



Trends In Corporate Governance: A Review Of Global Practices And The Indian Context

Dr. J. Rama Devi¹

Assistant Professor of Commerce

Smt. NPS Government Degree College for Women (A), Chittoor

Dr K Ushasri²

Principal,

Government Degree College, Salur
Parvathipurammanyam Dist. Andhra Pradesh.

ABSTRACT

Corporate governance has emerged as a critical framework for ensuring transparency, accountability, and ethical management of corporations in an increasingly globalized economy. Sound governance practices are essential for protecting stakeholder interests, enhancing investor confidence, and ensuring sustainable corporate performance. In recent decades, corporate governance systems across the world have undergone significant transformation due to financial crises, corporate scandals, regulatory reforms, and growing emphasis on sustainability and social responsibility. The rationale for this review lies in understanding how global governance trends are evolving and how India, as a major emerging economy, is aligning its governance practices with international standards.

The primary objective of this study is to examine key global trends in corporate governance and analyze their relevance and application within the Indian context. The study adopts a descriptive and analytical approach based on a systematic review of academic literature, international policy reports, and regulatory frameworks from both global and Indian sources. The review covers the period from 2000 to 2025 to capture long-term structural changes in governance practices.

The study identifies major global trends such as the shift from shareholder-centric to stakeholder-oriented governance, integration of Environmental, Social, and Governance (ESG) considerations, increasing emphasis on board diversity and independence, alignment of executive compensation with performance, and the growing role of digital technologies in governance processes. In India, corporate governance has evolved significantly through regulatory reforms such as the Companies Act, 2013 and SEBI's Listing Obligations and Disclosure Requirements (LODR). The findings highlight both convergence with global standards and persistent challenges in implementation. The study offers important implications for policymakers, corporate leaders, and researchers in strengthening governance frameworks and promoting sustainable business practices.

Keywords: Corporate Governance, Global Governance Practices, Indian Corporate Governance, ESG, Board Structure, Regulatory Frameworks, Stakeholder Capitalism.

1. INTRODUCTION

Corporate governance refers to the system of rules, practices, and processes by which companies are directed and controlled. It defines the distribution of rights and responsibilities among various stakeholders such as shareholders, boards of directors, management, employees, customers, and society at large. In modern economies, effective corporate governance is crucial for ensuring corporate accountability, minimizing agency conflicts, and promoting long-term value creation.

Several high-profile corporate governance failures, including Enron, WorldCom, Satyam, and the global financial crisis of 2008, exposed weaknesses in governance structures and regulatory oversight across countries. These failures underscored the importance of transparency, ethical leadership, independent oversight, and robust regulatory frameworks. Consequently, governments, regulators, and international organizations intensified efforts to reform corporate governance standards.

The forces of globalization, increased cross-border investments, institutional investor activism, and heightened regulatory scrutiny have further accelerated convergence in governance practices worldwide. Emerging economies like India face the dual challenge of adopting global best practices while addressing domestic institutional, cultural, and economic realities. Therefore, a comparative review of global and Indian corporate governance practices is both timely and relevant.

The objectives of this study are to analyze key global trends in corporate governance, examine the evolution of corporate governance in India, and identify similarities, differences, challenges, and future directions. The scope of the study is limited to a conceptual and policy-oriented review rather than empirical testing.

2. METHODOLOGY OF THE STUDY

The present study adopts a descriptive and analytical research design, relying on a systematic review of secondary data to examine evolving trends in corporate governance at the global level and within the Indian context. A systematic literature review approach was employed to ensure transparency, rigor, and replicability in the selection and analysis of relevant studies. This method is particularly appropriate for synthesizing theoretical developments, regulatory reforms, and policy-oriented insights in corporate governance research.

The data sources for the study include peer-reviewed research articles published in reputed international journals indexed in Scopus and Web of Science, which provide high-quality academic evidence on global governance practices. In addition, authoritative reports and policy documents published by international institutions such as the Organisation for Economic Co-operation and Development (OECD), World Bank, and International Finance Corporation (IFC) were reviewed to capture global standards, benchmarks, and reform initiatives. To analyze the Indian corporate governance framework, regulatory documents, circulars, and guidelines issued by Indian authorities, particularly the Securities and Exchange Board of India (SEBI) and the Ministry of Corporate Affairs (MCA), were examined in detail.

