Accountability of a company: objective analysis through subjective perception (April 2025)

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ABSTRACT

Accountability, an extensive and a contentious concept which in simple theoretical definition means an obligation or willingness to one's action, but when the same concept is inculcated in the real-world analysis, a lot of uncertainty and non-uniformity is observed, especially in the legal arena of tort affiliated with corporate liability. When the question arises of impugning tort liablity unto a company with their subsidiaries and bylaws, complication occurs when accountability is being brought into the picture, considering it to be the most crucial part of defining the liability on any company, it acts as a crux of the foundation of legality in corporate liability. This research paper mainly revolves around addressing the issue of concrete establishment and defining accountability in terms of company laws, and giving a thematic analysis of spectrum of cases where accountability was seen as not a black and white scenario. But should accountability be objectified and be treated as a complete black and white? is it meant to be subjective and supposed to be a grey matter looking at the ambiguity and vastness of the legality of the corporate liablity? These intriguing questions make it more difficult to understand the parameter through which the corporate liability is inculcated in the tort law, the in dept analysis of these questions will be discussed in the paper. The different aspect of companies having its liability in frame will be discussed, like the concept of the companies supply chain, the concept of veil piercing and the doctrine of alter ego and understand how it makes an exception to the general principle. This paper takes out the different aspect of corporate liablity that has been observed in the companies through years and form out a pattern of wars of accountability and liability of the company though different concept and theory. It talks about the general principles of company law in tort vicarious liablity and how some cases and judgement has made exceptions through it and bought a subjective aspect which thus makes the question of accountability in vicarious liability of a company an addressing matter of concern.

INDEX TERMS Enter key words or phrases in alphabetical order, separated by commas.

I. INTRODUCTION

Accountability, an extensive and a contentious concept which in simple theoretical definition means an obligation or willingness to one's action, but when the same concept is inculcated in the real-world analysis, a lot of uncertainty and non-uniformity is observed, especially in the legal arena of tort affiliated with corporate liability.

When the question arises of impugning tort liablity unto a company with their subsidiaries and bylaws, complication occurs when accountability is being brought into the picture, considering it to be the most crucial part of defining the liablity on any company, it acts as a crux of the foundation of legality in corporate liability.

With the general rule of considering subsidiaries as separate distinct entities from their parent company, although the parent company's books hold the shares of stock in the subsidiary as assets and issue these as collateral for additional debt financing. Having said this in mind, the parent company also cannot be held liable for the acts of the subsidiaries, establishing the tortious concept of vicarious liability and the relationship of an employer and an employee makes a more complex theory.

This research paper mainly revolves around addressing the issue of concrete establishment and defining accountability in terms of company laws, and giving a thematic analysis of spectrum of cases where accountability was seen as not a black and white scenario. But should accountability be objectified and be treated as a complete black and white

page? is it meant to be subjective and supposed to be a grey matter looking at the ambiguity and vastness of the legality of the corporate liablity? These intriguing questions make it more difficult to understand the parameter through which the corporate liablity is inculcated in the tort law Accountability and liablity go hand in hand, one cannot be expected to understand the concept of liablity if he does not go in dept and understand the level of accountability in the field of complex legal analogy and does not treat it as a mere one statement definition and applying it in the company law.

This paper takes out the different aspect of corporate liablity that has been observed in the companies through years and form out a pattern of wars of accountability and liablity of the company though different concept and theory. It talks about the general principles of company law in tort vicarious liablity and how some cases and judgement has made exceptions through it and bought a subjective aspect which thus makes the question of accountability in vicarious liablity of a company an addressing matter of concern.

II. COMPANIES AND THEIR SUBSIDARIES

> To begin with the crux of the paper lets discuss about the most common and simplest rule of the company law, which is that the parent company cannot be held liable for the actions of the subsidiaries but, a parent corporation may be liable on a contract signed by its subsidiary if the subsidiary is shown to be a mere shell dominated and controlled by the parent for the parent's own purposes.[1]

In the case of Sbarro holding Inc vs Shiaw Tien yuan,[2] to be furnished with the facts of the case, Sbarro holding franchise had signed a contract for the construction of the restaurant and the contract held that the company would sublease their store for the holding to the plaintiff(Mr yuan), the contract also included a clause in case of any dispute, the method of arbitration will be applied, due the delay of the construction of the restaurant which led to loss of the franchisee, monetary damage and lease of the plaintiff, he requested to settle the dispute over arbitration.[3]

