

THE NEW CONCEPT OF CORPORATE GOVERNANCE IN THE SYSTEM OF COMPANY MANAGEMENT

Dr. Mohammed Saud Alnasair Alenaze

*Associate Professor of Law & Former Head, Private Law Department, College of Law, University of Bahrain, Kingdom of
Bahrain*

ABSTRACT

A fascinating aspect of the present day system of company management is the new concept of 'Corporate Governance'. Under the new system of company's management the obligations which the companies have to perform are not just the same as they used to be under the ancient Principles of Common Law from which had originated and developed the system of company management. On the other hand, there are certain obligations and responsibilities under the new principles in addition to the earlier ones which are applicable to corporate bodies starting with their formation until they go out of existence.

In this context, a far reaching change that has since taken place in the system of company management is that from the basic law with regard to the creation of corporate bodies and their functions, there is a new body of norms regarding the nature and extent of their duties and responsibilities. One such collection of norms is the 'Code of Corporate Governance' which is of recent origin and is the result of formal codification at the level of individual nations. This new collection of norms by certain states has brought in new principles in regard to the management of companies.

The object of this article is to highlight the nature and scope of the new legal framework called the Code of Corporate Governance. An effort has been made here to highlight the message of the new Codes as far as certain leading legal systems are concerned in regard to the system of company management which system is designated as the 'corporate governance'.

KEYWORDS: *Salient features of corporate bodies, Present day functions of corporate bodies, New forms of corporate responsibility and Principles of Corporate Responsibility under the select Codes of Corporate Governance.*

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