INTRODUCTION
CHAPTER 1
INTRODUCTION

“My vision for saving the planet holds that you not only need to work with communities and governments but also the forces … that are driven largely by business. We will fail if we don’t change the behavior of business and how it touches the places we care about.”

… Carter Roberts 2008 - on environment, business, sustainability, and corporate social responsibility

READYMADE GARMENT INDUSTRY

Ready Made Garment (RMG) industry has occupied a unique place in the industrial scenario of our country by generating substantial export earnings and creating lot of employment. Its contribution to industrial production, employment and export earnings is very significant. This industry provides one of the basic necessities of life. The employment provided by it is a source of livelihood for millions of people. It also provides maximum employment with minimum capital investment. Since this industry is highly labour-intensive, it is ideally suited to Indian condition.
Ready-made garments are divided into the following types

- Outer clothing  work wear and uniform, leisure wear, sportswear (e.g. suits, pants, dresses, ladies' suits, blouses, blazers, jackets, cardigans, pullovers, coats, sports jackets, skirts, shirts (short- or long-sleeved), ties, jeans, shorts, T-shirts, polo shirts, sports shirts, tracksuits, bathing shorts, bathing suits, bikinis etc.)

- Underclothing (underwear)  jersey goods, lingerie (e.g. underpants, undershirts, briefs, socks, stockings, pantyhose etc.)

**Figure 1.1: Sectoral contributions to exports**

In fiscal 2010-11, the contribution of RMG (woven and knitwear) to national export was 78.14 percent or $17.91 billion compared with 77.12 percent or $12.50 billion in fiscal 2009-10, according to the EPB. In the just concluded fiscal year, the country earned $22.93 billion from exports backed by $17.91 billion from the garment sector, the data showed.
OVERVIEW OF INDIAN TEXTILE INDUSTRY AND EXPORT PERFORMANCE

India is replete with natural resources like cotton, jute and silk. Indian products were known for fine designing, embellishment and craft. Indian textile Industry is also largest employer (after agriculture) of workers directly and indirectly. Due to ethnic diversity and cultural multiplicity besides racial traces in India's hinterland, several designs and variety of costumes and apparels are used that enrich Indian textile garments design possibilities.

Industry plays significant role by contribution of 4% of GDP and 20% to the Indian exports kitty. Indian textile Industry is completely self reliant in the entire value-chain from cotton crop to Hi-fashion garment making.

The apparel sector has over 25000 domestic manufacturers, 48,000 fabricators and around 4000 manufacturers/exporters. Over 80% of these are small operations (less than 20 machines) and are proprietorship or partnership firms. In 2001, GOI de-notified RMG products from SSI reservation list for obvious reasons. As stated before, cotton apparels constitute major part of India's apparel exports, although cotton appears to be out-thing in current global markets with share declining from 50% in 1982 to 38% in 2003. The export product mix of India is quite interesting with low and mid priced products and also high fashion items.
EXPORT SCENARIO

- Textiles contributed 20% of India's exports to about **US$12.5 Billion**.

  The Quota Countries mainly USA, EU (15) and Canada constituted 70% of total garment exports and 40% of India's textiles exports.

- In non-quota countries **UAE is the largest market** with 7% of textile exports and 10% of garment exports from India.

Table 1.1: India's Exports in US $ Billions Year 2003-04

<table>
<thead>
<tr>
<th>Countries/Region</th>
<th>Export of Textiles</th>
<th>Export of garments</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>6.47</td>
<td>6.10</td>
</tr>
<tr>
<td>Quota Countries</td>
<td>2.86</td>
<td>4.19</td>
</tr>
<tr>
<td>EU</td>
<td>1.64</td>
<td>2.35</td>
</tr>
<tr>
<td>USA</td>
<td>1.12</td>
<td>1.60</td>
</tr>
<tr>
<td>Canada</td>
<td>.098</td>
<td>.239</td>
</tr>
</tbody>
</table>

*Source DGCIS-Calcutta*

In exports Cotton yarns, fabric, made ups etc made largest chunk with US$ 3.33 Billion or 26.5% in textiles category, and Ready Made garments (RMG)-cotton including accessories made largest chunk with 4.67 Billion US $ or 37.1% of total exports. Whereas, manmade yarn and fabrics in **textiles group** and RMG–Man made fibers constituted second position in the two categories, respectively. Carpets and woolen garments are other items exported from India.
THE KEY ADVANTAGES OF THE INDIAN INDUSTRY

1 India is the third largest producer of cotton with the largest area under cotton cultivation in the world. It has an edge in low cost cotton sourcing compared to other countries.

