



# Evolving Corporate Governance in India: Impacts on Transparency and Investor Confidence

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## Abstract

Corporate governance in India has experienced a remarkable development due mainly to economic liberalization, corporate frauds on a large scale and demand for corporate transparency. This research takes qualitative research method by reviewing academic literatures, regulatory documents, and policy reports to study the governance reforms and its impact on transparency and investor confidence. In this research, the study outlines, problem and emerging possibilities with corporate governance in India, pointing out how it boosts sustainable economic development and convinces investors. The results highlight that while there are new laws and rules like the Companies Act, 2013 and SEBI guidelines, important issues such as weak board independence, unmet compliance standards and ethics problems still hold back progress. The study shows that stronger enforcement, better leadership and applying ESG principles to governance are necessary. According to these findings, strong governance stops companies from doing wrong and makes it easier for them to add value over time. To achieve strong and transparent governance, India should consider applying digital compliance tools, inviting more stakeholders and introducing reforms for companies owned by families and the government.

(Key words: Corporate governance Practices in India, Market Rumor Verification, Recent Trends in Corporate governance, Regulatory Framework)

## Introduction

The nature of corporate governance in India has undergone a dramatic change from its initial roots of family-led businesses where regulation was *laissez-faire*. Starting from 1991, the Companies Act, 1956 remained as the major enforcement aspect of governance but did not have any real implementation and transparency. 1991 economic liberalisation was the turning point because it introduced reforms for meeting world standards. Voluntary governance guidelines were issued by Confederation of Indian Industry (CII) in 1998, followed by formation of Kumar Mangalam Birla Committee by SEBI, and implementation of Clause 49. Scandals of this nature exposed the case in point cracks which incited tightening of the regulatory chain through such initiatives as the Naresh Chandra and Narayana Murthy Committees among others. These initiatives enhanced audit

standards, independence of the boards as well as financial disclosures. Transformative changes that were implemented through Companies Act, 2013 include that compulsory spending of CSR, increased roles in audits that included access to company books, appointment of women and independent directors in boards and formal mechanisms through which whistleblowers reported on fraud.

Over the past few years, SEBI's 2015 Listing Regulations as well as the 2017 Kotak Committee recommendations further elaborated the governance by building on board diversity, director independence, and group entity oversight. Whereas integrating reporting approaches and ESG principles tend to gain momentum among companies, it reflects the wider responsibility for stakeholders and sustainable development. Governance is also becoming more dependent on technology by way of digital compliance tools and virtual board meetings. However, there are a number of obstacles that still exist, including missing implementation, irrelevant independent directors, overlaps of regulations from SEBI, MCA, RBI, and failure to embrace a cultural change in corporations. Resolving these issues will see the need to strengthen enforcement, improve directorial training, consistent regulation, and a governance-centric corporate attitude. If India's corporate sector is to be made more competitive in the global market, and investor confidence strengthened, more attention needs to be placed on transparency, ethical leadership, and sustainable practices.

### Literature survey

Corporate governance has become an important field of research in finance and it is mainly concerned with the institutions and mechanisms of influence, which govern the behaviour of the companies. Shleifer and Vishny (1997) describe corporate governance as the method by which providers of finance to companies assure themselves of getting a return on their finance. La Porta, Silanes, and Shleifer (2000, 2002) conceptualize it as a set of devices that minority investors, such as shareholders, use to defend themselves from managers who might operate in an inefficient manner from their point of view. Garvey and Swan (1994) emphasize the role of governance in determining how top executives manage corporate contracts and responsibilities. This is particularly important in preventing misuse of power and resources within organizations. Humera Khan's research focused on evaluating how effective corporate governance mechanisms can reduce principal-agent problems in companies and institutions. Khan's study highlighted that when governance systems are strong, the gap between owners and managers narrows, reducing conflicts and improving performance. Farinha (2003) conducted both theoretical and empirical reviews of corporate governance, aiming to uncover the real causes of conflict between managers and shareholders. His research particularly emphasized the ownership mechanism as a key factor in these disputes. He also explored how corporate governance influences firm value, asserting that poor governance undermines organizational growth. Farinha concluded that many issues in corporate settings stem from differing objectives between principals (owners) and agents (managers). The classic work of Berle and Means (1932), followed by Jensen and Meckling (1976), introduced the idea that the separation of ownership from control is the root of agency problems faced by firms.

