

Corporate Governance and Business Ethics: Corporate Remuneration

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Abstract

Today, the business magazines throughout the world talk about the mergers and acquisitions that India Inc. has under its belt. We have instances where a few are raising their eyebrows when it comes to the increasing gap between the rich and the poor. This explains the growing gap between the lower and higher cadre of employees. To integrate with the global economy and see rising pay levels, we don't veer away from the tenets of responsible executive remuneration. This paper analyses about the executive remuneration and the observed differences in India and the USA. It also addresses on the multi-dimensional theme of corporate governance which deals with issues of accountability and fiduciary duty, essentially advocating the implementation of policies and mechanisms to ensure good behaviour and protect shareholders. Another key focus is the economic efficiency, through which the corporate governance system should aim to optimize economic results, with a strong emphasis on shareholders welfare. Insights based on the interview with representatives from the board are included in the paper. The paper concludes with suggestions for international corporate governance network, corporate governance committee and executive governance committee.

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