

Corporate Governance.

→ pvt. sector leads the Economy.

& ∴ how the pvt sector conducts its business is imp. for the countries economy as a whole.

→ Governance in corporates.

→ Era of LPG

→ In the process of governance the pvt. sector/corporates they have an imp. role to play.

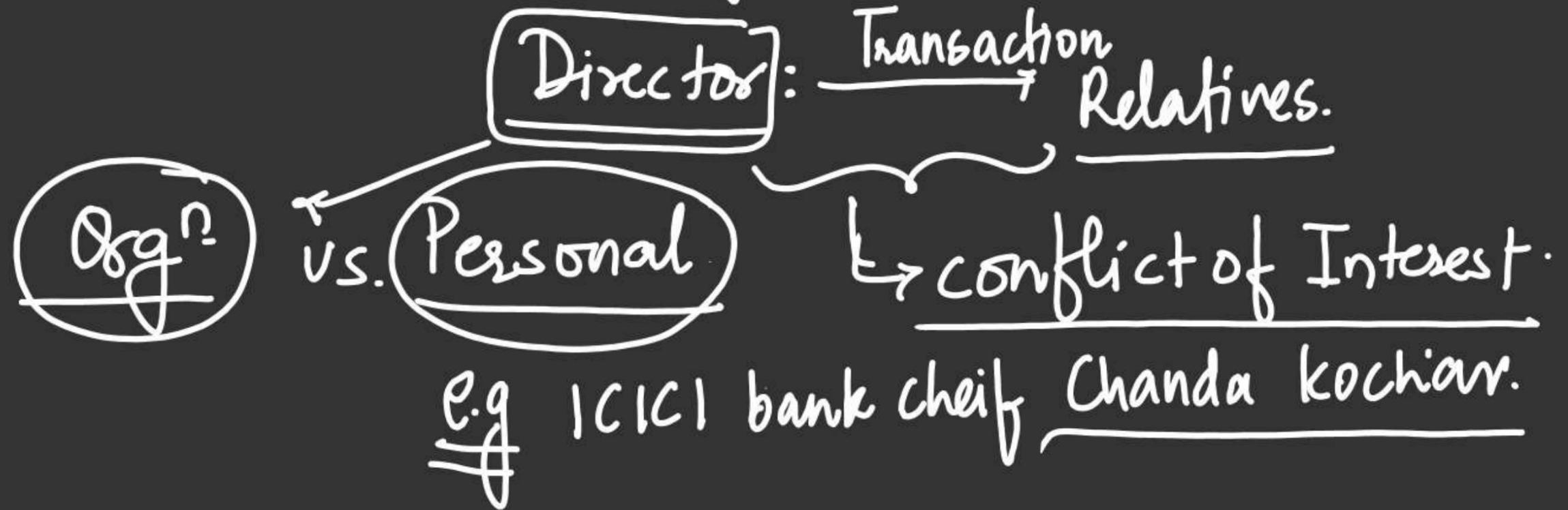
C.G.

