

A Study on Legal Implication and Governance Mechanism for Corporate Management in Chennai

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Abstract: *Corporate governance refers to mechanisms of interests' alignment through which corporations are controlled and directed by their shareholders, other stakeholders (employees, creditors, investors, customers, suppliers etc.), as well as the public as a whole. Without effective governance mechanisms, the principal-agent problem may arise, enabling the management ("agents") to engage in "opportunistic behavior". The objective of the study is to analyze the governance mechanisms that are being developed to address challenges in corporate management and to find whether corporate management has the responsibility to consider the social and environmental impact of their business activities. The research method followed is an empirical method. The data is collected through a questionnaire and the sample size is 200. The convenience sampling method is adopted in the study to collect the data. The samples were collected from friends, relations through google form in Chennai region. The independent variables are age, gender, occupation, education qualification and marital status. The dependent variables are governance mechanisms that are being developed to address challenges in corporate management, does corporate management have responsibility to consider the social and environmental impact of their business activities, does corporate management have the duty to provide accurate, timely and complete information to shareholders, regulatory authorities and other shareholders. The researcher used graphs to analyze the data collected. As companies continue to become increasingly aware of their impact on the environment and society, corporate governance is placing an ever increasing emphasis on sustainability and social responsibility*

Keywords: Mechanism, Corporate governance, Corporate management, Stakeholders, Shareholder

