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Shareholder Activism and Corporate Governance: A Comparative Study of India, the United Kingdom and the United States

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ABSTRACT

Shareholder activism has emerged as one of the most potent forces shaping the landscape of corporate governance throughout the world. What started out as a peripheral concern of corporate law thirty years ago has burgeoned into the primary means through which owners of capital seek to 'discipline management', 'control strategy' and 'challenge the board'. The manifestation, intensity and treatment of activism, however, vary profoundly depending on how corporate ownership is organised, the provisions of a jurisdiction's securities law regime, and whether its courts are prepared to intervene in disputes within corporations. The paper offers a comparative overview of activism and corporate governance in three jurisdictions that embody clearly distinct governance traditions: (i) the United States, with a largely dispersed pattern of ownership and a landscape dominated by hedge funds engaged in aggressive activism; (ii) the United Kingdom, with a maturing, stewardship-centred soft law regime; and (iii) India, an economy of tightly concentrated, promoter-dominated companies in which activism remains nascent. Drawing on legislation, judicial decisions, regulatory reports and the extensive scholarly literature on the subject, the paper seeks to demonstrate that the success of an activist intervention depends less on rights that exist on paper than on the combination of the degree of concentration of shareholdings, the enforcement framework and the robustness of the institutional shareholder base. It concludes with proposals that the Indian system could draw, selectively and with caution, from the other two jurisdictions in order to make shareholder activism a more effective mechanism.

Keywords: *Shareholder Activism, Corporate Governance, Institutional Investors, Stewardship Code, Promoter-Dominated Companies, Comparative Corporate Law*

I. INTRODUCTION

Whether shareholders and their companies have always had an awkward relationship is unclear, but at the very least the relationship is one of tension. Company law gives shareholders residual ownership but cedes day-to-day decision-making to a board of directors, creating what may be called a separation between the owners and the controllers of the enterprise. This separation,

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first subjected to systematic analysis in modern corporate law literature nearly a century ago, gives rise in economic terms to what is termed an agency problem: managers, who enjoy an informational advantage and control of day-to-day decisions but bear little of the enterprise's residual risk, do not necessarily act in the interests of the shareholders who bear that risk. Shareholder activism, in its various forms, has been one of the major methods through which private ordering (as opposed to state regulation) has addressed the agency problem.

Shareholder activism may be broadly defined as the methods by which shareholders exert influence on corporate decision-making without obtaining outright control of the company. These range from voting at general meetings, requisitioning extraordinary general meetings and moving shareholder resolutions, to derivative and unfair prejudice claims, private dialogue with directors (known as 'stewardship'), and more aggressive interventions, such as campaigns for governance changes or for the sale of the company, mounted by activist hedge funds that have acquired large blocks of shares.¹

Historically, judicial reluctance to intervene in matters of internal corporate management may be traced to *Foss v. Harbottle*,² which established the proper claimant principle and the rule of majority governance, under which only the majority may redress wrongs of internal management. This nineteenth-century principle underpins shareholder remedies across the common law world and continues to influence shareholder law in India, the United Kingdom and, through the demand-futility doctrine in derivative litigation, the United States.

Interest in shareholder activism accelerated considerably following a series of corporate governance failures (the collapse of Enron and WorldCom in the United States, the banking failures that preceded the 2008 global financial crisis in the United Kingdom, and a succession of promoter-driven governance lapses in India), each of which was attributed, in part, to insufficiently engaged or insufficiently empowered shareholders.³ In response, policymakers in each jurisdiction have pursued distinct regulatory strategies. The United States has relied principally on federal securities regulation administered by the Securities and Exchange Commission alongside state corporate law, most influentially that of Delaware; the United Kingdom has developed a 'comply or explain' soft law architecture built around the UK Corporate Governance Code and the Stewardship Code; and India has pursued a hybrid strategy combining statutory minority protection under the Companies Act 2013 with an increasingly

¹ Umakanth Varottil, *The Advent of Shareholder Activism in India*, 1 J. ON GOVERNANCE 582, 585 (2012).