> Sbarro Holding, Inc., commenced the present proceeding to stay the arbitration as to Sbarro Holding, Inc., on the grounds that the only agreement which provided for arbitration was between the Yuans and Sbarro Licensing of Virginia. The Yuans instituted a second proceeding to join Sbarro Licensing of New York and Franchise Contracting and Equipment Corp., other Sbarro corporations involved in the franchise purchase by the Yuans, as respondents in the then pleading arbitration proceeding.
>
> In this scenario the franchise and the parent company both had to get involved though they are identified as distinct and separate entities, when he also wanted to include the franchise of the company. The latter three entities, claiming that they are not parties to any contract with the Yuans requiring arbitration, seek to avoid participation in the arbitration.

Where one corporation merely acts as the alter ego of a second corporation, the second corporation can be compelled to participate in an arbitration proceeding although it is not a signatory of the contract containing the arbitration clause which was, however, signed by the alter ego.[4]

The court explained that:
The corporate veil will be pierced (1) to achieve equity, even absent fraud, where the officers and employees of a parent corporation exercise control over the daily operations of a subsidiary corporation and act as the true prime movers behind the subsidiary's actions[5] and/or (2) where a parent corporation conducts business through a subsidiary which exists solely to serve the parent.

In this case it is observed that the parent company was also obliged to take part in the arbitration despite not having any involvement in the contract or the proceeding with the other party. It follows that if all corporations are as one corporation, then a contract with any of the subsidiaries is binding on the entire corporation.

Applying the concept of alter ego and veil piercing the parent's company do get their liabilities extended for their subsidiaries, and makes way for an exception in the general principle.

> Let's dive deeper into the concept of veil piercing and the doctrine of alter ego to understand why does simple concept makes a way towards a complicated path and makes exceptional cases in which the parent company is liable for the acts of their subsidiary

[1] Davies, Paul L., Corporate Liability for Wrongdoing within (Foreign) Subsidiaries: Mechanisms from Corporate Law, Tort and Regulation (January 2023). NUS Law Working Paper No. 2023/007, NUS EW Barker Centre for Law & Business Working Paper 23/01, Available at SSRN: https://ssrn.com/abstract=4345589 or http://dx.doi.org/10.2139/ssrn.4345589

[2] *In re the Arbitration between Sbarro Holding, Inc. & Shiaw Tien Yuan*, 91 A.D.2d 613 (N.Y. App. Div. 1982)

[3] *Matter of Sbarro Holding*, 111 Misc. 2d 910, 445 N.Y.S.2d 911 (N.Y. Sup. Ct. 1981)

[4] (*Fisser v International Bank*, 282 F.2d 231; see *Nussdorf v Esses Co.*, 63 A.D.2d 619).

[5] see *Van Valkenburgh, Nooger Neville v Hayden Pub. Co*

III. VEIL PEIRCING AND ALTER EGO

To understand the doctrine of alter ego, lets first understand what is a legal personality, the jurisprudence theories on juristic person had been established since the early Roman law to justify the existence of legal person other than the human. A corporation has a legal personality of its own distinct from that of its members.[6] Any human or non-human entity that is recognized as having privileges and obligations. In the field of corporate in order to give the company a status clarity about its liabilities and impositions by laws, alter ego was encapsulated.

The concept of alter ego refers to a legal doctrine that

> permits courts to disregard the separate legal personality of a corporation or limited liability entity in order to hold its owners or shareholders personally liable for the entity's debts and obligations.[7]

When a corporation has been so dominated by an individual or another corporation and its separate entity so ignored that it primarily transacts the dominator's business instead of its own it will be called the individual's alter ego. Since the business owner and the corporation are alter egos, they are merely two sides of the same coin. This notion is activated by piercing the veil of the company to the owners liable.

In the case of Broward Maine INC vs Zeus,[8] a yacht companies veil was pierced, the company had foreclosed on a yacht and the dominant shareholder transferred all company assets to another company owned by that shareholder to avoid payments.

> The court pierced the veil and held that the dominant share holder and the other shareholder company will be held liable for the debt.[9]
>
> This showcases the entire purpose of veil piercing, to prevent the misuse of power of owners and limited liablity.

