

CORPORATE GOVERNANCE

IN

STATE OWNED ENTERPRISES

# PHILOSOPHY

Doing right things under

→ moral

→ ethical

→ value framework

# FEATURES

- ❖ Exercise of legitimate political power
- ❖ Equitable
- ❖ Transparent
- ❖ Non-discriminatory
- ❖ Socially sensitive\
- ❖ Participatory
- ❖ Accountable to people at large

# ENABLING AMBIENCE

- ❖ Corporate governance thrive in good public governance
- ❖ Govt. can neither have a minimalist or dominant role
- ❖ Building personal capability/community capacities for human development
- ❖ Creating conducive environ. for growth, development and improving efficiency for resource use

# FACILITATORS

- ❖ Civil society
- ❖ Consumers association
- ❖ Stake holders forum
- ❖ Political philosophy

# IMPLEMENTING AGENTS

❖ Management

❖ State

❖ Other domestic & international players

# PRINCIPLES

- ❖ Protect interest and achieve objective of the enterprise
- ❖ Transparency
- ❖ Accountability
- ❖ Responsiveness

# PRESENT TREND.

- ❖ Corporate governance is totally dynamic in nature
- ❖ Domestic and international incidents are continuously shaping this area

# PRESENT TREND CONTD.

- ❖ I T and globalization have great influence
- ❖ RTI Act is playing a catalytic role
- ❖ Codes and charters make it structured
- ❖ Role of electronic and print media

# REASONS FOR POOR CG

- ❖ Conflicting objectives of trade union & Mgmt.
- ❖ Delayed decision making
- ❖ Poor transparency and accountability
- ❖ Lack of competent manpower
- ❖ Inadequate political will

# BENEFITS

- Lower corruption
- Higher economic performance
- Enables creativity and innovation
- Promotes entrepreneurship
- Serves larger interest of the public
- Stakeholders domain increases and bond strengthens