² *Foss v. Harbottle* (1843) 67 Eng. Rep. 189 (Ch.); 2 Hare 461.

³ FIN. REPORTING COUNCIL, *The UK Stewardship Code*, preface (July 2010).

assertive regulatory regime administered by the Securities and Exchange Board of India ('SEBI').

Following this introduction, the paper proceeds in eight parts. Part II sets out the conceptual and theoretical framework within which shareholder activism is best understood, drawing on agency theory, the shareholder primacy and stakeholder debates, and the law and finance literature associated with La Porta, Lopez-de-Silanes, Shleifer and Vishny.⁴ Parts III, IV and V examine, respectively, the legal architecture of shareholder activism in the United States, the United Kingdom and India. Part VI undertakes a comparative analysis of the three regimes, Part VII critically evaluates the long-term value implications of activism, Part VIII offers recommendations for the reform of the Indian framework, and Part IX concludes.

II. CONCEPTUAL AND THEORETICAL FRAMEWORK

A. Defining shareholder activism

Shareholder activism is not a legal term of art, and its meaning is far from settled. The phenomenon is better viewed as a spectrum of shareholder activity. At one extreme lies the passive 'index fund' model of shareholding; at the other, the aggressive, control-seeking activity of activist hedge funds, which take a significant minority position and follow it with public or private demands for changes in business strategy, capital structure, board composition or management. Somewhere in between lies 'stewardship', a concept associated mainly with the sustained monitoring, voting and engagement of institutional owners (pension funds, insurers and asset managers), conducted relatively frequently but typically in private, and therefore often 'quietly'.^{5,6}

This spectrum is one dimension along which activism may be analysed. A more conventional, empirical approach classifies research on shareholder activism into three categories: the antecedents of activism, identifying which owners take action against which firms; the dynamics and process of activism itself; and the outcomes of activism for firm value, the quality of governance and the welfare of stakeholders. All three headings, in slightly altered form, are used here to organise the comparative analysis.⁷

⁴ Rafael La Porta, Florencio Lopez-de-Silanes, Andrei Shleifer & Robert W. Vishny, *Law and Finance*, 106 J. POL. ECON. 1113 (1998), <https://doi.org/10.1086/250042>.

⁵ Andrew Johnston, Rachelle Belinga & Blanche Segrestin, *Governing Institutional Investor Engagement: From Activism to Stewardship to Custodianship?*, 22 J. CORP. L. STUD. 45, 47 (2022), <https://doi.org/10.1080/14735970.2021.1965338>.

⁶ Marcel Kahan & Edward B. Rock, *Hedge Funds in Corporate Governance and Corporate Control*, 155 U. PA. L. REV. 1021, 1023 (2007).

⁷ Deepali Dhingra, *Shareholder Activism in India: A Review and Research Agenda*, CORP. REPUTATION REV. (2025), <https://doi.org/10.1057/s41299-025-00242-5>; see also Matthew R. Denes, Jonathan M. Karpoff & Victoria

B. Agency theory, shareholder primacy, and the stakeholder debate

The dominant theoretical justification for shareholder activism is rooted in agency theory, which conceives of the relationship between shareholders (principals) and managers (agents) as one inherently prone to divergent incentives.⁸ Proponents of increased shareholder power, most prominently Lucian Bebchuk, have argued that shareholders are systematically under-empowered relative to management under the existing legal architecture of most jurisdictions, and that expanding shareholder voice, through easier access to the corporate ballot, majority voting and the ability to call special meetings, would reduce agency costs and improve long-term firm performance.⁹ Bebchuk has further argued that the traditional justification for insulating boards from shareholder pressure rests on what he terms the ‘myth of the shareholder franchise’, namely the assumption that shareholders already possess meaningful power to replace underperforming directors through the electoral process.¹⁰

This view has not gone unchallenged. Critics, including Martin Lipton and, from the bench, Leo Strine, then Chief Justice of the Delaware Supreme Court and formerly Chancellor of the Delaware Court of Chancery, have warned that an unqualified expansion of shareholder power risks entrenching short-termism, since many of the institutional shareholders who would exercise this power are themselves agents (mutual funds, pension funds and hedge funds) whose own incentives may not align with the long-term interests of the ultimate beneficial owners of capital.¹¹ This tension between shareholder primacy, which treats the maximisation of shareholder wealth as the proper objective of the corporation, and stakeholder theory, which insists that directors must weigh the interests of employees, creditors, customers and the wider community, forms a recurring thread throughout the comparative analysis that follows, and finds its most explicit statutory expression in section 172 of the UK Companies Act 2006, examined in Part IV below.

