C H A P T E R - V

MANAGERIAL ETHICAL PROCEDURE AND PRACTICE AT WORK PLACE

i. Factors Influence in Maintaining Ethical Climate in VSP

ii. Tools influencing Effective Implementation of Ethical Culture in VSP
   1. Integrity Pact
   2. Certified Standing Orders
   3. Conduct, Discipline and Appeal Rules
   4. Code of Business Conduct and Ethics
   5. Leveraging Technology
   6. Vigilance Policy

iii. Other Factors influence in Implementation of Ethical Culture in VSP
CHAPTER-V

MANAGERIAL ETHICAL PROCEDURE AND PRACTICE

AT WORK PLACE

This chapter is divided into two sections. Section-I deals with the existing practices of ethical issues in Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant, Section-II covers the respondents opinions and perceptions of ethical dimensions.

Section - I

In an age of liberalization and globalization organization can grow, survive and prosper in the long run only if they adopt proper policies and programmes, which can be considered ethically, economically, socially and environmentally good to vast sections of society with whom they are intricately linked. In the wake of revelations of serious scandals, irregularities, malpractices perpetrated by corporate entities anywhere and everywhere in the world, the need for good corporate governance and application of ethical values and principles in the conduct of business operations at every level of a corporate organisation right from top level is felt more relevant now than before to serve the varied needs, aspirations and expectations of different segments of stakeholders who have a stake in the healthy functioning of a corporate entity as a socially responsible member of the civil society. Interestingly Mr. N.R.Narayana Murthy, Chairman and Chief Mentor of Infosys Technologies, the much admired and well respected Indian Software Company, has won the Ernst & Young World Entrepreneur Award for the Year 2003. The Judges have conferred this prestigious Award to Mr. Narayana Murthy based on his intellectually, philosophically, ethically and spiritually driving entrepreneurship and his company’s outstanding performance and global impact in a dynamic but volatile industry. We can all take real proud of his achievement as it is a great honour to our nation and its people as well. As such Rashtriya Ispat Nigam Limited (RINL), Visakhapatnam Steel Plant is a premier Public Sector Organization engaged in various activities in the production and marketing of steel and allied products. RINL conducts its
business with a number of domestic and international customers, tenders, contractors and vendors of goods and services (counterparties) with highest ethical standards. RINL is committed to fostering an ethical and corruption free business environment. It values its relationship with all counterparties and strives to continue to deal with them in a fair and transparent manner. The following are the various initiatives taken by the management to maintain the effective ethical standards.

- The leadership pays special attention to ensure transparency in policies, systems and procedures in vogue.

- Procedures at Visakhapatnam Steel Plant are based on clearly defined guidelines that emphasize ethical conduct across the company.

- The Vigilance department in VSP promotes preventive vigilance through improvement of systems, with emphasis on transparency and leveraging IT tools for harmonious adoption of work ethics.

- Vigilance Awareness Week Celebrations are held every year for creating awareness and information dissemination among the employees, contractors, suppliers etc.

- Hosting of the Vigilance Policy, Complaint Handling Policy, circulars etc. on the Intranet, are some other means to promote a culture of transparency and good work ethics.

- RINL Vigilance is ISO certified & quality manual of Vigilance Department has been upgraded to ISO 9001 - 2008 Standard.

- A Code of Business Conduct and Ethics has been drawn up as per corporate governance guidelines issued by Department of Public Enterprises (DPE).

- A board Sub-Committee on Ethics with three Independent Directors as Members and Director (Personnel) as its Convener has been functioning to address issues connected to business Ethics.
➢ Further, the board has authorized Chairman-cum-Managing Director and Director (Finance) on behalf of the Board to incorporate any modification, amendments or changes in the Model Code of Conduct as and when it becomes necessary.

i. **Factors influence in maintaining ethical climate in Visakhapatnam Steel Plant:**
   1. Better Pay and wages to all employees to inculcate ethical standards of life
   2. Safety and Health of Employees

1. **BETTER PAY AND WAGES TO ALL EMPLOYEES TO INCULCATE ETHICAL STANDARD OF LIFE**

   a. **Better Perquisites**
      - Reimbursement of expenditure on vehicle repair and maintenance;
      - Transport allowance;
      - Canteen Allowance / Food vouchers;
      - Entertainment allowance;
      - Newspaper / Professional Literature reimbursement;
      - Education Expenses (including School/College/UG-PG Courses/Hostel Expenses);
      - Internet / Communication;
      - Professional Development;
      - House Upkeep allowance;
      - Gardener / Cook / Driver / Domestic Help Allowance;
      - Self Development Allowance;
      - Washing Allowance;
      - Leave Travel Concession
      - Fitness Allowance (self and / or family)
      - Uniform / Professional Attire allowance;
      - House Loan Interest Subsidy;

   b. **Allowances to all employees**
      - Reimbursement of Local Travelling Expenses;
      - Reimbursement of Transport Expenses;
- Reimbursement of Magazine/Periodicals expenses;
- Reimbursement of Entertainment Allowance;
- Reimbursement of Education Expenses like Tuition fee etc.,
- Canteen Subsidy;
- Washing Allowance (wherever applicable).
- Non-practicing allowance (to Doctors)

c. Advances to all employees:

- House building Advances;
- Advance for purchase of motor vehicles;
- Advance for the purchase of Bicycle;
- Advance for Medical attendance and treatment;
- Festival advance;

d. Employees Motivation and Welfare Scheme:

- Incentive scheme for acquiring professional qualifications;
- Jawaharlal Nehru Award scheme for Excellent Performance;
- Long Service Award scheme;
- Employees Instantaneous Recognition award scheme;
- Incentive scheme for promoting small family norms;
- Encashment of Leave;
- Medical attendance and treatment;
- Grant of assistance towards funeral expenses of employees who die while in service;
- Family Benefit scheme;
- House allotment Rules;
- Leave Travel Concession;
- Reimbursement of school fees to employees children;
- Grant of scholarship to the children of employees;
- Grant of scholarships to the children of employees belonging to scheduled castes and scheduled tribes;
- Scheme for grant of scholarships to physically challenged children of employees;
- Grant of Dr. Sarvepalli Radhakrishnan Merit Cash awards and Col. CK Nayudu Sports cash awards to the children of VSP employees.

2. SAFETY AND GOOD ENVIRONMENT TO EMPLOYEES:

Following are the measures at the plant level to comply with and improve upon the safety requirements of the plant. The impact of those measures over the last three years is given below:

Implementation of OHSAS 18001 through combination of various safety management practices, maintenance practices, rigorous training and development of employees ensures a safe work culture in the organization. Important efforts in this direction during 2011-12 include:

- HOZOP and HAZON studies for VSP were conducted by M/s DNV. On site emergency plan, mock drills are conducted to test the emergency preparedness for fire, electric shock, gas leak, rescue from heights, burn injuries in departments as well as plant level.
- Seminars and exhibition of safety appliances were conducted for promoting the usage of different Personnel Protective Equipments (PPEs) while on work.
- Special drives conducted for strict monitoring & implementation of Permit-To-Work, Shut-Down systems and usage of PPEs.
- Mock drills were also conducted for situations like, Gas Poisoning, Material handling Hazards, Fall from Height, Electrical Shock, Snake Bite, Burn injuries, Slip & Fall, Hit by rolling stock, Body part caught in moving machinery etc., apart from the existing practice of mock drill for fire emergency,
- Safety portal covering all aspects of safety was launched.

Personnel Protective Equipment (PPE):
All safety PPE such as helmet, Shoes, Goggles, Hand gloves, Aprons, Safety belts etc. are provided to all employees. The Usage and importance of these appliances are being communicated through workshops and classroom training.

- **Implementation of OHSMS (Occupational Health and Safety Management System):**

  VSP has successfully upgraded its Occupational Health and Safety Management system to OHSAS 18001: 2007 version and under this new version, around 3000 Nos. of Hazard Identification and Risk Assessment (HIRA) sheets are prepared. Internal Audits were conducted quarterly to check the implementation of OHSAS 18001:2007 and the non-conformances identified and other observations suggested by the auditors were attended. Surveillance and Recertification audits were done for OHSAS: 18001-2007 by M/s BVCI and the functioning of the OHSAS 18001 was checked for its implementation. Updated e-issues of all the Procedures, HIRAs and Control are made available for ready reference by the employees.

  A module on Behavior Based Safety Management (BBSM) is included as a part of regular safety training programs and special lectures were arranged for senior executives on BBSM.

  All the height related jobs performed by the workers are closely monitored to implement the standard height work procedure. Prior safety arrangements are done before start of the height jobs and usage of good quality safety appliances like, double life line tested safety belt, safety net, guide ropes, rope ladders, etc. is ensured.

  Special safety training programmes like Safety during Gas Cutting, Welding, Working with Conveyor Belt, Painting, Roof Sheeting jobs, etc. are conducted regularly for the employees its information is furnished in the Table 5.1
Table 5.1: Details showing Special Training Programmes

<table>
<thead>
<tr>
<th>Programme Title</th>
<th>No. of Persons Trained during the years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2009-10</td>
</tr>
<tr>
<td>General Safety &amp; Road Safety</td>
<td>3202</td>
</tr>
<tr>
<td>Safety in Material Handling</td>
<td>408</td>
</tr>
<tr>
<td>Gas Safety</td>
<td>409</td>
</tr>
<tr>
<td>Electrical Safety</td>
<td>689</td>
</tr>
<tr>
<td>Crane Safety</td>
<td>90</td>
</tr>
<tr>
<td>OH&amp;S Management</td>
<td>440</td>
</tr>
<tr>
<td>Conveyor Belt Safety</td>
<td>49</td>
</tr>
<tr>
<td>Safety with rotating equipment</td>
<td>--</td>
</tr>
<tr>
<td>Special training programmes</td>
<td>339</td>
</tr>
<tr>
<td>Others (for trainees)</td>
<td>--</td>
</tr>
<tr>
<td>Total</td>
<td>5626</td>
</tr>
</tbody>
</table>

Source: VSP Annual Reports

➢ Contract workers safety and training:

Apart from the training to the regular employees, it is mandatory for all the contract workers to undergo Job Specific and Site Specific Safety Training for obtaining gate passes to enter the plant. The total number of training conducted for the different contract workers are furnished in Table 5.2

Table 5.2: Details showing Contract Workers Training

<table>
<thead>
<tr>
<th>Programme</th>
<th>2009-10</th>
<th>2010-11</th>
<th>2011-12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fresh Training on Gen Safety</td>
<td>1860</td>
<td>1228</td>
<td>1893</td>
</tr>
<tr>
<td>Height Training &amp; Test</td>
<td>1161</td>
<td>734</td>
<td>963</td>
</tr>
<tr>
<td>Total</td>
<td>3021</td>
<td>1962</td>
<td>2856</td>
</tr>
</tbody>
</table>
➤ Fire safety:

All the fire prone areas and the jobs are identified in the plant and as per the size and location of the area, fixed and portable fire fighting facilities are arranged. For fire fighting from ground, fire hydrants are used and from elevations, landing valves are used. It is ensured that water with sufficient pressure is always available for using these hydrants and landing valves through periodical inspection. Fire Detection and Alarm is another fixed fire fighting system available at different locations which work on fully and semi-automated conditions to extinguish fire in remote and other critical areas. More than 144 number of fire mock drills were organized in several departments and all the deficiencies and other observations made during the drills were complied with. Regular inspections were conducted by teams consisting CISF, the concerned department and SED to check the status of all the fire fighting facilities and their functioning.

➤ Special safety training programmes:

Special training programmes conducted during 2011-12 include programs on Electrical Safety, Structural Maintenance, Painting & Working at Heights, Hazards of Chlorine Gas, Road Safety & Home Safety, etc. Safety training imparted to the regular employees.

The above safety measures have resulted in maintaining a good safety record maintained by VSP and also it is helped to reduce the man days lost and number of fatal accidents in the organization its information presented in Table 5.3.

**TABLE 5.3: Table showing particulars of man days lost & fatal accidents in the organisation**

<table>
<thead>
<tr>
<th>Year</th>
<th>No of Reportable accidents/million man hours</th>
<th>Man days lost/million man hours</th>
<th>No. of fatal accidents</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009-10</td>
<td>0.87</td>
<td>386.83</td>
<td>03</td>
</tr>
<tr>
<td>2010-11</td>
<td>0.67</td>
<td>366.53</td>
<td>03</td>
</tr>
<tr>
<td>2011-12</td>
<td>0.5</td>
<td>139.04</td>
<td>01</td>
</tr>
</tbody>
</table>

*Source: VSP Annual Reports*
Employee satisfaction surveys

After following the various forms of training to their employees, to know their satisfaction level, through the Stratified random sampling technique feedback relating to the training methodology and facilities extended to employees will be gathered and it will be followed to have unbiased and true representative response. Since 2008-09, company has been participating in the survey. As per its policies and procedure adopted in the organization it is been rated as the "India's Best Companies to Work For” conducted by the “Great Place to Work Institute Inc.” and “The Economic Times”.

The survey is based on questionnaire & interaction with employees and ranking is done among the participating companies. Trust Index is calculated based on the elements of (i) Credibility, (ii) Respect, (iii) Fairness, (iv) Pride and (v) Camaraderie.

**TABLE 5.4: SCORE OF TRUST INDEX DURING THE YEAR: 2011-12**

<table>
<thead>
<tr>
<th>Aspect</th>
<th>2011-12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credibility</td>
<td>41</td>
</tr>
<tr>
<td>Respect</td>
<td>71</td>
</tr>
<tr>
<td>Fairness</td>
<td>52</td>
</tr>
<tr>
<td>Pride</td>
<td>77</td>
</tr>
<tr>
<td>Camaraderie</td>
<td>57</td>
</tr>
</tbody>
</table>

*Source: VSP Annual Records*

In order to gain in-depth understanding of employee’s perceptions and expectations, customized surveys are designed and administered through in-house resources. During 2011-12, internal satisfaction survey for employees included aspects such as- Work content/ nature of work, Safety and hygiene aspects, Enablers & Motivators, Work culture of the organization, where the overall satisfaction index was registered as 72 per cent.

Some of the improvements brought out through timely management intervention based on the employee feedback are brought out and implemented and the following are the improvements followed basing on the feedback which was presented in the Table 5.5.
TABLE 5.5: TABLE SHOWING IMPROVEMENTS BASED ON EMPLOYEES FEEDBACK

- Mobile phones to JO to E5 level executives
- Enhancement of advance for purchase of vehicles
- Enhancement of HBA

*Source: VSP Annual Reports*

After going through the information about the ethics implementation in the organization, as a researcher it is felt to know the employees opinion on ethical policy in regard to this sample respondents were opined information, which was presented in the Table 5.6.

TABLE 5.6: DETAILS SHOWING RESPONDENTS OPINION ON ORGANIZATIONAL ETHICS POLICY

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>466</td>
<td>93.2</td>
</tr>
<tr>
<td>No</td>
<td>34</td>
<td>6.8</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

*Source: VSP Annual Reports*

**Interpretation:**

From the above information it can be understood that the organization is having ethical policy procedure for their employees, as per the above information 93.2 per cent of respondents opined that they had ethical policy in the organization which is implemented as per the norms. But few respondents i.e., 6.8 per cent were opined that they are unaware of ethical policy followed in the organization. This may be due to lack of awareness towards organizational ethical policies. In this regard management is advised to conduct the ethical awareness programme to their employees so that every employee will aware of rules and regulation so that a better practice can be followed in the organization.

After knowing about the organizational existing ethical policy it is important to know how well it is been implemented in the organization. As per the booklet titled “A
Business and its beliefs” Thomas J. Watson, a former IBM Executive succinctly states that “the real difference between success and failure in a corporation can be very often traced to the question of how well the organization brings out the great energies and talents of its people”.

In this regard researcher felt to know the employees opinion on role of ethical policy and the respondents opinion was presented in Table 5.7.

**Table 5.7: Showing the Role of Ethical Policy in the Organization**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>101</td>
<td>20.2</td>
</tr>
<tr>
<td>Agree</td>
<td>64</td>
<td>12.8</td>
</tr>
<tr>
<td>Neutral</td>
<td>312</td>
<td>62.4</td>
</tr>
<tr>
<td>Disagree</td>
<td>23</td>
<td>4.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>500</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

*Source: VSP Annual Reports*

**Interpretation:**

It is clear from the above table that majority of the respondents i.e., 62.4 per cent opined that the role of ethical policy in the organization is neutral followed by 20.2 per cent respondents strongly agreeing that ethical policy is playing a vital role and few respondents disagree with that and say that it is not playing a vital role. Hence it can be concluded that majority of the respondents were not considering ethical policy as a subject for practicing in the organization. There fore it is time to the management to take initiation in this regard and must see that it is been practiced properly in the whole organization.

After knowing about the role of ethical policy in the organization it is important to know how well it is been communicated in the organization. In this regard researcher felt to know the employees opinion on communication of ethical policy to their employees and in this regard respondents opinion is presented in Table 5.8.
Table 5.8: Showing the Respondents opinion on communication of Ethical Policies / Rules in the Organization

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management meetings</td>
<td>174</td>
<td>34.8</td>
</tr>
<tr>
<td>Email messages</td>
<td>197</td>
<td>39.4</td>
</tr>
<tr>
<td>Training sessions</td>
<td>77</td>
<td>15.4</td>
</tr>
<tr>
<td>Circulars</td>
<td>39</td>
<td>7.8</td>
</tr>
<tr>
<td>unknown</td>
<td>13</td>
<td>2.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>500</strong></td>
<td><strong>100.0</strong></td>
</tr>
</tbody>
</table>

Interpretation:

It can be understood that most of the times ethical information is been conveyed to the employees through meetings and email messages. After going through the details, it is been observed as constraint for effective communication about the ethical policies and practices among the employees. Because most of the employees are busy with their work schedule at the organization and they find very little time to attend meetings and also to verify email messages. Hence by considering the above limitation the management should see that communication is been delivered to every employee through the physical mode which can allow them to aware of latest ethical policies in the organization.