The review period spans from 2000 to 2025, a phase marked by significant corporate governance reforms following major global corporate scandals, financial crises, and the growing emphasis on sustainability and stakeholder-oriented governance. This time frame enables the study to trace long-term structural changes and recent developments, including ESG integration, board reforms, and digital governance initiatives.

Literature selection was guided by clearly defined inclusion criteria, such as relevance to corporate governance mechanisms, focus on global or Indian governance frameworks, credibility of the publication source, and contribution to theoretical, regulatory, or policy debates. Both conceptual studies that explain governance theories and empirical or policy-oriented studies that analyze regulatory practices were included to provide a comprehensive perspective.

Despite its comprehensive scope, the study has certain limitations. It is based entirely on secondary data and does not incorporate primary empirical evidence or firm-level quantitative analysis. The focus is primarily on listed companies, as governance regulations and disclosures are more formalized in these entities; therefore, governance practices in small, unlisted, or informal sector firms may not be fully captured. Nonetheless, the methodology provides a robust foundation for understanding broad governance trends and drawing meaningful policy and research implications.

3. CONCEPTUAL FRAMEWORK OF CORPORATE GOVERNANCE

The conceptual framework of corporate governance is rooted in multiple theoretical perspectives that explain the relationships among shareholders, management, the board of directors, and other stakeholders. These theories provide the intellectual foundation for governance structures, regulatory mechanisms, and best practices adopted across countries.

Agency Theory is one of the most influential frameworks in corporate governance literature. It focuses on the principal–agent relationship, where shareholders (principals) delegate decision-making authority to managers (agents). Due to separation of ownership and control, managers may pursue personal interests at the expense of shareholder wealth, leading to agency costs. Corporate governance mechanisms such as independent boards, performance-based executive compensation, audits, and disclosure requirements are designed to mitigate these conflicts and align managerial actions with shareholder interests.

Stakeholder Theory broadens the scope of corporate governance by recognizing that corporations are accountable not only to shareholders but also to a wide range of stakeholders, including employees, customers, suppliers, creditors, communities, and the environment. According to this perspective, long-term corporate sustainability depends on balancing diverse stakeholder interests. This theory has gained prominence in the context of globalization, corporate social responsibility (CSR), and ESG-driven governance models, emphasizing inclusive growth and ethical business conduct.

Stewardship Theory offers a contrasting view by portraying managers as stewards who are intrinsically motivated to act in the best interests of the organization rather than as self-interested agents. This perspective suggests that empowering management, fostering trust, and encouraging long-term orientation can enhance corporate performance. Stewardship theory is particularly relevant in contexts characterized by concentrated ownership, family-controlled firms, and relationship-based governance systems, such as those prevalent in many emerging economies, including India.

Despite differences in theoretical orientation, there is broad consensus on the core principles that underpin effective corporate governance. Transparency refers to timely, accurate, and comprehensive disclosure of financial and non-financial information, enabling stakeholders to make informed decisions. Accountability ensures that boards and management are answerable for their actions and decisions, supported by robust monitoring and control systems. Fairness emphasizes equitable treatment of all shareholders, particularly minority shareholders, and protection of their rights. Responsibility underscores ethical behavior, compliance with laws and regulations, and commitment to sustainable and socially responsible business practices.

Corporate governance is operationalized through a set of internal and external mechanisms. Internally, the board of directors plays a central role in strategic oversight, risk management, and monitoring executive performance. The presence of independent directors enhances objectivity and reduces conflicts of interest. Specialized board committees, such as audit committees, nomination and remuneration committees, and risk management committees, strengthen governance effectiveness by focusing on specific oversight functions. Internal control systems and internal audits further support sound governance practices.

Externally, corporate governance is reinforced through statutory audits, regulatory supervision, market discipline, and shareholder activism. Protection of shareholder rights, including voting rights, access to information, and participation in key corporate decisions, is a fundamental element of good governance.

Collectively, these mechanisms aim to align corporate behavior with stakeholder expectations, regulatory requirements, and broader societal interests, thereby enhancing trust, performance, and long-term corporate sustainability.