C. The law and finance thesis and ownership concentration

A separate but closely related strand of scholarship, associated with La Porta, Lopez-de-Silanes, Shleifer and Vishny (commonly referred to as ‘LLSV’), argues that the strength of the legal protection afforded to minority shareholders is a principal determinant of the pattern of

B. McWilliams, *Thirty Years of Shareholder Activism: A Survey of Empirical Research*, 44 J. CORP. FIN. 405 (2017), <https://doi.org/10.1016/j.jcorpfin.2016.03.005>.

⁸ Bernard S. Black, *Agents Watching Agents: The Promise of Institutional Investor Voice*, 39 UCLA L. REV. 811, 812 (1992).

⁹ Lucian A. Bebchuk, *The Case for Increasing Shareholder Power*, 118 HARV. L. REV. 833 (2005).

¹⁰ Lucian A. Bebchuk, *The Myth of the Shareholder Franchise*, 93 VA. L. REV. 675, 678 (2007).

¹¹ Leo E. Strine, Jr., *Can We Do Better by Ordinary Investors? A Pragmatic Reaction to the Dueling Ideological Mythologists of Corporate Law*, 114 COLUM. L. REV. 449, 451–53 (2014).

corporate ownership observed across countries.¹² Where legal protection is strong, as LLSV contend is generally the case in common law jurisdictions such as the United States and the United Kingdom, ownership tends to be more dispersed, and share value is less heavily discounted for expropriation risk. Where legal protection is weaker or less consistently enforced, controlling shareholders, often founding families or business groups, tend to retain concentrated blocks of stock precisely because dispersed minority shareholders cannot adequately protect themselves through the market.¹³ This thesis, though contested and refined in subsequent literature, offers a useful heuristic for understanding why shareholder activism in India takes a markedly different form from that observed in the United States and the United Kingdom. Where the United States and the United Kingdom exhibit widely dispersed share ownership, permitting outside activists to acquire influence with comparatively small stakes, Indian listed companies remain overwhelmingly promoter-controlled, so that activism is directed less at displacing an entrenched but diffuse management and more at constraining a dominant controlling shareholder.

III. THE UNITED STATES: SHAREHOLDER ACTIVISM IN A DISPERSED OWNERSHIP MODEL

A. The dual regulatory architecture: federal securities law and state corporate law

Corporate governance in the United States is shaped by an unusual dual regime. State law governs internal affairs such as directors' fiduciary duties, the extent of board power and shareholder voting, and Delaware law plays a disproportionately large role because so many public companies are incorporated there. Federal law, principally the Securities Exchange Act of 1934, determines what information must be disclosed and regulates proxy solicitations and tender offers. Federal law thus largely governs the procedural means by which shareholders exert influence over managers, while state law determines the substance and degree of the influence shareholders actually have and the fiduciary duties the board owes them.¹⁴

B. The proxy access saga

The most instructive episode in the recent history of American shareholder empowerment is the 'proxy access' controversy. Historically, Rule 14a-8 under the Exchange Act permitted a company to exclude from its proxy statement any shareholder proposal relating to the election of directors, effectively foreclosing shareholders from using the company's own proxy

¹² La Porta et al., *Law and Finance*, *supra* note 4.

¹³ Rafael La Porta, Florencio Lopez-de-Silanes, Andrei Shleifer & Robert W. Vishny, *Investor Protection and Corporate Governance*, 58 J. FIN. ECON. 3, 5–8 (2000), [https://doi.org/10.1016/S0304-405X\(00\)00065-9](https://doi.org/10.1016/S0304-405X(00)00065-9).

