International Journal of Finance and Commerce
www.commercejournals.com
Online ISSN: 2664-715X, Print ISSN: 2664-7141
Received: 08-04-2025, Accepted: 09-05-2025, Published: 24-05-2025
Volume 7, Issue 2, 2025, Page No. 29-34

A theoretical perspective of stewardship responsibilities of mutual funds

Dr. Vandana Gupta
Associate Professor, Department of Commerce, Deen Dayal Upadhyaya College, Dwarka, New Delhi, India

Abstract
The existing literature provides ample evidence on the consequences of institutional ownership on the performance of companies and their role in strengthening the corporate governance mechanism of investee companies. We examine such theories to see whether they are useful in explaining the foundation or rationale behind the stewardship code for mutual funds brought out by the Indian securities market regulator, SEBI. We also look at why sometimes these investors work for improving corporate governance in investee firms rather than exiting and vice versa. We also do a comprehensive review of literature examining the stewardship code. Specifically, the following hypotheses *viz*., agency theory, monitoring hypothesis, conflict of interest hypothesis, strategic alignment hypothesis and efficiency abatement hypothesis are examined.

Keywords: Stewardship code, Institutional investors, mutual funds, corporate governance, voting

Introduction

Securities and Exchange Board of India (SEBI) is entrusted with the responsibility of regulating the Indian securities markets. Since it was given statutory powers in 1992, it has been constantly bringing our regulations on its each and every aspect of the capital markets. It also tries to keep up pace with its changing face due to entry of new market participants, new products, the revolutionary changes brought in by technology and so on and so forth. It was only a matter of time that SEBI took cognizance of the growing significance and domination of institutional investors like mutual funds throughout the world and also in the Indian stock markets. It understood that the time has come when these investors must be given more responsibilities and a much bigger role to play as a monitoring agent in safeguarding the interests of their beneficiaries which would also help other minority investors. This would go a long way in strengthening their corporate governance mechanism. The size of the mutual fund industry can be gauged from the fact that at the end of March 31, 2025, they were managing astounding assets of around Rs. 6,700,000 crores. It must be kept in mind that before the 1990s such ownership rested only with some public sector mutual funds. Shareholding in corporates has witnessed a see change in the last couple of decades (De la Cruz, Medina and Tang, 2019 [11]; Hawley and Lukomnik, 2018; Kahle and Stulz, 2017) [17, 23]. Lately, it has also been observed that there is a concentration of ownership in listed companies, globally, in the hands of a few institutional shareholders. This has brought in a new way of thinking which challenges the agency theory as postulated by Jenson and Meckling (1976) which served as a corporate governance mechanism for resolving the conflict between ownership and control (Klettner, 2021) [28]. Investors now prefer to invest not directly in companies but indirectly through mutual funds and pension funds (De la Cruz, Medina and Tang, 2019 [11]; Jahnke, 2019 [20]; Bebchuk, Cohen and Hirst, 2017) [4]. Their considerable growth over the years can be gauged from the fact that they were only managing 12% of total investments, globally way back in the 1990s and are now managing e a whopping 60% (Aiyappa, 2021). These big investors now own 70% of equity in the biggest 1,000 companies. In majority of such companies only less than two dozen of them control enough equity to put pressure on their management and influence the functioning of these companies (Gilson and Gordon, 2019) [15].

Keeping with the global trends, Indian listed companies also have phenomenal institutional investments *viz*., by mutual funds, foreign investors, privity equity funds and insurance companies. Such growth in their ownership in companies by institutional investors' warranties taking up more responsibilities and duties towards their clients because of their fiduciary relationship. They are more likely to influence the decisions of the management and keep their power in check and improve the financial performance of the companies. This is known as 'steward responsibilities' of institutional investors and is expected to enhance corporate governance in investee companies. SEBI had already come out with comprehensive guidelines for mutual funds to disclose their voting policies in investee companies along with the reasons and the rationale for casting their votes. These votes could be in favour of, against or abstain on the proposals or resolutions moved by the management in the annual general meetings of the companies. This regulation was implemented by SEBI through its circulars dated 15 March, 2010 and 24 March, 2014.