4. GLOBAL TRENDS IN CORPORATE GOVERNANCE

Corporate governance practices worldwide have undergone substantial transformation in response to economic globalization, technological advancement, investor activism, regulatory reforms, and growing societal expectations. These changes reflect a shift toward more inclusive, transparent, and sustainability-oriented governance models.

4.1 Shift from Shareholder to Stakeholder Governance

Traditionally, corporate governance frameworks emphasized shareholder wealth maximization as the primary objective of firms. However, in recent years, there has been a pronounced global shift toward stakeholder-oriented governance models. Stakeholder capitalism recognizes that long-term corporate success depends on balancing the interests of multiple stakeholders, including employees, customers, suppliers, local communities, regulators, and the environment. Influential global initiatives, such as the World Economic Forum's stakeholder capitalism framework and revised corporate purpose statements in several countries, underscore this transition.

This shift reflects growing awareness that short-term profit maximization can undermine long-term sustainability and social trust. Firms are increasingly expected to demonstrate responsible business conduct, ethical leadership, and social value creation. As a result, boards are expanding their oversight roles to include stakeholder engagement, human capital management, and environmental stewardship.

4.2 ESG and Sustainability Integration

The integration of Environmental, Social, and Governance (ESG) considerations has emerged as a defining trend in global corporate governance. Investors, regulators, and rating agencies increasingly rely on ESG metrics to assess corporate risk, resilience, and long-term value creation. Companies are now expected to disclose information on climate change risks, carbon emissions, resource efficiency, labor practices, diversity and inclusion, and governance structures.

Mandatory and voluntary sustainability reporting frameworks, such as integrated reporting and climate-related financial disclosures, have strengthened the role of ESG in governance systems. ESG factors are no longer viewed as peripheral concerns but are embedded in corporate strategy, risk management, and performance evaluation. This integration has also influenced capital allocation decisions, with a growing share of global investments directed toward sustainable and responsible enterprises.

4.3 Board Structure and Diversity

Board composition and structure have become central to effective corporate governance. Globally, there is increasing emphasis on board independence, diversity, and competence to enhance oversight quality and strategic decision-making. Gender diversity, in particular, has gained policy attention, with several countries introducing quotas or targets for female representation on corporate boards. In addition to gender, diversity in skills, professional background, age, and nationality is recognized as a means to improve board effectiveness.

Independent directors play a critical role in monitoring management, mitigating conflicts of interest, and safeguarding minority shareholder rights. Boards are also expected to possess expertise in emerging areas such as sustainability, digital technology, and risk management, reflecting the evolving complexity of corporate environments.

4.4 Executive Compensation and Performance Alignment

Executive remuneration practices are undergoing significant reform across jurisdictions to address concerns over excessive pay and misalignment between compensation and performance. There is growing emphasis on linking executive pay to long-term financial performance, risk management, and sustainability outcomes. Variable compensation components increasingly incorporate non-financial indicators, including ESG performance metrics.

Say-on-pay mechanisms, which allow shareholders to vote on executive compensation policies, have strengthened accountability and transparency. These mechanisms empower investors to influence remuneration practices and discourage short-termism. Consequently, executive compensation is increasingly viewed as a governance tool for promoting sustainable value creation rather than merely a reward mechanism.

4.5 Digital Governance and Technology

Digital transformation has significantly reshaped corporate governance practices. The adoption of digital technologies such as artificial intelligence, data analytics, and digital reporting platforms has enhanced board decision-making, monitoring capabilities, and information transparency. Technology-enabled governance allows real-time access to data, improved risk assessment, and more efficient compliance management.

At the same time, digitalization has introduced new governance challenges, particularly in the areas of cybersecurity, data privacy, and ethical use of technology. Boards are now expected to oversee digital risks, ensure robust cybersecurity frameworks, and comply with evolving data protection regulations. As digital dependence increases, effective digital governance has become an integral component of modern corporate governance systems.

5. CORPORATE GOVERNANCE PRACTICES IN INDIA

Corporate governance practices in India have undergone substantial transformation over the past three decades, shaped by economic liberalization, globalization, corporate scandals, and continuous regulatory reforms. As one of the world's major emerging economies, India has sought to align its governance framework with global best practices while addressing domestic institutional and ownership realities.