Henceforth to create obligation on every employee in the organization the management has developed various ethical policies and practices for managing the employees at various levels. In order to maintain Ethical standards in the organization, the following are the tools/mechanism influencing effective implementation of Ethical culture in the organization. They are:

1. Integrity Pact in procurements;
2. Certified Standing Orders;
3. Conduct, Discipline and Appeal Rules;
4. Code of Business Conduct and Ethics;
5. Leveraging Technology;
6. Vigilance Policy
ii. **Tools influencing effective implementation of ethical culture in VSP:**

1. **Integrity Pact:**

   The Integrity Pact (IP) is a tool developed in 1990s by Transparency International (TI) to help Governments, Businesses and Civil Society to battle against corruption in public contracting and procurements. Integrity Pact establishes mutual contractual rights and obligations to reduce the high cost and effects of corruption. It covers all contract related activities from pre-selection of bidders, bidding, contracting, implementation, completion and operation. Thus, IP is intended to make public contracting and procurement transparent by binding all too ethical conduct. It also envisages a monitoring role for the Civil Society which is the ultimate beneficiary of such action. The Integrity Pact was introduced in India in 2006 with the support of Central Vigilance Commission (CVC). The proforma of Agreement is placed as Appendix II.

   Since 2006, 44 Central Public Sector Undertakings (PSUs) have adopted Integrity Pact. As reported by various PSUs, it has proved as an effective tool in dealing with malpractices in procurements. The Integrity Pact consists of a process of signing an agreement between the Government or a Government Department and Bidders for a Public Sector contract.

   It contains commitment to the effect that neither side will pay, offer, demand or accept bribes, or collude with competitors to obtain the contract, or while carrying it out. Bidders will disclose all commissions and similar payments made by them to anybody in connection with the Contract. Sanctions will apply in case of violations. IP also introduces a monitoring system that provides for independent oversight and accountability.

   - **Importance of Integrity Pact:**

     The IP is a model for transparency in public procurement and contracts. It helps enhance public trust in Government Contracting and hence contributes to improving credibility of Contracting procedures and administration in general. It enables companies to abstain from bribing by providing assurances to them that-
(a) Their competitors will also refrain from bribing

(b) Government bidding system and procurement will be absolutely transparent

(c) Government will not only prevent corruption but also extortion by their officials, and follow transparent procedures.

It helps Government and Companies to reduce high cost and maintain quality control. It creates confidence and trust in decision making process in procurement, a more hospitable investment climate, and public support in the country.

**Integrity Pact ensures;**

- Greater transparency and integrity between buyer and seller.
- Elimination of external interventions in matters of Contracts and Tenders.
- Improved sense of ethics in Companies and among the Bidders.
- Reduction in representations/complaints from any Bidder or Contractor for review.
- Improvement in the bottom line.
- India is perceived to be one of the corrupt nations and ranks 94th among 176 countries in Transparency International’s Corruption Perception Index (CPI) 2012.
- Existing anti-corruption organizations have had limited success in restraining corruption.
- Most people believe that corruption is rising at an alarming rate.
- Frequent scandals and delays plague Government Contracts and other procurement.
- Such delays increase costs of procurement, works and public projects and drains public exchequer.
- Corruption hurts poorest the most.
- IP program is a method of supplementing existing methods and is found to be an effective tool for ensuring transparency in public contracting.
Main features of Integrity Pact:

- A Pact (Contract) is entered into by the Principal (a government office inviting public tenders for the supply, consultancy, construction and/or any other service) and the Counter-party (bidders, contractors or the suppliers).

- The Principal and the Counter-party commit that they will not demand or accept any bribe or gift. The Principal agrees that its officials will not do so.

- They will be subject to disciplinary or criminal action in case of violation.

- Similarly, the Bidder assures that he would not pay any bribe in order to obtain and retain this Contract.

- Independent External Monitor (IEM), who is a person of impeccable integrity and has knowledge of Tendering/Contracting processes, is appointed to oversee IP’s implementation and effectiveness. The panel of IEMs is approved by Central Vigilance Commission (CVC).

- Use of IEM’s advice as conflict resolution mechanism.

- A set of sanctions for any violation by a bidder of its commitments or undertakings.

Implementation of Integrated Pact:

As like other public sector units, Visakhapatnam Steel Plant is adopted Integrated Pact in the organization with the collaboration of Transparency International India (TII). Memorandum of understanding signed by the both organization is shown in the following diagram.
MEMORANDUM OF UNDERSTANDING
BETWEEN
RASHTRIYA ISPAT NIGAM LIMITED (RINL)
AND
TRANSPARENCY INTERNATIONAL INDIA (TII)

Considering that bribery and corruption are widespread Social and Economic crimes that undermine good governance and economic development in India and corrode the moral fiber of our society.

Considering that all companies and major organizations within India share a common responsibility to combat bribery and corruption in all forms and manifestations.

Recognizing that achieving progress in this area requires sustained efforts not only at national level but also at individual, Company, or Government departmental level.

Welcoming the efforts of Transparency International India (TII) and other non-Governmental organizations as well as business organizations such as Rashtriya Ispat Nigam Limited (RINL).

It is agreed as follows:

Rashtriya Ispat Nigam Limited, Visakhapatnam Steel Plant is a premier public sector organization engaged in various activities in the Production and Marketing of Steel and allied products. RINL conducts its business to the highest ethical standards. It does business with a number of domestic and international Bidders, Contractors and Vendors of Goods and Services (Counterparties). RINL is committed to fostering the ethical and corruption free business environment. It values its relationship with all Counterparties and deals with them in a fair and transparent manner.

1. Integrity Pact is a tool developed by Transparency International, which ensures that all activities and transactions between a Company or Government Departments and their counterparties are handled in a fair, transparent and corruption free manner.

2. RINL and TII have developed Integrity Pact Programme (attached) and RINL has agreed to implement this programme within its Organization. Based on the experience gained in implementing the Integrity Pact Programme, it may be further refined to improve its effectiveness.

3. RINL committed to implement the Integrity Pact Programme whole heartedly, both in letter and in spirit.

4. TII pledges to support RINL in this regard and provide it with advice and resources within its means to ensure successful implementation of Integrity Pact Programme and achievement of its objective.

5. In case RINL and TII have differences concerning the implementation of the Integrity Pact Programme they undertake to resolve them through dialogue and discussion. In case such differences cannot be resolved, either party can terminate this Memorandum of Understanding by giving thirty days notice in writing to the other Party and make such termination public only after it has taken effect. This Memorandum of Understanding will remain in effect unless terminated according to the above provision.

6. The implementation of Integrity Pact shall be reviewed annually.

Rashtriya Ispat Nigam Limited
Chairman cum Managing Director

Transparency International India
Chairman
Balwantsingh Mehta Vidya Bhawan
Mohjab Ansh, GA-III
New Delhi - 110 048
Tel: 011-29224519
Email: tinia@gmail.com
➢ A MOU is signed between the Principal and TII.

➢ Commitment is obtained from all senior officials of the Principal to implement the IP program.

➢ In case there are subsidiaries of the Principal, they are advised to follow IP of the Principal.

➢ Selection of IEMs by the Principal in consultation with CVC.

➢ Displaying the IP, particulars of IEMs along with contact numbers and Email IDs, and MoU signed with TII on the website of the Principal.

➢ Periodic review and evaluation of IP’s implementation and its effectiveness

In order to achieve specified goals, RINL implemented Integrity Pact Programme in all tenders of estimated value of Rs.1 crore and above or of such other value as may be decided by RINL from time to time. The Pact essentially envisages an agreement between the prospective Vendors/Bidders and the Principal i.e. RINL, committing both sides not to resort to corrupt practices in any aspect/stage of the Contract. Only those Vendors/Bidders, who commit themselves to such a Pact with RINL, would be eligible for participation in the bidding process.

By following the IP, the number of tenders called up and allotted by the organization and its details are mentioned in Table 5.9.
### Table 5.9: The Total Number of Tenders and Value Covered Under Integrity Pact

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Tenders</th>
<th>Estimated value (in Rs. Crores)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>With IP</td>
</tr>
<tr>
<td>2007-08</td>
<td>4963</td>
<td>129</td>
</tr>
<tr>
<td>2008-09</td>
<td>5416</td>
<td>123</td>
</tr>
<tr>
<td>2009-10</td>
<td>5662</td>
<td>184</td>
</tr>
<tr>
<td>2010-11</td>
<td>5878</td>
<td>197</td>
</tr>
<tr>
<td>2011-12</td>
<td>5341</td>
<td>263</td>
</tr>
<tr>
<td>Cumulative value</td>
<td>27260</td>
<td>896</td>
</tr>
</tbody>
</table>

*Source: VSP Annual Reports*

Integrated Pact is a weapon in the hands of the management to control frauds and misappropriation. In this regard, violations if any, taken place in its operation for which the following are the punishments imposed.

**Violations & Consequences of Integrated Pact:**

- If a vendor commits a violation of its commitments and obligations under the IP program, it may result in the following consequences:
  - The Principal may terminate its current contract and business relationship with the vendor.
  - Banning and exclusion of vendors from future dealings
  - On the other side, the employees of the organization who ever involved in any fraudulent acts in award of contracts in IP, will also be punished as per the code of conduct of the Company.
By knowing the above consequences, as per details in the organization, the following are cases held in various department of the organization. As per that the cancellation of the tenders taken place its information presented in the Table 5.10.

**Table 5.10: SUMMARY OF TENDERS WITH INTEGRITY PACT UNDER PROCESSING & YET TO BE FINALISED AND TENDERS WITH INTEGRITY PACT CANCELLED UPTO 31ST DECEMBER 2012**

<table>
<thead>
<tr>
<th>Department</th>
<th>Number of Tenders under process &amp; Yet to be finalised</th>
<th>Number of Tenders cancelled</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Under T.O.D.</td>
</tr>
<tr>
<td>Projects</td>
<td>30</td>
<td>4</td>
</tr>
<tr>
<td>Works Contracts</td>
<td>15</td>
<td>3</td>
</tr>
<tr>
<td>Personnel Contracts</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Materials Mgmt.</td>
<td>37</td>
<td>6</td>
</tr>
<tr>
<td>Marketing</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL:</td>
<td>84</td>
<td>13</td>
</tr>
</tbody>
</table>

*Source: VSP Annual Reports*

After knowing about the integrity pact and its implementation in the organization it is important to know how well it is been implemented in the organization. In this regard researcher felt to know the employees opinion on integrity pact and its vigilance team, in improving the work environment in effective manner and the respondents opinion was obtained and presented in Table 5.11.

**Table 5.11: Respondents opinion on effective implementation of integrity pact**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>51</td>
<td>10.2</td>
</tr>
<tr>
<td>Yes</td>
<td>449</td>
<td>89.8</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Interpretation:

From the above information it can be clearly understood that majority of respondents i.e., 89.8 per cent felt that there is an impact on implementation of integrity pact among the employees for the below mentioned purposes.

A) COMMITMENTS AND OBLIGATIONS OF RINL:
   a. RINL is committed to have ethical and corruption-free business dealings with Counter-parties
   b. RINL values its relationship with all Counterparties and will deal with them in a fair and transparent manner.
   c. RINL and / or its Associates / Stake holders (employees, agents, consultants, advisors etc.) will not seek or accept bribes / undue benefits directly or indirectly for themselves or for third parties.
   d. In competitive tender as well as in general procurement, RINL will deal with Counterparties with equity, reason and fairness.
   e. RINL will exclude all Associates who may be prejudiced or have conflict of interest in dealing with Counterparties.
   f. RINL will initiate action and pursue it vigorously whenever and wherever corruption or un-ethical conduct is noticed.

B) COMMITMENTS & OBLIGATIONS OF THE COUNTERPARTY(s)
   a. Counterparty directly or indirectly (through Agent, Consultant, Advisor, Sub-Contractor etc.) will not commit any offence under Prevention of Corruption Act / applicable law, like paying bribes or giving illegal benefit to anyone including employees of RINL, to gain undue advantage in dealing with RINL or for any other reason.
   b. The Counterparty will not enter into any undisclosed agreement or understanding with other bidders with respect to prices, specifications, certifications, subsidiary contracts, etc.
   c. The Counterparty will not pass any confidential information provided by Principal as part of business relationship to third party, unless specifically authorized by RINL.
d. The Counterparty will promote and follow best ethical practices within its organization.

e. Bidders shall be required to disclose all transgressions relating to any Company or Organization or Institution in any country or with any Government in any country that may impinge on the anti corruption principle.

f. Foreign bidders shall be required to disclose the name and address of their agents and representatives in India and Indian Bidders shall be required to disclose their foreign Principals or Associates.

g. The Counterparty will inform the Independent External Monitor through Nodal Officer of RINL or directly in case of:
   i) Any demand for a bribe or illegal payment / benefit;
   ii) Knowledge of any unethical or illegal payment / benefit;
   iii) Knowledge of any payment made to any Associate of RINL;
   iv) Knowledge of any transgression by the employees of the Principal or any of the Bidders/Contractor Agencies.

h) The Counterparty will not make any false or misleading allegations against RINL or its Associates or other Contract Agencies.

C) INDEPENDENT EXTERNAL MONITOR(S) (IEMs):

   (a) TERMS AND CONDITIONS OF APPOINTMENT OF IEMs:
   
i. Independent External Monitor(s) (IEMs) will be eminent personalities of high integrity and reputation. It is desirable that they possess domain experience of RINL’s business activities.

   ii. The number of IEMs to be appointed for RINL will be in terms of CVC guidelines.

   iii. The Commission would approve the names of IEMs out of the panel of names, initiated by the organization concerned, in association/consultation with the Chief Vigilance Officer, RINL would enclose detailed bio-data in respect of all names proposed. The details would include positions held while in service, special achievements,
experience etc.

iv. The normal term of appointment for an IEM would be three (03) years which can be renewed with the approval of CVC.

v. Remuneration payable to the IEM(s) would be equivalent to that allowed to the Independent Directors of RINL. Similarly, other facilities like lodging, boarding and travel will be provided at par with facilities extended to Independent Directors of RINL.

vi. The Independent External Monitor can be removed from his/her office by CEO of RINL by following an open and transparent process and such decision will have to be ratified by the Board of RINL.

(b) ROLE AND FUNCTIONS OF IEM(s):

i. The major responsibility of the Independent External Monitor will be to oversee the implementation of Integrity Pact Programme to prevent corruption and/or any other unethical practices in the transactions of RINL falling under IP programme.

ii. The Independent External Monitor will not have any administrative or enforcement responsibilities. He will coordinate his activities with other anti-corruption institutions such as CVC. He may engage the services of outside agencies such as accounting firms, law firms, etc. at RINL’s expense, if required, in discharge of his responsibilities.

iii. The Independent External Monitor will have access to all relevant contract documents, whenever required. He will also have access to Counterparty’s records and information related to its dealings with RINL.

iv. The Independent External Monitor will have the right to attend any meeting between RINL and Counterparties in respect of the cases falling under the purview of Integrity Pact.

v. The Independent External Monitor would examine all complaints received by him either through Nodal Officer or directly and give his recommendations/views to the CMD of RINL within 4-6 weeks. He
may also send his report directly to CVO of RINL and CVC in case of suspicion of serious irregularities requiring legal/administrative action.

vi. In case more than one IEM are appointed, at least one IEM should be invariably cited in the NIT. However, for ensuring the desired transparency and objectivity in dealing with the complaints arising out of any tendering process, any matter referred shall be examined by the full panel of IEMs, who would look into the records, conduct investigation and submit their joint recommendations to the CMD of RINL within 4-6 weeks.

vii. The recommendations of IEMs would be in the nature of advice and would not be legally binding. Their role is independent in nature and their advice once tendered, would not be subject to review.

viii. IEM(s) and CMD-RINL shall meet once in three (03) months and conduct review of Implementation of Integrity Pact in the Organization. IEM can call for records pertaining to a few selected Tenders/Contracts out of the details made available by RINL for his/their detailed examination.

ix. The role of the CVO of the organization shall remain unaffected by the presence of IEMs. A matter being examined by the IEMs can be separately investigated by the CVO in terms of the provisions of the CVC Act or Vigilance Manual, if a complaint is received by him or directed to him by the Commission.

D). IMPLEMENTATION OF GUIDELINES

Following are the general guidelines for implementing the Integrity Pact Programme:

a. IP Cell will be formed to exclusively deal with the subject. The cell will coordinate all activities relating to IP implementation including working out the budget requirements, organizing review meetings of IEM, making references to IEM, processing payments to IEM(s), coordination with IEM(s) and external reviewing agencies etc. The IP Cell will work under the
guidance of Nodal Officer.

b. IP shall cover all tenders/procurements of value equal to and above the threshold limit fixed by the organization. Apart from the above, any tender involving complicated/serious issues could be brought within the ambit of IP, by a considered decision of the CMD/RINL. The threshold values fixed can be modified with approval of CMD-RINL.

c. IP shall cover all phases of the contract i.e. from the stage of NIT till 12 months after the actual completion of the contract.

d. It should be ensured through an appropriate provision of the Contract that IP is deemed as part of the Contract so as to ensure that the parties concerned are bound by its provisions.

e. The threshold value for the tenders/contracts to be covered through IP should be decided after conducting proper ABC analysis and should be fixed so as to cover 90-95 per cent of the total procurements of the organization in monetary terms.

f. Information relating to tenders/contracts in progress and under finalization will be provided to IEMs on monthly basis by IP cell, after collecting the same from the concerned departments.

g. To enable Vigilance Department to keep MoS and CVC posted with the details of implementation, details of Tenders with IP along with current status will be made available to Vigilance department in the prescribed formats by IP cell.

h. The Vigilance Department would be responsible for review, enforcement and reporting on all related vigilance issues.

E). PERIODIC REVIEW AND EVALUATION:

Periodically review of the effectiveness of Integrity Pact Programme will be done as follows:

(a) CMD-RINL and IEM (s) shall meet once in three (03) months to review the implementation of IP Programme in the organization.
(b) An internal assessment of the impact of the IP shall be carried out on an annual basis by CVO- RINL and reported to CMD and CVC.

(c) Financial impact review and physical review shall be conducted at an appropriate time by engaging third party agency(s).

(d) Implementation of IP Programme shall be reviewed by Transparency International India on an annual basis/ at an appropriate time.

(e) Periodical Vendors’ meets, as a familiarization and confidence building measure, need to be held for a wider and realistic compliance of the principles of IP. Feedback needs to be obtained minimum once in a year from counterparties to assess the utility / effectiveness of implementation of IP Programme in the Organization.

(f) CVO would keep the CVC and MoS posted with the implementation status through periodical report and also followed as per the systematic manner which is shown in the following Flow Chart 5.1.
Flow Chart 5.1: A Typical Flow Chart Implementation of Integrity Pact

CONSENT OF MANAGEMENT

FREEZING OF THRESHOLD VALUES

APPOINTMENT OF NODAL OFFICER

CONDUCTING AWARENESS PROGRAMMES

PREPARATION OF I.P PROGRAMME

PREPARATION OF DRAFT I.P.

OBTAINING APPROVAL OF MANAGEMENT

PRESS PUBLICITY ABOUT I.P.