2 Average wage rates in India are 50-60 per cent lower than that in developed countries, thus enabling India to benefit from global outsourcing trends in labor intensive businesses such as garments and home textiles.

3 Design and fashion capabilities are key strengths that will enable Indian players to strengthen their relationships with global retailers and score over their Chinese competitors.

4 Production facilities are available across the textile value chain, from spinning to garments manufacturing. The industry is investing in technology and increasing its capacities, which should prove a major asset in the years to come.

5 India has gathered experience in terms of working with global brands and this should benefit Indian vendors.

6 Companies with integrated capacities, such as Arvind Mills and Vardhman Spinning, capable of delivering large volumes are likely to gain.
Alternatively, market leaders in niche segments, such as Alok Industries, Abhishek Industries and Welspun India (both in cotton pile towels), may also emerge as gainers.

Some of the largest garment exporters, such as Orient Craft and Gokuldas Exports, which supply to international retailers, could gain considerably.

**READY MADE GARMENTS TAMIL NADU’S NEW GROWTH SECTOR**

Garment production has grown rapidly in Tamil Nadu over the past five years, and is one of the fastest growing areas of the region’s textile value chain. This growth has been fueled by increased demand from overseas buyers after India’s economic liberalization in the early 1990s and growth in demand from some domestic segments for ready-made garments. Tamil Nadu—especially the region around Chennai and the Madras Export Processing Zone—is one of the country’s growing hubs of garment production along with Mumbai, Delhi, Bangalore and Calcutta. But who exactly is investing in the garment sector, and where is the capital coming from?

Three sets of actors are investing in garments in Tamil Nadu. The first is (a), Tamil Nadu based spinning mills, who are investing their surplus from the spinning boom of the early 1990s into higher-value added segments such as garments (as we saw in the previous example). Even though firms are still picking their way across the segments from yarn to garments, a growing
number of mills have begun to clearly see the merits of diversifying across the textile value chain. This integration, they say, brings with it information that helps cut costs; and it is a way to tap into a higher-return, long-run segment of the textile value chain. “You do well today by integrating across segments. You get to know pricing and costs across segments (e.g., prices and costs of yarn as well as fabric, and also garments) [that you would not know if you focused on one segment]” (interview, October 2000). This helps cut costs—by 4-5% in the case of the interviewed firm. Secondarily, it provides mills with an avenue for higher long-term returns. After the de-licensing of textiles in the late 1980s, the rush of surplus capacity into spinning led many leading mills to conclude that “in the long run the spinning sector was too open— anyone could come in, there were no barriers [to entry]” (Interview, 2000). Garments were a way to diversify out of a crowded sector.

A second set of investors are new, first time players—small and medium insize—who are taking advantage of the government’s erstwhile policy of reserving garments for exclusive production by small firms to get into a new and potentially lucrative market.

A significant amount of the capital that is being invested in Tamil Nadu’s garment industry is coming from outside the state. This capital is being brought in by outside entrepreneurs who have moved to Tamil Nadu from other parts of the country specifically to enter the garments business.
Some of the capital in the garment sector is from overseas, such as the Hong-Kong based 100% equity firms in the Madras Export Processing Zone, and IKEA’s new investments in made-ups near Karur. But many of the investors are from other states  Mumbai, Gujarat, and some even from the North. Thus, while Tamil Nadu’s mill sector is old, local capital, the garment sector, as it is emerging is much more eclectic, energetic.

**CHENNAI CAPITAL OF TAMILNADU IS THE PREFERRED DESTINATION FOR BUYING OFFICES AS INDUSTRY GROWS MULTI-PRODUCT**

For a country that has grown tremendously on inherent strengths, the division of manufacturing excellence into specialized regions is a natural progression of growth. Delhi and Mumbai are the traditional bases for apparel exports, mainly because of the fact that both cities enjoyed the advantage of international exposure much before other cities with airports and other facilities that support global trade. However, other cities have come up strongly today and these two traditional centres no longer control apparel exports from the country. One of the newest growing centres is Chennai, which has moved much beyond the image of ‘shirt maker’.

