

Corporate mismanagement a threat: SC judge

PTI | 08:01 PM, Jan 06, 2012

New Delhi, Jan 6 (PTI) Justice A K Ganguly of the Supreme Court today pitched for greater emphasis on corporate social responsibility saying "unfettered and wild corporate mismanagement" is a threat that has received attention due to high profile scandals involving abuse of corporate power. Justice Ganguly quoted Mahatma Gandhi that 'a violent and bloody revolution is a certainty one day unless there is a voluntary abdication of riches and the power that the riches give and share them for the common good'. He said "some might consider this an overly extreme point of view but it is not a point of view that can be ignored". "Improved corporate governance policies and a greater emphasis on corporate social responsibility will go a long way in ensuring the continued sustainable growth of industry in India while at the same time ensuring the synergy of industries with society at large," he added. Justice Ganguly was speaking at a roundtable discussion on 'The Transformation From Greed to Good: Changing Dimensions of Corporate Governance' organised by a law firm Nishith Desai Associates on the opening of its New Delhi office. He said corporate "mismanagement" was a threat as the economic landscape is changing with rapid economic and technological developments and due to increased private corporatisation. "For this, unfettered and wild corporate mismanagement is a threat that is becoming more dangerous on an unprecedented scale. In recent years, corporate governance as a concept has received increased attention because of high-profile scandals involving abuse of corporate power and in some cases alleged criminal activity by corporate officers," the judge said. PTI UPT RKS AKI