Shamshuddin and Yasmin Begum (2009) suggested that flourishing economies depend on mutual trust, fairness, and reliability in everyday corporate operations. Their study indicates that a strong governance culture is necessary for sustained economic development. Cueto (2007) explored corporate governance in Latin American emerging markets, focusing on how ownership mechanisms impact governance in the context of weak shareholder protections. He concluded that these factors significantly influence firm value, market liquidity, and industry organization. Jensen and Meckling (1976) also warned that delegating authority to managers may prevent firms from making decisions that maximize shareholder value. In line with this, McColgan (2001) agreed that effective corporate governance is key to reducing agency costs and ownership issues in firms.

Overall, the literature commonly suggests that strong corporate governance is critical to the improvement of firm value and relationships between principles and agents. One of the shared conceptual points is that optimal organizational performance is guaranteed only with reliable governance bodies. The gathered evidence undoubtedly proves that corporate governance is not only a regulating process but a business strategy. When

various accountability and transparency methods are involved, it helps eliminate conflicts or misalign interests and promotes development and sustainability. The lessons learned from diverse international jurisdictions also serve to demonstrate the potential of corporate governance principles to migrant to different economies. At the end, literature findings were summarised to form the conclusion that enhancing corporate governance is essential for both advanced and developing countries, for stimulating investor confidence and for ensuring economic stability.

### **Significance of Study**

The Corporate governance is a broader concept encompasses nearly all socio-economic working aspects of a business. Indian realized through numerous corporate failures the applicability of it for business particularly how it can be used to introduce socioeconomic discipline. (Shamshuddin M. Nadaf et al. 2009). Corporate governance is of utmost importance to a company and nearly as vital as its core business strategy. A company lacking a system of corporate governance is generally viewed as a body devoid of a soul or conscience. Good corporate governance motivates, reinforces and sustains investor's confidence by guaranteeing company's dedication towards higher growth and profits. It is believed that the good corporate governance ensures maximum shareholders wealth for the long term and impacts the growth and stability of the companies and economy. Good corporate governance prevents corporate scandals, frauds, and potential civil and criminal liability of the company. It is also a good business. A good corporate governance image makes the company's reputation better. Corporate governance aims to raise the responsibility of company and to prevent catastrophic mishaps from arising. It can also deter corporate scandals, fraud and civil and criminal liability of the corporate and promotes a corporate image in the eyes of general public. It prescribes the common philosophy, practices and culture of an organization and employees. In return, it is accountable and responsible to all stakeholders of the company. Corporate governance practices constantly keep a company honest and in good books. If this common philosophy disintegrates, it will result in corners being cut, products being defective and management becoming corrupt and complacent. The ultimate consequence is a crash that will come, when gravity - in the form of audited financial statements, criminal investigations and federal inquiries - inevitably catches up, rendering the company bankrupt overnight. Unethical and dishonest dealings can lead to shareholders abandoning ship in fear, distrust and revulsion. Gerardo De Nicolás, Homex, CEOs words are worth noting - "Walking the path of true institutionalization and creating value, it takes a powerful level of commitment, internal control and high corporate governance practices are key tools to get this job done.

### **Statement of the problem**

In recent past the corporate scams, some of which are still in progress, include high rates of unacceptable behaviors of managers diverting the resources of a company at the expense of stakeholders. It is witnessed in Satyam case in India the way the most renowned corporate managers, financial regulators and globally celebrated auditors can manipulate the system. This not only ruins the company and wealth of its stakeholders but also damages the economy and reputation of an entire country. The prominent corporate governance failure frauds such as the scam of the stock market, the UTI scam, Ketan Parikh scam, Satyam scam, which were criticized immensely by the shareholders, prompted an imperative to turn Indian corporate governance transparent because it significantly impacts the growth of the nation. There are too many other corporate like Anil Ambani group, Vijay Mallya headed UB group, Global Telesystems Limited, Coal India limited, Adani group, Sahara group, even Indian premier league (IPL) and Common Wealth Games (CWG) who have lost a lot because of absence of corporate governance norms within their organizations. Having viewed this tragic scenario in the corporate world, corporate governance is not just a requirement for good business but also to serve the various corporate interests and to infuse excellence in management. Thus, corporate governance has become controversial, and that it has likewise become firmly established as regulatory and academic shorthand. Therefore the researcher made a decision to conduct a study on the subject titled "Corporate Governance - Issues, Challenges and Opportunities"

## Objectives of the study

1. **To evaluate the effect of corporate governance reforms in relation to transparency and investor confidence.**
2. **To recognise hurdles in the way of successful corporate governance in India.**
3. **To suggest improvements and good practices for corporate governance in India.**
4. **To reveal the SEBI's Market Rumour Verification Framework.**

## Research Methodology

This approach is most applicable to research that seeks to construct conceptual knowledge, summarize current knowledge, or examine general trends without gathering primary data. Through secondary sources like government reports, journals, and articles, the study enjoys a broad array of expert views and established results.