With Bangalore now bursting at the seams, both exporters and buyers are looking at options in the southern part of the country. Chennai, with its many attractive advantages is a de facto choice

**Chennai is globally known as an exporter of woven garments with about 2,400 registered manufacturing companies.**
COMPLIANCE TO CORPORATE SOCIAL RESPONSIBILITY

WHAT IS COMPLIANCE?

Compliance is the Management function that ensures that all rules and regulations are followed. Organizations have a responsibility to set, monitor and validate compliance policies, procedures and control activities, and to respond swiftly with corrective actions as well as continuous audits, to ensure compliance effectiveness and reporting obligations. Compliance must be a high priority for businesses, as noncompliance can lead to severe penalties. Compliance management solutions have been developed that organisations automate these processes to immediately deliver the information needed to the appropriate persons, monitor many types of policies, automatically issue corrective action and trace resolution of issues, to continuously ensure compliance with government and regulatory agency mandates.

SOCIAL COMPLIANCE

Acting socially responsible in a globalize economy has become a major issue for trade as tough competition and decreasing tolerance with regard to poor working conditions in production facilities represent a huge challenge for retailing companies as well as for suppliers. Social Compliance deals with safety, health, and workplace rights for employees. It revolves around improving the quality of work life of the employees.
The defining of quality of work life involves three major parts—occupational health care, suitable working time and appropriate salary. The safe work environment provides the basis for the person to enjoy working. The work should not pose a health hazard for the person. The working time that has been established by the state should be followed. The standard limits on overtime, time of vacation etc. need to be stipulated including considerations for the persons fewer than 18 years of age, pregnant women, breast-feeding mothers and the person raising the disabled child. The appropriate salary is agreed upon by the employee and the employer. The Government of the Republic establishes each year the rate of minimum salary; the employer should not pay less than that to the employee.

BENEFITS OF COMPLIANCE TO FACTORIES

Among the various benefits of CSR compliance are -

1. Increased competitive position,
2. Increased productivity and systemized flow,
3. Fewer quality defects and rejects,
4. Improved material and machine utilization,
5. Improved men–machine ratio,
6. Greater acceptance from Brands,
7. Organisation re-structuring / process engineering,
8. Reduction in Overhead costs,
9. Reduction in Cost per Minute,
10. Procedure and systems driven company,
11. Conductive workplace cooperation
12. More committed workforce,
13. Improved HR and Safety practices,
14. Better capacity to meet buyer code of conduct requirements,
15. Compliance with National labour law requirements, as demanded by buyers / brands.

The concept of corporate social responsibility has gained prominence from all avenues. The present societal marketing concept of companies is constantly evolving and has given rise to a new concept – Corporate Social Responsibility. Many buyers of Apparel representing leading world brands having realized the importance of being associated with socially relevant causes are imposing trading conditions on the suppliers of Apparel products operating in the developing countries like India.

Leading buyers and chain stores enforce compliance with company codes of conduct and labour standards among Apparel suppliers in industrial sectors before placing orders to them. CSR policies of these leading buyers have become a tool for structuring the relationship between suppliers and buyers and the fear of losing business is the main drive behind suppliers’ compliance of CSR.

Developing countries like India are at times facing conflicting and contradicting pressures on one hand buyers would place orders to suppliers
who comply with one or more CSR initiatives and on the other hand they insist on low price and right delivery schedules. While some suppliers in developing countries are able to meet the challenges, most SMEs (Small and Medium Enterprises) face difficulty in bearing the fixed cost of CSR compliance.

Though CSR participation of SMEs is viewed to be based on purely altruistic motives, they are generally believed to heavily emphasize on economic imperatives of their survival strategy and their relatively limited financial base. SMEs embrace CSR and link it to their company core value to leverage their core competencies so as to sustain themselves in the competitive market they have to operate in and ethical problems they have to face.

While their significant economic contribution is well understood, their responsibility as ethical performer and the CSR practices adopted needs to be studied for any meaning interpretation to be drawn.