WEB PUBLICITY ABOUT IP

PLACEMENT OF DRAFT IP IN WEB

MODIFYING THE DOCUMENT, IF NECESSARY

FINALIZING I.P. PROGRAMME

FINALIZING INTEGRITY PACT

OBTAINING APPROVAL OF MANAGEMENT

ENTERING INTO M.O.U. WITH T.I. (INDIA)

Continued.....
IDENTIFYING PERSONS FOR THE POSITION OF INDEPENDENT EXTERNAL MONITORS (IEMs)

CONTACTING THEM AND OBTAINING THEIR CONSENT AND BIO-DATA

SEEKING OBJECTIONS, IF ANY, FROM GENERAL PUBLIC BY PLACING BIO-DATA OF IEMs IN WEBSITE

IN CASE OF NO OBJECTION

CONSIDER THE VIEWS OF PUBLIC

IN CASE OF OBJECTION

SEEKING CLEARANCE OF T.I.(INDIA)

SEEKING APPROVAL OF CVC BY SUGGESTING A PANEL OF PERSONS FOR APPOINTMENT AS IEMs

APPROVAL FROM C.V.C

APPPOINTMENT OF I.E.Ms

IMPLEMENTATION OF I.P

REVIEW OF I.P BY CVO, MANAGEMENT, TI INDIA, IEMs AND EXTERNAL AUDITORS/NGOs

CONTINUED......
After the brief information and analysis on the study of the integrated pact, it is necessary to know about certified standing orders, which is another important tool of maintaining the ethical standards in the organization. Following are the information about the Certified Standing Orders.

2. Certified Standing Orders:

‘Standing Orders’ means rules of conduct for workmen employed in industrial establishments. ‘Standing orders’ means rules relating to matters set out in the schedule to the Act. [Sec 2(g)]. i.e. Industrial Employment Standing Orders Act.

Standing orders are binding on employer and employee. These are statutorily imposed conditions of service. However, they are not statutory provisions themselves (meaning that the ‘Standing Orders’ even when approved, do not become ‘law’ in the sense in which Rules and Notifications issued under delegated legislation become after they are published as prescribed). Proforma and procedure of Certified Standing Orders is at Appendix – III.

These are applicable to all non-executive employees working in Visakhapatnam Steel Plant.

EMPLOYMENT CONDITIONS:

1. A workman shall devote his whole time and attention of his duties and shall not carry on or be concerned in carrying on any other business or occupation whatsoever with or without remuneration during the period of service.

2. No workman while in the service of the Company shall accept any other employment or undertake any other service or profession with or without remuneration either direct or indirect without permission. No private practice or part-time engagement shall be allowed. This, however, shall not apply to participation of a workman in voluntary organizations related to social, cultural and sports activities.
3. All Workmen shall abide by such rules, regulations, orders, directions and instructions as are in force or as the Management may frame from time to time governing the terms of employment, conditions of service, pay and allowances etc., relating to matters included in the Schedule to the Industrial Employment (Standing Orders) Act, and shall eschew all wasteful work practices and obey all such orders and directions as they may receive from their superiors.

4. All workmen shall accept the necessity of measures of rationalization and the Company shall be entitled to introduce such measures so as to improve the Company's overall standard of efficiency, by reducing costs and increasing its productivity subject to provisions of Industrial Disputes Act.

5. All workmen shall observe constitutional means and shall eschew agitational steps and/or concerted actions or any other means which may have the effect of interrupting or disrupting the work of the Company and/or the normal functioning of the various departments/divisions/sections/offices and/or the operation of different services in the Company or which may have the effect of causing damage, delays, inconvenience etc., to the Company's services.

6. Workmen shall perform all such duties as are related to his job and all duties incidental and ancillary there to which the management shall lay down and/or assign from time to time. Such duties, however, shall not include jobs which are substantially lower or different in nature and content than the level/category to which workmen belong.

7. No workman shall during working hours engage himself in any work other than that entrusted to him by the Company.

8. No workman shall interfere in or hinder performance of Company's duty to enforce discipline.

9. No employee owning a house in his name or in his spouse's name shall let out the same to a foreigner/foreign mission, foreign organization (including international organization) without prior approval of Competent Authority.
10. Every employee shall at all times

(i) Maintain absolute integrity;

(ii) Maintain devotion to duty; and

(iii) Conduct himself at all times in a manner which will enhance the reputation of the Company.

**ACTS OF MISCONDUCT:**

Without prejudice to the general meaning of the term 'misconduct' any action or omission violative of the contract between the Company and Workman shall constitute misconduct. To illustrate, the following actions/omissions on the part of the workman shall amount to misconduct.

1. Using his position or using his influence directly or indirectly to secure employment for himself and/or for any members of his family in any firm or company having business with the Company or with any other firm having business relations with the Company.

2. Making public or publishing by a workman any vital document, paper or information which might have come into his possession in official capacity, without prior permission of Competent Authority.

3. Giving evidence, except with permission, in connection with any enquiry conducted by any person committee or authority and while giving evidence, criticizing the policy or any action of the Company, the Central Government or of a State Government.

4. Disclosing during service any secret cost of production of any or all of the company's products, cost of equipment, plans, etc., information of settlement of claims by the Company in or out of court, or any other information of matters on trade or business secrets.

5. Carrying outside the Project/Plant any notes, books, drawings, sketches, photographs, apparatus, documents or any other property belonging to the Company or relating to the Company's business, affairs or operation, unless permitted by the Competent Authority.
6. Asking for or accepting contribution to or otherwise associating with the receiving of any fund without the permission of the Controlling Authority in the Plant, Mines and Offices.

7. Soliciting or accepting directly or indirectly or permitting any member of his family to accept without previous permission, any gift or reward or any such offer exceeding the value that may be fixed by the management as per Government Directions from any person or firm having dealings with the Company or any subordinate workman.

8. Acceptance or lavish or frequent hospitality from any individual or firm having official dealing with him.

9. Carrying out or being concerned in any other business or holding of an office with or without remuneration while in the employment of the Company.

10. Taking part in the registration, promotion or management of a bank or other company registered under the Companies Act, 1956 or any other law for the time being in force, without prior permission.

11. Carrying on money lending as a business.

12. Contracting of marriage by a workman who has a spouse living, without prior permission, notwithstanding that such subsequent marriage is permissible under the personal law for the time being applicable to him/her.

13. Conviction in any court of law for the criminal offence involving moral turpitude.

14. To stage, encourage or instigate forms of coercive action or 'Gherao' on any members of the managerial or other staff.

15. Failure to observe safety instructions and/or dress regulations or interference with any safety device or equipment installed in the premises.

16. Interfering with machines or processes not connected with the work allocated and/or required to be done as ordered by his superior.

17. Conduct within the premises which are likely to endanger the life or safety of the employee or any other person.
18. Failure to report at once to the superior, any vital defect which a workman may notice in any equipment connected with his work.

19. Manufacturing or attempting to manufacture unauthorized articles or doing private or personal work within the premises.

20. Interference with the work of any other workman or any other person in a manner inimical to the interests of the Company.

21. Failure to observe Company's regulations for the prevention of fire, security, fire drill practices or refraining from doing or conducting fire drill practices when required to do so.

22. Demanding offering or accepting bribes or any illegal gratification.

23. Acceptance or solicitation by workman or his family or relatives with the knowledge of the workman of any money, favour or any other means of reward for employment or consideration for employment in the Company.

24. Acceptance or solicitation by workman or his family or relatives with the knowledge of the workman of any money, favour or any other reward connected with purchase of material or service for Company's use or sale of Company's product.

25. Theft, fraud or dishonesty in connection with the Company's business, affairs or operation or property or of the property entrusted by the Company.

26. Interference with attendance records or means of logging such records.

27. Willful disfigurement, forgery, falsification, destruction or alteration, theft or removal of any records of the company.

28. Committing nuisance in the Company premises.

29. Gross or habitual negligence or neglect of work.

30. Willful damage to work in process or any other property of the Company.

31. Not keeping plant, machinery and equipment clean and tidy.

32. Insubordination or disobedience whether alone or in combination with another or others to any lawful and reasonable orders of a superior.

33. Inciting others to take part or participating in an illegal strike.

34. Sudden stoppage of work or leaving work undone resulting in damage to Company's plant or properties.
35. Willful slowing down of work, stopping of work or abetment or instigation thereof.
36. Stoppage of work alone or in combination with other workman or workmen in contravention of the provisions of the law for the time being in force or the provisions of these Standing Orders.
37. Registering of attendance of another workman or abetting in the Act of registering attendance of another workman.
38. Canvassing for political party membership or the collection of political party dues, funds or contribution within the premises of the Company.
39. Riotous or disorderly behaviour or any act subversive of good behaviour or discipline within the premises of the Company.
40. Organising or holding any meetings within the Project/Plant or in the Company's premises without written permission of the management except in the following two places:
   Near Technical Training Institute Bus Terminal, Township at a suitable open space.
41. Gambling of any kind within the premises of the company.
42. Drunkenness, intoxication or carrying or consuming alcoholic liquor or narcotics within the premises of the Company.
43. Indecent behaviour, threatening, intimidating, coercing superiors or other workmen, quarrelling or interfering with the work of other workmen, assault or threat of assault, making false accusation, use of impolite or insulting language against a superior or any other workman or any Executive/Officer of the Company.
44. Leaving place of work without sufficient cause during working hours and/or entering another department/division/section/office or shop or premises otherwise than in the course of duty without permission of his superior.
45. Loitering, idling or wasting time during working hours or malingering or being in the work place or premises after authorised hours of work without permission of the superior.
46. Habitual late attendance and willful or habitual absence from duty.
47. Smoking in the premises where smoking is prohibited.
48. Transfer of identity badge and/or other means of identification to another person.
49. Habitual failure to show identity badge as required.
50. Refusal to accept a charge sheet, order or other communication served by the management.
51. Distributing or exhibiting in the premises, hand bills, pamphlets, posters or causing to be displayed by means of signs or writing or other visible representation, any matter.
52. Possession and/or use in the premises, of weapons, explosives, inflammable materials, cameras, radios, transistors, tape-recorders, loudspeakers, megaphones etc.
53. Making false or malicious statement, Public or otherwise against the company or any of its Executive/Officer.
54. Sleeping while on duty.
55. Obtaining or attempting to obtain leave of absence by false statement and/or pretences and/or abuse of any leave.
56. Surrounding or forcibly detaining or otherwise interfering with free movement of the Company's Executive/Officer of other workman or visitors inside the premises.
57. Refusal to accept order of transfer from one shift to another or one place to another.
58. Refusal to submit to search by the Security Personnel or any other agency to which security is entrusted by the management.
59. Entering or leaving except by an authorised gate, door or exit intended for the purpose or scaling or breaking or damaging or otherwise tampering with any door, window, wall or structure forming part of the Company's property.
60. Violation of speed restrictions on vehicles imposed in the Company's premises. Breach of the Company's health, security and/or safety regulations in the Company's premises.
61. Writing anonymous or pseudonymous letters regarding the Company's employees, business, affairs or operation.
62. Failure to attend to work after duty hours or on a weekly or other holidays, when required to do so in writing.
63. Carrying unauthorised persons in Company's vehicle, transport and/or equipment or allowing unauthorised persons to operate Company's vehicle, transport and/or equipment.
64. Leaving one's place or places of work during or at the end of shift without being properly relieved as set out in rules regarding shifts.
65. Any act which constitutes violation of any of these Standing Orders.
66. Misuse/subletting of Company's quarters or land.
67. Canvassing by a workman in support of the business of any insurance agency, commission agency, etc., owned or managed by his wife or any other member of his family.
68. Mismanagement of the affairs and/or Misappropriation of funds of Co-operative Societies / Associations for which the Company is financing or extending any facility and in which the employee holds a responsible position.
69. Dealing by a workman in the discharge of his duties with any matter or any contract with any firm or company or any other person, if any member of his family is employed in that firm or under that person, or if he or any member of his family is interested in such matter or contract in any other manner unless the workman had referred every such matter or contract to his superiors and the matter or contract was disposed of according to the instructions of the authority to whom the reference was made.
70. Owning wholly or in part or conducting or participating in the editing or management of any newspaper or other periodical publications.
71. Contesting election to any elected office of the local bodies, legislative bodies, etc., while in employment of the Company without permission.
72. Making any statement which has the effect of adverse criticism of any policy or action of the Central or State Government or of the Company or which is capable of embarrassing the relations between the Company and Public.

73. Acceptance of any fee or any pecuniary advantage for any work done by the workman for any public body or any private person without permission.

74. Acquiring or disposing of any immovable property by lease, mortgage, purchase, sale, gift or otherwise either in his own name or in the name of any member of his family without prior permission.

75. Possession of pecuniary resources or property disproportionate to the known sources of income by a workman or in his behalf by another person which the workman cannot satisfactorily account for.

76. Failure to submit when called upon, within the stipulated period, a full and complete statement of such movable or immovable property held or acquired by him or any member of his family, as may be required by the Management.

77. Taking recourse to any Court or to the press without prior permission for the vindication of any official act which has been the subject matter of adverse criticism or an attack of defamatory character.

78. Bringing or attempting to bring by a workman any political or other outside influence to bear upon the management to further his interest in respect of matter pertaining to his service under the Company.

79. Failure to report an occurrence of any accident involving personal injury in the course of employment or the contracting of contagious or infectious disease.

80. Failure to take proper care of the plant, machinery, equipment, tools, gauges, jigs, fixtures, drawings, office records, office equipment, etc., entrusted to the workman.

81. Failure to notify the management of any change in residential address.

82. Refusal to vacate Company's housing and/or accommodation of any kind when called upon to do so.

83. Making alterations, additions, modifications, removal of accessories, etc., in
the Company's houses and/or accommodation of any kind allotted to the workman, without the approval of Competent Authority.

84. Keeping cattle and animals of any kind in the Company's accommodation, which may violate the Company's sanitation, health, security and/or safety regulations.