¹⁴ Securities Exchange Act of 1934, 15 U.S.C. § 78a *et seq.*

machinery to nominate rival board candidates.¹⁵ Following the financial crisis, and armed with express statutory authorisation in the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010,¹⁶ the Securities and Exchange Commission adopted Rule 14a-11, which would have granted shareholders (or groups of shareholders) holding at least three per cent of a company's voting power continuously for three years a mandatory right to have their own director nominees included in the company's proxy statement, for up to twenty-five per cent of the board.¹⁷ The rule was, however, challenged by the Business Roundtable and the Chamber of Commerce of the United States, and the United States Court of Appeals for the District of Columbia Circuit vacated Rule 14a-11 on the ground that the Commission had acted arbitrarily and capriciously in failing adequately to assess the rule's economic costs and benefits.¹⁸

The practical consequence of *Business Roundtable* was to leave intact only the associated amendment to Rule 14a-8(i)(8), which permits, but does not require, shareholders to propose bylaw amendments establishing company-specific proxy access procedures, a regime often described as 'private ordering'.¹⁹ The episode illustrates a distinctive feature of American shareholder empowerment. Unlike the United Kingdom's reliance on soft law codes, and unlike India's reliance on a specialist securities regulator with direct rule-making power, expansions of shareholder authority in the United States are frequently contested through litigation testing the outer limits of administrative agency authority, producing an incremental, court-supervised and often company-specific, rather than economy-wide, pattern of reform.

C. Say-on-pay and the rise of hedge fund activism

Dodd-Frank also introduced a mandatory, albeit non-binding, shareholder vote on executive compensation, the so-called 'say-on-pay' vote, to be held at least once every three years by United States public companies.²⁰ While advisory in form, the say-on-pay vote has proved to be a significant focal point for shareholder engagement, particularly where proxy advisory firms recommend a vote against management's compensation proposals.

The most economically significant development in American shareholder activism over the past two decades, however, has been the emergence of hedge funds as activist investors. Unlike

¹⁵ 17 C.F.R. § 240.14a-8(i)(8) (2009) (text in force before the 2010 amendments).

¹⁶ Dodd-Frank Wall Street Reform and Consumer Protection Act, Pub. L. No. 111-203, § 971, 124 Stat. 1376, 1915 (2010).

¹⁷ Facilitating Shareholder Director Nominations, Securities Act Release No. 33-9136, Exchange Act Release No. 34-62764, 75 Fed. Reg. 56,668 (Sept. 16, 2010) (adopted Aug. 25, 2010).

¹⁸ *Bus. Roundtable v. SEC*, 647 F.3d 1144 (D.C. Cir. 2011).

¹⁹ 17 C.F.R. § 240.14a-8(i)(8) (2025); see also Del. Code Ann. tit. 8, § 112 (2009) (authorising bylaws that require a corporation to include shareholder-nominated candidates in its proxy materials).

²⁰ Dodd-Frank Wall Street Reform and Consumer Protection Act, *supra* note 16, § 951, 124 Stat. at 1899.

traditional institutional shareholders, activist hedge funds typically acquire a meaningful but non-controlling stake in a target company, disclose that stake on Schedule 13D, and then use a combination of private negotiation, public letters and, where necessary, proxy contests to press for specific changes in capital structure, strategy or board composition.²¹ Empirical work by Brav, Jiang, Partnoy and Thomas found that the announcement of an activist hedge fund's Schedule 13D filing was associated with an average abnormal stock return of approximately seven per cent in the surrounding period, a finding broadly replicated by Bebchuk, Brav and Jiang, who reported an average abnormal return of roughly six per cent around the filing window.²²