Stewardship code came in effect on 1 April, 2020. Stewardship is defined as 'the extent to which an individual willingly subjugates his or her personal interests to act in protection of others" (Hernandez, 2008) []18. The rest of the paper is structured as follows. In the next section we do a literature view of the studies undertaken on stewardship code, in section 3, we discuss the theories which we feel could be useful in explain the foundation for the SEBI's stewardship code. In section 4, we try to link the various theories with the code and in final section 5, we conclude.

Literature Review

We now do a comprehensive review of the existing literature on stewardship code of mutual funds. Chandan (2023) [6] with the help of case studies of LIC, SBI Mutual Find and SBI Pension fund showed their voting policies on the resolutions proposed by these entities. He notes that LIC rarely opposes or abstains from voting. In case of SBI

Mutual fund he finds many cases of opposition on proposals of appointment and payment of remuneration of directors and it has a good adherence to the stewardship code. While in the case of SBI Pension Fund, the researcher could not find its voting pattern on its website. This is very surprising, as the same is statutorily required by SEBI and appears to be a clear violation. Khurana (2021) [26] did a detailed examination of the Indian stewardship code and looked at its role in shaping the future behaviour of corporate India. She also examined the effect of the code on various stakeholders and concluded that there should be a uniform steward code for the Indian stock markets. Also, there is a phenomenal scope for improvements in many areas. Aiyappa (2021) looked at the role, the institutional investors play in enhancing and improving the corporate governance mechanism in India and sees it as a good step in the right direction. She concludes that a lot has to be done to plug the loopholes in the code.

Katelouzou and Siems (2020) [24] conducted a comprehensive study on Stewardship codes. They used the content analysis method and utilized information from a total of 41 stewardship codes around the world. These codes came into force between the period 1991 and 2019. They methodologically looked at the official dissemination of these stewardship codes. They found that majority of countries which were earlier colonies of the British in Asia used the United Kingdom's stewardship code as the basis for forming their own. Their findings also indicate diffusion from international enterprises like the EFAMA and ICGN codes along with local groups. There are studies which support and encourage compulsory stewardship codes for the role of institutional investors in corporate governance, shareholder activism and different forms of corporate ownership (McNulty and Nordberg, 2016 [34]; Aggarwal, Erel, Ferreira and Matos, 2011) [2]. Majumdar, (2020) [29] suggests that emerging markets should advance and put in place corporate governance mechanisms which are different from what exist in developed countries to address the issues arising out of shareholder ownership in such economies. Bansal and Dastidar (2021) [3] note that like the Indian corporate laws which are largely based on the UK laws, the stewardship code of the UK also forms its basis. They also point out that in the UK, the ownership in companies is rather spread out which is not the case in India where the shareholding is largely concentrated and the majority is owned by the promoter families. Therefore, they stress that it is essential to look at the effect such a code would have on the involvement of large investors. They observe that only downright transfers of stewardship duties have not been successful in bringing out significant improvements in the corporate governance norms and procedure followed by institutional investors.

Klettner (2021) [28] reported that stewardship codes influence the shareholder manager relationship and can encourage integration of wider economic and societal concerns into corporate finance. A comprehensive analysis of stewardship codes was conducted to find out which of the theories suggested in the literature like agency theory, agency capitalism, universal ownership and found that the stewards of society theory better reflect the design and structure of these stewardship codes around the world. The paper highlights the differences in such codes. Whereas, Gilson and Gordon (2019) [15] are of the view that in the changing shareholding pattern in companies, the institutional investors are "rationally reticent" with diversified portfolios and competing stocks which turns out be a deterrent for their whole-hearted participation in monitoring and supervising the corporate governance of a company. They also enumerate numerous recent legal decisions which reflect the new role played by shareholder activists and companies which supported or not supported them. Mees and Smith (2019) [35] provide evidence of the reconcentration of shareholder power through industry associations that mediate collective action to influence the governance practices of the investee companies.