The concept of veil piercing goes about This is a legally recognized doctrine where a court, based on circumstances of the case, alters its perspective and view a corporate and its members in a different light, and hold the members personally liable for the acts committed in the name of corporation, instead of suing the corporation.

> Hence it is showcased that in this aspect the parent company do get liable for the actions of subsidiary (Fisser v. International Bank), as they act as the alter ego to the subsidiary for any contractual agreement and is to be liable to get involved in the arbitration.

IV. SUPPLY CHAIN ANALYSIS (VICARIOUS LIABILITY)

As discussed in the previous chapters, there is a complexity in relation to company and its tort liablity; to give it more vivacity, the supply chain management also makes a way for exceptions to the basic rule. The supply chain management which works on the concept of vicarious liability which was introduced to impose liability on the employer for the acts committed by the employee. [10]

The determining factor of the chain management in a company is to establish a sufficient connecting stage for vicarious liablity, what comes under the ambit of company being held liable for its subsidiary? The essential of vicarious liability is that there should be a close connection between the act of wrong doing of the employer and the scope of employment duties allotted to him, but how would you establish the extent of scope of employment.

For instance, in the case of Lister v Hesley Hall,[11] the warden who was supposed to take care of the boys of the school, had sexually abused a boy, the court had verdict it out that there was no establishment of connection between the abusive behavior of the warden and the course of his employment, hence the school would not be held liable.

Contradicting the principle established in the previous case law, Maga v Birmingham Roman Catholic Archdiocese Trustees,[12] where the claimant was sexually abused by the priest (Father Colonan) the court at first glance dismissed the case and established no vicarious liability, but the verdict was overturned by an appeal and the court did establish that the Archdiocese owed a duty of care to the claimant as the abuse occurred within the scope of Father Clonan's employment relationship with the Archdiocese.

> Another important aspect to look at while dealing with vicarious liability is establishment of connection of the relationship between the employer and the employee. What relationships are sufficient to trigger the doctrine, and how much further beyond employment does vicarious liability apply?

[6] Romit Bhatacharjee, *Concept of Legal Personality in Jurisprudence*

[7] AIR 1969 Del 258

[8] "Case No. 05-23105-CIV-/O'SULLIVAN." *BROWARD MARINE, INC. v. S/V ZEUS*, Case No. 05-23105-CIV-/O'SULLIVAN, (S.D. Fla. Apr. 15, 2010)

[9] Id. at 11, n. 8. See also Broward Marine, Inc. v. S/V Zeus, 2010 WL 1524778 at * 3 (S.D. Fla. Apr. 15, 2010)

[10] international journal of production economics, volume 272, June 2024.109257

[11] Lister v Hesley Hall Ltd - 2002. [online]. Available from: https://www.lawteacher.net/cases/lister-v-hesley-hall-ltd.php?vref=1 [Accessed 2 January 2025].

[12] Maga vs Birmingham Roman Catholic Archdiocese Trustees [2009] EWHC 780 (QB)

In the case of Various Claimants v Catholic Child Welfare Society (CCWS),[13] A large number of men alleged sex abuse at St William, a school for juveniles, by brothers of the Institute of the Brothers of the Christian Schools who were the headmaster and staff (the "Institute"). The Institute did not own the school but their members acted as the headmaster and teachers of the school. The members were contractually employed not by the Institute but by St William. It had been held that the owner of St William was vicariously liable. The court had established that he relationship between the Institute and its brother teachers was sufficiently akin to an employer-employee relationship to warrant vicarious liability. [14]Hence the principle was laid out that a contract of employment is not required for the doctrine to be triggered, and a relationship 'akin to employment is sufficient.

This creates a surge of uncertainty and quandary, it blurs out the line laid down on the grounds to which the relationship and the connection between the employer and the employee is to be established,[15] the interpretations through this judgement can cause a lot of difference of opinions. Looking at these disparities and complexities on the imposition of liability onto a company for vicarious liability, how will you establish accountability in the for the liability in the company regarding the connection between the work and the wrong doing, and the relationship established? Will the accountability differ in every single case and will be open to interpretation and in the discretion of the judgement?

