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**PRESIDENCY UNIVERSITY**

**Bengaluru**

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| **End - Term Examinations –JANUARY 2025** |
| **Date:**10 – 01- 2025 **Time:**01:00 pm – 04:00 pm |

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| **School:** SCHOOL OF LAW | **Program:** B.A.LL.B/ BB.A.LLB/ B. Com. LLB. (Hons.) | |
| **Course Code** : LAW302 | **Course Name :** CORPORATE GOVERNANCE | |
| **Semester**: IX | **Max Marks**: 100 | **Weightage**: 50% |

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| **CO - Levels** | **CO1** | **CO2** | **CO3** | **CO4** | **CO5** |
| **Marks** | **20** | **30** | **20** | **20** | **10** |

**Instructions:**

1. *Read all questions carefully and answer accordingly.*
2. *Do not write anything on the question paper other than roll number.*

**Part A**

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| **Answer ALL the Questions. Each question carries 2marks. 10Q x2M=20M** | | | | |
| **1** | State the difference between the unitary board system and the two-tier board system. | **2 Marks** | **L1** | **CO4** |
| **2** | What is the concept of "separation of ownership and control" in corporate governance? | **2 Marks** | **L1** | **CO1** |
| **3** | How did the Companies Act, 2013, improve corporate governance in India? | **2 Marks** | **L1** | **CO1** |
| **4** | **What is the role of the Confederation of Indian Industry (CII) in promoting corporate governance post-Satyam?** | **2 Marks** | **L1** | **CO2** |
| **5** | Briefly discuss the importance and accountability of an audit committee in a company. | **2 Marks** | **L1** | **CO3** |
| **6** | **What was the purpose of the Cadbury Committee Report in the context of global corporate governance?** | **2 Marks** | **L1** | **CO2** |
| **7** | What is shareholder democracy, and how does shareholder activism influence corporate governance and decision-making? | **2 Marks** | **L1** | **CO5** |
| **8** | **Discuss briefly the significance of the RBI’s Report on the Advisory Group on Corporate Governance for banking in India?** | **2 Marks** | **L1** | **CO3** |
| **9** | Mention the key provisions of the SEBI (LODR) Regulations regarding listed companies. | **2 Marks** | **L1** | **CO6** |
| **10** | Discuss briefly the provisions under the Companies Act, 2013, regarding listed companies and unlisted companies that meet specific thresholds. | **2 Marks** | **L1** | **CO6** |

**Part B**

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| **Answer the Questions Total 80 Marks** | | | | | |
| **11.** |  | Analyze the key features of corporate governance as outlined in the Companies Act, 2013.  Discuss the role of key stakeholders and components of corporate governance in ensuring effective business practices, with a specific focus on corporate governance in family-owned and state-owned businesses. | **10**  **Marks**  **(5+5)** | **L2** | **CO1** |
| **or** | | | | | |
| **12.** |  | Discuss the structure and composition of the board of directors, highlighting the importance of achieving a balanced board.  Analyze the need for board committees, and explain the roles and functions of the chairman and the CEO in ensuring effective corporate governance. How does this structure contribute to the overall performance and accountability of a company? | **10**  **Marks**  **(5+5)** | **L2** | **CO4** |
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| **13.** |  | Examine the roles of auditors and non-executive directors in corporate governance. Discuss how a balanced board, inclusive of non-executive directors, can enhance transparency and decision-making.  Analyze the significance of the audit committee in ensuring accountability and its role in promoting sound financial practices within the company. | **10**  **Marks**  **(5+5)** | **L2** | **CO4** |
| **or** | | | | | |
| **14.** |  | Analyze how the provisions of the Companies Act, 2013, promote corporate governance by encouraging shareholders' approval and participation in key decisions.  Discuss the role of e-voting and virtual board meetings in enhancing transparency and inclusivity in the decision-making process. | **10**  **Marks**  **(5+5)** | **L2** | **CO5** |

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| **15.** |  | Examine the rights, duties, and responsibilities of directors under the Companies Act, 2013. How do these responsibilities ensure effective corporate governance and protect the interests of the company and its stakeholders? | **10**  **Marks**  **(5+5)** | **L2** | **CO4** |
| **Or** | | | | | |
| **16.** |  | Discuss the evolution of corporate governance in India during the first phase (1996-2008), focusing on the key contributions of the Confederation of Indian Industry (CII), the Kumar Mangalam Birla Committee Report, the RBI advisory group on the Ministry of Corporate Affairs (MCA), the Naresh Chandra Committee, and the N. R. Narayan Murthy Report. Analyze the impact of these reports and committees on shaping corporate governance practices in India before the Satyam scandal. | **10**  **Marks**  **(5+5)** | **L2** | **CO3** |

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| **17.** |  | Explain the difference between the shareholder and stakeholder concepts of governance, highlighting their implications for corporate decision-making. | **15**  **Marks** | **L3** | **CO4** |
| **Or** | | | | | |
| **18.** |  | Explain the principles of corporate governance as outlined by the Organization for Economic Co-operation and Development (OECD).  How do these principles serve as a foundation for global corporate governance practices? | **15**  **Marks**  **(10+5)** | **L3** | **CO3** |

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| **19.** |  | Examine the Indian Model of corporate governance, focusing on its unique features and the challenges it faces compared to other regional models like the Anglo-American and German models.  How has the Companies Act, 2013 addressed these challenges? | **15**  **Marks**  **(10+5)** | **L3** | **CO2** |
| **Or** | | | | | |
| **20.** |  | Examine the second phase of corporate governance reforms in India post-Satyam, particularly the role played by organizations such as the Confederation of Indian Industry (CII), the National Association of Software and Services Companies (NASSCOM), and the National Financial Reporting Authority (NFRA).  Discuss briefly how they contributed to the reforms following the Satyam scandal. | **15**  **Marks**  **(10+5)** | **L3** | **CO 4** |

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| **21.** |  | Discuss the various theories of corporate governance, including Agency Theory, Stewardship Theory, Stakeholder Theory, and Political Theory.  Discuss briefly how these theories contribute to the development of governance practices in corporations? | **20**  **Marks**  **(10+10)** | **L4** | **CO3** |
| **Or** | | | | | |
| **22.** |  | Explain the role of shareholder democracy in empowering shareholders and how shareholder activism influences corporate governance practices.  Analyze the advantages and challenges of both concepts, and discuss how modern corporations balance the interests of shareholders and other stakeholders. | **20**  **Marks**  **(8+12)** | **L4** | **CO5** |

**\*\*\*\*\* BEST WISHES \*\*\*\*\***