Varottil (2020) [44] concluded that the UK style stewardship code is not appropriate for India. He points out that in the UK the shareholding is more dispersed than compared to India where it is more concentrated. Therefore, the role of institutional investors becomes different as they face different sets of challenges in India. He also points out that the objective of stewardship role in the UK is more on the long-term sustainability of beneficiaries of institutional investors whereas India adheres to a more pluralistic approach to corporate laws. The findings of the study by Yutaro, Naoshi, Yasuhiro, and Kotaro (2019) [46] amply show that when a country introduces the code it substantially enhances the value of companies which have a high degree of institutional ownership. Shorewala and Paranjpe (2011) [40] suggest that apart from having capabilities institutional investors also have a duty to have an active role in corporate governance. They also suggest ways whereby these investors can perform better in firms which have controlling shareholders and in others where there are not. They examine how the roles of institutional investors can be different in both the cases.

Theories as Foundation for the Stewardship Code

Extant literature suggests the following major theories to explain the impact the institutional investors have on a company's performance. These are (i) Agency theory (ii) Monitoring hypothesis (iii) Conflict of interest hypothesis, (iv) Strategic alignment hypothesis and (v) Efficiency abatement hypothesis.

1. Agency Theory

The agency relationship is a contract between a principal and an agent. Due to separation of ownership and control in a company there are substantial agency costs. It is believed that the institutional investors would be able to enhance the corporate governance mechanism so as to reduce the agency and asymmetric information problems (Jenson and Meckling, 1976). In India there is a high degree of concentration of ownership even in the listed companies. Majority of these companies are family-owned companies and with their vast voting power are able to appoint the board of directors and the key managerial positions. Thus, they not only participate in the day-to-day functioning of these companies but also in their decision making and formulation of strategies for future growth. In such a scenario where the corporate governance mechanisms are weak, the institutional investors can have an important role to play. These investors can closely monitor the performance and the governance practices (Elyasiani and Jia, 2010) [12]; Thanatawee, 2014) [43]. Therefore, the stipulations of the stewardship code will positively help in reducing the agency costs and enhanced monitoring by institutional investors.

2. Monitoring Hypothesis

Pound (1988) [36] has proposed the monitoring hypothesis, conflict of interest hypothesis and strategic alignment hypothesis to describe the relationship between institutional ownership and firm performance. If we look at the monitoring hypothesis, it posits that there is a positive association of institutional shareholding and performance of companies. These professional organisations actively oversee the various activities undertaken by the managements of investee companies. They regularly deliberate on their corporate strategies with them. These institutions support or oppose the choices of the management through voting for or against them. Such investors pay a small additional price for monitoring these companies as they benefit from the economies of scale in undertaking research and monitoring actions. Such large investors are able to effectively and efficiently monitor managements given their years of professional experience and expertise across a gamut of industries and benefitting from comparatively low costs of monitoring in contrast to the small and minority shareholders who are spread across the country. Such small investors cannot be effective monitors given their small shareholding and voting rights. Hence, institutional investors are a boon and a blessing for these small investors. Institutional investors have a financial motivation for supervising, directing and prompting managerial decisions. Their investment decisions are based on careful and extensive research on companies, industry and the economy and they look at the various factors which may affect the financial performance of the companies going forward. Natural instinct would be that one would see a positive relationship between institutional shareholding and the performance of companies according to the Monitoring hypothesis. Findings of numerous research studies show phenomenal evidence in support of supervising and monitoring capacities and capabilities of institutional investors (Mallin, 2016 [30]; Aggarwal, Erel, Ferreira and Matos, 2011; Gillan and Starks, 2003 [14]; Chaganti and Damanpour, 1991; McConnell and Servaes, 1990) [2, 9, 33]. Hence, monitoring hypothesis is very useful in explaining in the thought process behind the stewardship code.

