

# GLOBAL EDUCATION NETWORK SOCIETY'S



## A Special Session on Corporate Governance.

On 19th Sept, 2014 as special session on Corporate Governance (CG) was organized for the final year MBA students as a part of their study. Dr Vijay Thite gave a talk on CG for two hours.

In his talk Dr Thite covered the basics of CG like definition, meaning and need. Later he went on to add the various legal aspects in terms of compliance and frame work in which CG operates.

Touching the international perspective he added that CG in formal part started in 1991 with the Cadbury report on CG in UK which was the result of few corporate failing and the investors putting to the losses. Cadbury report on CG has become the fundamental now in CG.

In USA the SOX Act covers the CG operation. Though it was not a compulsion, in Africa the report on CG by King in three parts as King's report 1,2 an 3 has become a corner stone on CG in that country. He added it more a voluntary work but has been reckoned as one of the best on CG.

The essence of CG is to ensure transparency, accountability, and fairness he elaborated. The companies come to handle lot of public money particularly the listed companies hence the protection of minority share-holders is important.

The various frauds the companies are vulnerable to are the result of greed and failure of CG he informed the audience. In the digital world it is very difficult to trace the fraud hence the system audit has assumed the importance. Citing the example of failed Enron and the role of auditor Dr Thite informed that in ensuring the good CG the role of auditor is very vital.

In the Q & A session that followed the various issues raised by the students covered 1) What is so special about CG,2) Is mandatory driven CG model a good model 3) Is the present CG model more a compliance oriented 4) what is cost of CG on the P & L of a company 5) The role of parent company in setting CG in group companies in case of big corporate group 6) the co-relation between vision, mission and CG 7) has CG been able to control the frauds and unethical practices 8) how the CG becomes difficult when the companies raise money in internationally.

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### A Brief Profile of Dr Vijay Thite.

**BSc (Physics)** Karnataka University, Dharwad.**FCA**Fellow Member of the Institute of artered Accountants of India.**CFE (USA)**Certified Fraud Examiner, Member of Association of Fraud Examiners, **USACISA (USA)** Certified Information Systems Auditor information Systems and Audit Control Association, USA. (**Gold Level member**),**DISA (ICA)**Information Systems Auditor from the, Institute of Chartered Accountants of India. **Ph.D** Karnataka University, Dharwad, awarded the Doctorate for the thesis on the subject of “ **Privatization of Public Sector Undertaking – An Indo British Comparative Study**”.

**Author of Book titled** Political Economy of Global Financial Crisis & Hand book on IS Audit of Banks.