85. Acts or omission which lower the quality of goods manufactured/service rendered and/or reduce the production.

86. Abetment or attempt to commit any of the misconducts within these Standing Orders.

After going through the RINL standing orders the researcher felt that it is important to gather the information regarding the implementation of standing orders within the organization. As per that the following are the indiscipline activities recorded in the company and its follow up action information is presented in the Table 5.12.
<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Period/Date</th>
<th>Nature of Misconduct</th>
<th>Employees involved</th>
<th>Action of Management</th>
<th>Major/Minor Penalty</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>04.08.2008</td>
<td>Providing vital data of contract to private agency to get the contract allotted</td>
<td>Dy General Manager (Steel Melting Shops)</td>
<td>Reduction of Pay by one stage without cumulative effect for one year</td>
<td>Major</td>
</tr>
<tr>
<td>2.</td>
<td>06.09.2008</td>
<td>Submission of false Schedule Tribe Certificate</td>
<td>One non-executive in Personnel Department</td>
<td>Proved. Punishment of Removal from service</td>
<td>Major</td>
</tr>
<tr>
<td>3.</td>
<td>18.06.2008</td>
<td>Non-intimation of property details to the management</td>
<td>Asst. General Manager of Marketing Department</td>
<td>Punishment of Censure is issued for non-intimation of property details</td>
<td>Minor</td>
</tr>
<tr>
<td>4.</td>
<td>16.08.2008</td>
<td>Irregularities in award of contract resulting in loss to the company</td>
<td>One General Manager of Finance Dept</td>
<td>A Major penalty of dismissal has been imposed</td>
<td>Major</td>
</tr>
<tr>
<td>5.</td>
<td>02.09.2008</td>
<td>Fake documents submitted to Corporation Bank, Gotlam branch, Vijayanagaram Dist.</td>
<td>One Technician involved in preparation of fake documents</td>
<td>Punishment of reduction of pay by two stages with cumulative effect for two years.</td>
<td>Major</td>
</tr>
<tr>
<td>6.</td>
<td>03.04.2009</td>
<td>Producing false service/experience certificates</td>
<td>Two trainees of Non-Works Department</td>
<td>Removed from Service as Major Penalty</td>
<td>Major</td>
</tr>
<tr>
<td>7.</td>
<td>05.06.2009</td>
<td>Fictitious LLTC Claims by 65 employees including 6 executives</td>
<td>Management has approved for RDA and recovery of payment made to the employees.</td>
<td>Reduction of pay by one stage without cumulative effect for one year.</td>
<td>Major</td>
</tr>
<tr>
<td>8.</td>
<td>21.6.2009</td>
<td>Pilferage of Lam Coke from VSP.</td>
<td>One Crane Operator of SMS</td>
<td>Proved. Punishment of Removal from Service</td>
<td>Major</td>
</tr>
<tr>
<td>9.</td>
<td>31.07.2009</td>
<td>Possession of property disproportionate to known source of income</td>
<td>One khalasi of Personnel Department</td>
<td>Not proved. Order of CENSURE issued</td>
<td>Minor</td>
</tr>
<tr>
<td>10.</td>
<td>15.08.2009</td>
<td>Theft of materials from department</td>
<td>One Asst. Manager</td>
<td>Reduction of Pay by two stages for a period of one year.</td>
<td>Major</td>
</tr>
<tr>
<td>11.</td>
<td>03.09.2009</td>
<td>Mobile instruments</td>
<td>Asst. General</td>
<td>Not proved. Censure</td>
<td>Minor</td>
</tr>
<tr>
<td>No.</td>
<td>Date</td>
<td>Issue Description</td>
<td>Officer/Department Affected</td>
<td>Action</td>
<td>Level</td>
</tr>
<tr>
<td>-----</td>
<td>------------</td>
<td>-----------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------</td>
<td>-------</td>
</tr>
<tr>
<td>12</td>
<td>14.09.2009</td>
<td>Doing contracts inside the Plant</td>
<td>Chargeman of Works Deptt.</td>
<td>Reduction of basic pay by one (1) stage without cumulative effect for one year” imposed</td>
<td>Major</td>
</tr>
<tr>
<td>13</td>
<td>09.11.2009</td>
<td>Campaigning for political parties in elections.</td>
<td>One Officer of Personnel Department</td>
<td>After ascertaining the value of the lost items, the amount has been recovered from the salary of the employee. Also a warning letter has been issued not to recur such incidents in future.</td>
<td>Warning Letter</td>
</tr>
<tr>
<td>14</td>
<td>08.04.2010</td>
<td>Sub-letting of Quarters</td>
<td>Eighteen officers and 46 workers were found misusing official allotment of quarters.</td>
<td>Reduction to Lower grade.</td>
<td>Major</td>
</tr>
<tr>
<td>15</td>
<td>08.04.2010</td>
<td>Erroneous Medical Advance.</td>
<td>Manager of Medical Department</td>
<td>Though it is a severe, a lenient view has been taken and given the punishment of censure.</td>
<td>Minor</td>
</tr>
<tr>
<td>16</td>
<td>08.04.2010</td>
<td>Fictitious medical bills</td>
<td>89 Non-Executives involved in claiming medical bills valuing Rs.24 lakhs</td>
<td>Recovery of amount from salaries. Punishment of reduction of 2 to 3 increments and promotions were not given.</td>
<td>Major</td>
</tr>
<tr>
<td>17</td>
<td>21.04.2010</td>
<td>Improper maintenance of registers and not verifying contractors bills</td>
<td>Three officers were issued warning letters.</td>
<td>Lenient view has been taken based upon their past good service</td>
<td>Warning letters</td>
</tr>
<tr>
<td>18</td>
<td>02.06.2010</td>
<td>Irregularities in accounting of Cement.</td>
<td>Manager Materials</td>
<td>Two increments deducted. Promotion was stopped.</td>
<td>Major</td>
</tr>
<tr>
<td>19</td>
<td>08.07.2010</td>
<td>Claiming of Injury on Duty by an employee</td>
<td>One Chargeman</td>
<td>Reduction of basic by one stage</td>
<td>Major</td>
</tr>
<tr>
<td>20</td>
<td>01.08.2010</td>
<td>Involved in selling High value item selling high value item showing it as low value item.</td>
<td>01 Deputy Manager (Stores) and 01 Asst. Manager (Stores).</td>
<td>Denied promotions and deduction of pay by 02 stages for a period of two years.</td>
<td>Major</td>
</tr>
<tr>
<td>No.</td>
<td>Date</td>
<td>Description</td>
<td>Involved</td>
<td>Punishment</td>
<td>Status</td>
</tr>
<tr>
<td>-----</td>
<td>------------</td>
<td>------------------------------------------------------------------------------</td>
<td>----------</td>
<td>---------------------------------------------------------------------------</td>
<td>---------</td>
</tr>
<tr>
<td>21</td>
<td>27.08.2010</td>
<td>Submission of fake e-tickets for availing LLTC to Port Blair by flight.</td>
<td>46</td>
<td>Recovery of 34 lakhs from their salaries. Reduction of pay by two stages for one year</td>
<td>Major</td>
</tr>
<tr>
<td>22</td>
<td>29.08.2010</td>
<td>Possession of Disproportionate assets.</td>
<td>Asst. General Manager of Training Department</td>
<td>Reduction of pay by two stages for a period of one year</td>
<td>Major</td>
</tr>
<tr>
<td>23</td>
<td>02.09.2010</td>
<td>Submission of fake e-tickets for availing LLTC to Port Blair by flight.</td>
<td>54</td>
<td>62 lakhs recovered from salaries of employees and stoppage of 02 increments due.</td>
<td>Major</td>
</tr>
<tr>
<td>25</td>
<td>09.10.2010</td>
<td>Submission of Fake LLTC claim.</td>
<td>One Techn. Of Works</td>
<td>Reduction of pay by two stages for a period of one year</td>
<td>Major</td>
</tr>
<tr>
<td>26</td>
<td>15.10.2010</td>
<td>Possession of Property disproportionate to known source of income.</td>
<td>Five executives of personnel, sports departments</td>
<td>Not proved. Censure letter issued.</td>
<td>Minor</td>
</tr>
<tr>
<td>27</td>
<td>20.20.2010</td>
<td>Furnishing false information on S.T. caste status</td>
<td>Senior Manager of ETL Dept</td>
<td>Pending with Court.</td>
<td>Pending</td>
</tr>
<tr>
<td>28</td>
<td>03.11.2010</td>
<td>Carrying out Business while in service.</td>
<td>Chargeman of Works Department</td>
<td>Proved. Reduction of Pay by 02 stages for a period of two years.</td>
<td>Major</td>
</tr>
<tr>
<td>29</td>
<td>18.11.2010</td>
<td>Irregularities in sale of advance licence.</td>
<td>One Senior Executive</td>
<td>Not proved. Punishment of Censure</td>
<td>Minor</td>
</tr>
<tr>
<td>31</td>
<td>29.12.2010</td>
<td>Doing different avocations by the employee.</td>
<td>06 – six employees doing different businesses.</td>
<td>Reduction of Basic pay by two stages for two years with cumulative effect</td>
<td>Major</td>
</tr>
<tr>
<td>32</td>
<td>03.01.2011</td>
<td>Tampering of Tender Opening Register</td>
<td>One Asst. General Manager</td>
<td>Issue of Warning Letter as a lenient view taken by top management.</td>
<td>Warning</td>
</tr>
<tr>
<td>33</td>
<td>28.01.2011</td>
<td>Irregularities in disposal of dumper through auction.</td>
<td>One Dy Manager of Works</td>
<td>Punishment of Censure</td>
<td>Censure</td>
</tr>
<tr>
<td>34</td>
<td>03.04.2011</td>
<td>Suppression of information reg. change of religion to Christianity. REGARDING</td>
<td>One Asst. Executive of Works</td>
<td>Two increments have been deducted as major punishment</td>
<td>Major</td>
</tr>
<tr>
<td>35</td>
<td>08.04.2011</td>
<td>Discrepancies in</td>
<td>Two Officers</td>
<td>WARNING LETTER</td>
<td>Warning</td>
</tr>
</tbody>
</table>

181
<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Issue Description</th>
<th>Involved</th>
<th>Punishment Summary</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>36</td>
<td>12.04.2011</td>
<td>Submission of fake certificates of qualifications from different Universities</td>
<td>Forty one technicians</td>
<td>Reduction of pay by two stages with cumulative effect as major punishment</td>
<td>Major</td>
</tr>
<tr>
<td>37</td>
<td>13.04.2011</td>
<td>Availing LLTC on false declaration</td>
<td>One Senior chargeman of works Deptt.</td>
<td>Reduction of pay by one stage for one year</td>
<td>Major</td>
</tr>
<tr>
<td>38</td>
<td>16.04.2011</td>
<td>Carrying out Business while in employment</td>
<td>Chargeman</td>
<td>Reduction of Pay by two stages for a period of three years</td>
<td>Major</td>
</tr>
<tr>
<td>39</td>
<td>12.05.2011</td>
<td>Claiming Local Travelling Expenses by submitting fake C Books of Vehicles</td>
<td>Two female officers</td>
<td>Recovery of amount Rs.1,86,000 from their salaries, stopping their promotions and reduction of their pay by two stages with cumulative effect.</td>
<td>Major</td>
</tr>
<tr>
<td>40</td>
<td>04.08.2011</td>
<td>Irregularities in allotment of quarters by Town Admn. Department</td>
<td>Two Officers of Town Admn. involved</td>
<td>Warning letters issued and transferred them to non sensitive areas</td>
<td>Warning</td>
</tr>
<tr>
<td>41</td>
<td>07.09.2011</td>
<td>Erroneous release of Medical advance to one employee</td>
<td>One officer of Personnel Department</td>
<td>Warning Letter issued</td>
<td>Warning</td>
</tr>
<tr>
<td>42</td>
<td>01.10.2011</td>
<td>Unauthorised changes in Vendors List</td>
<td>One Asst. Manager of Purchase Department</td>
<td>Punishment of Censure</td>
<td>Minor</td>
</tr>
<tr>
<td>43</td>
<td>03.11.2011</td>
<td>Certification of inferior quality material</td>
<td>One Jr manager of works department</td>
<td>Reduction of pay by two stages with cumulative effect</td>
<td>Major</td>
</tr>
<tr>
<td>44</td>
<td>04.10.2011</td>
<td>Possession of disproportionate assets</td>
<td>One Deputy Manager of Training Deptt</td>
<td>Not Proved Punishment of Censure</td>
<td>Minor</td>
</tr>
<tr>
<td>45</td>
<td>25.10.2011</td>
<td>Possession of disproportionate assets</td>
<td>One Asst. Manager of Sports Deptt</td>
<td>Not Proved Punishment of Censure</td>
<td>Minor</td>
</tr>
<tr>
<td>46</td>
<td>08.11.2011</td>
<td>Tampering of Performance Appraisal Sheets</td>
<td>One Deputy General Manager of HRD Deptt</td>
<td>Major Penalty of reduction of pay by eight stages</td>
<td>Major</td>
</tr>
<tr>
<td>47</td>
<td>04.09.2012</td>
<td>Negligence in performance of duties while working in stock yard</td>
<td>Asst. General Manager of Marketing Department</td>
<td>Reduction of Pay by two stages with cumulative effect</td>
<td>Major</td>
</tr>
<tr>
<td>48</td>
<td>29.09.2012</td>
<td>Irregularities observed while allotting work</td>
<td>Deputy General Manager</td>
<td>Reduction of Basic pay by two stages with cumulative effect</td>
<td>Major</td>
</tr>
</tbody>
</table>
The above table shows the various forms of punishments imposed on the employees for their misconducts in the organization. Even the researcher felt to know the respondents opinions on management reaction relating to the report against to employees for behaving unlawful and unethical manner in the organization. In this regard following perception was collected from the respondents and presented in the Table 5.13.

**TABLE 5.13:** SHOWING MANAGEMENT REACTIONS ON REPORT AGAINST UNLAWFUL/ UNETHICAL BEHAVIOR

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>477</td>
<td>95.4</td>
</tr>
<tr>
<td>No</td>
<td>23</td>
<td>4.6</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Interpretation:

From the above information the majority of respondents i.e., 95.4 per cent opined that the management takes serious action on the employees who were not behaved properly in the organization and also accepts complaints regarding unlawful or unethical behavior that was recorded in the organization. This indicates that organization is making maximum efforts to reduce unethical and unlawful practices in the workplace.

After knowing about the organizations efforts towards the reduction of unlawful and unethical practices, it is important to know whether the employees concerned is been informed about the ethical and unethical practices at the time his/her induction in the organization. This can be seen in the guidelines book. In this regard researcher has gathered information and the same was presented in the Table 5.14.
TABLE 5.14: OPINIONS ON GETTING OF ETHICAL GUIDELINE BOOK AT THE INDUCTION OF JOB

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>248</td>
<td>49.6</td>
</tr>
<tr>
<td>No</td>
<td>252</td>
<td>50.4</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Interpretation:

From the above information it is clear that approximately 50 per cent of the respondents in the organization are getting ethical guidelines book at the time of their induction in the job. In this regard the organization has to make take necessary action to see that the ethical guidelines book is available to all the majority of the employees so that it will improve ethical environment in the organization.

After knowing that only 50 per cent of respondents are getting ethical guidelines book the researcher felt that whether organization is lagging only in providing guidelines book or even in the communication of goals and strategies also. In this juncture researcher has gathered information regarding to the communication of goals and strategies to their employees and the same was presented in the Table 5.15.
Table 5.15: Respondents Opinion on Communication of Goals and Strategies

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>383</td>
<td>76.6</td>
</tr>
<tr>
<td>No</td>
<td>117</td>
<td>23.4</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Interpretation:

From the above information it is clear that majority of respondents (76.6 per cent) opined that the organization is communicating the goals and strategies to them properly and (23.4 per cent) opined that organization is not communicating the goals and strategies. This indicates that there might be a communication gap between the employees with their respective heads in some of the departments. Hence the management has to identify the reasons for this communication gap and take necessary steps so that it will improve the overall organizational effectiveness.

As per the William pan statement i.e. Right is right, even if everyone is against it; and wrong is wrong, even if everyone is for it. By considering the statement the researcher is interested to know whether the organization follows such ethical policies in the organization. In this regard the following details is gathered and presented in the Table 5.16.

Table 5.16: Respondents Opinion on “Right is right, even if everyone is against it; and wrong is wrong, even if everyone is for it (William Pan).”

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>462</td>
<td>92.4</td>
</tr>
<tr>
<td>No</td>
<td>38</td>
<td>7.6</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Interpretation:

By considering the above details it can be understood that the majority respondents (92.4 per cent) feels anything and everything is to be followed as a system or ethic in the organization. So times this system is consider to a blind system followed in
the organization hence this sort of systems should not be encouraged unless it is inevitable for the welfare of the employees.

After going through the above statement it is interested to know whether any conflicts arises among the employees, in this regard opinion of respondents was gathered and was presented in the Table 5.17.

**Table 5.17: Respondents Opinion on Confrontation of Ethical Conflict**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>401</td>
<td>80.2</td>
</tr>
<tr>
<td>No</td>
<td>99</td>
<td>19.8</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Interpretation:**

As per the above statement it can be understood that majority of the respondents are facing ethical conflicts in the organization. This seems to be negative factor in the organization which will disturb the environment. In this regard the management should take proper precautions in order to avoid such prevailing conflicts.

After knowing the respondents opinion on confrontation of ethical conflict researcher wants to know whether they discuss the problem with the immediate supervisor or else they resort to report to their higher authority and the information regarding the same was gathered and presented in Table 5.18.

**Table 5.18: Respondents Opinion on Discussion of Ethical Problems with the Immediate Supervisor**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>432</td>
<td>86.4</td>
</tr>
<tr>
<td>No</td>
<td>67</td>
<td>13.4</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Interpretation:

From the above information it is clear that majority of the respondents i.e., 86.4 per cent of respondents are opined that they are discussing the ethical problems with their immediate supervisor before making a complaint to top management and only 13.4 per cent opined that they are not discussing the ethical problems with their immediate superiors. This indicates that if a problem arises in the organization, the respondents were trying to rectify the problem with the help of their superiors rather than making it as an issue which is a good sign for the organization because it will helps the management in maintaining congenial atmosphere in the organization.

After knowing the respondents opinion on communication of conflict to the supervisor researcher wants to know the general approach that was been followed by the organization in resolving conflict, as per that the information regarding the same was gathered and presented in Table 5.19

**TABLE 5.19:** **RESPONDENTS OPINION ON GENERAL APPROACH FOLLOWED BY THE ORGANIZATION IN RESOLVING ETHICAL CONFLICT**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consultation</td>
<td>397</td>
<td>79.4</td>
</tr>
<tr>
<td>Negotiation</td>
<td>103</td>
<td>20.6</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Interpretation:

From the above information regarding approach to solve ethical conflict majority of respondents (79.4 per cent) opined that conflicts will be resolved by consultation with their work superiors and only 20.6 per cent opined that in rare cases they will go for negotiations. This is a good approach because the management is enquiring the entire details regarding the conflict and they are also trying to know whether the supervisor is aware /unaware of the conflict and with this they can able to assess the gap between employer and employee and with this they can rectify it by taking proper action.

After knowing the respondents opinion on approaches followed to solve ethical conflict researcher felt that information regarding methods of resolving the issues in the
organization and their resolvance and the information regarding the same was gathered and presented in Table 5.20.

**TABLE 5.20: RESPONDENTS OPINION ON RESOLVING THE ETHICAL ISSUES AMONG THE EMPLOYEES**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>By good Practice</td>
<td>478</td>
<td>95.6</td>
</tr>
<tr>
<td>Awareness</td>
<td>22</td>
<td>4.4</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Interpretation:**

From the above details it can be understood that major problems regarding to anonymity will be pacified only by following good practices such as consultation with both the effected parties and there by solving their problems and some other problems will be solved by mutual discussions, negotiations and through bringing the awareness among the employees about the consequence of the problem. This is identified as good practices and used as a problem solver in the organization.

After knowing the respondents opinion on perception of anonymity researcher felt that whether these information were been included in annual ethical reports or not and the information regarding the same was gathered and presented in Table 5.21.

**TABLE 5.21: RESPONDENTS OPINION ON ORGANIZATION DISCLOSURE ANNUAL REPORT / INTERNAL CONTROL STATEMENT ON ETHICAL STANDARDS**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>110</td>
<td>22.0</td>
</tr>
<tr>
<td>No</td>
<td>390</td>
<td>78.0</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Interpretation:**

It can be known that majority of the respondents opined that information regarding to ethical standards were not been incorporated in any of the reports which will help the organization to access the drawbacks existing in the departments. In this regard
management should see that all such information should be included in the internal reports in order to rectify the same to maintain ethical atmosphere in the organization.

After going through certified standing orders it is inevitable to know conduct, discipline and appeal rules of the organization which will play a vital role for the effective implementation of ethical standards in the organization.

3. Conduct, Discipline and Appeal Rules:

‘Conduct, Discipline and Appeal Rules’ means rules of conduct for executives employed in industrial establishments. These Rules are applicable to all executive employees including Junior Officers (non-supervisory cadre) working in Visakhapatnam Steel Plant. The CDA rules are placed at Appendix – IV.

As per these rules;

Every employee shall at all times

i. Maintain absolute integrity;

ii. Maintain devotion to duty; and

iii. Conduct himself at all times in a manner which will enhance the reputation of the Company.

iv. Every employee shall take all possible steps to ensure the integrity and devotion to duty of all employees for the time being under his control and authority.

CDA Rules are meant to check the ethical behavior of Executives. Without prejudice to the generality of the term "misconduct", the following acts of omission and commission shall be treated as misconduct:-

1. Theft, fraud or dishonesty in connection with the business or property of the Company or of a subsidiary or of property of another person within the premises of the Company.

2. Taking or giving bribes or any illegal gratification.
3. Possession of pecuniary resources or property disproportionate to the known sources of income by the employee or on his behalf by another person, which the employee cannot satisfactorily account for.

4. Furnishing false information regarding name, age, father's name, qualifications, ability or previous service or any other matter germane to the employment at the time of employment or during the course of employment.

5. Acting in a manner prejudicial to the interests of the Company.

6. Willful insubordination or disobedience, whether or not in combination with others of any lawful and reasonable order of his superior.

7. Absence without leave or over-staying the sanctioned leave for more than four consecutive days without sufficient grounds on proper or satisfactory explanation.

8. Habitual late or irregular attendance or willful absence from duty.

9. Neglect of work or negligence in the performance of duty including malingering or slowing down of work.

10. Damage to any property of the Company.

11. Interference or tampering with any safety devices installed in or about the premises of the Company.

12. Drunkenness or riotous or disorderly or indecent behaviour in the premises of the Company or outside such premises where such behaviour is related to or connected with the employment.

13. Gambling within the premises of the establishment.

14. Smoking within the premises of the establishment where it is prohibited.

15. Collection without the permission of the competent authority of any money within the premises of the Company except as sanctioned by any law of the land for the time being in force or rules of the Company.

16. Sleeping while on duty.

17. Commission of any act which amounts to a criminal offence involving moral turpitude.
18. Absence from the employee's appointed place of work without permission or sufficient cause.