V. JOINT VENTURE LIABILITY

In order to question the concrete establishment of accountability in corporate law regarding tort liability, it is necessary to insinuate all the aspects of liabilities and theories, one of which is the rule of law of joint venture liability, it is composition in which two or more businesses decide to combine their resources in order to fulfil an enumerated goal.
Joint venture liability creates a complicated enigma, starting off with the established rule that a joint venture is considered to be an autonomous entity that acts independently of its parents,[16] but with the different variants in cases there were changes observed that where a single economic unit can also exist in cases of joint contro l of several shareholders over a joint venture company, and that more than one shareholder can be held liable for a joint venture's cartel conduct.[17]
The establishment of the basic principle is seen quite varying and inconsistent in terms of execution and implementation of those laws. The Avebe precedent in 2006[18] in which Avebe is the parent company of a group of company specializes in starch processing. The commission had established that the parent company had participated in a cartel to fix the price of sodium gluconate and to allocate sales volumes of the product with regard to another subsidiary company Akzo. The court had held that Avebe cannot validly claim that, solely by virtue of the provisions of the joint venture agreement of 1972, Akzo alone was liable for the infringement on the ground that it alone was responsible for Glucona's marketing.[19]

In the case of Alliance One International, Inc[20] the head of a group resulting from the merger of Dimon Inc. ('Dimon Inc.') group and Standard Commercial Corp. ('SCC'), on investigation by the commission, infringement concerning the Italian selling of raw tobacco in the market was found and fines were imposed. the court had held the parent company (Alliance One) liable;[21] parent company could be held liable for the unlawful conduct of its subsidiary where the subsidiary is not capable of determining its conduct on the market independently, hence it could be presumed that where a parent company holds the entire share capital of a subsidiary it exercises decisive influence over the conduct of that subsidiary. The court alleged that the commission can address a decision imposing fines to the parent company without having to establish the personal involvement of the latter in the infringement, the parent company need not play the role of an instigator or participant in the relevant conduct.[22] This establishment of precedent impairs and showcases the inconsistency in the judgement, this would create and open ground for the unlimited liability and possibility of misuse of the rules established. Till what extent would the parent company be held accountable for? Will the accountability and the liability on the parent company differ for case to case and be open to interpretation rather than having any concrete guidelines as to which the accountability can be established for a parent company with regards to its subsidiary.

[13] 2012] UKSC 56; [2013] 2 AC 1; [2012] 3 WLR 1319; [2013] 1 All ER 670; [2013] IRLR 219; [2013] ELR 1.
[14] First developed in JGE v The Trustees of the Portsmouth Roman Catholic Diocesan Trust [2012] EWCA Civ 938, [2013] QB 722 (JGE).
[15] Cox v Ministry of Justice [2014] EWCA Civ 132, [2015] QB 107 (Cox); NA v Nottinghamshire CC [2014] EWHC 4005 (QB); A v Trustees of the Watchtower Bible and Tract Society [2015] EWHC 1722 (QB).
[16]Commission decision of January 16, 1991 in Case IV/32.732, para. 24 ; Commission decision of May 15, 1991 in Case IV/32.186 – Gosme/Martell-DMP, para. 30; Commission decision of August 2, 1989 in Case IV/31.553 – Tréfileurope, para. 178.
[17] Article 3(4) of the EU Merger Regulation N°139/2004.
[18] Case T-314/01, Avebe [2006] ECR II-3085.
[19] JUDGMENT OF 27. 9. 2006 — CASE T-314/01 para [144]
[20] Case T-24/05, Alliance One International [2010] ECR II-5329
[21] JUDGMENT OF 9. 9. 2011 — CASE T-25/06 para [5]
[22] JUDGMENT OF 9. 9. 2011 — CASE T-25/06 para [141]

VI. CROSS BORDER LIABILITY

In order to satisfy local regulatory requirements and facilitate doing business across borders, most large corporations comprise of an expansive network of group companies, including a number of subsidiaries established and operating in multiple jurisdictions. In these situations, to establish accountability onto a company referring to which laws under which ambit of jurisdiction becomes complicated and creates a legal hollow space. The accountability shifts depending on the country laws imposed on it. For instance, in the United Kingdoms, it is an established principle provides that each entity in a corporate group has a separate legal personality,[23] a parent may itself owe the subsidiaries a duty of care in respect to operations of its subsidiaries. In the case of Vedanta Resources Plc v Lungowe, over 1800 Zambian villagers issued proceeding against Vedanta, a UK mining company,[24] for alleged discharge of toxic effluent into the waterways used for drinking and irrigation. The court established that the parent company will be held responsible for the acts of the subsidiary and it comes under the ambit of duty of care.[25]

