

## **CORPORATE GOVERNANCE IN HEAVY ENGINEERING INDUSTRY IN INDIA**

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### **ABSTRACT**

The present study seeks to examine critically the governance practice and to evaluate the needs of corporate governance in the Heavy Engineering Industry in India. The study has been made to evaluate the state of compliance of the key governance parameter in Heavy Engineering Industry in line with the statutory and non-mandatory requirements stipulated by the Revised Clause 49 of (SEBI) Listing Agreement as also the provisions required by the Companies Act, 1956.

The study is based on secondary data. For the purpose of analysis, various tools have been used in the study like percentage growth, Compound Annual Growth Rate, simple average, percentage, rank and paired t test. The study covers only listed companies of Heavy Engineering Industry. The sample size of the study is 12 companies. An effort was made to collect the data of sample companies over a period of five years (2003-04 to 2007-08).

The main objectives of the study are: To study the concept of corporate governance and check the level of compliance of corporate governance codes by Heavy Engineering Industry's companies in India.

Findings say that most companies adhere to compliance of mandatory requirements of corporate governance codes and standards as per Clause 49 of Listing agreement. As far as non-mandatory requirements are concerned companies are reluctant to abide by them.

In today's highly competitive and turbulent business environment all modern organizations are operating in dynamic changing scenario. Due to increasing complexities and cut throat competition running organizations effectively became challenge for employers. To gain

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