1.1 BACKGROUND OF THE STUDY

Indian apparel industry is a labour intensive industry, with sufficient capacity to handle small and detailed orders. It has been gifted with wealth of craftsmanship skills and fabric base. Indian apparel industry is self reliant and complete in value chain, that is from raw material to the highest value added product. The growth and development of this industry has a significant bearing on the overall development of the Indian economy.
Multi Fiber Arrangement (MFA) governed the world trade in apparel for 10 years but apparel trade changed base after the MFA phase out in 2004. Established in 1974, the MFA exempts textile and clothing trade from the basic principle of the GATT (General Agreement on Tariffs and Trade) by allowing signatory countries to place quotas on imports of various textile and clothing products on a country by country basis. It allowed for the use of quotas and also allowed restrictions to be targeted at the individual countries.

The MFA was intended to be a temporary arrangement to provide producers in developed countries time to restructure and adapt to competition from developing countries dealing with cheaper imports. However MFA was renewed five time and was replaced by ATC (Agreement on Textile and Clothing) on January 1995.

Under the ATC, World Trade organization members were required to gradually eliminate textile and clothing in a series of four stages during 1995, 1998, 2002 and 2005.

At the completion of the agreement on January 2005, all quotas were eliminated.

Given the fact that India had substantially fulfilled her quota for the products coming under MFA, it had appeared that phasing out of these quotas would help in the expansion of exports. Apparently the impact of phase was different. This was because with MFA phase out, Indian exporters were competing directly with other exporters of textiles and garments such as
China, Korea, Taiwan, Pakistan, Turkey, Mexico, Hong Kong, Indonesia, Maua, Philippines, Srilanka, Bangaladesh and among others.

With the MFA phase out, a handful of countries including those which otherwise were not competitive in this industry have entered into the garment manufacturing and export trade. Buyers can now go to any country that offers low prices, faster deliveries and good quality products paving way the development of an export market niche based on the combination of

Price + quality + standards

Moreover it is more imminent that buyers have devised new ways to restrict import from many developing countries. Various non tariff barriers like antidumping legislations, social compliance regulations under the name of compliance are used to curtail imports.

The increased attention of buyers to labour conditions at suppliers’ base in developing countries has been the primary driver of change in the importing countries. Most buyers have developed their own internal codes of conduct or subscribe to one or more industry standards that have been developed around workplace standards and buyers expect their suppliers to abide by these codes in order to retain their business.

Although the levels of buyers investment and follow through differs greatly, most rely upon a system of regular audits of their suppliers/
subcontractors and are taking ownership over social and environmental compliance.

From India’s perspective, the quota phase out has resulted in a large number of positive as well as negative consequences in our country’s trading options and processes. One area that has been tremendously influenced is Vendor Social Compliance. In these days with more and more corporate across the world integrating social responsibility with their core business strategy, all the companies in and around Chennai - Capital of Tamilnadu in India and Tirupur are adhering to being socially compliant and are practicing different compliance programme as per the buyers requirement. Tamilnadu has been to manufacturing garments in both knitwear and woven for exports.

CSR has become a market advantage enabling trade through adherence to customer driven international standards. More that 60 percent companies who sourced apparel are now insisting that standards are more important than price, quality and speed of delivery.

1.2 SCOPE OF STUDY

Employee attrition is the one of the most critical problem faced by Apparel Export houses in India. In a broader term, attrition is an unsavory situation which Apparel Export houses face when employees leave the organization. Clients and business get affected and the company’s internal strength and weaknesses get highlighted. New hires need to be constantly
added, further costs in training them and getting them aligned to the company’s culture.

A pilot survey was conducted in order to find if the problem of high employee turnover existed in the garment industry. As a method of secondary data collection - pilot survey and literature review was done in order to create a platform for the projected problem. The reasons for attrition may be many but the scope of study focuses on one of the proclaimed benefits of CSR Compliance that has been quoted is lower turnover rate and reduced absenteeism.

The pilot study was carried out to find out how efficiently the compliance initiatives address and monitor the welfare of workers with special reference to all women workers. The study done has confirmed that despite complying to buyers’ CSR certification initiatives, it was found that the turnover of women operators was about 90% of the total workforce. Notwithstanding the fact that most vendor companies are making proactive efforts to take care of the welfare of women workers, these companies at times driven by the work pressure and the need to deliver on time are regretfully helpless for failing to address and monitor the issue concerned with women workers.