19. Purchasing properties, machinery, stores etc. from or selling properties, machinery, stores etc., to the Company without express permission in writing from the competent authority.

20. Commission of any act subversive of discipline or of good behaviour.

21. Abetment of or attempt at abetment of any act which amounts to misconduct.

22. Sexual harassment of women at workplace.

EMPLOYMENT OF NEAR RELATIVE OF THE EMPLOYEE IN PRIVATE UNDERTAKINGS ENJOYING PATRONAGE OF THE COMPANY:

a. No employee shall use his position or influence directly or indirectly to secure employment for any person related, whether by blood or marriage to the employee or to the employees' wife or husband, whether such a person is dependent on the employee or not.

b. No employee shall, except with the prior sanction of the competent authority, permit any member of his family to accept employment with any private firm with which he or she has official dealings, or with any other firm having official dealings with the Company or a subsidiary Company.

Provided that where the acceptance of the employment cannot await the prior permission of the competent authority, the employment may be accepted provisionally subject to the permission of the competent authority, to which the matter shall be reported forthwith.

c. No employee shall in the discharge of his official duties deal with any matter or give or sanction any contract to any firm or any other person if any of his relatives is employed in that firm or under that person or if he or any of his relatives is interested in such matter or contract in any other matter and the employee shall refer every such matter or contract to his official superior and the matter of the contract shall thereafter be disposed of according to the instructions of the authority to whom reference is made.(N.B.: For purposes of this clause, relative will be as defined in Indian Companies Act).
TAKING PART IN POLITICS AND ELECTIONS:
Except in so far as may otherwise be specifically authorized by any law, no employee shall be a member of, or be otherwise associated with, any political party or any organization which takes part in politics, or assist any political movement or activity, or stand for election, as a member, of a local authority or a legislative body.

TAKING PART IN DEMONSTRATIONS:
No employee shall engage himself or participate in any demonstration which involves incitement to an offence.

CONNECTION WITH PRESS OR RADIO:
1. No employee shall, except with the prior sanction of the competent authority, own wholly or in part, or conduct or participate in the editing or management of, any newspaper or other periodical publication.

2. No employee shall, except with the prior sanction of the competent authority, or in bonafide discharge of his duties, participate in a radio broadcast or write or publish a book or contribute an article or write a letter either in his own name or anonymously, pseudonymously or in the name of any other person to a newspaper or periodical. Provided that no such sanction shall be required if such broadcast or such contribution is of a purely literary, artistic or scientific character.

CRITICISM OF GOVERNMENT AND THE COMPANY:
No employee shall, in any radio broadcast or in any document published under his name or under any pen-name or pseudonym or in any communication to the press, or in any public utterances, make any statement:

a. Which has the effect of adverse criticism of any policy or action of the Government or of the Company; or
b. Which is capable of embarrassing the relations between the Company and the public or between the Company and the Government.

Provided that nothing in this rule shall apply to any statement made or views expressed by an employee of a purely factual nature which are not considered to be of a confidential nature, in his official capacity or in due performance of the duties assigned to him.

Provided further that nothing contained in this rule shall apply to bonafide expression of views by him as an office-bearer of a recognized trade union for the purpose of safeguarding the conditions of service of such employees or for securing an improvement thereof.

Ethical climate in an organization (especially Government establishments) is very important for its growth and development. There are various inputs which are being implemented in Public Sector Undertakings to instill such climate.

**Procedure in dealing disciplinary RDA cases (Regular Departmental Action)**

Disciplinary actions are initiated against the delinquent employees under two categories:

a) Executive employees & non-unionized supervisory cadre: Covered under the conduct, Discipline and Appeal Rules (CDA Rules) of the company.

b) Non-executive employees: Covered under the Certified Standing Orders CSO) of the company.

Disciplinary procedure: Charge sheets are issued generally for violation of the provisions of:

(a) Certified Standing Orders (CSO)

or

(b) Conduct, Discipline and Appeal Rules (CDA Rules).

*Note:* Only the Disciplinary Authority has the discretion to decide whether a charge sheet is to be issued or not depending on the facts/details of the case.
The general procedure prior to issue of charge sheet is as follows:

(i) Receipt of report of misconduct by the Disciplinary Authority.

(ii) If the Disciplinary Authority after going through the report is satisfied that there is a case to initiate disciplinary action against the concerned employee, issues a charge sheet to the employee.

The charge sheet contains the following:

a. The act(s) of misconduct alleged to have been committed by the employee.

b. The detail(s) of clause(s) under which the charges have been framed under the Certified Standing Orders (CSO) of the company. A period of 7(seven) days from the date of issue of the chargesheet is given to the delinquent employee to submit written explanation against the allegations leveled.

c. The detail(s) of clause(s) under which the charges have been framed under the Conduct, Discipline and Appeal Rules (CDA Rules), together with a statement of the imputations of misconduct on which they are based, a list of documents by which and a list of witnesses by whom the charges are proposed to be sustained. A period not exceeding 15 (Fifteen) days from the date of issue of the chargesheet is given to the delinquent employee to submit written statement against the allegations leveled.

On receipt of written explanation/ statement of the employee and if it is found to be not satisfactory by the Disciplinary Authority, OR if no such written explanation/statement is received within the time specified, the Disciplinary Authority may take a lenient view and impose a minor punishment to the employees governed by the Certified Standing Orders (CSO) or minor penalty to the employees governed by Conduct, Discipline and Appeal Rules.

On receipt of written explanation/ statement of the employee and if it is found to be not satisfactory by the Disciplinary Authority, OR if no such written explanation/ statement is received within the time specified, an Enquiry may be held by the
Disciplinary Authority itself or by an Officer or a Committee appointed by the Disciplinary Authority who also appoints a Presenting Officer to present the Case.

The Enquiry proceedings are conducted in accordance with the procedure laid down in the Certified Standing Orders or Conduct, Discipline and Appeal Rules depending upon the applicability to the concerned employee.

Submission of the Enquiry report by the Enquiry Officer to the Disciplinary Authority.

Imposition of punishment/ in accordance with the provisions of Certified Standing Orders or Conduct, Discipline and Appeal Rules as applicable to the employee.

Note : The type of punishment to be imposed depends upon the discretion of the Disciplinary Authority after considering the gravity of the misconduct & the mitigating circumstances, if any.

The punishment order contains the following :

a) Reference to the charges alleged against the employee

b) Reference to the findings of the Enquiry Officer

c) Reference to previous misconduct(s) and punishments imposed on the employee, if any, in the past

d) Details of the punishment being imposed

Service of the punishment order as per the provisions of CSO/CDA Rules and is distributed as per the list given therein.In case the charges against the employee are not established, then an Exoneration Order is to be issued to the employee.

Appeal:

An employee on whom any of the punishments is imposed shall have right of appeal to the Appellate Authority as per the provisions made under the Conduct, Discipline and Appeal Rules OR under the Certified Standing Orders of the Company.
**Review:**

An authority higher than the Appellate Authority may review the case after appeal either on its own motion or on the application of the employee concerned as per the provisions made under the Conduct, Discipline and Appeal Rules or Certified Standing Orders of the Company.

A copy each of the Charge Sheet, Punishment Order, Order passed by the Appellate Authority and/or Reviewing Authority, if any, are placed in the personal file of the concerned employee in addition to the Enquiry file containing all the papers pertaining to the Enquiry, Appeal and Review.

Control of Non-conformity: The Disciplinary Authority (DA) will ensure in every Disciplinary process that fair opportunity has been afforded to the delinquent employee. In case the DA finds a shortcoming, he will take action to correct the same.

**Table 5.22: Most Common Misconducts and Discipline Cases Recorded in the Organization**

<table>
<thead>
<tr>
<th>S.No.</th>
<th>Description of Misconducts</th>
<th>Punishments</th>
</tr>
</thead>
</table>
| 1     | Willful and Habitual absence from duty (Cl. No. 27.46) | i. Censure;  
|       |                             | ii. Warning Letter;  
|       |                             | iii. Reduction of Pay;  
|       |                             | iv. Removal |
| 2     | Habitual absence from duty (Cl. No. 27.46) | i. Censure;  
|       |                             | ii. Warning Letter;  
|       |                             | iii. Reduction of Pay;  
|       |                             | iv. Removal |
| 3     | Fraud and Dishonesty(Cl. No. 27.25), Violation of Cl.13 of appointment offer, | i. Censure;  
|       |                             | ii. Warning Letter;  
|       |                             | iii. Reduction of Pay;  
|       |                             | iv. Removal &  
|       |                             | v. Dismissal |
| 4     | Theft of property(Cl. No. 27.25), Violation of Cl. No. 7.9(i) with 27.65 | i. Censure;  
|       |                             | ii. Warning Letter;  
|       |                             | iii. Reduction of Pay;  
|       |                             | iv. Removal |
| 5     | Insubordination (Clause No.27.32 of CSO) and Rule 6 of CDA. | i. Censure;  
|       |                             | ii. Warning Letter;  
|       |                             | iii. Reduction of Pay; |
### TABLE 5.23: OPINIONS ON PERCEIVED GAP BETWEEN THE ORGANIZATIONAL ETHICS AND STANDARDS

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>305</td>
<td>61.0</td>
</tr>
<tr>
<td>No</td>
<td>195</td>
<td>39.0</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Interpretation:**

From the above information it can be understood that there is a gap between actual and standards of ethics existing in the organization in this regard opinion was gathered and maximum respondents i.e., 61 per cent are opined that there is a existence of gap between actual and standards where as 39 per cent of respondents felt that there is no gap between actual and standards. Since majority of the respondents felt that there is an occurrence of gap between the theory and practice, in this regard management should take initiation to fill the gap to follow transparency in the system.
After identifying the gap between the procedure and practice, it is important to know the existence of ethical advisor in the organization. In this regard researcher felt to know the respondents opinion on existence of ethical advisor and respondents opinion was presented in the following Table 5.24.

**TABLE 5.24: RESPONDENTS OPINION ON EXISTENCE IN HOUSE ETHICS ADVISER**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>443</td>
<td>88.6</td>
</tr>
<tr>
<td>No</td>
<td>57</td>
<td>11.4</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Interpretation:**

From the above table it is clear that the organization is having an in house ethical advisor in every department that exists in the organization. As per the information from the organization it is understood that there is no particular ethical advisor officer in the organization but all the heads of the departments and supervisors will be assigned with a role of ethical advisors for the concerned departments. All the matters relating to concerned department is dealt by HOD and supervisors by acting as ethical advisors.

After knowing about the existence of in house ethical advisor it is important to know whether the advisors speak about ethics and governance in meetings or not in this regard researcher has gathered information and the same was presented in the Table 5.25

**TABLE 5.25: OPINION ON EXECUTIVE LEADERS SPEAK ABOUT ETHICS IN THE MEETINGS**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regularly</td>
<td>366</td>
<td>73.2</td>
</tr>
<tr>
<td>Often</td>
<td>57</td>
<td>11.4</td>
</tr>
<tr>
<td>Occasionally</td>
<td>42</td>
<td>8.4</td>
</tr>
<tr>
<td>Never</td>
<td>21</td>
<td>4.2</td>
</tr>
<tr>
<td>Don’t Know</td>
<td>14</td>
<td>2.8</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Interpretation:

From the above information it is found that majority of respondents opined that the ethical advisors regularly speak about the ethics and good governance in meetings which will help them to achieve productivity in the organization.

After knowing that ethical advisors ethical information regularly in meetings, it is important to know how it affects the employee’s behavior in achieving the productivity. In this regard researcher has gathered information regarding the above and the same was presented in Table 5.26

<table>
<thead>
<tr>
<th>TABLE 5.26: OPINIONS ON TREATMENT OF EMPLOYEES WITH SELF RESPECT AND HUMAN RIGHTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Response</strong></td>
</tr>
<tr>
<td>Yes</td>
</tr>
<tr>
<td>No</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

Interpretation:

From the above information, it is felt that out of the sample respondents 88.6 per cent opined that they were treated with respect and given importance in all the organizational activities and treated as a member of the organization. This seems to be one of the motivating factors to achieve the organizational success. To do so organizational committees is to be constituted as per that the following are the various committees constituted at organizational level. Its information is presented in the Table 5.27.

<table>
<thead>
<tr>
<th>TABLE 5.27: COMMITTEES AT VARIOUS LEVELS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Committees</strong></td>
</tr>
<tr>
<td>Shop Floor Coordination Committee (SFCC)</td>
</tr>
<tr>
<td>Shop Floor Safety Committee (SFSC)</td>
</tr>
<tr>
<td>Plant Level Production &amp; Productivity Committee</td>
</tr>
<tr>
<td>Central Safety Committee</td>
</tr>
</tbody>
</table>

*Source: VSP Personnel Department Reports*
After knowing the above information regarding to existence of various committees in the organization, and its importance in resolving the problems at organizational level. As per that following opinions were gathered from the respondents and the same was presented in the Table 5.28.

**TABLE 5.28: RESPONDENTS OPINION ON EXISTENCE OF ETHICAL STANDARDS COMMITTEE**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>288</td>
<td>57.6</td>
</tr>
<tr>
<td>No</td>
<td>212</td>
<td>42.4</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Interpretation:**

From the tabulated information 57.6 per cent of respondents opined that there is an ethical standards committee in the organization. But 42.4 per cent opined there is no ethical standards committee in the organization. This is a concern point for the organization because it is the responsibility of the management to make it clear to its employees regarding the existence of ethical standards committee and its duties and responsibilities so that the employees can consult the committee in case of any clarifications regarding the ethical standards.

After knowing the details regarding ethical standard committee researcher wants to know the procedure followed by the committee in case of violation of code and the information regarding the same is been shown in the Table 5.29.

**TABLE 5.29: COMMITTEES COURSE OF ACTION IN CASE OF IDENTIFICATION OF VIOLATION IN ETHICAL CODES**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommendation for action</td>
<td>238</td>
<td>47.6</td>
</tr>
<tr>
<td>Suggestion for corrections</td>
<td>50</td>
<td>10.0</td>
</tr>
<tr>
<td>Total</td>
<td>288</td>
<td>57.6</td>
</tr>
</tbody>
</table>

Source: VSP Annual Reports

**Interpretation:**

If standards committee observes any deviation or violation in the code of conduct followed by any employee basing on their observation they takes action by
recommending the case to respective authorities or suggesting remedial measures by following below mentioned procedure.

**Evidence before Committee or any other Authority:**

Save as provided in sub-rule (3), no employee shall, except with the previous sanction of the competent authority, give evidence in connection with any enquiry conducted by any person, committee or authority.

1. Where any sanction has been accorded under sub-rule (1), no employee giving such evidence shall criticize the policy or any action of the Government or of the Company.

3. Nothing in this rule shall apply to:

   a. evidence given at any enquiry before an authority appointed by the Government, Parliament or a State Legislature or the Company or a Subsidiary Company;

   b. evidence given in any judicial enquiry; or

   c. evidence given at any departmental enquiry ordered by authorities subordinate to the Government;

   d. evidence given at any departmental enquiry ordered by any Public sector Undertaking.

**Unauthorised communication of information:**

No employee shall, except in accordance with any general or special order of the Company or in the performance in good faith of the duties assigned to him, communicate, directly or indirectly any official document or any part thereof or information to any person to whom he is not authorized to communicate such document or information.

**Gifts:**

Save as otherwise provided in these rules, no employee of the Company shall accept or permit any member of his family or any person acting on his behalf, to accept any gift.
Giving or Taking dowry:

No employee shall —

i. give or take or abet giving or taking of dowry; or

ii. demand, directly or indirectly from the parents or guardian of a bride or bridegroom, as the case may be, any dowry.

Prohibition of sexual harassment of women employees:

i. No employee shall indulge in any act of sexual harassment of any woman at workplace.

ii. Every employee who is in charge of a workplace shall take appropriate steps to prevent sexual harassment to any woman at such workplace.

Private trade of employment:

1. No employee shall except with the prior sanction of the competent authority, engage directly or indirectly in any trade or business or undertake any other employment or negotiate for taking an employment.

   Provided that an employee may, without such sanction undertake honorary work of a social or a charitable nature or occasional work of a literary, artistic or scientific character, subject to the condition that his official duties do not thereby suffer.

2. Every employee shall, report to the competent authority if any member of his family is engaged in any trade or business or owns or manages an insurance agency or commission agency.

3. No employee shall, without the prior sanction of the competent authority, except in the discharge of his official duties, take part in the registration, promotion or management of any bank or other company which is required to be registered under the Companies Act, 1956 (1 of 1956) or any other law for the time being in force or any cooperative society for commercial purposes.
Provided that an employee may take part in the registration, promotion or management of a consumer/House Building Cooperative Society substantially for the benefit of employees of the Company or a subsidiary Company, registered under the Cooperative Societies Act, 1912 (2 of 1912) or any other law for the time being in force, or of a literary, scientific or charitable society registered under the societies Registration Act, 1860 (21 of 1860) or any corresponding law in force.

4. No employee may accept any fee or any remuneration or any pecuniary advantage for any work done by him for any public body or any private person without the sanction of the competent authority.

5. No Functional Director of the Company including the Chief Executive, who has retired/resigned from the service of the Company, after such retirement/resignation, shall accept any appointment or post, whether advisory or administrative, in any firm or company, whether Indian or foreign, with which the company has or had business relations, within one year from the date of retirement without prior approval of the Government. The term retirement includes resignation; but not the cases whose term of appointment was not extended by Government for reasons other than proven misconduct. The term 'business relations' includes 'official dealings' as well.

A bond of Rs.5 lakhs, payable as damage for any violation of the restrictions, shall be executed and delivered by the concerned person at the time of his/her employment/ retirement/ resignation as Director / Managing Director/ Chairman -cum- Managing Director in RINL/VSP. The prescribed format is enclosed (Appendix-IV of the RINL CDA Rules).

The modalities of grant of permission to top level executives for post retirement employment within one year from the date of retirement employment within one year from the date of retirement along with the prescribed form of application, is enclosed (Appendix-IV of the RINL CDA Rules).
Investment, Lending and Borrowing:

No employee shall, save in the ordinary course of business with a bank, the Life Insurance Corporation or a firm of standing, borrow money from or lend money to or otherwise place himself under pecuniary obligation to any person with whom he has or is likely to have official dealings or permit any such borrowing, lending or pecuniary obligation in his name or for his benefit or for the benefit of any member of his family.

Insolvency and Habitual indebtedness:

1. An employee shall avoid habitual indebtedness unless he proves that such indebtedness or insolvency is the result of circumstances beyond his control and does not proceed from extravagance or dissipation.

2. An employee who applies to be, or is adjudged or declared insolvent shall forthwith report the fact to the competent authority.

