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**PRESIDENCY UNIVERSITY  
BENGALURU**

**SCHOOL OF LAW**

**TEST 1**

**Winter Semester:** 2021 - 22

**Course Code:** LAW 302

**Course Name:** Corporate Governance

**Program & Semester:** BBA / BCOM / BA – VI th Semester

**Date:** 28<sup>th</sup> April 2022

**Time:** 10.00 AM to 11.00 AM

**Max Marks:** 30

**Weightage:** 15 %

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**Instructions:**

(i) *Read all the questions carefully and answer accordingly.*

(ii) *All Questions are **COMPULSORY***

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**Part A [Memory Recall Questions]**

**Answer all the Questions. Each question carries 1 mark**

**(10Qx 1M= 10 M)**

- 1) \_\_\_\_\_ is not a pillar of corporate governance  
a) Transparency b) Fairness c) Accountability d) Morality (C.O.No.1) [Knowledge level]
- 2) External stakeholder excludes:  
a) Shareholder b) Government c) Financial Institutions d) Suppliers (C.O.No.1) [Knowledge level]
- 3) Which of the following is not a part of company management  
a) Managing Director b) Statutory Auditor c) Chief Financial Officer d) Company Secretary (C.O.No.1) [Knowledge level]
- 4) Board Mix means:  
a) Mix of Independent and Non-Independent Directors  
b) Directors having diverse academic backgrounds  
c) Directors having variety of skills  
d) All of the above (C.O.No.1) [Knowledge level]
- 5) \_\_\_\_\_ should be provided to directors to apprise them about company and its management:  
a) Attractive Perquisites b) Orientation program c) Suitable remuneration d) None of the above (C.O.No.1) [Knowledge level]
- 6) Stewardship theory of corporate governance is based upon:  
a) Values b) Emotions c) Vision d) Mission (C.O.No.1) [Knowledge level]

7) A whistle blower may approach the \_\_\_\_\_ of the company to report serious concerns of frauds and malpractices:

- a) Managing Director b) Compliance Officer c) Risk Management Committee d) Audit Committee  
(C.O.No.1) [Knowledge level]

8) The full form of CII is:

- a) Chamber of Independent India b) Confederation of Indian Industry  
c) Custodian of Indian Intelligence d) Customs Intelligence Initiatives  
(C.O.No.1) [Knowledge level]

9) In the term IEPF, 'P' stands for:

- a) Production b) Protection c) Promotion d) Participation (C.O.No.1) [Knowledge level]

10) Vigil Mechanism is prescribed under Regulation \_\_\_\_\_ of SEBI (LODR) Regulations, 2015:

- a) 20 b) 31 c) 22 d) 32 (C.O.No.1) [Knowledge level]

### **Part B [Thought Provoking Question]**

**Answer the Question. The question carries 10 marks. (1Qx10M=10 Marks)**

11) Ratan Metalliks Ltd., a company producing high grade hardware items and industrial machineries has been recently listed on NSE and BSE. The company is very particular in meeting statutory norms and regulations and believes in investor protection and stakeholder democracy at all levels. The company strongly discourages malpractices and fraudulent activities across the company and takes strict actions against wrong doers. To achieve this objective, the company plans to implement a strong, transparent and effective vigil mechanism and whistle blower policy. As a compliance officer, advise the company regarding various statutory requirements and regulations and suggest how can the mechanism be made more effective.

(C.O.No.1) [Knowledge level]

### **Part C [Problem Solving Question]**

**Answer the Question. The question carries 10 marks. (1Qx10M=10 Marks)**

12) Ajay has joined a manufacturing company as the CEO which has been established three years back. The company believes that corporate excellence and growth can be achieved by building and creating a robust corporate governance mechanism which not only meets statutory requirements but also exceeds stakeholder's expectations. In this regard, Ajay needs to present before the Board, the various elements of good corporate governance. Ajay seeks your help and advice in this matter. Discuss and guide him suitably to make the presentation before the Board.