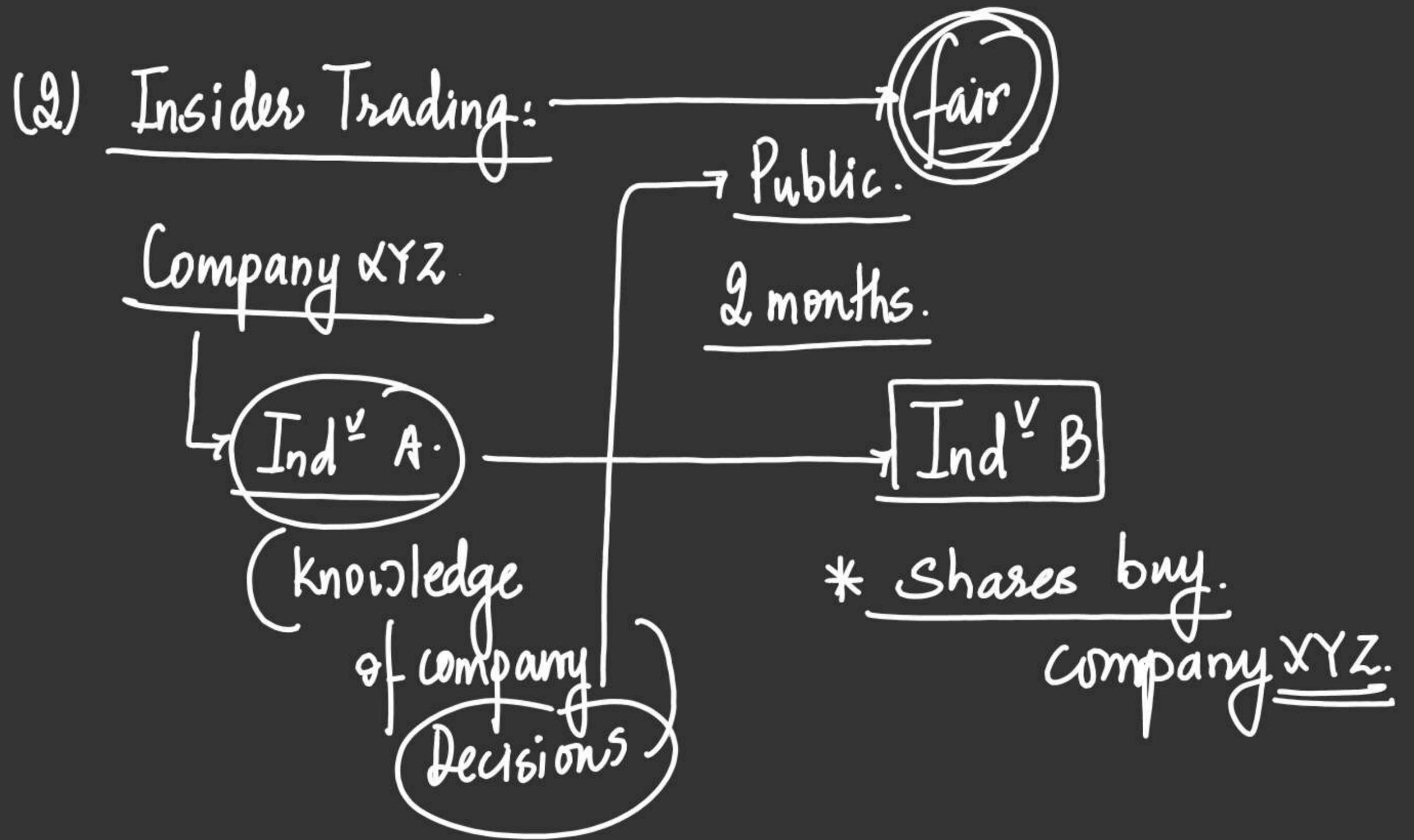
→ Governance practices concerning the pub. sector.
in order promote fairness, accountability,
Transparency in the corporate world upholding
the rights of the shareholders along with
the society as a whole.

Ethical Issues

in corporate Governance.

(1) Related Party Transactions:





5 Composition of Board. → Board of Directors.

→ Same members who are running the orgⁿ & they are executing the day to day admn.

→ There will be no check on practices adopted by the orgⁿ

Decision making.

→ Composition : Important

→ 1990's, SEBI. Narayan

Murthy, Infosys

→ Independent Directors.

I.D: They are Ind^v's who are not the part of executive in the orgⁿ.

↳ On behalf of Investors, to protect the interest of all stakeholders

↳ In 2017, Uday Kotak comm

↳ Independent Directors & their importance.

4. Corruption. : e.g. Satyam Computers.

↳ CEO: Audit team

↳ Bribe.

↳ Crony capitalism.

↳ Unfair advantage to some
groups over others.

↳ Alleged cases of
crony capitalism.

↳ e.g. Electrol Bonds.

5. Disclosure & Transparency. ;

e.g. Alleged case.

* Hindenberg

report.