In the case of establishment of accountability of the parent company for its foreign subsidiary in United states, the parent company is not liable for the acts of its subsidiaries, the threshold to hold a parent company liable for its subsidiary's is high[26], parent company is not liable for its foreign subsidiaries' actions absent an agency or alter ego relationship. The plaintiff must establish that the subsidiary is, in fact, an alter ego or agent of the parent.[27] Courts have dismissed entire actions for the failure to join the subsidiary as a defendant where no agency relationship between the parent and the subsidiary could be established. Liability based on an alter ego or agency theory is an intrinsically factual inquiry requiring the court to look to the facts of each case. To establish this relationship "the controlling corporation 'must have used the corporate entity to perpetrate a fraud or have so dominated and disregarded the corporate entity's form that the entity primarily transacted the [subservient entity's] personal business rather than its own corporate business.'"[28] the plaintiff must do more than merely claim that the alter ego relationship exists, it must detail the role and control that the parent played over the subsidiary. To establish a principal-agency relationship sufficient for a court to exercise personal jurisdiction, the plaintiff must sufficiently allege that the foreign defendants purposefully availed themselves of the benefit of doing business in the federal forum, and that the foreign subsidiary acted with the knowledge, consent, or extensive control of the U.S. parent. In one of the cases, GmbH & KO., KG. v. Crawford & Co[29] the plaintiffs sued the company on the allegedly faulty inspection of apple shipments in Venezuela conducted by Crawford's wholly-owned subsidiary company. The court recognized the general U.S. principle that a parent is not liable for its foreign subsidiary's conduct. It further recognized that the subsidiary is a necessary and indispensable party where a plaintiff seeks to hold the U.S. parent liable for the subsidiary's conduct. The court held that "since Crawford, as a corporate grandparent, is not liable for its subsidiary's actions absent an agency or alter ego relationship, this Court cannot award complete relief to Plaintiffs in Crawford Venezuela's absence."[30]

According to the company law in Singapore, a subsidiary is a separate legal entity.[31] The doctrine of separate legal personality is not to be displaced simply because the companies in question are organised as a single economic unit.[32] Nor will the doctrine be displaced simply because the owners of the company incorporated it for the very purpose of insulating themselves or other group companies from liability.[33] In a case where it is contended that a parent company is liable for inducing a breach of contract by its subsidiary, rather than simply concentrating on the knowledge and intention of the individuals involved, the Singapore court focuses on two additional issues: (a) whether those individuals were acting for the subsidiary and/or the parent, and if they were acting for the parent, (b) whether the circumstances are such that the parent can properly be liable for inducing its subsidiary's breach of contract. In this connection, it must be established that: (a) the parent company had, as a matter of fact, induced its subsidiary to breach the contract; and (b) in inducing the breach, the parent company had acted in a way other than in good faith in pursuing its own interest as the owner of its subsidiary.[34]

[2019] 1 SLR 10 (Bumi), a dispute arose from a project for the supply of facilities and services in connection with the development of the Madura BD Gas and Condensate Field in Indonesia (the Project). Bumi Armada Offshore Holdings Ltd (BAOHL), which is a wholly owned subsidiary of Bumi Armada Berhad (BAB), entered into a pre-bid agreement with Tozzi Srl (Tozzi). The pre-bid agreement provided that if BAOHL was awarded the

[23] *Salomon v A Salomon and Co Ltd* [1897] A.C. 22, HL

[24] *Vedanta Resources Plc and another v Lungowe and others* [2019] UKSC 20

[25] *Note that this matter was od Zambian law hence, clash of different establishment of common law*

[26] *U.S. v. Bestfoods*, 524 U.S. 51, 61 (1998)

[27] *In re Toyota Motor Corp.*, 785 F. Supp. 2d 883, 906 (C.D. Cal. 2011)

[28] *City of Long Beach v. Total Gas & Power North America, Inc.*, 465 F. Supp. 3d 416, 437 (S.D.N.Y. 2020)

[29] Civil Action no. 09-946, 2009 WL 1408100 (E.D. Penn. May 19, 2009)

[30] CARL SCHROETER GMBH & KO. KG v. CRAWFORD & COMPANY, No. 2:2009cv00946 - Document 9 (E.D. Pa. 2009)

[31] *Goh Chan Peng v Beyonics Technology Ltd* [2017] 2 SLR 592 at [75]

