

25804553



25804553

Reg. No.....

Name.....

LL.M. DEGREE EXAMINATION, OCTOBER 2025

Second Semester

Branch I : Commercial Law

Course 2—LW010202—LAW OF CORPORATE GOVERNANCE

(2024 Admissions—Regular and 2021-2023 Admissions—Supplementary)

Time : Three Hours

Maximum : 70 Marks

Answer any five questions.

All questions carry equal marks.

1. Explain the concept of corporate governance; state the broad objectives of corporate governance; emphasize on accountability as the key to good governance; outline the requisites of good governance; identify steps taken to ensure good corporate governance; explain the requirements of Corporate Governance Code.
2. State the importance of *Kumar Mangalam Birla Report* on corporate governance to improve transparency and corporate governance practices of Indian companies. Corporate governance is a powerful system which guides and controls the corporate entities and Social reporting in corporate governance has emerged out of pressure from society, mandatory social disclosure practices and desire of management to improve the company's image. Comment on these statements.
3. SEBI, vide its circular dated February 21, 2000, specified principles of corporate governance and introduced a new clause 49 in the Listing agreement of the Stock Exchanges. These principles of corporate governance were made applicable in a phased manner and all the listed companies with the paid up capital of Rs. 3 crores and above or net worth of Rs. 25 crores or more at any time in the history of the company, were covered as of March 31, 2003. SEBI has issued six circulars on the subject of corporate governance inter-alia detailing provisions of corporate governance, its applicability, reporting requirements etc. Explain the same.
4. The company law provides for adequate protection for the minority shareholders when their rights are trampled by the majority such Class Action Suit under section 245 or an application under section 241 for oppression and mismanagement. Comment. The basic principle of non-interference with the internal management of company by the court is laid down in a landmark case of *Foss v. Harbottle*, explain this.





25804554

5. Explain the concept of foreign currency hedging .State the revised guidelines of RBI on Forex Risk Fledging in 2024. Brief the term Foreign Currency exposure and State the different angles of the same like Transaction exposure, Translation Exposure and Economic exposure. Critically analyze how to cover the foreign exchange risks.
6. Sections 5 and 6 of the Competition Act, 2002, define “combinations” and regulate mergers or acquisitions in India. It sets thresholds for transactions based on asset value, turnover, and control and mandates notification to Competition Commission of India (CCI)and prohibits combinations that could harm competition, ensuring a competitive business environment. In this scenario analyse the process of mergers and acquisitions by explaining the laws for the same with the help of case laws.
7. Explain the need of equity financing. What are the different classes of corporate financial instruments? Mention the importance of Section 53 of Companies Act, 2013, State the exception of sweat share under the same. What is the factor that influence equity financing, investor decision and investor protection policy ?
8. Debenture holders are increasingly leveraging the IBC regime to address defaults done by a corporate debtor above Rupees 1 crore through the NCLT mechanism. This trend is driven by several factors, including the classification of debentures as financial debts under the IBC, and the structured recovery process offered by the IBC's Corporate Insolvency Resolution Process (“CIRP”). However, for debenture holders facing defaults below this threshold, Section 71 (10) of the Companies Act, 2013, read with Rule 73 of the National Company Law Tribunal (NCLT) Rules, 2016, offers a less explored - avenue for redressal. Critically comment on this classification in the matter of remedies.

(5 × 14 = 70)