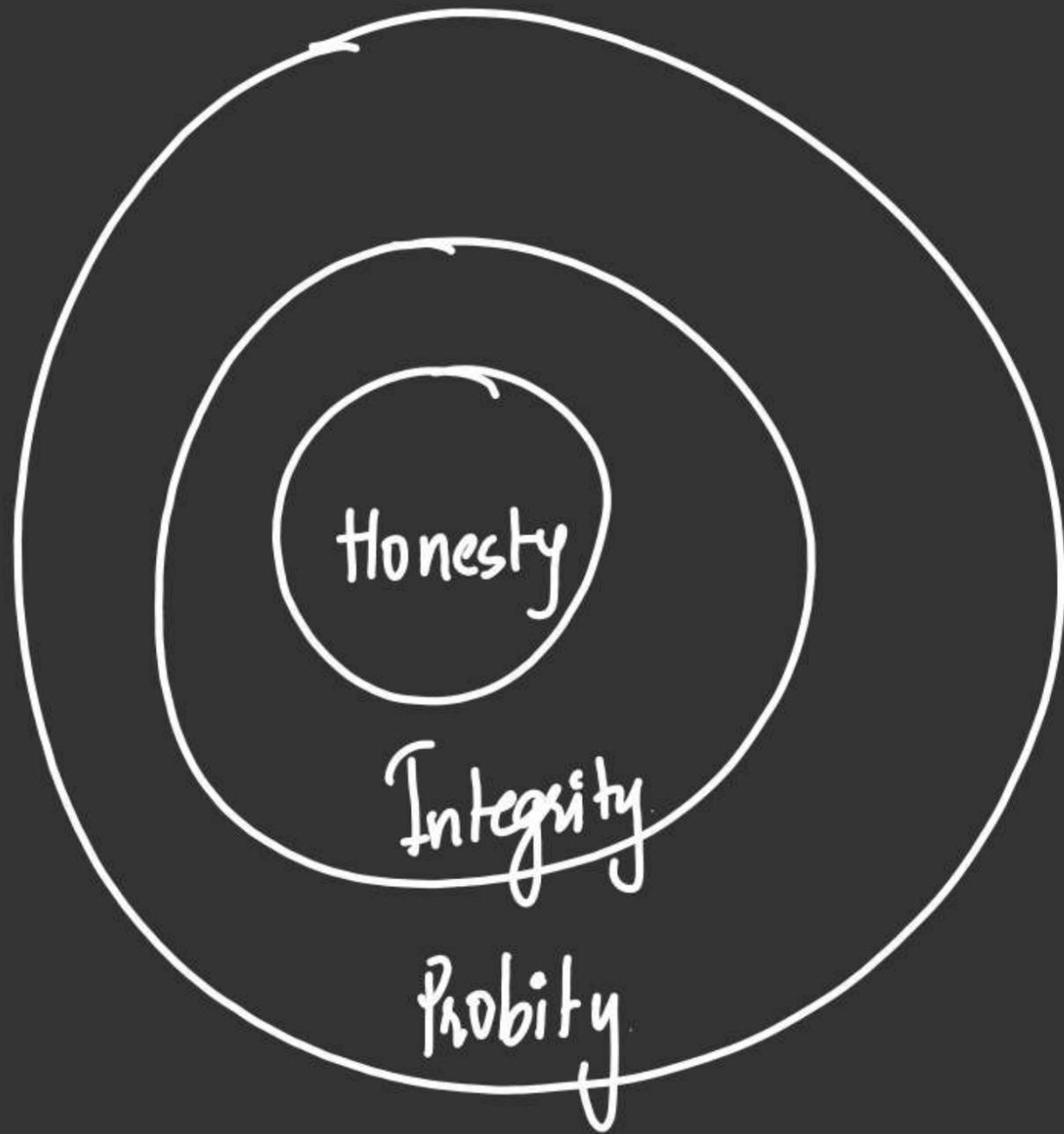
→ lack of Transparency
in the Adani group.

→ Debt.

→ use principles of
Corporate Governance

→ Corporate are not very open
to disclosure & Transparency

e.g. Infosys



Honesty, Integrity, accountability
Transparency, responsibility
Impartiality etc = Probity.

→ Where Integrity is the value of an Ind^v, probability in the value of an Orgⁿ.

eg.

A

: honesty & does not accept bribes [not corrupt]

→ Does what is required

Integrity.

→ Is A efficient, accountability.

Probability : Orgⁿ