Movable, Immovable and valuable property:

1. No employee shall, except with the prior knowledge of the competent authority, acquire or dispose off any immovable property by lease, mortgage, purchase, sale, gift or otherwise, either in his own name or in the name of any member of his family.

2. No employee shall, except with the previous sanction of the competent authority, enter into any transaction concerning any immovable or movable property with a person or a firm having official dealings with the employee or his subordinate.

3. Every employee of the Company shall within one month report to the competent authority every transaction concerning movable property owned or held by him in his own name or in the name of a member of his family, if the value of such property exceeds :-

   i. Rs. 20,000/- in the case of Executives, and

   ii. Rs. 15,000/- in the case of Non-executives.
4. The competent authority may, at any time, by general or special order require an employee to submit within a period specified in the order, a full and complete statement of such movable or immovable property held or acquired by him or on his behalf or by any member of his family, as may be specified in the order. Such statement shall, if so required by the competent authority, include details of the means by which, or the source from which such property was acquired.

**Canvassing of Non-Official or other influence:**

No employee shall bring or attempt to bring any outside influence to further his interests in respect of matters pertaining to his service in the Company.

**Bigamous marriages:**

1. No employee shall enter into, or contract a marriage with a person having a spouse living; and

2. No employee, having a spouse living, shall enter into or contract a marriage with any person;

   Provided that the Board may permit an employee to enter into or contract, any such marriage as is referred to in clause (1) or clause (2) if it is satisfied that —

   a. such marriage is permissible under the personal law applicable to such employee and the other party to the marriage; and

   b. there are other grounds for so doing.

3. An employee, who has married or marries a person other than an Indian National, shall forthwith intimate the fact to the competent authority.

**Consumption of intoxicating drinks and drugs:**

An employee of the Company shall take due care that the performance of his duties is not affected in any way by the influence of any intoxicating drink.
Renting of houses to foreign nationals/missions etc.:  

No employee owning a house in his name or in his spouse's name shall let out the same to a foreigner/foreign mission/foreign organization (including International Organization) without prior approval of competent authority.

The Procedure to be followed before granting permission to an employee to let out accommodation to foreign nationals/foreign missions etc. will be as follows:

a. An employee who intends to let-out a house in his name or in his spouse's name shall seek the approval of competent authority.

b. Request received from an employee for permission to let-out accommodation to a foreigner/foreign mission etc. shall be forwarded to the Department of Steel with a self contained note by VSP to enable them to take-up the matter with the Ministry of Home Affairs (IB) for necessary clearance.

c. On receipt of clearance from the Department of Steel, permission shall be given to the employee for letting out the house to the particular foreign national/foreign mission etc.

As per the information from the organization, the various forms of disciplinary cases pending with the organisation is presented in the Table 5.30.
### TABLE 5.30: DEPARTMENT WISE STATUS OF DISCIPLINARY CASES OF EMPLOYEES IN THE ORGANISATION

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Zone/Dept</th>
<th>UAB</th>
<th>Fake R Card</th>
<th>Fake Qualification</th>
<th>Theft</th>
<th>Fraud</th>
<th>Fake LLTC</th>
<th>Transfer of ID Card</th>
<th>Assault</th>
<th>False SC/ST</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>COKE OVENS</td>
<td>3</td>
<td>12</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>2</td>
<td>RMHP</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>3</td>
<td>SINTER PLANT</td>
<td>7</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>4</td>
<td>BLAST FURNACE</td>
<td>6</td>
<td>7</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>5</td>
<td>STEEL MELTING SHOPS</td>
<td>10</td>
<td>8</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>6</td>
<td>MILLS</td>
<td>8</td>
<td>5</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>7</td>
<td>THERMAL POWER PLANT</td>
<td>6</td>
<td>4</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>8</td>
<td>TRAFFIC</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>9</td>
<td>ELECT. MAINT</td>
<td>2</td>
<td>6</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>10</td>
<td>MECH. MAINT</td>
<td>3</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>11</td>
<td>NON-WORKS</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>12</td>
<td>MINES</td>
<td>2</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>TOTAL:</td>
<td></td>
<td>55</td>
<td>52</td>
<td>25</td>
<td>8</td>
<td>1</td>
<td>3</td>
<td>3</td>
<td>5</td>
<td>1</td>
</tr>
</tbody>
</table>

After knowing the awareness of ethical conduct for employees researcher wants to know how the performance against ethical standards are measured and monitored and the information regarding the same is been shown in the Table 5.31.
TABLE 5.31: RESPONDENTS OPINION ON MEASUREMENT OF PERFORMANCE AGAINST ETHICAL STANDARDS

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Confidential Report</td>
<td>308</td>
<td>61.6</td>
</tr>
<tr>
<td>Performance of employees</td>
<td>165</td>
<td>33.0</td>
</tr>
<tr>
<td>Good Practices of employees</td>
<td>27</td>
<td>5.4</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Interpretation:

From the tabulated information regarding measurement of performance against ethical standards the organization is following by considering aspects like performance of employees, good practices and also through the confidential reports provided by the superiors regarding to their employees. Out of these 61.6 per cent respondents opined that the performance was been measured using the confidential reports given by their superiors and 33 per cent opined that basing on individual performance of employees. This shows that organization is considering almost all factors which are responsible for the implementation of ethics and this will help the management to identify the lagging areas and they can concentrate on those areas for the improvement of ethical standards among the employees.

After knowing the measurement of performance against ethical standards, researcher wants to know the person responsible for measuring the ethical standards and the information regarding the same is been shown in the Table 5.32.

TABLE 5.32: OPINION ON PERSONS RESPONSIBLE FOR MEASURING THE ETHICAL STANDARDS

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vigilance officer</td>
<td>337</td>
<td>67.4</td>
</tr>
<tr>
<td>Manager</td>
<td>163</td>
<td>32.6</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Interpretation:

From the information shown above regarding the person responsible for measuring ethical standards 67.4 per cent of respondents were opined that vigilance officer and 32.6 per cent opined that manager is responsible for the measuring the ethical
standards in the organization. This shows that there is some ambiguity in the minds of the respondents regarding the person responsible for measuring the ethical standards. The organization has to make it clear for the employees the person responsible for the measuring of ethical standards which will help them in maintaining the proper ethical standards and also help the employees to understand the right person to whom they have to contact in case of any ambiguity in ethical practices.

After the brief information about the Conduct, Discipline and Appeal Rules, it is necessary to know about the code of business conduct and ethics in the organization. Its information is presented in the following paragraphs.

4. Code of Business Conduct and Ethics:

As per the policy of the organization, the code of business conduct and business prepared for the higher level executives in the organization and it was implemented in the meeting of the Board of Directors of RINL/VSP, on 13th November, 2007 approved the Code of Business Conduct and Ethics for Board Members and Senior Management in RINL/VSP for implementation in RINL/VSP in terms of the Guidelines issued by DPE on the same.

As per the Guidelines, all the Board members and Senior Management personnel (i.e. Deputy General Manager in E-7 grade who is Head of Department and above) have to affirm compliance with the Code of Business Conduct on an annual basis.

Guidelines on the code of business conduct and ethics for Board Members and Senior Management personnel of RINL are placed at Appendix – V.

This Code shall be called "The Code of Business Conduct & Ethics for Board Members and Senior Management Personnel of Rashtriya Ispat Nigam Ltd."

1. The purpose of this Code is to enhance ethical and transparent process in managing the affairs of the Company.
2. This Code for Board Members and Senior Management Personnel has been framed specially in compliance of the provisions of the Guidelines issued by DPE.
3. It shall come into force with effect from 13th November 2007 (the date of approval accorded by the Board).
Applicability

This code shall be applicable to the following personnel:

a) All Whole-time Directors including the Chairman & Managing Director of the Company.

b) All Part-time Directors including Independent Directors under the provisions of law.

c) Senior Management Personnel

The Whole-time Directors and Senior Management Personnel should continue to comply with other applicable/to be applicable policies, rules and procedures of the Company.

Contents of Code:

Part I General Moral Imperatives

Part II Specific Professional Responsibilities

Part III Specific Additional Provisions for Board Members and Senior Management Personnel

This code is intended to serve as a basis for ethical decision making in the conduct of professional work. It may also serve as a basis for judging the merit of a formal complaint pertaining to violation of professional ethical standards.

It is understood that some words and phrases in the code of ethics and conduct document are subject to varying interpretations, in case of any conflict, the decision of the Board shall be final.
PART-I

General Moral Imperatives:

1. Contribute to society and human well being:
   This principle concerning the quality of life of all people, affirms an obligation to protect fundamental human rights and to respect the diversity of all cultures. We must attempt to ensure that the products of our efforts will be used in socially responsible ways, will meet social needs and will avoid harmful effects to health and welfare of others. In addition to a safe social environment, human well being includes a safe natural environment. Therefore, all Board Members and Senior Management Personnel who are accountable for the design, development, manufacture and promotions of company's products, must be alert to, and make others aware of, both a legal and a moral responsibility for the safety and the protection of human life and environment.

2. Be honest and trustworthy & practice integrity:
   Integrity and honesty are essential components of trust. Without trust an organization cannot function effectively. All Board Members and Senior Management Personnel are expected to act in accordance with highest standards of personal and professional integrity, honesty and ethical conduct, while conducting business of the Company.

3. Be fair and take action not to discriminate:
   The value of equality, tolerance, respect for others, and the principles of equal justice govern this imperative. Discrimination, on the basis of race, sex, religion, caste, age, disability, national origins or other such factors, is an explicit violation of this Code.

4. Honor confidentiality:
   The principle of honesty extends to issues of confidentiality of information. The ethical concern is to respect all obligations of confidentiality to all stakeholders unless discharged from such obligations by requirements of the law or other principles of this Code. All Board Members and Senior Management Personnel, therefore, shall maintain the confidentiality of all confidential unpublished information about business and affairs of the Company.
5. Pledge & Practice:

- To strive continuously to bring about integrity and Transparency in all spheres of the activities.
- Work unstintingly for eradication of corruption in all spheres of life.
- Remain vigilant and work towards growth and reputation of the Company.
- Bring pride to the organization and provide value-based services to Company's stakeholders.
- Do duty conscientiously and without fear or favour.

PART-II

Specific Professional Responsibilities:

All the time Executives should follow the Vision, Mission and Values of Rashtriya Ispat Nigam Limited. For quick reference they are as under:

Vision

For continuously growing as world-class company, we shall:

- Harness our growth potential and sustain profitable growth.
- Deliver high quality and cost competitive products and be the first choice of customers.
- Create an inspiring work environment to unleash the creative energy of people.
- Achieve excellence in enterprise management.
- Be a respected corporate citizen, ensure clean and green environment and develop vibrant Communities around us.

Mission:

To attain 16 million ton liquid steel capacity through technological up-gradation, operational efficiency and expansion; to produce steel at international standards of cost and quality; and to meet the aspirations of the stakeholders.
Core Values:

- Commitment
- Customer Satisfaction
- Continuous Improvement
- Concern for Environment
- Creativity & Innovation

Strive to achieve the highest quality, effectiveness and dignity in both the processes and products of professional work:

Excellence is perhaps the most important obligation of a professional. Everyone, therefore, should strive to achieve the highest quality, effectiveness and dignity in their professional work.

Acquire and maintain professional competence:

Excellence depends on individuals who take responsibility for acquiring and maintaining professional competence.

All are, therefore, expected to participate in setting standards for appropriate levels of competence, and strive to achieve those standards.

Compliance with Laws:

The Board Members and Senior Management Personnel of the Company shall comply with all the applicable provisions of existing local, state, national, and international laws. They should also follow and obey the policies, procedures, rules and regulations relating to business of the Company.

Accept and provide appropriate professional review:

Quality professional work depends on professional review and comments. Whenever appropriate, individual members should seek and utilize peer review as well as provide critical review of the work of theirs.
Manage personnel and resources to enhance the quality of working life:

Organizational leaders are responsible for ensuring that a conducive working and business environment is created for fellow employees to enable them delivering their best. The Board Members and Senior Management would be responsible for ensuring human dignity of all employees, would encourage and support the professional development of the employees of the Company by providing them all necessary assistance and cooperation, thus enhancing the quality of working.

Be upright and avoid any inducements:

The Board Members and Senior Management Personnel shall not, directly or indirectly through their family and other connections, solicit any personal fee, commission or other form of remuneration arising out of transactions involving Company. This includes gifts or other benefits of significant value, which might be extended at times, to influence business for the organization or awarding a contract to an agency, etc.

Observe Corporate Discipline:

The flow of communication within the Company is not rigid and people are free to express themselves at all levels. Though there is a free exchange of opinions in the process of arriving at a decision, but after the debate is over and a policy consensus has been established, all are expected to adhere and abide by it, even when in certain instances one may not agree with it individually. In some cases policies act as a guide to action, in others they are designed to put a constraint on action. All must learn to recognize the difference and appreciate why they need to observe them.

Conduct in a manner that reflects credit to the Company:

All are expected to conduct themselves, both on and off duty, in a manner that reflects credit to the Company. The sum total of their personal attitude and behavior has a bearing on the standing of Company and the way in which it is perceived within the organization and by the public at large.
Be accountable to Company's stakeholders:

All of those whom we serve, be it our Customers, without whom the Company will not be in business, the Shareholders, who have an important stake in its business, the Employees, who have a vested interest in making it all happen, the Vendors, who support the Company to deliver in time and Society to which Company is responsible for its actions - are stakeholders of the Company. All, therefore, must keep in mind at all times that they are accountable to Company's stakeholders.

Prevention of Insider Trading:

The Board Members and Senior Management Personnel shall comply with the code of Internal Procedures and conduct for prevention of Insider Trading in dealing with Securities of the Company.

Identify, mitigate and manage business risks

It is everybody's responsibility to follow the Risk Management Framework of the Company to identify the business risks that surround function or area of operation of the Company and to assist in the company-wide process of managing such risks, so that Company may achieve its wider business objectives.

Protect properties of the Company:

The Board Members and Senior Management Personnel shall protect the assets including physical assets, information and intellectual rights of the Company and shall not use the same for personal gains.
PART-III

Specific Additional Provisions for Board Members and Senior Management Personnel:

As Board Members and Senior Management Personnel:

They shall undertake to actively participate in the meetings of the Board and Committees on which they serve.

As Board Members;

  Undertake to inform the Chairman and Managing Director/Company Secretary of the Company of any changes in their other Board positions, relationship with other business and other events / circumstances / conditions that may interfere with their ability to perform Board/Board Committee duties or may impact the judgment of the Board as to whether they meet the independence requirements of Listing Agreement with Stock Exchanges and the Guidelines of DPE.

  Undertake that without prior approval of the disinterested members of the Board, they will avoid apparent conflict of interest. Conflict of interest may exist when they have personal interest that may have a potential conflict with the interest of the Company. Illustrative cases can be:

Related Party Transactions:

  Entering into any transactions or relationship with Company or its subsidiaries in which they have a financial or other personal interest (either directly or indirectly such as through a family member or relation or other person or other organization with which they are associated).

  Outside Directorship: Accepting Directorship on the Board of any other Company that competes with the business of the Company.

Consultancy/Business/Employment:

  Engaging in any activity (be it in the nature of providing consultancy service, carrying on business, accepting employment) which is likely to interfere or conflict with their duties/ responsibilities towards Company. They should not invest or associate
themselves in any other manner with any supplier, service provider or customer of the company.

**Use of Official position for personal gains:**

Should not use their official position for personal gains.

**Compliance with the Code of Business Conduct and Ethics:**

All Members of the Board and Senior Management Personnel of Company shall affirm compliance with the Code on annual basis and acknowledge the receipt of this code or modification(s) thereto.

The future of the organization depends on both technical and ethical excellence. Not only it is important for Board Members and Senior Management Personnel to adhere to the principles expressed in this Code, each of them should also encourage and support adherence by others.

Treat violations of this code as inconsistent association with the organization. Adherence of professionals to a code of ethics is largely and generally a voluntary matter. However, if any of Board Members and Senior Management Personnel does not follow this Code, the matter would be reviewed by the Board and its decision shall be final. The Company reserves the right to take appropriate action against the defaulter.

**Miscellaneous Points:**

**Continual updating of Code:**

This Code is subject to continuous review and updation in line with any changes in law, changes in Company's philosophy, vision, business plans or otherwise as may be deemed necessary by the Board and all such amendments / modifications shall take effect prospectively from the date stated therein.

**Where to seek clarifications:**

Any member of Board or Senior Management Personnel requiring any clarification regarding this code of conduct may contact Director (Personnel) / Company Secretary/ any officer specifically designated by the Board of Directors.
The above are the procedure of code of ethics for the executives of E-7 level (Deputy General Managers), which is explained at length. Now it is necessary to know about the technology updation in the organization procedures. This is explained in the following paragraphs.

5. Leveraging Technology:

Leveraging Technology for transparency and fair play technologies, systems and procedures, which would require minimum human interface, who are key to minimizing corruption. Accordingly, the Central Vigilance Commission in 2003 advised all Departments/Organizations to necessarily use the web site for posting offender information. The Commission regularly monitors the action taken by various departments on this issue. Though most of the organizations have started to post tender notices in the web-site, many of them are yet to allow tender documents to be in downloadable format, so that the agencies can directly download and submit the tender.

To overcome the difficulties of the organizations which lack infrastructure and technical manpower, the NIC has developed a portal wherein all tenders to be called for, by the Government of India and its agencies can be posted free of cost. The Commission has emphasized to its CVOs the need to ensure the use of this web-site to enable best bargains for the government.

The Commission has further directed all the organizations to display the details on award of contracts subsequent to the finalization of the tender process.

Hence by following the e-procedure and practice in the organization, the un-ethical practices in the organization will be controlled and prompt and transparent services can be delivered to the society.
6. RINL Vigilance Policy:

Eternal vigilance is the nucleus of RINL Vigilance Policy, 1997 to achieve excellence by developing an international image of RINL as a clean, transparent, continuously learning and growing organization and to convert vigilance functions as profit generating centres and thus contribute for the improvement of efficiency, productivity and profitability of RINL.

Strategy :

To lay major thrust on preventive vigilance and surveillance, and analyze in detail, issues with vigilance angle in order to ensure transparency in the system.

