right of every person to live a life free from discrimination, oppression, and exploitation.

3. **Education and Empowerment:** Ambedkar recognized the transformative power of education in overcoming social inequalities. He viewed education as a vital tool for uplifting individuals and communities from the constraints imposed by social disparities. Ambedkar emphasized the need to provide free education to all Dalits and highlighted the importance of agitation, education, and organization as key dimensions for empowering marginalized communities.

B.R. Ambedkar's ethical philosophy focused on the pursuit of social justice, the promotion of human rights for all, and the transformative potential of education and empowerment. He dedicated his efforts to challenging and dismantling oppressive social structures, advocating for equality, and striving for a society that values the dignity and well-being of every individual.

Mahatma Gandhi and B.R. Ambedkar had distinct views on various aspects, highlighting their differences in ethical philosophy.

1. Caste Approach:

Gandhi advocated for reforming the caste system from within, believing that education, moral persuasion, and upliftment of lower castes could eliminate Untouchability. He aimed for inter-caste harmony and unity. In contrast, Ambedkar called for the complete eradication of the caste system. He viewed it as inherently oppressive and discriminatory, emphasizing the need for legal and political measures to challenge caste-based discrimination and achieve social justice.

2. Freedom Concept:

Gandhi primarily focused on political freedom from colonial rule, emphasizing the transfer of power to local elites. Ambedkar, however, saw freedom as liberation from the cultural bondage imposed by the caste system. He stressed the importance of social and cultural transformation for true freedom among marginalized communities.

3. Approach to Social Change:

Gandhi advocated nonviolence and civil disobedience to bring about social and political transformation. He aimed to win over oppressors through love and nonviolent resistance, emphasizing individual self-purification and moral transformation as the basis for societal change.

On the other hand, Ambedkar focused on political rights and legal reforms to address social inequalities. He advocated for affirmative action and reservation policies to provide representation and upliftment to marginalized communities, recognizing the need for structural and systemic changes.

While both Gandhi and Ambedkar worked towards the welfare of marginalized communities and fought against discrimination, their approaches diverged in terms of their views on the caste system, the concept of freedom, and the strategies for social change. These differences reflect the complexities of addressing social and political challenges in India.