

BUSINESS AND HUMAN RIGHTS SYMPOSIUM RESEARCH PAPER

EXECUTIVE SUMMARY

Increasingly, businesses are being called upon to both recognise and implement their business and human rights commitments and obligations. However, stakeholders across sectors often express questions around the identification, codification and application of these obligations.

The purpose of the Symposium and the accompanying Research Paper is to tackle some of these concerns both in an international and India-specific context, focussing on the Second and Third Pillars of the UN Guiding Principles on Business and Human Rights (the "UNGPs") – (ii) the corporate responsibility to respect human rights; and (iii) access to remedy.

By way of overview of the Symposium and the Research Paper : in the international sphere, there has been growing focus on the responsibilities of the corporate sector in relation to these two pillars – moving beyond compliance with State mandated action to businesses proactively implementing responsible sourcing through due diligence and increased supplier contact. In some countries, such as the United States and the United Kingdom ("UK") national legislation e.g., the UK Modern Slavery Act, 2015, requires businesses to report on their supply chains. This has already begun to have a knock-on impact not only on companies carrying on business in these countries, but also their international suppliers, investors and trading partners.

India's early commitment to the UNGPs is reflected in the 2011 National Voluntary Guidelines on Social, Environmental and Economical Responsibilities of Business published by the Ministry of Corporate Affairs. Since 2012, the Securities and Exchange Board of India has required the top 500 listed companies to include Business Responsibility Reports in their annual reporting and increasingly encourages the adoption of integrated non-financial risks reporting. At the same time, companies' internal human rights policies are in the spotlight following the creation of the India Responsible Business Index, which recognises corporate leaders in responsible business practices.

Along with the expectation that companies need to "know and show" their human rights responsibilities towards their own functioning and that of their supply chains, businesses also need to identify and manage reputational challenges faced during operation. Given increasing media and investor interest in this area, it is crucial that companies are alive to risks and responsibilities, within both their immediate parent-subsidiary relationships, and wider supply and value chains. Formulating an effective and informed strategy early on can be key to ensuring that companies are able to successfully manage their responsibilities and challenges.

More recently, there has been increased focus on operational level grievance mechanisms. While State supported judicial and non-judicial mechanisms exist, they are often impeded by resource and time constraints, leading to a greater impetus on businesses to consider the provision of operational level grievance mechanisms. Such mechanisms range from informal company-specific systems, which focus on particular issues e.g. labour, to formalised independent mechanisms set up at parent company-level or, in some cases, sector-level, with authority to adjudicate disputes. While concerns around effectiveness and enforceability of business-led grievance mechanisms will always exist, such mechanisms are recognised as often being able to deliver quicker redress to victims.

The Symposium and Research Paper will discuss the advantages of operationalising respect for human rights (due diligence and reporting) and access to remedy (establishing grievance mechanisms) within the Indian corporate sector, through law, policy and case study analysis, and practical guidance.