Objectives :

- To maintain purity and integrity in the organization and to raise the morale of the honest. To be vigilant on all fronts.
- To have effective vigilance drive to curb corruption and malpractices.
- To conduct Vigilance Audit covering technical scrutiny and procedural lapses and to initiate remedial measures.
- To identify vigilance angles in cases taken up for investigation and to initiate corrective and punitive actions.
- To conduct investigations in a judicious manner on individuals having malafide intentions and lack of integrity in a detected case.
- To gather effective intelligence with interface coordination for proper vigilance functioning.
- To provide protection to honest and innocent employees.
- To coordinate effectively with CVC/CBI/Police.
- To strive effectively to develop the culture of frontline in-house vigilance in addition to the exercising eternal vigilance.
To identify the persons of doubtful integrity, holding sensitive posts and to advise management for proper placement.

- To spread vigilance activities and strengthen Management in developing an effective management control and to help in improving transparency, efficiency, productivity and profitability and thereby converting vigilance activities into prospective profit generating centres.
- To reduce Vigilance cases by increasing preventive work.
- To refer the cases to CBI pertaining to cheating/criminal angles as per the prescribed procedure.

Commitment:

RINL resolves to emerge as a transparent and reputed organization of international standards of efficiency and impeccable integrity.

Modalities:

Policy guidelines and procedures shall be recommended in respect of each department clearly and simplified for effective timely service. Departments will help vigilance identify areas lacking in Systems and Procedures. Regular and surprise checks shall be conducted by vigilance frequently in all sensitive areas. Identification of persons of doubtful integrity is to be done as per the procedure. Sensitive areas are to be identified in consultation with concerned Functional Directors and a list of such sensitive areas is to be drawn with the approval of CMD and rotation of executives/staff in these areas may be recommended. Database of each case shall be processed and updated in computerized vigilance audit card as annexed. Investigations would be conducted only on authentic/known/genuine sources of information or on internal intelligence collected by Vigilance Department or on all verifiable facts referred in complaints. Anonymous letters, telephone calls may not be entertained, but can be considered as source information for verification. The procedure for dealing with such complaints will be as per communication from Government of India vide DOPT OM No. 321/4/91-AVD.III date 29.9.1992 and OM No. 371/38/97-AVD-HI dated 3.11.1997 of Department of Personnel & Training, Govt. of India, as amended from time to time Cases shall be registered on establishment of prima-facie substance, meriting detailed investigation.
Departmental enquiry shall be conducted as per flow chart annexed and in consonance with the CDA Rules/ Certified Standing Orders and laid down procedures of Law. Principles of Natural Justice shall be followed in all cases apart from those evolved from time to time by court judgments.

General administrative circulars may be issued form time to time as preventive vigilance measures and implemented to plug the loopholes in the systems observed during the investigation, if any, even during pendency of the enquiry. Inquiring authority may be appointed for enquiry as per RINL CDA Rules and Certified Standing Orders of the Company and Service Rules of RINL/VSP. Enquiry reports of the inquiring authority shall be placed before the Disciplinary Authority, who shall issue final orders as expeditiously as possible. The jurisdiction of court and legal action shall be at Visakhapatnam, the place of disciplinary action. For redressal against punitive action, follow up in the Hon'ble High Court and further in the Hon'ble Supreme Court can be done by the aggrieved employee only after exhausting the appellate remedies available under Rules of the Company. Collection of classified documents/records/searches by Vigilance department in criminal proceedings shall be taken up with the approval of Competent Authority. The inherited assets of the individual, assets as per property return statement and ornaments and gifts received by the spouse from the parents (streedhan) declaration made in income tax returns may be duly considered at the time of seizure.

Punitive actions based on approval of disciplinary authority shall be taken up expeditiously. Punitive actions shall be proportionate to the gravity of irregularities committed and disciplinary authority shall ensure consistency in their decisions.

Vigilance Department will create awareness among frontline personnel the importance and use of exercising in-house vigilance and will provide necessary guidance for its effective implementation.
Organization:

Vigilance Department of RINL/Visakhapatnam Steel Plant shall be headed by a Chief Vigilance Officer (CVO). Executives of Vigilance Department may be drawn from other departments on tenure/transfer basis for a period of three years which can be extended up to a maximum period of five years including the said three year period, on recommendation of CVO. Chief Vigilance Officer shall have both administrative and functional control of the Corporate Vigilance Department. He will be assisted by a Senior Executive with the approved strength of supporting staff. The staff strength of Vigilance Organization will be reviewed from time to time as per need. All executives of Vigilance Department shall be rotated and there will not be any separate vigilance cadre. Staff and officers of integrity will be considered and posted for a maximum period of five years and shall be reverted back to parent department on completion of tenure.

Training programmes shall be organized for executives of Vigilance Department on the role and functions of presenting officer and investigating officer in line with similar training being imparted to executives of other departments. CVO may draw the executives from other departments to form committees for investigation and to give opinions on some specialized subjects/matters and all the concerned shall cooperate in this matter.

Executive Instructions :

In all Disciplinary matters, Service Rules / CDA Rules / Certified Standing Orders of the Company shall be followed. In respect of matters not covered by these rules, the specific procedure laid down in the Vigilance Manual concerning that may be generally referred to. Systems shall be developed and updated from time to time.

Approved Manual and Procedures shall be strictly followed.

The instructions of CVO with regard to the supply of documents, personal attendance, furnishing of information etc., shall be followed. Disposal of vigilance cases normally should be done within the time frame given by CVO on case to case basis and all necessary follow up will be done by Vigilance department to adhere to the time
limit. In order to ensure expeditious completion of investigation, the guiding principle- 'No one should remain under cloud for a longer period than necessary' should invariably be followed and the investigation into cases of employees under suspension or about to retire should be given the highest priority so that the period of suspension is kept to the barest minimum and there is sufficient time for processing the investigation report. All HODs to submit a compliance report on implementation of suggestions given by Vigilance Department to CMD with a copy to CVO as soon as possible. Any amendment to the Policy, as necessary, will be incorporated with the approval of the Board.

iii. Other Factors influence in maintaining ethical climate in VSP:

Daily Attendance Recording System (DARS):

OBJECTIVES:

✔ To provide a system for daily recording of attendance of employees.
✔ To ensure fullest utilization of the existing manpower during duty hours.
✔ To generate information on availability of manpower in department/shop on daily basis.
✔ To generate data on daily absenteeism for speedy remedial measures.

PROCEDURE:

➢ The daily attendance of the employees will be recorded in two attendance sheets - one to record attendance at the beginning of the shift and the other to record attendance at the end of the shift. The Performa of the Daily Attendance sheets will be recorded in the manner prescribed below:-

➢ As soon as an employee reports for duty, he/she should sign the Daily Attendance sheet (at the beginning of the shift) recording the time of reporting. The controlling officer / In charge will check the time of reporting of all employees and fill up the summary column and sign the sheet with time.

➢ The concerned HOD will make arrangement for collection of the Daily
Attendance Sheet (at the beginning of the shift) for feeding of the data into the computer / for compilation as the case may be within half an hour after the shift begins.

- In case an employee has come late and the attendance sheets have already been collected, the controlling officer / I/c may in exigencies of the work, accept the employee on duty subject to the employee making entry in late reporting sheet with signature. The controlling officer will accordingly make necessary entries in the short work column of the attendance sheet.

- During duty hours, no employee shall leave the duty spot without the permission of the controlling officer/ shift-in-charge.

- When an employee leaves the place of work during duty hours, the controlling officer will record the period of absence in short work column. This does not apply to cases where the employee leaves the place of work for official reasons with the knowledge and permission of the controlling officer / shift-in-charge.

- At the end of the Shift, the employee will record the out time with signature in the Daily Attendance Sheet (at the end of the shift). The Controlling Officer / Incharge will fill up all the relevant columns marked in the attendance sheet to be filled by the Controlling Officer / In charge at the end of the shift.

- In case an employee is absent, the controlling officer / Shift Incharge will reflect the status of the concerned employee as off/Leave /UAB/ others as the case may be.

- In case an employee has signed at the time of reporting but has not signed at the end of the shift hours, the Controlling Officer / Shift Incharge will mark a cross in the column and indicate the hours of short work or shutout as the case may be in short work / shutout Column.

- The Controlling officer / Incharge will grant leave in the leave book and will make necessary entry in the leave card and the attendance sheet. In case of cancellation of the leave, the period for which the leave is cancelled will be reflected in the attendance sheet with a mark of 'c' for cancellation in the column provided.

- At the end of the shift, the controlling officer / Incharge will fill up the summary columns and sign the attendance sheet.

- The controlling officer / Shift Incharge will deposit the filled in Daily Attendance
sheet (at the end of the shift) in the designated places for collection of the sheet.

- The Daily Attendance Sheet maintained as above shall be the basis for preparing the monthly attendance particulars of the employees to be sent to Finance Deptt. for drawl of wages. Total time spent on private work / late coming, etc. during duty hours in the wage period shall be indicated in the monthly attendance particulars for deduction of proportionate wages. Similarly, number of days an employee is shut out/treated as absent shall be reflected in the monthly attendance particulars for deduction of wages.

- CMD is competent to review the following, to alter, modify and change the system as may be required from time to time.
  - Performance Appraisal System for Executives;
  - Annual Confidential Reports for Non-Executives;
  - Promotion policy both for Executives & Non-executives;
  - Perquisites to all employees;
  - Allowances to all employees
  - Advances to all employees;
  - Employees’ Motivation and Welfare Scheme;

**Other Ethical Aspects:**

After knowing the various forms of managerial ethical practices followed in the organization, it is essential to know how it is related to the executive and non-executives in the organization, as per that the researcher gathered the opinions from the respondents on various aspects relating to ethics. Accordingly department responsible for conducting the Ethical training program and implementation were gathered and the information regarding the same is been shown in the Table: 5.33
Objectives of TACs

- Monitoring compliance to training schedules and nominations
- Suggest requirements for new training programs
- Ensure availability of resources for training process (faculty, facilities etc.)
- Monitor fulfilment of training targets department wise

TABLE 5.33 - OPINION ON DEPARTMENT RESPONSIBLE FOR ETHICAL TRAINING

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training Department</td>
<td>420</td>
<td>84.0</td>
</tr>
<tr>
<td>Manager</td>
<td>80</td>
<td>16.0</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Interpretation:

From the above information, it can be understood that the training programs were been mostly conducted by the training department in the organization and in rare cases the concerned department manager organizes training classes for their own department. This is a positive sign for the organization because by continuous monitoring of the employees will help in maintaining healthy atmosphere and avoid unethical practices in the organization. There are two Training Advisory Committees (TACs), operational in VSP - one for works and one for other departments - which advice on the annual training plan with inputs regarding changing business focus. Besides, they also review the implementation of annual training plans. The training effectiveness assessed through feedback mechanism is reviewed by TACs. Further, TACs also consider introduction of new training programs in line with organizational requirements. Objectives of the TAC are elaborated.

The effectiveness of training process is objectively evaluated and the consolidated feedback is used for retraining the participants and redesigning the programmes. Training effectiveness is evaluated at three levels viz. reaction level, learning level and behaviour level as shown in the following paragraph.
After knowing the objectives of the committees, it is important to know how the training evaluation process takes place in the organization to maintain a better ethical standard.

**TABLE: 5.34 - TRAINING EVALUATION PROCESS**

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Evaluation Aspect</th>
<th>Dimensions</th>
<th>Training Effectiveness in Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>2010-11</td>
</tr>
<tr>
<td>1.</td>
<td>Level-1 – Reaction</td>
<td>Participants’ Feed back</td>
<td>85.0</td>
</tr>
<tr>
<td>2.</td>
<td>Level-2 - Learning</td>
<td>Scoring in Test</td>
<td>80.15</td>
</tr>
<tr>
<td>3.</td>
<td>Level-3 - Behaviour</td>
<td>Application at Work</td>
<td>74.25</td>
</tr>
</tbody>
</table>

*Source: VSP Annual Reports*

**Reaction level:**

Feedback from the participants is taken at the end of each training program and suggestions given by them are considered for improving the methodology and course contents of the training programs.

**Learning level:**

In selected courses, pre-tests and post-tests and/or written examinations are carried out in order to measure the learning index. The performance is evaluated as per percentage marks obtained.

**Behaviour level:**

Post Training Evaluation (PTE) questionnaires are sent to the controlling officers of the participants after one month of training completion to obtain feedback about on-the-job performance of the participants. In case the feedback is not satisfactory (less than 3 points on a 5 point scale), discussions are held with respective controlling officers and also participants. Results of the training effectiveness are shown at Table 5.35.

Depending on the feedback, corrective actions such as faculty development programmes organized to improve the effectiveness of the faculty.

Some of the improvements based on the Feedback, are brought about as shown in the following paragraph.
After knowing the opinion on existing ethical system researcher wants to know the ethical relationship between the employees in the organization and the information regarding the same is been shown in the Table. 5.35

**TABLE 5.35 - ETHICAL RELATIONSHIP EXISTS BETWEEN THE EMPLOYEES IN THE ORGANIZATION.**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>22</td>
<td>4.4</td>
</tr>
<tr>
<td>Yes</td>
<td>478</td>
<td>95.6</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Interpretation:**

Out of the sampled respondents 95.6 per cent opined that here exists an ethical relationship between the employees in the organization. This indicates that a proper relationship is followed between the employees and to identify the nature the relationship, researcher wants to know how the respondents perceiving their existing relationship and the information regarding the same is been shown in the Table 5.36.
### Table 5.36: Opinion on Perceived the Relationship Between the Employees

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cannot Say</td>
<td>96</td>
<td>19.2</td>
</tr>
<tr>
<td>Good</td>
<td>58</td>
<td>11.6</td>
</tr>
<tr>
<td>Very good</td>
<td>144</td>
<td>28.8</td>
</tr>
<tr>
<td>Excellent</td>
<td>180</td>
<td>36.0</td>
</tr>
<tr>
<td>Total</td>
<td>478</td>
<td>95.6</td>
</tr>
</tbody>
</table>

**Interpretation:**

Out of the total respondents, 478 respondents who opined that fair ethical relationship exists between them and most of the respondents were opinioned their satisfaction level in between good and excellent. It can be understood that through better relationship between the employees a better climate can be maintained in the organization.

After knowing the relationship between the employee’s, further it is necessary to know the relationship between the employee and employer and the information regarding the same is been shown in the Table. 5.37.

### Table 5.37: Opinion on Relationship Exists Between the Employees and Employers

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>48</td>
<td>9.6</td>
</tr>
<tr>
<td>Yes</td>
<td>452</td>
<td>90.4</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Interpretation:**

From the above table it can be understood that 90.4 per cent of respondents opined that the relationship between the employees and employer is good. And negligible percentage opined that the relationship is encouragive. Hence overall it can be concluded that a better climate is maintained between the employer and employees, which shows the positive sign for the development of the organization.
Ethics can be properly followed when every commitments of the employees is fulfilled by the employer. In this regard an opinion is gathered and submitted in the Table 5.38.

**TABLE 5.38: OPINION ON EMPLOYER FULFILLMENT COMMITMENTS**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>No</td>
<td>48</td>
<td>9.6</td>
</tr>
<tr>
<td>Yes</td>
<td>452</td>
<td>90.4</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>

**Interpretation:**

From the above information it can be known that majority of respondents i.e. 90.4 per cent of respondents felt that their demands and requirement as per their need is been fulfilled by the management and they feel that it is best management to cater their needs. After knowing the response it was felt to know that how they rate their employer in fulfillments of commitments. As per that the following are the opinion gathered and presented in the Table 5.39.

**TABLE 5.39: OPINION ON PERCEPTION OF EMPLOYER’S FULFILLMENTS OF COMMITMENTS**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cannot Say</td>
<td>224</td>
<td>44.8</td>
</tr>
<tr>
<td>Good</td>
<td>80</td>
<td>16.0</td>
</tr>
<tr>
<td>Very good</td>
<td>148</td>
<td>29.6</td>
</tr>
<tr>
<td>Total</td>
<td>452</td>
<td>90.4</td>
</tr>
</tbody>
</table>

**Interpretation:**

From the above information it can be known that out of the total respondent 45.6 per cent of respondents felt that their employer provides good and excellent services for the employees. But 44.8 per cent felt that though their commitments are fulfilled by the employer, they cannot rate their employer. It can be because of their ignorance.
SECTION – II

To know briefly about the commitments fulfillments by the employer various forms comparisons was made with demographic factors such age, marital status, educational background, caste, religion and nativity on the basis of different forms of ethics i.e., Financial, personal which plays vital role in the organization. As per that the first comparison was made between the financial ethics and the age to know the impact and how it influences on ethics of the employee in the organization. The following are the brief analysis of the comparison.

**Table 5.40: Comparison between the Age with Finance**

<table>
<thead>
<tr>
<th>Age (Years)</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>F-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-30</td>
<td>43</td>
<td>6.3953</td>
<td>2.60164</td>
<td>3.074</td>
<td>0.027</td>
<td>Significant</td>
</tr>
<tr>
<td>30-40</td>
<td>91</td>
<td>6.8132</td>
<td>2.53382</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40-50</td>
<td>232</td>
<td>6.6250</td>
<td>2.66318</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50-60</td>
<td>134</td>
<td>7.4403</td>
<td>2.90840</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table and the associated Box-plot indicate that there is a significant difference between the average opinion scores of the respondents as per their respective age distribution. The Average opinion score of the respondents belonging to the age group 50-60 (7.4403) is greater than that of other three positions, which further thrusts a positive opinion on the financial ethics from this age group, at 5 per cent level of significance. Whereas the age group belongs to 20-30 has less score which further illustrates that as the age has an impact on financial ethics significantly.
Interpretation: from the above analysis it can be concluded that as age advances the maturity level of the person gets enhanced through that the financial commitments and other commitment also dealt as per the requirement. Hence it can be said that when maturity level is high the financial planning can be done in an effective manner which allows to maintain a proper ethical culture in the organization.

After the comparison between the age and finance it is essential to know how age and personal ethics is related as per that the following analysis was made and presented in the Table 5.41.

**TABLE 5.41: COMPARISON BETWEEN THE AGE WITH PERSONAL ETHICS**

<table>
<thead>
<tr>
<th>Age</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>F-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>20-30</td>
<td>43</td>
<td>8.4884</td>
<td>3.1272</td>
<td>6.241</td>
<td>0.000</td>
<td>Significant</td>
</tr>
<tr>
<td>30-40</td>
<td>91</td>
<td>8.8352</td>
<td>2.5133</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40-50</td>
<td>232</td>
<td>9.2457</td>
<td>2.1950</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50-60</td>
<td>134</td>
<td>9.8806</td>
<td>1.7038</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
From the above table it is evident that the average opinion scores of all the four age groups on the dimension “Personal ethics” has a significant difference. Further, the average score of the respondents belongs to higher age category has the higher score and lower age group has the lower average score and the difference is statistically significant at 5 per cent level of significance based on the ANOVA test value (6.241) and its corresponding P-value(0.000). The same is mentioned clearly in the below Box plot.