This body of empirical evidence has, however, been fiercely contested. In their influential and widely cited study, Bebchuk, Brav and Jiang examined a five-year window following hedge fund interventions and found no evidence that activist interventions, including the most adversarial and investment-limiting types most criticised by opponents, were followed by short-term gains achieved at the expense of long-term performance.²³ This conclusion was directly challenged by Martin Lipton, a founding partner of the law firm Wachtell, Lipton, Rosen & Katz, who argued in a series of widely read commentaries that empirical claims of this kind rested on flawed methodology and understated the real-world costs of activist-induced underinvestment, cost-cutting and leverage.²⁴ Similarly, Allaire and Dauphin, writing for the Institute for Governance of Private and Public Organizations, published a series of critiques questioning the robustness of the Bebchuk, Brav and Jiang findings, to which the original authors responded in turn.²⁵ A separate strand of empirical work by Cremers, Giambona, Sepe and Wang, comparing targeted firms with a matched sample of similarly underperforming firms that were not targeted, found that targets improved less in value than their matched counterparts, underscoring the continuing absence of empirical consensus on this question.²⁶

²¹ Alon Brav, Wei Jiang, Frank Partnoy & Randall Thomas, *Hedge Fund Activism, Corporate Governance, and Firm Performance*, 63 J. FIN. 1729, 1730–32 (2008), <https://doi.org/10.1111/j.1540-6261.2008.01373.x>.

²² Lucian A. Bebchuk, Alon Brav & Wei Jiang, *The Long-Term Effects of Hedge Fund Activism*, 115 COLUM. L. REV. 1085, 1091 (2015).

²³ Bebchuk, Brav & Jiang, *supra* note 22, at 1089.

²⁴ Martin Lipton, *Empiricism and Experience; Activism and Short-Termism; the Real World of Business*, HARV. L. SCH. F. ON CORP. GOVERNANCE & FIN. REGUL. (Oct. 28, 2013), <https://corpgov.law.harvard.edu/2013/10/28/empiricism-and-experience-activism-and-short-termism-the-real-world-of-business/>.

²⁵ Yvan Allaire & François Dauphin, *Still Unanswered Questions (and New Ones) to Bebchuk, Brav and Jiang* (INST. FOR GOVERNANCE OF PRIV. & PUB. ORGS., Jan. 19, 2015), https://igopp.org/wp-content/uploads/2015/01/Allaire-Dauphin-Still-unanswered-question-and-new-ones_January-19-2015_v2.pdf.

²⁶ K.J. Martijn Cremers, Erasmo Giambona, Simone M. Sepe & Ye Wang, *Hedge Fund Activism and Long-Term Firm Value* (Nov. 19, 2015) (unpublished working paper), <https://ssrn.com/abstract=2693231>.

From a doctrinal perspective, Gilson and Gordon have offered an influential account of this phenomenon under the label ‘agency capitalism’, arguing that the rise of hedge fund activism should be understood as a market response to the passivity of large diversified institutional investors such as index funds, which lack the incentive to engage individually with portfolio companies but are nonetheless willing to support the initiatives of activist hedge funds once such initiatives are publicly launched.²⁷ On this account, hedge fund activists perform a valuable governance function by ‘unbundling’ the voting rights that diversified institutions hold but decline to exercise proactively, converting latent shareholder power into an active governance mechanism.

IV. THE UNITED KINGDOM: FROM ACTIVISM TO STEWARDSHIP

A. Historical evolution: from Cadbury to the financial crisis

The modern United Kingdom corporate governance framework traces its origins to the Report of the Committee on the Financial Aspects of Corporate Governance, chaired by Sir Adrian Cadbury and published in 1992 in the aftermath of a series of corporate collapses including Polly Peck and the Maxwell pension scandal.²⁸ The Cadbury Report inaugurated the ‘comply or explain’ model that continues to characterise British corporate governance regulation: rather than imposing binding statutory rules, the Report set out a voluntary Code of Best Practice with which companies were expected to comply, failing which they were required publicly to explain their departure. The Cadbury Report also observed that institutional shareholders could make their views known to boards through direct communication and attendance at general meetings, an observation that anticipated the later development of the stewardship concept.²⁹

The early 2000s saw further reviews of the role of institutional shareholders, notably Paul Myners’ review of institutional investment for HM Treasury, which criticised the passivity of pension fund trustees and their advisers, and the Institutional Shareholders’ Committee’s Statement of Principles on the responsibilities of institutional shareholders and their agents.³⁰ Following the 2008 global financial crisis, Sir David Walker’s review of corporate governance

²⁷ Ronald J. Gilson & Jeffrey N. Gordon, *The Agency Costs of Agency Capitalism: Activist Investors and the Revaluation of Governance Rights*, 113 COLUM. L. REV. 863, 865–68 (2013).

