

Name:

Enrolment No:



UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, May 2020

Course: Corporate Governance
Programme: LL.M. Business Law

Semester: II

Time: 03 hrs.

Max. Marks: 100

Instructions: Separate instructions are given for all the sections in the Question Paper. Please attempt accordingly

SECTION A

Answer in 30-50 words (Answer any SIX)

S. No.		Marks	CO
1	Explain the concept of Key Managerial Personnel (KMP)	5	
2	Differentiate between executive and non-executive directors	5	
3	Enumerate the Special features of Corporate Governance in State Owned Enterprises	5	
4	Write a short note on independence of Chairman of the Board	5	
5	What do you understand by Integrated Reporting	5	
6	What is impact of 'corruption' by KMP on Corporate Governance	5	
7	Enumerate any five principles of OECD Corporate Governance Framework	5	

SECTION B

Answer in 100-150 words (Answer any FIVE including Question No. 8 is Compulsory)

8	<i>Founded in 1988, the Securities and Exchange Board of India (SEBI) has the role to protect investors and regulate the financial market. SEBI initiatives in corporate governance are based on the Securities and Exchange Board of India Act and aim to prevent fraudulent practices. – Write a note on SEBI's initiatives to promote corporate governance</i>	10	
9	Discuss the role of 'stakeholder's relationship committee' in corporate governance framework	10	
10	"Stewardship code is a principles-based framework that assists institutional investors in fulfilling their responsibilities to help them protect and enhance the value of their clients and beneficiaries." Discuss	10	
11	Financial reporting frauds (also called management frauds) have become endemic, with huge losses being inflicted upon shareholders, creditors and others. Some of the most infamous frauds of the past two decades – Enron, WorldCom, Satyam, Olympus, Toshiba, and Parmalat being a small sample – have implicated the same	10	

	key concerns. These include: the deviant “dark triad” personalities of “C-suite” executives; failures by outside independent auditing firms; and gross inattention by those charged with corporate governance, the board of directors or audit committee members. – Discuss how important is the role of Audit Committee		
12	Critically evaluate the provisions relating to ‘class action suits’. Has this provision contributed towards improving the shareholder activism in India?	10	
13	<i>The main purpose behind BRR was to help companies self-identify how sustainable and responsible their business is and for that the nine principles of NVG hold real importance – Do you believe this purpose has been achieved, give reasons.</i>	10	
14	<i>“A nominee director is generally appointed in a company to ensure that the affairs of the company are conducted in a manner dictated by the laws governing companies and to ensure good corporate governance. A nominee director, as an affiliated director, is nominated to ensure that the interests of the institution which he or she represents are duly or effectively safeguarded” – please discuss the role of nominee directors and how does it contribute to good corporate governance.</i>	10	
15	Discuss about the role of internal controls and whistleblower protection in ensuring good corporate governance.	10	

SECTION-C

Answer in 300-500 words (Answer any ONE)

16	<p>On 7th January 2009, just four months after receiving the ‘Golden Peacock Award’ for global excellence in corporate governance, a confessional letter from the founder and Chairman of the Indian’s fourth largest IT company, Mr B. Ramalinga Raju, came as a great shock to the Indian Corporate Industry, and it had never been the same thereafter. The historic confessional letter divulged an unprecedented multibillion dollar accounting scam. The admission of Rs 78 billion has caused the regulators and the investors everywhere to re-examine the corporate governance standards. The fact that company which was audited by one of the most prestigious audit firms and adopted most advanced accounting and transparent IFRS accounting system much ahead of time can penetrate such a colossal and a global fraud is clearly eye opening for corporate counsel worldwide.</p> <p>Though there are adequate checks and balances in the system to prevent fraud, it is the slack attitude of each institution responsible for upholding corporate governance that made such a fraud. One of such regulatory institution is of independent director. An event like this is a great learning experience, and there are many lessons that can be drawn from it and many have been drawn.</p> <p>You as a researcher in the area of corporate governance have been requested by the Government of India to present a proposal highlighting five lessons from this scam and other similar scams for improving the corporate governance of companies in India. Submit your report with concrete suggestions.</p>	20	
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