The pilot study done had aroused a need to do a study on the importance and impact of CSR compliances on the social and economic performance of Apparel Manufacturing companies in Tamilnadu.
1.3 OBJECTIVES

To conduct an exploratory research to identify the strategic role of CSR in SMEs manufacturing ready made garments (RMG) in Chennai Tamilnadu.

The specific objectives of the study include

1. To understand the motivation for SMEs to comply with CSR initiatives.
2. To explore the issues faced by SMEs when complying with CSR initiatives.
3. To study the impact of their CSR investment on social performance.
4. To analyze the impact of their CSR investment on economic performance.

1.4 HYPOTHESIS

The following are the major hypothesis formulated in this research

1. SMEs comply to CSR only for a social cause
2. SMEs comply to CSR only for an economic need
3. Government plays a positive role in motivating SMEs to comply to CSR
4. There is no help from the buyers of Apparel Garments to SMEs for complying to CSR
5. There is an association between Post MFA and Rupee appreciation problems with SMEs for complying to CSR.

6. SMEs have issues when complying to CSR

7. SMEs have workforce issues

8. CSR investment has an impact on the environment

9. Companies perform better after CSR compliance when compared to the largest competitor

10. CSR investment plays a constructive role in stakeholder’s welfare policy and upliftment.

11. CSR investment has a positive impact on the goodwill of the employees.

12. CSR investment has changed the organization’s functioning.

13. Management perceives that CSR practice is for an economic necessity.

14. Management perceives that CSR has an impact on employees

15. Management perceives that there is a link between CSR and organizational functioning

1.5 METHODOLOGY

Companies Covered for Field Study and Sample Size

The population of this study was the CEO, Top executives, decision makers, Production Managers, HR or higher managerial-level persons in the Small and Medium Enterprises (SMEs) in Tamilnadu. Based on the database of AEPEC Chennai, there were 600 SMEs statewide in total having the
turnover of above 3 crores largely covered in regions of Tirupur and Chennai and very few in Madurai regions. The empirical investigation in the study was carried out in Chennai as there existed research works in compliance in Tirupur and hardly any of Chennai region of Tamilnadu. Moreover as environment issues and eliciting responses on CSR was considered an sensitive Knitwear Garments companies in Tirupur was not covered and the focus was only on Chennai companies which manufactured only woven ready made garments having a turnover of more than 3 crores. The sample size for this study was determined based on Yamane Determination of Sample Size (Yamane, 1973) which was equal to 30 respondents. These SME respondents were selected randomly from Chennai of Tamilnadu.

1.6 RESEARCH INSTRUMENT

A constructed questionnaire was used in this study to elicit responses from the managers’ attitudes toward the corporate social responsibility, stakeholders, socially responsible behaviors, corporate social performance, and CSR activities. It was composed of 7 parts including details of sampling firms, respondent profile, CSR activities and initiatives followed, attitudes of managers toward CSR, stakeholders, socially responsible restructuring, firm’s economic performance, and. The questionnaire was designed to be a self-completed form for managers to evaluate various dimensions related to the CSR. The Likert scales, the most common and widely used scale in measuring attitudes and perceptions were applied to this questionnaire (Achyar, 2008). The reliability value obtained from the validity test of the
questionnaire was between .6 to 0.8219 implying that this questionnaire was sufficiently reliable.

1.7 DATA COLLECTION AND ANALYSIS

The data was collected based on interviewing with the targeted people. Face-to-face interviews were carried out by meeting with executives, decision makers, managers or higher managerial-level persons. Questionnaire method of data collection has been adopted to collect the information. All questionnaires were handed over to the targeted group of 107 and information was gathered with a lot of strained effort that took a period of 5 months to elicit valid responses. A couple of companies denied access stating the information asked were sensitive and refused stating they had no time while some choose not to attend the complete questionnaire which had to be rejected as incomplete. After editing for removal of incomplete and unsuitable responses, a total of 76 responses for social and economic impact analysis was possible to be elicited, while about 94 was received for Management perception analysis.