5.1 Evolution of Corporate Governance in India

The evolution of corporate governance in India can be broadly traced to the post-liberalization period beginning in 1991. Economic reforms opened Indian markets to foreign investment, increased competition, and integration with global capital markets. These developments exposed Indian corporations to international investors who demanded higher standards of transparency, accountability, and disclosure.

Early governance initiatives in India included voluntary codes and committee recommendations, such as the Kumar Mangalam Birla Committee (1999), which laid the foundation for formal governance norms. Subsequent corporate failures, most notably the Satyam scandal in 2009, highlighted serious deficiencies in board oversight, auditing practices, and ethical conduct. These events acted as catalysts for comprehensive governance reforms, leading to stricter regulatory oversight and enhanced disclosure requirements. Over time, corporate governance in India has evolved from a largely compliance-driven model to a more structured and rule-based framework emphasizing accountability and stakeholder protection.

5.2 Regulatory Framework in India

The regulatory framework for corporate governance in India is primarily anchored in the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Companies Act, 2013 introduced significant reforms, including enhanced board responsibilities, mandatory constitution of board committees, strengthened audit mechanisms, and statutory recognition of Corporate Social Responsibility (CSR).

SEBI's LODR Regulations, applicable to listed companies, further strengthened governance norms by mandating board independence, separation of key managerial roles, timely and comprehensive disclosures, and protection of minority shareholder rights. Regulatory bodies such as the Ministry of Corporate Affairs (MCA) and SEBI play a critical role in monitoring compliance, issuing clarifications, and enforcing penalties for non-compliance. Together, these regulations aim to improve corporate transparency, investor confidence, and market integrity.

5.3 Board Practices in Indian Corporations

Board practices in Indian corporations have become more formalized and structured under the existing regulatory framework. Listed companies are required to appoint independent directors and constitute key committees such as audit committees, nomination and remuneration committees, and risk management committees. These committees are intended to enhance board effectiveness, oversight quality, and decision-making transparency.

Independent directors are expected to provide objective judgment, monitor management actions, and safeguard the interests of minority shareholders. However, concerns persist regarding the true independence, expertise, and accountability of independent directors, particularly in promoter-led and family-controlled firms. Issues such as information asymmetry, limited engagement, and potential influence of dominant shareholders continue to challenge board effectiveness in practice.

5.4 ESG and Sustainability Reporting in India

India has made notable progress in integrating ESG considerations into corporate governance through regulatory initiatives and reporting frameworks. The introduction of Business Responsibility and Sustainability Reporting (BRSR) by SEBI marks a significant step toward standardized and comprehensive ESG disclosure for listed companies. BRSR requires companies to report on environmental impact, social responsibility, governance practices, and stakeholder engagement.

Additionally, India is among the few countries to mandate Corporate Social Responsibility (CSR) spending under the Companies Act, 2013 for eligible companies. This provision institutionalizes corporate contribution to social development and aligns business objectives with national development goals. Despite these advancements, challenges such as uneven quality of disclosures, limited assurance of ESG data, and compliance-oriented reporting practices remain. Strengthening ESG governance and ensuring meaningful implementation continue to be key priorities for Indian corporations.

6. COMPARATIVE ANALYSIS: GLOBAL PRACTICES VS INDIAN CONTEXT

A comparative analysis of global corporate governance practices and the Indian context reveals both significant convergence in principles and notable divergence in implementation and effectiveness. Across jurisdictions, corporate governance frameworks are increasingly built on shared foundational principles such as transparency, accountability, fairness, and responsibility. These principles are reflected in international standards promoted by organizations such as the OECD and are incorporated into national regulatory frameworks, including India's corporate governance regulations.

At the global level, particularly in developed economies, corporate governance systems are characterized by strong enforcement mechanisms, mature institutional frameworks, and a high degree of compliance

culture. Regulatory bodies possess greater autonomy and enforcement capacity, while judicial systems offer relatively swift resolution of corporate disputes. Institutional investors and shareholder activism also play a critical role in monitoring corporate behavior, thereby reinforcing governance discipline.