[32] *PP v Lew Syn Pau* [2006] 4 SLR(R) 210 at [212]

[33] *Simgood Pte Ltd v MLC Barging Pte Ltd and others* [2016] 1 SLR 1129 (***Simgood***) at [195

[34] *Bumi Armada Offshore Holdings Ltd and anor v Tozzi Srl* [2019] 1 SLR 10 (***Bumi***) at [48]

Project, BAOHL would subcontract to Tozzi the provision of certain services known as the "IT Packages" and granted Tozzi a right of first refusal for the supply of such services. The pre-bid agreement expired before the Project was awarded. Subsequently, BAOHL was awarded the contract for the Project and BAOHL awarded the subcontract for the supply of IT Packages to another entity, which Tozzi alleged was inconsistent with its right of first refusal. Tozzi claimed, among other things, that BAB was liable for inducing the breach of contract committed by BAOHL.
The Singapore Court of Appeal found that BAB, the parent company (incorporated in Malaysia), was not liable for inducing the breach of contract by BAOHL, its wholly-owned subsidiary (incorporated in the Marshall Islands), as the evidence was insufficient to justify a finding that the individuals responsible for breaching the contract were acting for the parent company.[35] BAOHL had no employees and the individuals acting for BAOHL were actually employed by its parent company. However, this did not, of itself, mean that BAB, as a matter of fact, was responsible for BAOHL's breach of contract. [36]The Court further found that even if the evidence had been sufficient to justify a finding that the individuals responsible for breaching the contract were acting for BAB, it still would not justify the conclusion that BAB was liable in tort to Tozzi.[37] The Court reasoned that such a finding would not alter the fact that the individuals were also, indeed primarily, acting for the subsidiary, and it was difficult to see how the same individual doing the same thing on behalf of the subsidiary and the parent could lead to the parent doing anything to induce the subsidiary to breach its contract.[38]
With these individual companies establishing their set of rule of law for the parent company with respect to the imposition of accountability, it creates an inconsistent pattern and leaves a legal gap in the system which works on the discretion of their own country and their own laws. In a country where there are no certain requirements to establish connection between the parent company and its subsidiaries, on the other hand United States is very precise and keen about establishment of accountability and liability of parent company and a lot of criteria's and elements have to be met in order to establish the accountability. This creates the disparity among the company law, the difference in the applicability of common laws onto the companies and having contradicting statement shows that there is still a need for a concrete establishment of accountability in corporate law regarding tort liability.

VII. METHODOLOGY

The entire research paper is formatted and inculcated with the application of thematic analysis of case laws, to collect the relevant data from its origin, checks it authenticity, interpret the data which was stored, and present it in a simplified version in order to establish a simple and acute understanding of the entire topic of research paper written on. The analysis of data was the most significant part of the research paper, this research paper lies on the general foundation that the establishment towards the accountability of the companies in tort liability is being questioned, hence it is necessary to run a parallel analysis where one case law is contradicting the other and showing the disparity in the establishment of law, meticulous selection of case laws with similar application of law and background theme to show the contradictions was the technique used to question the consistency in the general principle established. The research per gives a thematic analysis of all the case laws having on background theme that runs in all the cases irrespective the concept or liability applied in the case, which is the accountability establishment in the corporate law regarding tort liability, in order to address the issue different concepts are taken to show the various liabilities which are involved in creating the paradox in the legal system. Its like all the smaller ideas run through for the deeper understanding and analysis of a bigger theme underlying in those small ideas and implying through the analysis and interpretation provided by the case laws. It is also used to view the perspective of the corporate law and tort liability connection from a different angle and showcasing it through the established doctrine, statutes and case laws.