3. Conflict of Interest Hypothesis

Our second hypothesis under study is the conflict of interest hypothesis which takes a different view. It postulates that such institutional investors could very well also have commercial partnerships with investee companies. Therefore, they will vote alongside the current management due this conflict of interest. For example, an institutional investor may be managing the pension funds of employees of a company and at the same time may have invested in its equity shares. Thus, these institutional shareholders may face conflicts of interest, such as managing pension funds for company employees while also holding shares in the company. Such business relationships restrict and confine them to come to terms with the decisions of their investee company's managements. They are thus forced to tow their line of view without interfering with their activities as they do not wish to spoil their business relations (Pound 1988) [36]. Therefore, institutional investors cannot be effective and active supervisors and monitors, if they have other business interests in their investee companies. They are more likely to join hands with the company's management for their own benefits which could be seriously detrimental and may affect the performance of such companies. Hence, conflict of interest hypothesis envisages a negative relationship among institutional shareholding and a company's performance. Evidence in support of strategic alignment hypothesis and the conflict-of-interest hypothesis is provided by Duggal and Millar, 1999; Pound, 1988) [16, 36]. On the other hand, Kahl and Gorton (1999) [22] show that these institutional investors are managed by professional managers who may not have their own money at risk in the investments they make. Therefore, they themselves suffer from agency problems and the conflict arising therefrom which makes them ineffective compared to rich investors. Cornett, Marcus, Saunders, and Tehranian (2007) [10] also show that if the institutional investors have a business relationship with an investee company, then they do not impact the company's operating cash flows. Their findings indicate that pressure sensitive institutional investors are unable to effectively monitor the company's management as they would like to safeguard their business ties with them. Their study supports the strategic alignment and the conflict-of-interest hypothesis. Therefore, the above discussion shows that the conflict-of-interest hypothesis will not be able to support the stewardship code.

4. Strategic Alignment Hypothesis

Our third hypothesis, the Strategic alignment hypothesis posits mutual agreement and collaboration between the institutional investors and management of investee companies to expropriate their resources for their common benefits. Their decisions and actions do not go well with the interests of other stakeholders (Pound, 1988) [36]. Thus, these institutional investors fail to supervise and monitor the management by their collusion and the positive effect they could have brought in corporate governance in the investee companies is lost which negatively affects the performance of these companies. Hence, the strategic alignment hypothesis forecasts a negative association among institutional shareholding and business and financial performance of companies. It is also observed that institutional investors' decisions are based on their economic interests because of their intricacy and advantages in obtaining information (Enriques and Romano, 2019) [13, 37]. It is also argued that their myopic behaviour in earning short-term profits may result in inactivity on their part with regards to areas of corporate governance (McConnell and Servaes, 1990) [33]. Since the ownership in companies is wide spread it can also inspire and encourage institutional owners to conspire with the management in expropriating resources for their own benefits (Trapczynski, Halaszovich and Piaskowska, 2020) [42]. Therefore, the strategic alignment hypothesis will also not be able to support the stewardship code.

5. Efficiency Abatement Hypothesis

Lastly, the efficiency abatement hypothesis postulates that institutional owners could have a narrow-minded assessment of their investment in companies. Normally, such investors prefer to disinvest from their investee companies rather than to try and improve the corporate governance structures and mechanisms and participate in the decision making. They may thus threaten to exit from the companies (Aggarwal, Erel, Ferreira and Matos, 2011; Klein and Zur, 2009) [2, 27]. They would rather not prefer to monitor and sway managerial decisions but prefer to exit from the company which is not performing well. Thus, as inactive and silent shareholders, institutional investors may not affect firm performance. Investments or disinvestments by such investors from investee companies are closely watched not only by other shareholders but also by other market participants as these investors are supposed to have better sources of information, better stock selection and portfolio management capabilities. Their actions can thus be very crucial. Thus, the stewardship code will not find its support in the efficiency abatement hypothesis.

SEBI Stewardship Code for Mutual Funds and Alternative Investment Funds (2019)

We briefly discuss the various stipulations of the code and try to link them with the existing theories explaining the role of institutional investors in strengthening the corporate governance mechanism of investee companies. We examine such theories to see whether they are useful in explaining the foundation or rationale behind the stewardship code.

Principle 1

Institutional Investors should formulate a comprehensive policy on the discharge of their stewardship responsibilities, publicly disclose it, review and update it periodically.

SEBI defines the stewardship responsibilities of institutional investors to include supervising the operational and financial performance of investee companies. They also have to examine various strategies formulated by the companies and different aspects related to effective corporate governance. These include composition of the board of directors, the remuneration of directors, to examine the opportunities and risks with regards to the environmental, social, and governance (ESG) matters and the composition of their capital structure. SEBI advises that it is for the institutional investors to decide the ways and the manner in which they would be involved with their investee companies. It could either be through a dialogue with their management and with their board of directors. It lays special emphasis on using their right to vote on resolutions proposed by the management in the annual general meetings of the investee companies as an effective way to monitor their activities. It has also now made it mandatory for all institutional investors to devise an exhaustive policy detailing the ways these institutions would fulfill these stewardship duties. Such policy should be available in the public domain and should be frequently revised.

