CORPORATE GOVERNANCE AND
SOCIAL RESPONSIBILITY: PROBLEMS
AND ISSUES

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(ABSTRACT)

A Introduction
Corporate governance is considered as a system by which companies are directed and controlled. It is a set of standards which aims to improve the company’s image, efficiency, effectiveness and social responsibility. Sustainability ensures the long-term financial and economic viability of corporate investments and of requiring compliance with minimum environment viability and social standards. In this study, the researcher has critically analysed the concept of corporate governance and corporate social responsibility and the relationship between them. The issue of corporate social responsibility is an integral part of corporate strategy, planning and operational performance. Profitability should not be the sole criteria of vision and vital factor in judging the company’s performance but corporates should also focus on their responsibility towards society at large. Corporate social responsibility is the commitment of business to contribute to sustainable economic development, working with employees, their families, the local community and society at large to improve their quality of life. It covers a variety of sensitive issues such as human rights, worker’s rights, supplier’s relations and involvement.

B Objectives of the Study
An attempt has been made in this research work to study and understand the important facets of the corporate governance and corporate social responsibility in comprehensive way and to achieve new insights into it.
The main objectives of the present study are as under:
1. To understand the basic concept of corporate governance and corporate social responsibility.
2. To trace the origin and development of the corporate governance.
3. To indentify the major problems in the field of corporate governance.
4. To critically examine the position of directors in corporate governance.
5. To analyze the role of auditors in corporate governance.
6. To discuss comprehensively the relationship of corporate governance and corporate social responsibility.
7. To decipher as to how the issue of corporate governance has been dealt with in the Indian Scenario.
8. To find out the international initiatives on corporate governance.
9. To point out the possible defects and loopholes in the existing laws relating to corporate governance.
10. To suggest the reforms and remedial measures for the prevention and control of corporate scams.
C Chapter Scheme
The present research work has been divided into eight chapters.
1. Chapter 1: Introductory
2. Chapter 2: Corporate Governance-An Overview
3. Chapter 3: Upheavals in Corporate World
4. Chapter 4: Role of Directors in Corporate Governance
5. Chapter 5: Corporate Governance and Securities Laws
6. Chapter 6: Corporate Governance in Companies Act with Special Reference to Auditing and Accounting
7. Chapter 7: Social Commitment and Corporate Social Responsibility
8. Chapter 8: Conclusion and Suggestions

D Suggestions
Based on the study following suggestions are recommended:
1. Comprehensive Definition of Independent Director
2. Separate Chairman and CEO
3. Overall Development of Directors
4. Performance Evaluation System and Monitoring
5. Effective Remuneration Committee
6. Effective and Vigilant Nominations Committee
7. Mandatory Corporate Compliance Committee
8. Transparent Remuneration Policy
9. Responsibility Statement and Compliance
10. Protection to Whistle Blower
11. Change of Auditors from Time to Time
12. Standardization of Presentation in Annual Report
13. Prohibition of Solicitation in Annual Report
14. Disclosure of Conflict of Interest by Institutional Investors
15. Public and Investor Relation Cell
16. Boards should be Responsible for Sustainability
17. Establishment of Risk Management Professional Unit
18. Independent Audit Committee
19. Continuous Review of the Audit Committee
20. Legal Experts in Audit Committee
21. Recognizing Role of Various Players in Promoting CSR
22. Review of existing CSR Policy
23. Carrying of CSR Activities with Commercial Activities
24. Integration of Business Plan with CSR
25. Shifting of CSR Planning needs from Adhoc Charity to a Long Term Sustainable Approach
26. Matching of Long Term CSR Plan with Long Term Business Plan
27. Helping of CSR Activities in Building a Positive Image of Company
28. Selection of activities under CSR
29. Involvement of Suppliers in CSR