

## “UNDERSTANDING CORPORATE GOVERNANCE: SUCCESS & FAILURE IN THE LIGHT OF TWO WORLD FAMOUS SCANDALS-ENRON & SATYAM: A PARALLEL STUDY”

NISHANT SHARMA<sup>1</sup> & RUCHITA DANG<sup>2</sup>

<sup>1</sup>Research Scholar, Department of Commerce, Delhi School of Economics, University of Delhi, Delhi, India

<sup>2</sup>Department of Commerce, Motilal Nehru College, University of Delhi, Delhi, India

### ABSTRACT

Some years ago corporate social responsibility was not an emphasized business practice in general. But it has gained a special emphasis in the last 10-20 years and corporate social responsibility is now seen as a driver of good corporate governance & the reasons behind was the need of a mechanism that ensures good corporate governance & a need on the part of corporate entities to fulfill their social responsibility that is taking care of the sector for which it has its existence. Various scandals in the recent years including Enron, Satyam, Tyco, Normura, Worldcom, Quest etc has further strengthened the need for a strong and effective mechanism for good corporate governance and other related aspects such as ethical practices of business and their responsibility towards the society. The paper gives an insight of various ethical concerns with respect to governance and social responsibilities of corporate entities & also suggests guidelines for ethical behavior. A parallel study of two outrageous corporate scandals has been provided herein so as to derive some lessons out of these two scandals & to suggest corrective policy actions/measures.

**KEYWORDS:** Corporate Governance, Corporate Social Responsibility, Business Ethics, Satyam, Enron



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