The data collected was tabulated and analyzed the Statistical Package for Social Science/ for Window (SPSS/FW) program. As the sample size was low the Factor Analysis, multivariate tool was used to reduce the number of variables involved in the study into prominent factor and to assess their importance to impact of CSR compliance on RMG companies manufacturing woven garments in Chennai.
1.8 LIMITATIONS

This research work has focused on a small sample, therefore the finding of this study may not be generalized across all developing countries. Being exploratory in nature, it has not been able to look at any cause-effect relationship in more exhaustive manner as the sample was not enough to know about the larger pool of SMEs given the difficulties in data collection at the operational levels. The participants in the sample were the CEOs, top level management, CSR welfare officers, Line managers, who lack time and took a rather enormous time to fill in the questionnaire. A couple of companies denied access to information inspite of humble begging. Conducting interviews with workers was highly prevented and those who were allowed were telling what the managers wanted to hear.

The present study is subject to some limitations also. The findings are based on self disclosure by the companies covered under the study. The responses might be overstated or understated. Though variables like age size and type of the companies were taken for consideration others variables like risk, R&D intensity, Buyer types, currency which has been ignored may be considered for further studies.

As only woven RMG manufacturers were under study, the effect of environment was negligible in the sample chosen. Scope for further studies cam deal with environmental issues of knitted RMG companies, where dyeing process does create a lot of environmental pollutions.

There is an important voice that is missing from the study that is of the workers themselves. This omission was due to the particular interview
protocol followed in companies done in order to protect the confidentiality and primary of individuals.

1.9 CHAPTER SCHEME

The study on the impact of CSR compliance on the social and economic performance of the Small and Medium Enterprises manufacturing readymade garments in Tamilnadu, has been conducted to understand the motivation and constraints faced by the SMEs. Further the study conducted on how and what investment in CSR compliance had and could affect their social and economic performance which invariably has an impact on the sustainability of the company. An ideal model has derived from the results of the above study of CSR compliance.

**Chapter 1 Introduction** highlights the background of the study and traces the significance of the study stating the scope of the study, objectives of the study, the methodology adopted for the study, the sample used, the data collection process and analysis culminating in stating the limitations of the study.

**Chapter 2 Review of Literature** portrays the earlier research works encompassing the empirical and descriptive studies conducted by various researchers and scholars on the issues concerning SMEs and CSR both from international and national level.

**Chapter 3 Theoretical Review** gives an overview of Apparel Industry in India moving down to Tamilnadu. It explores the issues of SMEs in Apparel Industry and identifies the benefits to Apparel companies for
engaging with CSR. An insight is given of the Social and environmental issues in Apparel companies that are dealt with by CSR followed by a discussion on the management perception in SMEs in Apparel to the effect of investment in CSR.

**Chapter 4 Data Analysis – 1** analysis the data on the factors for the motivation for SME to comply to CSR standards and the issues, barriers faced by SMEs in complying to the standards of different initiatives of CSR dictated by the buyers. It also depicts the understanding of the relationship of CSR practices on social and economic requirements in SMEs, focusing on the general issues of SMEs complying to CSR and the workforce issues of apparel industry. The chapter also gives an insight into the role of government and buyers in supporting SMEs to comply to CSR.

**Chapter 5 Data Analysis – 2** studies the impact of CSR investment on the social and economic performance in addition to that of environment also. The impact on the goodwill of the employees and the effect on the organizational behavior and functioning is also brought out in the study. It explores the management perception of CSR practices in relation to the economic necessity of the companies, the impact on employees’ goodwill and the link between CSR and the organizational functioning.

**Chapter 6 Interpretation of the Results** shows the relationship among social and economic and management perception in the findings.
Chapter 7  Findings, Suggestions and Conclusion gives a brief account of the conclusion of the finding in the study and suggests recommendations for further growth and sustainability of Ready Made Garments companies complying with CSR practices.

SUMMARY

In recent decades the concept of Corporate Social Responsibility (CSR) turned out to be a vital strategy for companies to survive in a market environment. In a condition where market’s shift and customers’ preferences becomes more unpredictable and complex, adopting CSR strategy could be a powerful tool for survival. Companies need to integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. Many companies all over the world are now realizing the benefit of practicing CSR in their bottom lines.

Research into CSR in developing countries like India is still relatively underdeveloped and tends to be adhoc with a heavy reliance on convenience-based case studies or descriptive accounts.

Hence, there is an urgent need for further research on CSR in India at the regional and sectoral levels. Vasantha and Diana (2008) have indicated that there is a dearth of research studies on understanding the role of ethics and CSR in SMEs in India and have invited more researchers to engage in the study which according to them has the credentials of a meaningful research.