## Theoretical Framework

There are two manipulative factors i.e., corporate governance and ethics, that are critical factors in shaping the behavior and decision-making process of the organizations. Corporate governance & ethics are closely inter-linked; the two frameworks share several tenets; but why this relationship between the two is must for sustainability, transparency, accountability and ethical ways of conducting business. Ethics is also logically associated with accountability and transparency -- the two pillars of good corporate governance. An ethically driven institution may also be expected to give its stakeholders accurate and transparent information.

Corporate Governance in India: Corporate governance is the system by which companies are directed and controlled. It is the foundation for realizing a company's goals, and covers almost every aspect of management, from strategic and operational planning and framework, to performance measurement and management, operational controls, and corporate governance. Corporate governance in India has progressed significantly, driven by economic reforms, scandals and regulatory amendments.

Corporate governance of India defines the way that the company operates, trying to make good of everything involved such as, investors, leaders, customers, suppliers, financiers, government and the community.

By setting, and policing, high ethical standards and ensuring people are held accountable for their actions, corporate governance is a bulwark against corporate malfeasance, and is in the best interests of shareholders, customers, and the broader body public.

## Regulatory Framework of Corporate Governance in India

There has been a progressive change in the regulatory structure of corporate governance in India, which has been largely influenced by important regulators such as MCA and Securities and Exchange Board of India (SEBI). These institutions monitor ethical actions and protect the interests of the stakeholders through a number of legislations and guidelines. SEBI started regulating corporate governance in the 1990s through landmark bills like the Securities Contracts (Regulation) Act, 1956, and the SEBI Act, 1992. A turning point came in 2000 with the formalisation of a structure post the Kumar Mangalam Birla Committee recommendations. This was carried forward by the Naresh Chandra Committee in 2002 with respect to audit and governance matters.

The Companies Act, 2013, introduced tighter governance norms such as the requirement to have Key Managerial Personnel (KMP), controlling related party transactions and prescribing greater disclosures. The amendments that brought into the bodies like National Company Law Tribunal (NCLT) and alternative classes of creditors and narrower definitions to make the governance norms stricter. The National Financial Reporting Authority (NFRA), established in 2018, now proposes accounting and auditing standards. Ethical barriers remain however, including a lack of independence on boards, poor evaluation of directors and conflicts of interest. Several high-profile cases such as ICICI Bank, Fortis Healthcare and IL&FS have brought governance gaps to light.

In order to correct these failings, reforms call for greater independence among directors, more openness and fuller rights for shareholders. The other important enhancement that is required is risk management, compliance with ethical guidelines, and alignment between executive compensation and performance. Companies need to interact with stakeholders, conform to CSR duties and offer board training. Landmark committee studies have also influenced the norms of governance. The Kotak Panel (2017) suggested board revamp, minimum qualifications for directors, and auditor responsibility. The TK Viswanathan Committee (2018) suggested stringent norms for insider trading along with electronic data tracking.

### **Best Practices of Corporate Governance in India**

The Indian corporate governance best practices focus on five principal areas for promoting effective and responsible conduct within companies. First, the composition of the board should include a sufficient number of directors who possess different skills so that the company can promptly react to changing environments and opportunities. All board members shall be independent, ethical, and active, which entails taking part in learning activities that improve their competencies. Second, role allocation on the board should include the alternation of chairperson and CEO functions, as this will assist in mitigating possible abuse of power. It is necessary to divide the responsibilities among the board members, management, and each committee formed at the board level and written instructions should be developed for every guideline for policies. Third, members of a company's board of directors must not only be committed to ethical conduct but also work hard towards ensuring that there are significant policies instituted that ascertain the promotion of ethical behavior. Policies to be violated or misreported must have clear terms on the procedures that will be used to declare as done so in good faith and mechanisms that are protected. Fourth, board composes of senior officials should be properly evaluated and provided with proper compensation and placed at reasonable levels and those believed to have maximum objective value. This requires the establishment of a compensation system where a formal committee makes the decision considering enhanced organizational performance. They must perform annual board and executive performance evaluations, where executive pay is tied to performance by a formal committee. Fifth, viable risk management strategies need to be implemented to determine acceptable risk levels and to continuously identify and evaluate current and emerging risks. Enterprises need to regularly assess the security measures effectiveness; to stay more resilient.