In comparison, India has made substantial progress in aligning its corporate governance framework with global standards through legislative and regulatory reforms. Provisions related to board independence, disclosure requirements, audit oversight, and shareholder protection largely mirror international best practices. However, differences persist in enforcement intensity and practical implementation. Regulatory compliance in India is often perceived as rule-based and procedural, with varying levels of effectiveness in monitoring and enforcement across firms.

Ownership structure represents a key point of divergence between global practices and the Indian context. While dispersed ownership is more common in developed markets, Indian corporations are predominantly characterized by promoter-led and family-owned structures. Promoter dominance often leads to concentrated decision-making power, which can weaken board independence and limit the influence of minority shareholders. This structural feature poses challenges in fully adopting governance models that assume separation of ownership and control.

Cultural and institutional factors further influence governance outcomes. In many global markets, long-established norms of professional management, investor engagement, and disclosure transparency support effective governance. In India, relationship-based governance, informal networks, and varying levels of corporate maturity can affect the consistency and depth of governance practices. Resource constraints, particularly among mid-sized firms, also limit the ability to adopt advanced governance tools, ESG assurance mechanisms, and digital governance systems.

Despite these challenges, there is growing convergence between global and Indian corporate governance practices, driven by globalization, foreign investment, and regulatory pressure. Indian firms with international exposure, especially large listed companies, increasingly adopt global governance standards to enhance credibility and access to capital. Nonetheless, bridging the gap between formal compliance and substantive governance effectiveness remains a key challenge. Addressing enforcement gaps, strengthening institutional capacity, and fostering a culture of ethical governance are essential for achieving meaningful convergence with global best practices.

7. EMERGING CHALLENGES IN CORPORATE GOVERNANCE

Despite significant advancements in corporate governance frameworks worldwide, contemporary governance systems face a range of emerging and complex challenges. These challenges arise from increasing regulatory demands, evolving stakeholder expectations, technological disruption, and diverse ownership structures, particularly in emerging economies.

One of the major challenges is the growing regulatory compliance burden faced by corporations. The expansion of governance-related regulations, disclosure requirements, and reporting standards especially in areas such as ESG, risk management, and sustainability—has increased compliance costs and administrative complexity. While these regulations aim to enhance transparency and accountability, excessive compliance requirements may lead firms to adopt a checklist-based approach rather than embedding governance principles into corporate culture.

Another critical concern is symbolic or tokenistic board diversity. Although many jurisdictions mandate or encourage diversity in board composition, particularly gender diversity, actual inclusion and influence of diverse directors often remain limited. In some cases, board diversity is treated as a formal requirement rather than a strategic asset, reducing its potential impact on board deliberations, decision-making quality, and governance effectiveness.

ESG greenwashing has emerged as a significant governance challenge in the era of sustainability-driven corporate strategies. Companies may selectively disclose favorable ESG information or exaggerate sustainability initiatives to enhance reputation and attract investors, without making substantive changes in business practices. Weak assurance mechanisms, lack of standardized metrics, and limited regulatory oversight exacerbate the risk of misleading ESG disclosures, undermining stakeholder trust.

The governance of family-owned and promoter-led firms presents another persistent challenge, particularly in emerging markets such as India. Concentrated ownership structures can blur the distinction between ownership and management, leading to conflicts of interest, related-party transactions, and limited protection for minority shareholders. Ensuring board independence and effective oversight in such firms remains a complex governance issue.

Finally, rapid digitalization has introduced new governance risks related to technology, cybersecurity, and data privacy. As companies increasingly rely on digital platforms, artificial intelligence, and data-driven decision-making, boards are required to oversee cyber risks, ensure data protection, and address ethical concerns related to technology use. Cybersecurity breaches, data misuse, and technological failures can have severe financial, legal, and reputational consequences, making digital governance a critical component of modern corporate oversight.

Collectively, these emerging challenges highlight the need for adaptive, principle-based, and forward-looking governance frameworks. Addressing these issues requires not only regulatory interventions but also stronger ethical leadership, enhanced board capabilities, and a commitment to substantive governance practices beyond mere compliance.