(C.O. No. 1) [Knowledge level]



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**PRESIDENCY UNIVERSITY  
BENGALURU**

**SCHOOL OF LAW**

**TEST 2**

**Date:** 03/06/2022

**Time:** 10.00 am to 11.00 am

**Max Marks:** 30

**Weightage:** 15 %

**Winter Semester:** 2021 - 22

**Course Code:** LAW 302

**Course Name:** Corporate Governance

**Program & Semester:** BBA-LLB / BCOM-LLB / BA-LLB – VI th Semester

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**Instructions:**

(i) *Read all the questions carefully and answer accordingly.*

(ii) *All Questions are **COMPULSORY***

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**Part A [Memory Recall Questions]**

**Answer all the Questions. Each question carries ONE mark**

**(10Qx1M=10M)**

**A] Multiple Choice Questions:**

1) The gap between two meetings of Audit Committee shall not exceed \_\_\_\_\_ days

a) 15   b) 120   c) 60   d) 180

(C.O.No.3) [Comprehension level]

2) A firm of Chartered Accountants performing statutory audit for a company cannot serve as auditors for a period of more than \_\_\_\_\_ years at a time

a) 3   b) 5   c) 10   d) 15

(C.O.No.3) [Comprehension level]

3) As per section 178(5), a company having more than \_\_\_\_\_ shareholders is required to constitute a Stakeholders Relationship Committee

a) 500   b) 750   c) 1000   d) 5000

(C.O.No.3) [Comprehension level]

4) Internal Audit can be performed by:

a) Chartered Accountant   b) Cost Accountant   c) Company Secretary   d) All of the above

(C.O.No.3) [Comprehension level]

5) As per SEBI (LODR) Regulations, the setting up of a Risk Management Committee is applicable to top \_\_\_\_\_ listed companies according to market capitalization.

a) 500   b) 700   c) 1000   d) 2000

(C.O.No.3) [Comprehension level]

**B] Give the full form of:**

- |          |                             |
|----------|-----------------------------|
| 6) NBFC  | (C.O.No.2) [Analysis level] |
| 7) SEBI  | (C.O.No.2) [Analysis level] |
| 8) CPSE  | (C.O.No.2) [Analysis level] |
| 9) LODR  | (C.O.No.2) [Analysis level] |
| 10) BCBS | (C.O.No.2) [Analysis level] |

**Part B [Thought Provoking Question]**

**Answer the Question. The question carries TEN marks**

**(1Qx10M=10M)**

11) All listed companies in India are regulated by SEBI and the regulations made by it from time to time. In addition to this the stock exchanges also require the companies listed on it to submit various information and comply with disclosure requirements periodically. These regulations ensure that the information is disclosed to stock exchange in a timely and effective manner. With regard to this, explain and discuss the principles governing disclosures and obligations according to Regulation 4 of SEBI (LODR) Regulations 2015.

(C.O.No.2) [Analysis level]

**Part C [Problem Solving Question]**

**Answer the Question. The question carries TEN marks**

**(1Qx10M=10M)**

12) Grow Well Ltd. is a listed company which has been recently listed on Bombay Stock Exchange. The company is into the business of pharmaceutical manufacturing with exports all across the globe. Due to phenomenal demand of pharmaceuticals all over the world, the turnover of the company has crossed 200 crores in the last financial year. The Company is having 2500 shareholders on its records as on the last date of previous financial year. The company wants to comply with the provisions of Companies Act, 2013 and SEBI (LODR) Regulations with regards to Audit Committee and Nomination and Remuneration Committee. In this regard, Board has appointed you as a legal advisor to suggest to the Board in the form of a report about various statutory requirements regarding applicability, structure and role of these committees.

(C.O. No. 3) [Comprehension level]



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**PRESIDENCY UNIVERSITY  
BENGALURU**

