

FSO305 Corporate Governance and Social Responsibility [4 Credits]

Learning Objective: *The objective of this paper is to provide an in-depth understanding of corporate governance practices and business ethics and corporate social responsibility.*

UNIT 1: Over view of Corporate Governance (12 Hours)

Introduction – Concept of Corporate Governance - Definition of Corporate Governance - Issues in Corporate Governance – Need and Importance of Corporate Governance - **Models of Corporate Governance** - Recommendation of Cadbury Committee – Confederation of Indian Industries Code – Kumara Mangalam Birla Committee Recommendations – Naresh Chandra Committee Reports – Dr.J.J Irani Committee Report on Company Law, 2005 – Clause 49 under SEBI . **Theories and Practice of Corporate Governance** - Concept of Corporation – Theories basis of Corporate Governance – Corporate Governance Mechanism – Corporate Governance System – Indian Model – Corporate Governance and Its obligation to Stakeholders – International Corporate Governance Committees – OECD Principles

UNIT 2: Corporate Governance and Investor Protection (12 Hours)

Agents and Institutions in Corporate Governance: Rights and Privileges of Shareholders – Introduction – Rights of Shareholders – Views of Various Committees on the Issue – Grievance Redressal Process. - **Investors Problems and Protection:** Introduction – Investor Protection in Corporate Governance – Investor Protection in India – SEBI Guidelines - **Corporate Governance – Shareholders:** Shareholders’ Rights, Responsibilities - Minority Shareholders’ Protection – Grievance Redressal Process – Investor Protection and Corporate Governance in India - Corporate Governance and Financial Performance.

UNIT 3: Corporate Governance and Types of Board Committees (12 Hours)

Corporate Governance - Board Structures and Styles: Corporate Governance – Chief Executive Officer – Professional Managers and Family Managers - Board Structures and Styles: Role of the Board of Director in ensuring Corporate Governance - Types of Board of Directors- Directors Remuneration – Family owned business and Corporate Governance - Issues in designing a Board - Styles of functioning of Boards - Constitution of Audit Committee - Remuneration Committee - Nomination Committees – Grievance Committee - Need, Duties and Responsibilities of Committees

UNIT 4: Corporate Governance and Stakeholders (12 Hours)

Corporate Governance – Other Stakeholders - Corporate Governance and Employees – Corporate Governance and Customers - Corporate Governance and Institutional Investors - Corporate Governance and Creditors - Corporate Governance and Community - Corporate Governance and Government

UNIT 5: Business Ethics (12 Hours)

Business Ethics – Introduction – Importance and Need for Business Ethics – Roots of Unethical Behavior – Unethical issues in corporate world - **Corporate Social Responsibility** – Introduction – Definition of CSR – Scope – CSR in Indian Companies – Environmental Social Responsibility – Introduction – Industrial Pollution – Pollution Prevention – Corporate **Environment** Performance – Environmental Management in India - **SEBI and Corporate Governance** - Introduction – SEBI Clause 49 – SEBI's Role in Promoting Corporate Governance – SEBI's Shortcomings – Recommendations for SEBI's Improvement.

Suggested Readings:

1. C.S.V.Murthy ,Business Ethics, HPH
2. Franchis and Mishra, Business Ethics
3. Fernando, Corporate governance, Pearson
4. S. Prabakaran, Business Ethics & Corporate Governance, EB
5. Mallin, Corporate Governance, Oxford
6. U.C Mathur, Corporate governance & Business Ethics, , MacMillan
7. Hartment and Chatterjee, Perspectives in Business Ethics, TMH
8. L.P. Hartman, Business ethics Tata Mc Grawhill.