8. FUTURE DIRECTIONS AND POLICY IMPLICATIONS

The evolving nature of corporate governance necessitates forward-looking reforms that move beyond formal compliance toward substantive effectiveness and ethical leadership. Future governance directions should address structural weaknesses, emerging risks, and the growing expectations of diverse stakeholders while maintaining alignment with global best practices.

A key priority for future reforms is strengthening board effectiveness. Boards must evolve from passive supervisory bodies to active strategic partners that provide informed oversight, risk governance, and long-term vision. This requires enhancing the quality of board deliberations, improving access to timely and relevant information, and ensuring that boards possess diverse expertise in areas such as sustainability, technology, risk management, and global markets. Regular board evaluations and performance assessments can further improve accountability and effectiveness.

Enhancing ESG assurance and transparency represents another critical policy direction. As ESG disclosures become central to corporate reporting and investment decisions, ensuring the credibility and reliability of ESG data is essential. Policymakers and regulators should encourage the development of standardized ESG reporting frameworks, independent assurance mechanisms, and clear disclosure guidelines. Strengthening ESG governance can help mitigate greenwashing risks and improve stakeholder confidence in sustainability claims.

Capacity building for independent directors is also vital for improving governance outcomes. Independent directors play a crucial role in safeguarding minority shareholder interests and ensuring objective oversight; however, their effectiveness depends on adequate knowledge, skills, and institutional support. Structured training programs, continuous professional development, and access to expert resources can enhance directors' ability to engage meaningfully in board processes, particularly in complex areas such as digital governance and ESG oversight.

Regulatory harmonization with global standards is increasingly important in an interconnected global economy. Aligning national governance frameworks with internationally accepted principles, such as those promoted by the OECD, can facilitate cross-border investment, improve market credibility, and reduce regulatory arbitrage. At the same time, regulatory reforms must remain sensitive to local institutional contexts and ownership structures to ensure practical relevance and enforceability.

Academia and research institutions have a vital role to play in shaping future corporate governance reforms. Through rigorous empirical research, policy analysis, and interdisciplinary studies, academic institutions can generate evidence-based insights that inform regulatory design and corporate practices. Collaboration between regulators, industry, and academia can further strengthen governance reforms by bridging the gap between theory and practice.

9. RESEARCH GAPS AND SCOPE FOR FUTURE RESEARCH

Despite the growing body of literature on corporate governance, several important research gaps remain, particularly in the context of emerging economies such as India. Much of the existing governance research is concentrated on developed markets, limiting the generalizability of findings to countries with different institutional structures, ownership patterns, and regulatory environments. Therefore, there is a strong need for more empirical studies that examine corporate governance practices and outcomes in emerging markets.

One significant gap lies in the limited availability of firm-level empirical evidence linking corporate governance mechanisms to financial performance, risk management, and long-term value creation in the Indian context. Future research can employ quantitative methods to analyze the impact of board composition, ownership structure, executive compensation, and ESG practices on firm performance across sectors and time periods.

Sector-specific governance analysis represents another important area for future research. Governance challenges and practices often vary significantly across industries such as banking and finance, information technology, manufacturing, infrastructure, and public sector enterprises. Comparative sectoral studies can provide nuanced insights into how regulatory requirements, risk profiles, and stakeholder expectations influence governance effectiveness.

There is also scope for deeper investigation into governance dynamics in family-owned and promoter-led firms, which dominate the corporate landscape in India. Research can explore issues related to succession planning, board independence, related-party transactions, and the protection of minority shareholders in such firms. Qualitative and mixed-method studies may be particularly useful in capturing the complexities of relationship-based governance structures.

The role of technology in shaping future governance models remains an underexplored area. Emerging technologies such as artificial intelligence, big data analytics, and blockchain have the potential to transform board decision-making, compliance monitoring, auditing processes, and stakeholder engagement. Future studies can examine how digital tools enhance governance effectiveness, manage cyber risks, and support transparent and real-time reporting.

Finally, interdisciplinary research that integrates insights from finance, law, management, ethics, and information technology can contribute to a more holistic understanding of corporate governance. Such research can inform policymakers, regulators, and practitioners by providing evidence-based recommendations tailored to evolving economic and technological environments.