The above stipulation by SEBI is in line with monitoring hypothesis which suggests that the institutional investors are active in monitoring the activities of their investee companies and can thus improve their performance. SEBI's stipulations are grounded in the work of (Mallin, 2016 [30]; Martin, Casson and Nisar, 2007) [31] which show that the association between institutional investors and their investee companies could be a one-one meeting, voting, shareholder resolutions and corporate governance rating systems. Such meetings are regularly used by institutional investors to strengthen the corporate governance mechanism in the investee companies (McCahery, Sautner and Starks, 2015).

Principle 2

Institutional investors should have a clear policy on how they manage conflicts of interest in fulfilling their stewardship responsibilities and publicly disclose it.

SEBI has stipulated that institutional investors must devise a comprehensive plan for recognizing and dealing with the possible areas of conflicts of interest that may arise in the future and the mechanism for handling the same. Such stipulations find their foundations in the conflict-of-interest hypothesis according to which the institutional investors due to their business tie ups and relationships with the investee companies would rather go with the management instead of trying to improve their performance. It is quite possible that the investors who have the control might steal the benefits of small investors (Shleifer and Vishny, 1996) [41].

Principle 3

Institutional investors should monitor their investee companies.

Institutional investors bring with them a lot of experience and expertise, which the retail or small investors do not possess. The small investors also do not have the necessary voting power to influence the decision making of managements. SEBI has also suggested that the institutional investors can collaborate and vote collectively and can put their foot down on proposals of the management which may not be in the interests of the company. Thus, SEBI has sought more participation and monitoring by the institutional investors with regards to a gamut of aspects of a company's functioning. These include the quality of its management, structure of its board, its independence and diversity, etc. Research shows that the institutional investors through their effective monitoring of the investee companies can have a huge impact on their behaviour (Mallin, 2016 [30]; Aggarwal, Erel, Ferreira and Matos, 2011; Gillan and Starks, 2003) [2, 14].

Principle 4

Institutional investors should have a clear policy on intervention in their investee companies. Institutional investors should also have a clear policy for collaboration with other institutional investors where required, to preserve the interests of the ultimate investors, which should be disclosed.

SEBI now requires these investors to specifically design a policy which would help them in identifying situations which would warrant their intervention in the investee companies and the mechanism to do so. For example, these situations could be related to various kinds of internal and external risks which the companies may be exposed to, due to their declining performance, concerns being raised in the corporate governance structures, quality of their leadership, etc. It may be up to the institutional investors to discuss with the management or the board of directors' and more importantly look for support and alliance with other large investors. Research has shown that it could be costly for the institutional investors to completely sell their stake and they would rather choose to correct and improve the existing corporate governance mechanisms (McNulty and Nordberg, 2016; Mc Cahery, Sautner and Starks, 2015) [32, 34].

Principle 5

Institutional investors should have a clear policy on voting and disclosure of voting activity.

SEBI had observed that institutional investors like mutual funds were passive investors and largely did not participate in voting on important issues which were proposed by the management in the form of resolutions. They also did not have any in-house mechanism or guidelines which could guide them at the time of voting in the annual general meetings of the companies. Keeping this in view, SEBI has now made it mandatory for mutual funds and alternate investment funds to have a comprehensive voting policy. They are now required to take their voting decisions on that basis and after a rigorous analysis of the consequences, instead of always towing the line of the management.

Extant literature shows that institutional investors could be very useful and can play an important part in improving and strengthening corporate governance (Sakawa, Watanabel, Duppati and Faff, 2021; Sakawa and Watanabel, 2020) [38, 39].

Principle 6

Institutional investors should report periodically on their stewardship activities.