**Boxplot showing comparison of opinion scores of the respondents on Personal Ethics by their age**

**Chart 5.3: Comparison of opinion scores of the respondents on Personal Ethics by their age**

**Interpretation:** From the above details it is clear that the age has an influence on the personal ethics. Because in the form of personal ethics - personal behavior, attitude, relationship and thinking level can be effected. In the above analysis it can be seen that the age group between 50-60 years is significant age group for maintaining proper personal culture in the organization.

After knowing the impact on the personal ethics, it is necessary to know the comparison between the marriages of the respondents and its impact on the maintenance of financial ethics in the organization in this regard respondents opinion gathered and submitted in the Table 5.42.
**TABLE 5.42: COMPARISON BETWEEN THE MARRIAGES WITH FINANCIAL ETHICS**

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>F-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>425</td>
<td>6.6988</td>
<td>2.67829</td>
<td>0.949</td>
<td>0.417</td>
<td>N.S</td>
</tr>
<tr>
<td>Un Married</td>
<td>50</td>
<td>6.6200</td>
<td>2.50624</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Separated</td>
<td>18</td>
<td>6.6111</td>
<td>2.56994</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Widower/Widow</td>
<td>7</td>
<td>5.0000</td>
<td>2.23607</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The average opinion score of the married respondents is greater than that of the remaining three statuses but the difference among the different categories is not statistically significant at 5 per cent level as per the P-value of the ANOVA test for the dimension financial ethics. The horizontal line in the box-plot given below also substantiates this inference.

**Chart 5.4: Comparison of Opinion Scores of the Respondents on Personal Ethics by Marital Status**
From the above information it can be understood that the relationship between the marriage of the respondents and its impact on the financial ethics organizing is so significant in the organizational ethical culture.

After the comparison between the marriages with financial ethics it is essential to know how marriage and personal ethics is related as per that the following analysis was made and presented in the Table 5.43.

**TABLE 5.43: COMPARISON BETWEEN THE MARRIAGES WITH PERSONAL ETHICS**

<table>
<thead>
<tr>
<th>Marital Status</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>F-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Married</td>
<td>425</td>
<td>9.1812</td>
<td>2.23978</td>
<td>4.243</td>
<td>0.006</td>
<td>Significant</td>
</tr>
<tr>
<td>Un Married</td>
<td>50</td>
<td>8.0200</td>
<td>3.29805</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Separated</td>
<td>18</td>
<td>9.4444</td>
<td>1.91656</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Widower/Widow</td>
<td>7</td>
<td>8.0000</td>
<td>2.51661</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The P-value (0.006) in the above table exemplifies that there is a significant mean difference between the opinion scores of the respondents on the dimension “Personal ethics” by their status of the marriage. The average opinion score of the married and separated respondents are greater than that of the other two and the difference of the score is also statistical significant. The horizontal line in the following Box-plot depicts the same in a vivid manner.
ChART 5.5: COMPARISON OF OPINION SCORES OF THE RESPONDENTS ON PERSONAL ETHICS BY MARITAL STATUS

From the above information it can be understood that the relationship between the marriage of the respondents and its impact on the personal ethics is playing significant role in the organizational ethical culture.

After the comparison between the marriages with personal ethics it is essential to know how religion and financial ethics is related as per that the following analysis was made and presented in the Table 5.44.

Table 5.44: Comparison between the Religions with Financial Ethics

<table>
<thead>
<tr>
<th>Religion</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>F-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hindu</td>
<td>372</td>
<td>6.6505</td>
<td>2.64553</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Muslim</td>
<td>11</td>
<td>7.7273</td>
<td>2.37027</td>
<td>0.628</td>
<td>0.597</td>
<td>N.S</td>
</tr>
<tr>
<td>Christian</td>
<td>73</td>
<td>6.5616</td>
<td>2.77382</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Others</td>
<td>44</td>
<td>6.6818</td>
<td>2.60387</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
With regard to the religion the financial ethics has no significant impact i.e., All the respondents belongs to four types of the religion gives an similar opinion on the dimension financial aspects. Further, it divulges that Muslim respondents gave little bit positive opinion on this aspect when compare with the remaining four categories.

**Chart 5.6: Comparison of Opinion Scores of the Respondents on Financial Ethics by Religion**

From the above information it can be understood that the relationship between the religion of the respondents and its impact on the financial ethics is not having any significance role in maintaining the organizational ethical culture.

After the comparison between the religions with financial ethics it is essential to know how religion and personal ethics is related as per that the following analysis was made and presented in the Table 5.45.
**TABLE 5.45: COMPARISON BETWEEN THE RELIGIONS WITH PERSONAL ETHICS**

<table>
<thead>
<tr>
<th>Religion</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>F-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hindu</td>
<td>372</td>
<td>9.07</td>
<td>2.31</td>
<td>0.85</td>
<td>0.47</td>
<td>N.S</td>
</tr>
<tr>
<td>Muslim</td>
<td>11</td>
<td>8.27</td>
<td>2.57</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Christian</td>
<td>73</td>
<td>9.27</td>
<td>2.58</td>
<td>0.85</td>
<td>0.47</td>
<td>N.S</td>
</tr>
<tr>
<td>Others</td>
<td>44</td>
<td>8.75</td>
<td>2.62</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The above table indicates that there is no significant difference between the average opinions scores of the respondents belongs to all the four types of religions on to “Personal ethics”. It is observed that the opinion score of Christian respondents is greater than that of the remaining three categories but the difference is not statistically significant this is because of the sample size impact at 5 per cent level of significance.

**CHART 5.7: COMPARISON OF OPINION SCORES OF THE RESPONDENTS ON PERSONAL ETHICS BY RELIGION**
From the above information it can be understood that the relationship between the religion of the respondents and its impact on the personal ethics is not having any significance role in maintaining the organizational ethical culture.

After the comparison between the religions with personal ethics it is essential to know how the respondents caste and financial ethics is related as per that the following analysis was made and presented in the Table 5.46.

**Table 5.46: Comparison between the castes with financial ethics**

<table>
<thead>
<tr>
<th>Caste</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>F-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>SC</td>
<td>64</td>
<td>6.8594</td>
<td>2.74797</td>
<td>1.184</td>
<td>0.315</td>
<td>N.S</td>
</tr>
<tr>
<td>ST</td>
<td>14</td>
<td>7.8571</td>
<td>2.28228</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BC</td>
<td>134</td>
<td>6.6493</td>
<td>2.69295</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OC</td>
<td>288</td>
<td>6.5694</td>
<td>2.62566</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The ANOVA test value (1.184) and its corresponding P-value(0.315) divulges that there is no significant difference between the opinion of the respondents on the dimension financial ethics by their respective community i.e., community doesn’t play a vital role on this financial ethics. Further the respondents belongs to Schedule tribes give a little bit more positive opinion than the remaining communities followed by schedule caste this is because of less sample size.
Boxplot showing comparison respondents opinion score on Financial Ethics by their Caste

**Chart 5.8: Comparison of Opinion Scores of the Respondents on Financial Ethics by Caste**

From the above information it can be understood that the relationship between the castes of the respondents and its impact on the financial ethics is not having any significance role in maintaining the organizational ethical culture.

After the comparison between the caste with financial ethics it is essential to know how the respondents caste and personal ethics is related as per that the following analysis was made and presented in the Table 5.47.

**Table 5.47: Comparison between the Caste with Personal Ethics**

<table>
<thead>
<tr>
<th>Caste</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>F-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>SC</td>
<td>64</td>
<td>9.1094</td>
<td>2.44376</td>
<td>1.254</td>
<td>0.289</td>
<td>N.S</td>
</tr>
<tr>
<td>ST</td>
<td>14</td>
<td>9.1094</td>
<td>3.37085</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BC</td>
<td>134</td>
<td>9.1418</td>
<td>2.33687</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OC</td>
<td>288</td>
<td>9.0660</td>
<td>2.33124</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The ANOVA test value (1.254) and its corresponding significance value (0.289) exemplifies that there is no significant difference between the opinion of the respondents who were from different communities on the dimension “Personal ethics” i.e., caste has no significant impact on this financial ethics in RINL. Further all the four community respondents opined a similar passion on this aspect the average score are very close to each other.

**Chart 5.9: Comparison of Opinion Scores of the Respondents on Personal Ethics by Caste**

From the above information it can be understood that the relationship between the castes of the respondents and its impact on the personal ethics is not having any significance role in maintaining the organizational ethical culture.

After the comparison between the caste with personal ethics it is essential to know how the respondents education and financial ethics is related as per that the following analysis was made and presented in the Table 5.48
### Table 5.48: Comparison between the Educations with Financial Ethics

<table>
<thead>
<tr>
<th>Educational Background</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>F-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inter</td>
<td>42</td>
<td>6.4762</td>
<td>2.40161</td>
<td>2.825</td>
<td>0.024</td>
<td>significant</td>
</tr>
<tr>
<td>Degree</td>
<td>115</td>
<td>6.5826</td>
<td>2.71119</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical Degree</td>
<td>114</td>
<td>6.5789</td>
<td>2.73585</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PG</td>
<td>110</td>
<td>7.1000</td>
<td>2.71574</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional Degree</td>
<td>119</td>
<td>7.5294</td>
<td>2.73652</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table (5.48) depicts that the average opinion scores of the respondents with various qualifications are found to be significant at 0.05 per cent level in relation to dimension - Financial ethics. The opinion scores for the respondents having Professional degree and Post graduation qualification opinion more positive than the remaining categories at 5 per cent level of significance. Similarly, the respondents who were having intermediate, graduation and technical degree exhibited a low perception on the above said dimension under study, as can be observed from the diagrammatic representation of Box plots given below.
From the above information it can be understood that the relationship between the education of the respondents and its impact on the financial ethics is having significant role in maintaining the organizational ethical culture. Because as the education of the employees increases, the maturity of the individual will enhance thereby he can be expected to maintain better culture in the organization.

After the comparison between the education with financial ethics it is essential to know how the respondents education and personal ethics is related as per that the following analysis was made and presented in the Table 5.49.
**TABLE 5.49: COMPARISON BETWEEN THE EDUCATION WITH PERSONAL ETHICS**

<table>
<thead>
<tr>
<th>Educational Background</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>F-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inter</td>
<td>42</td>
<td>8.4048</td>
<td>2.4300</td>
<td>2.587</td>
<td>0.036</td>
<td>significant</td>
</tr>
<tr>
<td>Degree</td>
<td>115</td>
<td>9.1478</td>
<td>2.3027</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Technical Degree</td>
<td>114</td>
<td>9.3333</td>
<td>2.2798</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PG</td>
<td>110</td>
<td>9.6545</td>
<td>1.8937</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Professional Degree</td>
<td>119</td>
<td>9.0672</td>
<td>2.4965</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The above significance value(0.036) with the corresponding ANOVA test value (2.587) make note that there is a statistically significant perception among all the categories of respondent who were from different educational background at 0.05 level. The higher the education results the more positive response in the personal ethics as per the average scores in the above table. The schematic representation is shown below.

**CHART 5.11: COMPARISON OF OPINION SCORES OF THE RESPONDENTS ON PERSONAL ETHICS BY QUALIFICATION**
From the above information it can be understood that the relationship between the education of the respondents and its impact on the personal ethics is having significant role in maintaining the organizational ethical culture. Because as the education of the employees increases, the maturity of the individual will enhance personal thinking level thereby he can be expected to maintain better culture in the organization.

After the comparison between the educations with personal ethics it is essential to know how the ethical dimensions is related with gender of the respondents by applying the T-test, its analysis was made and presented in the Table: 5.50

T-tests:

**TABLE 5.50: COMPARISON BETWEEN THE ETHICAL DIMENSIONS WITH GENDERS**

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Gender</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>T-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>FE</td>
<td>Male</td>
<td>446</td>
<td>6.7242</td>
<td>2.65511</td>
<td>1.460</td>
<td>0.145</td>
<td>N.S</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>54</td>
<td>6.1667</td>
<td>2.60442</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PE</td>
<td>Male</td>
<td>446</td>
<td>9.0359</td>
<td>2.36996</td>
<td>-0.597</td>
<td>0.551</td>
<td>N.S</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>54</td>
<td>9.2407</td>
<td>2.49479</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From the data, it is evident that the average opinion scores are found to be not significant at 0.05 per cent level for all the dimensions related to ethics in RINL. This implies that there is no significant difference between male and female respondents’ opinion on the aspects of financial and personal ethics. In other words, it can be summed up that the respondents expressed more or less similar opinion on these factors irrespective of their gender. Further, the Mean scores in respect of the gender of the respondents and their opinion on the factors taken up for the present study also assert positive feedback. Further, the average opinion score of the male respondents is greater in financial ethics whereas for the remaining two dimension female score dominates male but the difference is not statistical significant. The same is mentioned below as a bar chart.
After the comparison between the Ethical Dimensions with gender it is essential to know how the ethical dimensions is related with nativity of the respondents by applying the T-test, its analysis was made and presented in the Table 5.51

**Chart 5.12: Average Opinion Scores of the Respondents on All the Dimensions Related to Ethics by Their Gender**

After the comparison between the Ethical Dimensions with gender it is essential to know how the ethical dimensions is related with nativity of the respondents by applying the T-test, its analysis was made and presented in the Table 5.51

**Table 5.51: Comparison Between the Ethical Dimensions with Nativity**

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Native</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>T-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>FE</td>
<td>Native</td>
<td>394</td>
<td>6.6371</td>
<td>2.67830</td>
<td>-0.438</td>
<td>0.662</td>
<td>N.S</td>
</tr>
<tr>
<td></td>
<td>Immigrant</td>
<td>106</td>
<td>6.7642</td>
<td>2.56553</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PE</td>
<td>Native</td>
<td>394</td>
<td>9.1777</td>
<td>2.26690</td>
<td>2.174</td>
<td>0.030</td>
<td>S</td>
</tr>
<tr>
<td></td>
<td>Immigrant</td>
<td>106</td>
<td>8.6132</td>
<td>2.73451</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
From the above table, it is evident that the average opinion scores are found to be not significant at 0.05 per cent level for the dimension financial ethics in RINL i.e., there is no significant difference in the opinion between residents and non-residents on this aspect of financial ethics. whereas it is significant for the dimensions personal and other aspects of ethics. This implies that there is a significant difference between resident and non-resident respondents’ opinion on these aspects of personal and other ethics. In other words, it can be summed up that the respondents expressed more or less dissimilar opinion on these aspects irrespective of their nativity. Further, the Mean scores in respect of the gender of the respondents and their opinion on the factors taken up for the present study also assert positive feedback. The same is mentioned below as a bar chart

**CHART 5.13: AVERAGE OPINION SCORES OF THE RESPONDENTS ON ALL THE DIMENSIONS RELATED TO ETHICS BY THEIR NATIVITY**

After the comparison between the Ethical Dimensions with nativity it is essential to know how the ethical dimensions is related with nativity of the respondents by applying the T-test, its analysis was made and presented in the Table 5.52.
TABLE 5.52: COMPARISON BETWEEN THE ETHICAL DIMENSIONS WITH TYPE OF FAMILY

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Family</th>
<th>n</th>
<th>Mean</th>
<th>S.D</th>
<th>T-value</th>
<th>P-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>FE</td>
<td>Joint Family</td>
<td>183</td>
<td>7.3989</td>
<td>2.95561</td>
<td>1.52</td>
<td>0.129</td>
<td>N.S</td>
</tr>
<tr>
<td></td>
<td>Nuclear Family</td>
<td>317</td>
<td>7.0032</td>
<td>2.71249</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PE</td>
<td>Joint Family</td>
<td>183</td>
<td>9.6667</td>
<td>1.90527</td>
<td>2.354</td>
<td>0.019</td>
<td>Significant</td>
</tr>
<tr>
<td></td>
<td>Nuclear Family</td>
<td>317</td>
<td>9.1924</td>
<td>2.30935</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Except for the dimension Financial ethics the remaining two dimensions have significant impact with regard to the family structure i.e., Joint family has more positive opinion score when compared with nuclear family on all the aspect and the opinion difference is statistically significant different at 5 per cent level.

CHART 5.14: AVERAGE OPINION SCORES OF THE RESPONDENTS ON ALL THE DIMENSIONS RELATED TO ETHICS BY THEIR FAMILY STRUCTURE.
After the comparison between the Ethical Dimensions with their family structure it is essential to know how the relation between the dependant and independent variable are correlated it is been done through the r-value and p-value, its analysis was made and presented in the Table 5.53.

**TABLE 5.53: CORRELATION BETWEEN DEPENDANT AND INDEPENDENT VARIABLES**

<table>
<thead>
<tr>
<th>S.No</th>
<th>Dimension Vs Income</th>
<th>r-value</th>
<th>p-value</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Financial Ethics</td>
<td>0.108</td>
<td>0.016</td>
<td>significant</td>
</tr>
<tr>
<td>2</td>
<td>Personal Ethics</td>
<td>0.137</td>
<td>0.002</td>
<td>significant</td>
</tr>
<tr>
<td>3</td>
<td>Others</td>
<td>0.093</td>
<td>0.038</td>
<td>significant</td>
</tr>
</tbody>
</table>

There is a significant correlation between the dependent variables such as Financial ethics, personal ethics and other aspects of ethics with the independent variable income. The positive values indicates in the above table that there is a positive relationship between the dependent and independent variable experience i.e., as the income of the respondent increases the opinion of the respondents for these dimensions are increases and the relation is statistically significant at 5 per cent level of significance.

After knowing the opinion of respondents regarding to various dimensions of ethics through different methods of statistical tools it is necessary to know overall opinion of the respondents on maintenance of ethical system in the organization. In this regard researcher wants to know whether the existing system is fairly conducted or not the same information is been shown in the Table 5.54.

**TABLE 5.54 RESPONDENTS OPINION ON MAINTENANCE OF ETHICAL SYSTEM IN THE ORGANIZATION**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair</td>
<td>418</td>
<td>83.6</td>
</tr>
<tr>
<td>Not Fair</td>
<td>82</td>
<td>16.4</td>
</tr>
<tr>
<td>Total</td>
<td>500</td>
<td>100.0</td>
</tr>
</tbody>
</table>
Interpretation:

It is clear from the above table that 83.6 per cent respondents opined that the existing ethical system was fair. This indicates that the relationships were been maintained properly and there were no disparities followed between the management and employees and also between employees regarding the ethical system. Hence overall it can be concluded that the management is maintaining better ethical climate in the organization but still some deficiencies exists which are found through the analysis. It is presented in the next chapter in the form of suggestions.