



IMPACT OF CORPORATE GOVERNANCE ON FIRMS VALUATION AT ENGRO CORPORATION

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ABSTRACT:

This thesis (Project) narrates that how a strong corporate governance structure would eliminate, or at least reduce, the conflict of interests between the stockholders and management because all the major aspects and prospects are as according to the rules laid down by the governing bodies. The efficiency of corporate governance structures is most likely to be enhanced if the role of the board of directors as a tool of control is explicitly emphasized.

The significance of study seems to be a controversial issue but it is most important for all the stakeholders of a business. The research paper clearly demonstrates the issues in the major corporations of the world and how they intentionally commit fraud and eat up the investor's money. Furthermore the research paper emphasize on the necessarily of the law of corporate governance and its implementation in companies.

My research helped me to conclude that Corporate governance is the code of doing business in an effective manner where companies acting upon these principles shows the true and clear picture of their management efficiency and performance, in order to maintain a clear transparent and effective business operation corporate governance rules are mandatory, following the principles of corporate governance and code of conduct is nowadays really become the focal point of attention for the stakeholders of that particular business.

Whereas the corporate governance culture at Engro Corporation becomes the role model for the whole industry a set of best practices required to fulfill the requirements to ensure the safety and security of investor's interest in a manner that all the decision are taken in consideration with the economic and environmental conditions with a view to strengthen the company. Engro maintained a triple bottom line in order maintain a steady growth prospect i.e. People, Planet, Profits. The model of corporate governance at Engro Corporation is based on three committees together they ensure the standards and risk management; health and environmental safety as well as employee development are also the foremost pillars to strengthen the Engro's growth.