### **Corporate governance trends in India**

1. As term cliffs near, boards focus on refreshment: India's Companies Act 2013, passed in 2014, permits two terms of up to five years each for independent directors. With the 10 year term of its members expiring in 2024, a general board refresh is underway and is likely to continue with the appointment of new members. It is anticipated that companies will take the opportunity, through this process, to take a strategic view of board composition, rather than view this as a "like for like" replacement.
2. More regulation within the ecosystem: Some proactive measures by the regulator of public listed companies, the Securities and Exchange Board of India (SEBI), in the form of curbing and promoting include the recent changes, inter alia, (i) disclosures of letters, reports, etc., received from a regulatory, statutory, or oversight body; (ii) verification of rumors circulating in the market regarding securities and companies; and (iii) enforcement of corporate governance standards through strict action against companies who fail to adhere to minimum requirements. Following on from the above and from 2023 strong new vehicle regulatory tightening is likely to persist in 2024.
3. Increased compliance for Public Sector Enterprises: Public Sector Enterprises (PSEs) were able to escape penalties by not meeting some of the requirements earlier on, saying that the areas concern states were the responsibility of the Government of India till the early part of 2023. So much so, even today, a majority of the PSEs, does not have any woman director on their board where reliance is placed on government nominations through PESB. SEBI is no more buying this explanation and is imposing penalty on erring companies.
4. Family settlement efforts become more apparent: One of the relatively overlooked, but, still a very important, new SEBI (Securities and Exchange Board of India) regulation that has come into force lately

requires Promoters (they call founders/majority owners “Promoter” in India) of listed companies to disclose to stock exchanges all family settlement agreements or arrangements that are subsisting and have an impact on management and control of the company. Around 70% of Indian listed companies are family owned, and the new rule has the potential to be a very tangible materiality risk that the boards will not be able to ignore.

5. A closer look at start-up governance: The founder team has been a genuine concern for many global VC/PE funds investing in Indian start-up ecosystem. Not only have they caused huge wealth destruction, but also auditor resignations and PE nominee directors have quit boards to escape regulatory scrutiny. We anticipate much greater emphasis by institutional investors on governance and calls for entrepreneurs with CEO experience around table in start up boardrooms. Also, proxy advisors are emerging as a voice to reckon with in shareholders meeting, be it on promoter remuneration, directors nominations or related- party transactions. We believe this dynamic will persist and work toward a healthier governance environment in 2024.

Current trends in Indian corporate governance involve improved openness, increased safety for shareholders and an increased focus on ESG. The adoption of these changes is due to regulations, what investors expect and a focus on being ethically responsible.

1. Recently, SEBI and the Ministry of Corporate Affairs (MCA) have concentrated on strengthening shareholder rights and enhancing disclosures made by companies. The new SEBI rules will require listed companies to reveal more information as of June 2023. Because of these changes, companies must keep people updated on their finances, related-party transactions and important decisions by the board. The goal is to give shareholders updates that are delivered on time, are accurate and can be understood. SEBI hopes that by tightening disclosure standards, mistakes and dishonesty in financial reporting will decrease. Furthermore, the action increases the need for companies to respond more effectively to minority shareholders. Organizations are now required to provide comprehensive justification for their main business decisions, mergers and acquisitions. The effort helps align the knowledge of top management and the knowledge of investors. Stronger disclosures help inspire investor trust which leads to more investor involvement in capital markets. In general, these changes lead to a corporate environment that is clearer and fairer.

2. It is recognized more often in India that ESG (Environmental, Social and Governance) aspects influence business strategies and actions. Organizations are advised by regulators and investors to incorporate ESG into their main approach and reporting. Based on SEBI’s requirements, the BRSR framework requests the top 1,000 listed companies to disclose information on ESG metrics. These cover reporting on carbon emissions, workplace conditions, having a varied board and fighting corruption. It is now included in a board’s duties to oversee environmental, social and governance risks and opportunities. Companies that use ESG integration can preserve the global environment and receive responsible investment. More and more investors choose organizations that honestly address environmental, social and governance issues because they seem safer and more resilient. Many companies are setting up special ESG committees and making use of ESG ratings to measure their progress. Sustainability reporting is being advanced by both laws and market demand. With rising challenges from climate and society, ESG is now a key part of how companies are run.