²⁸ COMM. ON THE FIN. ASPECTS OF CORP. GOVERNANCE, *Report of the Committee on the Financial Aspects of Corporate Governance* (Gee & Co. 1992) (Sir Adrian Cadbury, chair) [hereinafter Cadbury Report].

²⁹ Cadbury Report, *supra* note 28; see also Jonathan Charkham, *Corporate Governance and the Market for Companies: Aspects of the Shareholders’ Role* 9 (BANK OF ENG. Discussion Paper No. 44, Nov. 1989), <https://www.bankofengland.co.uk/-/media/boe/files/archive/discussion-paper/corporate-governance-and-the-market-for-companies-aspects-of-the-shareholders-role.pdf>.

³⁰ PAUL MYNERS, INSTITUTIONAL INVESTMENT IN THE UNITED KINGDOM: A REVIEW paras. 5.73–5.89 (HM Treasury 2001); INSTITUTIONAL SHAREHOLDERS’ COMM., *The Responsibilities of Institutional Shareholders and Agents: Statement of Principles* (2002).

in United Kingdom banks recommended, among other things, a code of conduct for institutional investors, distinguishing ‘stewardship’ (dialogue and longer-term engagement between investors and boards) from the short-term pressure associated with analyst commentary and ‘activist’ investor argument for immediate initiatives.³¹

B. Directors’ duties: section 172 and enlightened shareholder value

The Companies Act 2006 codified, for the first time in UK statute law, the general duties of directors. Its centrepiece is section 172, which requires a director to act in the way he or she considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, while having regard to a non-exhaustive list of factors including the likely long-term consequences of any decision, the interests of employees, the need to foster business relationships with suppliers and customers, the impact of the company’s operations on the community and environment, and the desirability of maintaining a reputation for high standards of business conduct.³² This formula, commonly described as ‘enlightened shareholder value’, represents an attempt to reconcile shareholder primacy with a pluralist conception of the corporation’s social role, without adopting a full stakeholder model of the kind found in some continental European jurisdictions.³³

The academic reception of section 172 has been decidedly mixed. Keay has argued that considerable uncertainty continues to surround what it means, in practice, for a director to ‘have regard’ to the enumerated factors, particularly given the difficulty of enforcing the duty against a director who has acted in subjective good faith.³⁴ Grier has been more critical still, describing the provision as cumbersome and largely toothless, arguing that the wave of corporate scandals since 2008 demonstrated that section 172 had, in practice, done little to alter directorial behaviour, and that whatever improvement has occurred owes more to reputational pressure than to the statutory duty itself.³⁵ Kabour, reviewing the underlying shareholder value and stakeholder value debate, concludes that section 172 remains, at its core, a shareholder primacy provision dressed in stakeholder-sensitive language, since the ultimate touchstone for a director’s decision remains the success of the company for the benefit of its members.³⁶

³¹ DAVID WALKER, A REVIEW OF CORPORATE GOVERNANCE IN UK BANKS AND OTHER FINANCIAL INDUSTRY ENTITIES: FINAL RECOMMENDATIONS paras. 5.14, 5.27 (Nov. 26, 2009).

³² Companies Act 2006, c. 46, § 172(1) (UK); Explanatory Notes to the Companies Act 2006, paras. 325–27.

³³ Andrew Keay, *Having Regard for Stakeholders in Practising Enlightened Shareholder Value*, 19 OXFORD U. COMMONWEALTH L.J. 118, 119–21 (2019), <https://doi.org/10.1080/14729342.2019.1619238>.

³⁴ Keay, *supra* note 33, at 122–25.

³⁵ Nicholas Grier, *Enlightened Shareholder Value: Did Directors Deliver?* 1–3 (Edinburgh Napier Univ., Working Paper), published in 2014 JURID. REV. 95.