VIII. CONCLUSION

The hypotheses on which the research paper was constructed and devised was about questioning the accountability of company's liabilities in different concepts, imparting objectification through thematic analysis of case laws.
The end of the paper would present and inculcate the subjective analysis regarding the objectified interpretations and implications of the concepts and its case laws. The main crux of the research paper is about establishment of accountability, to define accountability and to give an adequate guideline for its implementation, but seeing the disparities in the cases over the years, one is constant in all the interpretation, which is that the concept of accountability can never be a black and white page, there will be instances where it will lead to a grey area. The concept of accountability itself is not supposed to be defined in one statement or a phase and to be enclosed with certain rules and guidelines. These various concepts are included for the accountability to interpret it its own way, that's the beauty of law, where one concept has the power to create a big impact on the world and changing the course

[35] *Bumi Armada Offshore Holdings Ltd and anor v Tozzi Srl* [2019] 1 SLR 10 (***Bumi***) at [49]
[36] *Bumi Armada Offshore Holdings Ltd and anor v Tozzi Srl* [2019] 1 SLR 10 (***Bumi***) at [50]
[37] *Bumi Armada Offshore Holdings Ltd and anor v Tozzi Srl* [2019] 1 SLR 10 (***Bumi***) at [56]
[38] *Bumi Armada Offshore Holdings Ltd and anor v Tozzi Srl* [2019] 1 SLR 10 (***Bumi***) at [43]

of the way people live and portray themselves to the world, it also has the power to create a disastrous judgement, create havoc among the people and dissemble the peace and harmony in the society.

The changes in the concept and not having consistency in the establishment of rule of law is due to the evolution law. The changes in the law takes place with the evolution of people their interpretation, the major changes occur for the fulfilment of the needs of the people. This change is necessary for the progress and development in the society and to maintain social order. No law should be made with only rigidity, it should be open to interpretation and improvement, that when the development in law takes place. It is a positive enigma that accountability cannot be tamed down to one definition or a concrete phrase, the essence lies in its flexibility and the utility implied onto the people. Morality should be insinuated while considering the establishment and interpretation of any concept, this point of view has been beautifully established in the famous debate between morality and law in the Hart-Fuller dispute.[39]

It exemplifies the gap between positivist and naturalistic legal theory in terms of the importance of morality in the law. art contended that law and morality are distinct from one another and are mutually exclusive. Fuller believed that there is a strong link between law and morality, and that law's authority stems from its conformity with morality. The purpose of the law is to maintain law and order in society. The prima facia question is whether the law should operate strictly on statutes or it should have n essence of morality and ethics. Laws work with the state's nature of safeguarding and enforcement of legal rights and obligations. These laws are sanctioned, which leads to the that if anyone fails to follow the laws of the state is penalised. Morality classifies human conduct as good or evil Human conduct is described as either good or evil by morality. Prof. HLA Hart, a legal positivist, believes that the law doesn't need to meet specific moral standards. Hart acknowledges the concrete relationship that is present between morality and law but the existence of a legal system is not contingent on whether or not the law adheres to a series of minimal ethical criteria. This is not necessary for a legal structure to adhere to morals in a certain way.[40] Fuller contradicts the positivist view of the law. He desires that law-makers should recognize other alternative paths for the attainment of society's aim than just relying on the law. He contends that if lawmakers acknowledge this point of view, there are likely chances to effectively employ law as a mechanism to govern our society. According to Fuller, not every mandate with the capacity to enforce compliance can be recognized as law.[41] Fuller ended the debate on a very deeper understanding note that if morality should not be included in the ambit of making laws then there was no wrong established in the implementation of laws established in the German court regarding the Nazi law, the inhumanity and the insensitive laws established should have been continued and not buried down if absence of morality was into the question for establishing law.[42]

The main goal is to have a balance of morality and law We have a rule of law for the major issues and conflicts courts face, but it's impossible to put every clause and situation for every issue in the statute, hence then the discretion of judges comes into the frame where ethics play a vital role to impart justice. It is considered that if legislation is to be embraced by the public, it must comply with the desired behaviour pattern. Morals play a crucial role in determining these norms.

[39] H.L.A. Hart on Legal and Moral Obligation. (1974). *Michigan Law Review*, *73*(2), 443–458. https://doi.org/10.2307/1287782, accessed on March 20, 2022.

[40] Hart, H.L.A. (1958). Positivism and the Separation of Law and Morals. *Harvard Law Review*, *71*(4), 593–629. https://doi.org/10.2307/1338225, accessed on March 21, 2022

[41] Fuller, L.L. (1958). Positivism and Fidelity to Law: A Reply to Professor Hart. *Harvard Law Review*, *71*(4), 630–672. https://doi.org/10.2307/1338226, accessed on March 22,2022

[42] Fuller, L.L. (1958). Positivism and Fidelity to Law: A Reply to Professor Hart. *Harvard Law Review*, *71*(4), 630–672. https://doi.org/10.2307/1338226, accessed on March,22 2022