3. Corporate Governance for Public Sector Enterprises (PSEs) in India are now managed according to stricter corporate guidelines to match their work with those of private enterprises. PSEs must adhere to the same listing and disclosure standards as companies listed with SEBI and MCA, according to the new rules. It covers meeting requirements for the board’s makeup, how audits are done and the methods used to manage risks. Earlier on, many of these organizations were accused of unclear management, strong political influence and being untransparent. The objective of the reforms is to fill these governance gaps and improve how the company functions. Corporate governance now requests that PSEs set up independent directorship, include whistleblower policies and conduct performance reviews. Having better governance allows public service enterprises to draw more investment and obtain capital. Doing this positions public service enterprises to compete on par with companies in other parts of the world. As a result of more accountability and set performance goals, PSEs are able to address both business and social needs. These steps show that the government is heading more in the direction of cutting funding and selling off assets.

4. The SEBI has given instructions on issuing Green Debt Securities (GDS) to help fund environmentally friendly projects. Under these rules, issuers are supposed to clearly explain in their offer documents how funds will be spent on green projects. Suitable projects deal with renewable energy, improving energy efficiency,

improving transportation and sustainable use of water. They provide updated info on the company's environmental effects and how it uses money. The GDS requires that the environmental results of funded projects be reported and checked regularly. By using this framework, the government hopes to reassure investors about green investments and make India's financial market in harmony with worldwide sustainability goals. It encourages the growth of climate finance because it has structured methods for granting funds for green infrastructure. As reports of climate change become more frequent and alarming, both companies and government bodies are considering green bonds. without a proper framework, it would be easy for companies to put false claims about their sustainability. This initiative, in general, promotes a greener economy and boosts ESG governance in the country.

5. Companies listed with SEBI can no longer have a Chairman and a Managing Director (MD) be the same person after the new regulation took effect. The original proposal in 2020 had to be delayed as the industry disagreed, but it has now become effective. With this reform, multiple individuals are supposed to have more authority so there are more effective checks and balances. When companies make these roles different, they are predicted to achieve greater independence and more effective decision making in the board. Running the organization's daily activities is now the responsibility of the MD, while governance and overseeing the board falls to the Chairman. It is important for this division to help prevent conflicts of interest and increase the trust of stakeholders. It also brings Indian governance systems in line with standards from other countries. This kind of reform matters a lot for businesses where power is mainly concentrated among a few owners. While some companies are currently following this rule by choice, it is likely that eventually, it will be enforced with greater vigor. As a result, corporate boards in India become more solid and better equipped.

6. Many Indian businesses are now working to establish an ethical company culture along with their main governance policies. While only recently, organizations have been implementing company-wide codes, anti-bribery guidelines and whistleblower procedures. Their goal is to foster trust, personal accountability and openness in all areas of the organization. Ethics management is now recognized as necessary because of both regulatory support and high-profile fraud cases. Today, companies are providing both staff and executives with training in ethical behavior and compliance rules. Individuals can now use ethics hotlines or independent ombudsmen to report problems anonymously. Sustainable business development is supported by an ethical culture which decreases both reputational and legal risks. Organizations are now being closely evaluated for their ethics by many investors and collaborators before any cooperation takes place. Having ethical business standards tends to improve team mood and prevents people from leaving.

7. With digital technology, the Ministry of Corporate Affairs is seeking to improve and streamline corporate regulations. A major change is moving toward digital incorporation which speeds up and streamlines the process. Companies can now use the MCA21 portal to register, file documents and monitor their compliance online. These digital projects are meant to simplify business procedures and shorten delays caused by bureaucracy. When regulators can interact instantly with companies, it becomes easier for information to be shared openly. People are analyzing artificial intelligence to assist with looking for infractions and suspicious activities. Using digital signatures and e-verification is now usual for making corporate filings. IBC uses digital tools to simplify the process for winding up liquidation and insolvency procedures. This helps startups and small enterprises enter and follow the law more easily. In essence, digital governance moves the regulatory field toward being more adaptable, efficient and technology-driven.