The manner in which the institutional investors have fulfilled their stewardship duties is now required to be disclosed on their websites categorically stating how each of the principles prescribed in the code has been met. The investors must also disclose their voting pattern and the justification for the same. This is only a reporting requirement and does not have to do anything with any of the theories.

Conclusion

We examined various theories *viz*., agency theory, monitoring hypothesis, conflict of interest hypothesis, strategic alignment hypothesis and efficiency abatement hypothesis given in the literature. We simultaneously looked at the various stipulations in the stewardship code to see whether these theories are useful in understanding the larger role and more responsibilities being given to institutional investors for effectively discharging their fiduciary duties towards their beneficiaries. Their more proactive participation would have a positive impact on the performance and corporate governance in the investee companies as envisaged by the agency and the monitoring hypothesis. We find that agency theory and monitoring hypothesis help to understand the stipulations and also provide a sound foundation for the stewardship code mandated by SEBI. This code would has vastly strengthened the existing corporate governance framework in Indian companies and the minority shareholders immensely benefit from the bigger and more proactive role of institutional investors which helps to protect their interests.

References

1. Aiyyapa Mrinal. SEBI's stewardship code, institutional investors in corporate governance, 2019. available at SSRN: https://ssrn.com/abstract=3853007 or http://dx.doi.org/10.2139/ssrn.3853007
2. Aggarwal R, Erel, Ferreira and Matos P. Does governance travel around the world? Evidence from institutional investors, Journal of Financial Economics,2011:100:154-181.
3. Bansal S and Dastidar GR. Promoting good corporate governance through institutional investors' activism: Concerns and steps forward, Economic and Political Weekly,2021:56(52):1-12.
4. Bebchuk LA, Cohen A and Hirst S. The agency problems of institutional investors', Journal of Economic Perspectives,2017:31:89-102.
5. Bhattacharya PS. On institutional ownership and firm performance: A Disaggregated View. Journal of Multinational Financial Management,2009:19(5):370-394
6. Chandan K. An analysis of stewardship code as a tool of corporate governance in India- A few case study, Indian Journal of Research,2023:12(7):28-31.
7. Chen I-Ju, and Sheng-Syan Chen. Corporate governance and the investment efficiency of diversified corporate asset buyers. Journal of Applied Corporate Finance,2017:29:99-114.
8. Chen Naiwei, Hao-Chang Sung and Jingjing Yang. Ownership structure, corporate governance and investment efficiency of Chinese listed firms. Pacific Accounting Review,2017:29:266-82.
9. Chaganti R, and Damanpour F. Institutional ownership, capital structure, and firm performance. Strategic Management Journal,1991:12(7):479- 491.
10. Cornett MM, Marcus A Marcus, Saunders Anthony and Tehranian H. The impact of institutional ownership on corporate operating performance, Journal of Banking Finance,2007:31(6):1771-1794.
11. De la Cruz A, Medina A and Tang Y. Ownership of listed companies around the world. OECD, 2019.
12. Elyasiani E and Jia J. Distribution of institutional ownership and corporate firm performance. Journal of Banking Finance,2010:34(3):606-620.
13. Enriques L and Romano A. Institutional investor voting behaviour: A network theory perspective a network theory perspective. 10.1093/oso/9780198863175.003.0012, 2021.
14. Gillan S and Laura S. Corporate governance, corporate ownership, and the role of institutional investors: A global perspective. Journal of Applied Finance,2003:13:4-22.
15. Gilson, Ronald J and Gordon J N. The rise of agency capitalism and the role of shareholder activists in making it work, Journal of Applied Corporate Finance,2019:31(1):8-23.
16. Duggal R and Millar JA. Institutional ownership and firm performance: The case of bidder returns. Journal of Corporate Finance,1992:5(2):03-117.
17. Hawley J P and Lukomnik J. The third, system stage of corporate governance: Why institutional investors need to move beyond modern portfolio theory, 2018, Available at SSRN 3127767.
18. Hernandez, M. Promoting stewardship behavior in organizations: A leadership model, Journal of Business Ethics,2008:80:121-128.
19. Holland John. Influence and intervention by financial institutions in their investee companies. Corporate Governance: An International Review,1998:6:249-64.
20. Jahnke P. Ownership concentration and institutional investors' governance through voice and exit. Business and Politics,2019:21:327-350.
21. Jensen M, and Meckling W. Theory of the firm: Managerial behavior, agency costs and ownership structure. Journal of Financial Economics,1976:3(4):305-360.
22. Kahl M and Gorton G B. Block holder identity, equity ownership structures, and hostile takeovers NBER Working Paper No. w7123, Available at SSRN: https://ssrn.com/abstract=165132, 1999.