10. CONCLUSION

This study provides a comprehensive review of contemporary trends in corporate governance, examining the convergence of global governance practices and their adaptation within the Indian context. The analysis demonstrates that corporate governance frameworks worldwide are increasingly shaped by sustainability imperatives, stakeholder-oriented approaches, enhanced regulatory oversight, and rapid technological change. These forces have collectively contributed to a gradual alignment of governance principles across jurisdictions, particularly in areas such as transparency, accountability, board effectiveness, and ESG integration.

The review highlights that India has made substantial progress in strengthening its corporate governance architecture through legislative and regulatory reforms, notably the Companies Act, 2013 and SEBI's Listing Obligations and Disclosure Requirements (LODR) Regulations. Initiatives such as mandatory board committees, enhanced disclosure norms, ESG reporting through BRSR, and statutory CSR provisions reflect India's commitment to aligning with international governance standards. Large listed companies, especially those with global exposure, have increasingly adopted best practices to enhance credibility, investor confidence, and access to capital.

However, despite this progress, persistent challenges remain in the areas of implementation, enforcement, and governance quality. Issues such as promoter dominance, limited board independence, compliance-oriented governance practices, ESG greenwashing, and emerging digital risks continue to constrain the effectiveness of governance mechanisms. The gap between formal regulatory compliance and substantive governance outcomes underscores the need for stronger institutional capacity, ethical leadership, and a governance culture that prioritizes long-term value creation over short-term gains.

Strengthening corporate governance is essential for achieving sustainable, inclusive, and ethical business growth in the long run. Effective governance frameworks not only protect shareholder and stakeholder interests but also enhance corporate resilience, risk management, and societal trust. Moving forward, a balanced approach that integrates robust regulation, capable and accountable boards, credible ESG practices, and evidence-based policymaking will be crucial. Such an approach will enable corporations particularly in emerging economies like India to navigate complex global challenges while contributing meaningfully to sustainable economic development.

REFERENCES

1. Agnihotri, A. and Gupta, S., 2019. Relationship of corporate governance and efficiency of selected public and private sector banks in India.
2. Al Maqtari, F.A., Al-Hattami, H.M., Al-Nuzaili, K.M. and Al-Bukhrani, M.A., 2020. Corporate governance in India: A systematic review and synthesis for future research. *Cogent Business & Management*, 7(1), p.1803579.
3. Alabdullah, T.T.Y., Ahmed, E.R. and Muneerali, M., 2019. Effect of board size and duality on corporate social responsibility: what has improved in corporate governance in Asia? *Journal of Accounting Science*, 3(2), pp.121-135.
4. Al-Ahdal, W.M., Alsamhi, M.H., Tabash, M.I. and Farhan, N.H., 2020. The impact of corporate governance on the financial performance of Indian and GCC listed firms: An empirical investigation. *Research in International Business and Finance*, 51, p.101083.
5. George, A.M., 2021. Factors affecting corporate environmental disclosure in emerging markets: The role of corporate governance structures. *Business Strategy and the Environment*, 30(1), pp.609-629.
6. Löhde, A.S.K., Campopiano, G. and Calabro, A., 2021. Beyond agency and stewardship theory: shareholder–manager relationships and governance structures in family firms. *Management Decision*, 59(2), pp.390-405.

7. Helmers, C., Patnam, M., and Rau, P.R. (2017), "Do board interlocks increase innovation? Evidence from a corporate governance reform in India", *Journal of Banking & Finance*, Vol.80, pp.51–70.
8. Islam, A.U. (2020), "Do Shareholder Activism Effect Corporate Governance and Related Party Transactions: Evidences from India?", *Indian Journal of Corporate Governance*, 13 No.2, pp. 165-189.
9. Jackling, B., and Johl, S. (2009), "Board structure and firm performance: Evidence from India's top companies. *Corporate Governance: An International Review*, 17 No.4, pp.492-509.
10. Jacob, C., and PJ, J.L. (2018), "Institutional ownership and dividend payout in emerging markets: Evidence from India. *Journal of Emerging Market Finance*, 17 No.1 suppl, S54-S82.
11. Jaiswall, S.S.K., and Bhattacharyya, A.K. (2016), "Corporate governance and CEO compensation in Indian firms", *Journal of Contemporary Accounting & Economics*, Vol.12 No.2, pp.159–175.