## Market Rumour Verification

Markets are uncertain, and stock prices often swing up and down based on expectations or rumours. Diligent players have, on the strength of this market gossip, profited from such movements. The Securities and Exchange Board of India consequently notified the Listing Obligations and Disclosure Requirements Regulations on May 21, 2024, which required the top 100 listed entities, in terms of market capitalisation, to verify/rectify market rumours (if material and causes significant share price movement) and there on (top 250) listed entities. Promoters of a listed entity, along with its directors, Key Managerial Personnel and senior management have been made liable to give explanation/clarification/compliance to the stock exchanges, so that a company's

corporate governance is “robust enough” to withstand any adverse impact of such market rumours and the same does not have any “negative financial impact” on them. (Also Read: [SEBI's Rumour Verification Framework: Top 100 Companies To Verify Market Rumours Starting June 1](#))

### Key Findings

1. The development of corporate governance in India started after 1991, with events like the Satyam scam and recommended reforms from SEBI, Companies Act, 2013 and the Kotak Committee.
2. There are new legal rules on CSR, the involvement of independent directors, whistleblower options and ESG reports.
3. Even though regulations have improved, problems relating to board independence, mixed compliance, supervision from numerous areas and cultural restrictions block better governance.
4. Lack of transparency and inclusion (including having few women directors) is a problem for family-owned companies and PSUs.
5. Corporate trust, reputation and lasting value for investors depend a lot on good governance.
6. A crisis like the Satyam scandal makes it clear that poor corporate management can destroy a company's assets, leave a negative impression on the nation and increase the risks that threaten the system.
7. Good governance practices minimize fraud, solves agency issues and encourages the involvement of stakeholders.
8. Firms that lack strong governance might be described as “bodies without a soul.”
9. The future is being shaped by electronic compliance (as in MCA21), focus on ESG, independent reviews, systems for risk management and Green Debt Securities.
10. Under its new rule on rumor verification (2024), SEBI makes it necessary for transactions that have market effects to be announced publicly.

### Suggestions for the study

1. Strive to ensure directors follow ethical rules, act diligently, in trust and prioritize those with interests in the company.
2. Appoint a board that is strong, confident and shows diversity.
3. Directors are required to oversee company planning, define what the company aims to achieve, control risky situations and use capital wisely.
4. Match the pay of senior executives with their performance in the company.
5. Make sure rewards for top managers are based on what a company achieves over time, not just on its fast financial results.
6. An Ombudsperson needs Transparent Nomination and Audit Systems
7. Create transparent, fair and standard ways to nominate and put in place reliable and independent audit systems.
8. Bring in Environmental, Social and Governance Tools, as well as Digital Tools.
9. Adopt Environmental, Social and Governance (ESG) frameworks as a basic part of your business strategy.

### Conclusion

Corporate governance in India has seen a dramatic evolution, particularly answering high-profile wrongdoings, fiscal changes, and amplified worldwide observation. While legislations just like the Businesses Act, 2013 and SEBI rules have constructed a powerful authorized basis, true execution and social acceptance stay erratic. Continuing difficulties for instance insufficient plank autonomy, deficient principled practices, and overlapping command persist in influencing openness and liability. Furthermore, some organizations have undertaken bolder actions to strengthen internal monitoring and encourage more diverse perspectives in decision making. Yet other firms remain reluctant to overhaul traditional approaches and embrace non-traditional skills. Moving forward, heightened public scrutiny and empowered stakeholders will increasingly compel even lagging companies to modernize practices or face repercussions. Environmental, Social, and Governance criteria have rightly gained

prominence in recent times, reflecting a welcomed change in priorities toward long-term sustainability over short-term gains. Enhanced reporting standards and technological solutions for oversight have increased trust among shareholders yet require universal adoption across industries. State-run companies and family enterprises must implement rigorous protocols to satisfy contemporary standards of accountability. Risk mitigation and shareholder rights demand intensified direction from boards together with principled leadership dedicated to integrity over private interests. Promoting durable prosperity necessitates protecting our shared natural resources and enabling inclusive development for this generation and those to come. Using digital compliance tools, ESG standards and inclusive board ways of working helps create businesses that are both robust and clear. Public Sector Enterprises have to meet today's governance standards to stay relevant. It is clear that, on top of being required by law, strong corporate governance is essential for growing a company in a sustainable way, keeping roles transparent and involving all relevant parties.

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