23. Kahle KM and Stulz RM. Is the US public corporation in trouble? Journal of Economic Perspectives,2017:31:67-88.
24. Katelouzou D and Siems M. The global diffusion of the steward codes, European Corporate Governance
25. Institute, Law Working Paper,2020:526:1-45.
26. Khurana KS. Decoding SEBI's Stewardship code for institutional investors, Antardrishti IUD Journal of Interdisciplinary Research,2021:1(2):98-106.
27. Klein A Zur E. Entrepreneurial shareholder activism: Hedge funds and other private investors, The Journal of Finance,2009:64(1):187-229.
28. Klettner A. Stewardship codes and the role of institutional investors in corporate governance: An international comparison and typology, British Journal of Management, Special Issue- Corporate Governance in Extreme Institutional Environments, 2021, 1-32.
29. Majumdar A. Convergence in corporate governance: The case of China and India, BRICS Law Journal,2020:7(1):59-90.
30. Mallin Christine. Corporate Governance, 5th ed. Oxford: Oxford University Press, 2016.
31. Martin R, Peter C and Tahir N. Investor engagement: Investors and management practice under shareholder value,1st ed. Oxford: Oxford University Press, 2007.
32. Mc Cahery J, Zacharias S, and Laura S. Behind the scenes: The corporate governance references of institutional investors, The Journal of Finance,2015:71:2905-32.
33. McConnell JJ, and Servaes H. Additional evidence on equity ownership and corporate value. Journal of Financial Economics,1990:27(2):595-612.
34. McNulty T Nordberg D. Ownership, activism and engagement: Institutional investors as active owners, Corporate Governance: An International Review,2016:24:346-358.
35. Mees B Smith S A. Corporate governance reform in Australia: A new institutional approach, British Journal of Management,2019:30:75-89.
36. Pound J. Proxy contests and the efficiency of shareholder oversight. Journal of Financial Economics,1988:20(12):237-65.
37. Romano A, Enriques L and Macey, JR. Extended shareholder liability for systemically important financial institutions, European Corporate Governance Institute- Law Working Paper No. 477/2019, available at SSRN: https://ssrn.com/abstract=3471892 or http://dx.doi.org/10.2139/ssrn.3471892
38. Sakawa Hideaki and Naoki Watanabel. Institutional ownership and firm performance under stakeholder-oriented corporate governance. Sustainability,2020:12:1021.
39. Sakawa H, Naoki W, Geeta D and Robert F. Institutional ownership and corporate risk-taking in Japanese listed firms. Applied Economics,2021:53:1899-914.
40. Shorewala K and Paranjpe A. Institutional investors, corporate governance and global standards: An Indian perspective, available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1732508, 2019.
41. Shleifer A and Vishny, RWA survey of corporate governance. NBER Working Paper No. w5554, Available at SSRN: https://ssrn.com/abstract=10182, 1996.
42. Trapczynski P, Tilo FH and Dorota P. The role of perceived institutional distance in foreign ownership level decisions of new MNEs. Journal of Business Research,2020:108:435-49.
43. Thanatawee Y. Institutional ownership and firm value in Thailand. Asian Journal of Business and Accounting,2014:7(2):1-22.
44. Varottil U. Shareholder stewardship in India: The desiderata, NUS Law Working Paper No.2020/005, https://ssrn.com/abstract=3538037, 2020.
45. Ward C, Chao Yin, and Yeqin Zeng. Motivated institutional investors and firm investment efficiency. European Financial Management, 26(2), 348-385.
46. Yutaro S, Naoshi I, Yasuhiro, A and Kotaro I. Stewardship code, institutional investors, and firm value: international evidence, RIETI Discussion Paper Series 19-E-077, available at https://www.rieti.go.jp/jp/publications/dp/19e077.pdf