**SCHOOL OF LAW**

**END TERM EXAMINATION**

**Winter Semester:** 2021 - 22

**Course Code:** LAW 302

**Course Name:** Corporate Governance

**Program & Semester:** BBA / BCOM / BA / VI Semester

**Date:** 5<sup>th</sup> July 2022

**Time:** 1.00 PM to 4.00 PM

**Max Marks:** 100

**Weightage:** 50 %

**Instructions:**

(i) *Read all the questions carefully and answer accordingly.*

(ii) *All Questions are **COMPULSORY***

**Part A [Memory Recall Questions]**

**I] Answer all the Questions. Each question carries ONE mark**

**(10Qx 1M= 10M)**

- 1) Which one of the following is not a theory of corporate governance?  
a) Stewardship b) Promoter c) Stakeholder d) Agency (C.O.No.1) [Knowledge level]
- 2) In 2017 a committee on corporate governance was constituted under chairmanship of\_\_\_\_  
a) JJ Irani b) Kumar Mangalam Birla c) Uday Kotak d) NR Narayanmurthy  
(C.O.No.1) [Knowledge level]
- 3) In which year was Sarbanes-Oxley Act enacted?  
a) 2000 b) 1999 c) 2001 d) 2002 (C.O.No.4) [Application level]
- 4) Cadbury Report on Governance in UK was constituted under the Chairmanship of\_\_\_\_  
a) Adrian b) Christopher c) Allen d) Brian (C.O.No.4) [Knowledge level]
- 5) What does 'C' stand for in SEC which is the securities market regulator in US?  
a) Centre b) Commission c) Council d) Collection (C.O.No.4) [Knowledge level]
- 6) Vigil Mechanism is covered under which section of Companies Act, 2013?  
a) 188 b) 175 c) 177 d) 140 (C.O.No.2) [Analysis level]
- 7) SEBI was established in the year?  
a) 1992 b) 1990 c) 1993 d) 2001 (C.O.No.2) [Analysis level]
- 8) Risk Management Committee is applicable for top \_\_\_\_listed entities as per market capitalization  
a) 200 b) 300 c) 400 d) 500 (C.O.No.3) [Comprehension level]
- 9) CSR Committee is not required to be constituted if the CSR obligation does not exceed\_\_\_\_  
a) 20 lakhs b) 40 lakhs c) 50 lakhs d) 1 crore (C.O.No.3) [Comprehension level]
- 10) Class Action suit is included in which section of Companies Act, 2013?  
a) 240 b) 241 c) 243 d) 245 (C.O.No.5) [Knowledge level]

**II] Answer all the Questions. Each question carries TWO marks**

**(5Qx 2M= 10 M)**

- 11) Define a Whistle Blower. (C.O.No.1) [Knowledge level]

12) Mention any two principles of corporate governance as suggested in the guidelines issued by Basel Committee on Banking Supervision. (C.O.No.2) [Analysis level]

13) Mention the rotation requirements of statutory auditors under the Companies Act, 2013. (C.O.No.3) [Comprehension level]

14) Mention the threshold limits applicable to companies for conducting internal audit as per section 138 of the Companies Act, 2013. (C.O.No.3) [Comprehension level]

15) Mention any two roles of Investor Associations. (C.O.No.1) [Knowledge level]

### **Part B [Thought Provoking Questions]**

**Answer all the Questions. Each question carries TEN marks (4Qx10M=40 Marks)**

16) Discuss the rights of shareholders as mentioned in Regulation 4 of SEBI LODR Regulations, 2015. Also suggest which more rights can be included so that shareholder's democracy is strengthened. (C.O.No.1) [Knowledge level]

17) Discuss the provisions of Vigil mechanism and Whistle blower as mentioned under Companies Act, 2013 and SEBI LODR Regulations, 2015. (C.O.No.2) [Analysis level]

18) Discuss the provisions of Companies Act, 2013 with regards to Investor Education and Protection Fund clearly highlighting the amounts which are to be credited to the fund and the areas where the funds can be utilized. (C.O.No.1) [Knowledge level]

19) Mention the key features of the Corporate Governance framework in USA with special reference to Sarbanes –Oxley Act. (C.O.No.4) [Application level]

### **Part C [Problem Solving Questions]**

**Answer both the Questions. Each question carries TWENTY marks (2Qx20M=40 M)**

20) Discuss the elements / scope of good corporate governance and elaborate upon as to how good corporate governance helps in solving major problems of a company. Also suggest how can corporate governance improve the branding and image of any company. (C.O.No.1) [Knowledge level]

21) Discuss the structure, applicability, role and powers of the following committees as required under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. Also suggest how can these committees be made more effective in solving problems of corporate governance

a) Audit Committee                      b) Nomination and Remuneration Committee                      c) CSR Committee

(C.O.No.3) [Comprehension level]