

Platform accountability and BRSR: Thinking through Principles 9 and 4

Input from
Nandini Chami, IT for Change
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Publicly listed companies in the ICT sector in India

Over 66 IT service companies in the list of top 1000 listed companies in India by market capitalization

Future of the ICT sector is in the platform model:

- Jio Platforms; Ola; Flipkart (news about imminent IPOs)
- Data and AI business ventures - venture capital and series funding

Research from US and China suggests that venture capital (VC) backed companies have poorer corporate social responsibility records (CSR) than their counterparts (Alakent et al 2016; Cheng et al 2020)

BRSR obligations' coverage needs to be expanded for the platform era.

BRSR obligations for platform companies

We need to recommend comprehensive and compulsory BRSR rather than BRSR Lite for key platform companies, out of the two formats currently recommended by the Committee on Business Responsibility Reporting (BRR)

“The first format, namely Comprehensive BRSR, has been developed for the top 1000 companies listed in India and may be extended to several unlisted companies that meet specified thresholds of turnover and/or paid-up capital.

The second format, namely BRSR Lite, has been developed for unlisted companies unfamiliar with the preparation of sustainability reporting. The BRSR Lite format will encourage more companies to begin sustainability reporting as it is easier for all companies to adopt this format. The adoption of BRSR Lite would be voluntary for such companies.”

Principle 9. Businesses should engage with, and provide value to their consumers in a responsible manner.

BRSR elements do have room for specific questions to be included in the platform business model: grievance redress mechanisms, non-discriminatory provisioning of utilities, consumer safety

Specific additions to template questions:

Addition to Q1. Mechanism for consumer complaints (specific set of questions for social media companies on attention to user complaints, establishment of grievance redress mechanisms)

Additional questions:

Product safety guidelines in development of data and AI guidelines (data privacy + ethical product testing with safeguards for individual and collective harm)

Transparency and accountability mechanisms in place for e-commerce marketplaces and platform services (Buybox + algorithmic scoring grievances)

Principle 4. Businesses should respect the interests of and be responsive to all its stakeholders

The key BSSR elements - of equitable value sharing with stakeholders and stakeholder impact assessments - shift in the platform business model which serves as core essential infrastructure in many sectors.

Additional questions:

Fair and equal treatment of third party sellers and consumer providers (responses to complaints about seller services, requests for transparency about product pricing and discounting practices)

Compliance with social security regulation and competition law and policy frameworks (competition law challenges and worker grievances addressed)

Data governance (fair share in data value - legal-policy regime needs to shift and not all issues can be addressed in the BSSR)