³⁶ Reem Kabour, *What Effect Does the Enlightened Shareholder Value Principle in the Companies Act 2006 Have on the Corporate Objective of UK Companies?*, 8(2) IALS STUDENT L. REV. 13, 14 (2021), <https://doi.org/10.14296/islr.v8i2.5334>.

C. The UK Corporate Governance Code and the Stewardship Codes

Alongside directors' statutory duties, the Financial Reporting Council maintains the UK Corporate Governance Code, which applies on a 'comply or explain' basis to companies with a premium listing on the London Stock Exchange (since the listing reforms of July 2024, to companies in the equity shares (commercial companies) category) and addresses matters such as board composition, the independence of non-executive directors and remuneration.³⁷ The shareholder-facing counterpart to the Corporate Governance Code is the Stewardship Code, first published in 2010 with the stated aim of enhancing the quality of engagement between institutional investors and companies so as to help improve long-term returns to shareholders.³⁸ The 2010 and 2012 versions of the Code were built around seven brief principles applicable to institutional investors, requiring them to disclose publicly how they discharged their stewardship responsibilities; the general assessment of commentators, however, was that neither version succeeded in materially altering the behaviour of the majority of asset managers.³⁹

The 2020 Stewardship Code represented a considerably more ambitious document (it has since been replaced, with effect from 1 January 2026, by a streamlined UK Stewardship Code 2026). It expanded from seven to twelve principles, extended its scope beyond listed equities to fixed income and other asset classes and, most significantly, shifted the disclosure requirement from a description of policies to an outcomes-based account of the effectiveness of stewardship activity, framed around the objective of generating long-term value for beneficiaries leading to sustainable benefits for the economy, the environment and society.⁴⁰ Chiu has described the 2020 Code as a graduation from an earlier, narrower, process-based conception of shareholder engagement to a purpose-based framework for investment management, and has argued that it may come to define the regulation of institutional investment more broadly.⁴¹

³⁷ FIN. REPORTING COUNCIL, *The UK Corporate Governance Code* (July 2018); see now FIN. REPORTING COUNCIL, *UK Corporate Governance Code* (Jan. 2024) (applying to financial years beginning on or after Jan. 1, 2025) and FIN. CONDUCT AUTH., *UK Listing Rules* (in force July 29, 2024) (replacing the premium and standard listing segments).

³⁸ FIN. REPORTING COUNCIL, *The UK Stewardship Code*, *supra* note 3, preface.

³⁹ FIN. REPORTING COUNCIL, *The UK Stewardship Code 2020*, at 4 (Oct. 2019); see also Bobby Reddy, *The Emperor's New Code? Time to Re-Evaluate the Nature of Stewardship Engagement Under the UK's Stewardship Code*, OXFORD BUS. L. BLOG (Mar. 24, 2021), <https://blogs.law.ox.ac.uk/business-law-blog/blog/2021/03/emperors-new-code-time-re-evaluate-nature-stewardship-engagement>; Bobby V. Reddy, *The Emperor's New Code? Time to Re-Evaluate the Nature of Stewardship Engagement Under the UK's Stewardship Code*, 84 MOD. L. REV. 842 (2021), <https://doi.org/10.1111/1468-2230.12636>.

⁴⁰ FIN. REPORTING COUNCIL, *The UK Stewardship Code 2020*, *supra* note 39, at 4; FIN. REPORTING COUNCIL & FIN. CONDUCT AUTH., *Building a Regulatory Framework for Effective Stewardship* (Discussion Paper DP19/1, Jan. 2019); see now FIN. REPORTING COUNCIL, *UK Stewardship Code 2026* (June 2025) (effective Jan. 1, 2026).

⁴¹ Iris H-Y Chiu, *Governing the Purpose of Investment Management: How the 'Stewardship' Norm Is Being (Re)Developed in the UK and EU 2* (EUR. CORP. GOVERNANCE INST. Law Working Paper No. 602/2021, Aug. 2021), <https://ssrn.com/abstract=3908561>, published in 55 INT'L LAW. 99 (2022).

Johnston, Belinga and Segrestin, examining the broader arc of policy from 2008 to the 2020 Code, identify three distinct patterns of institutional investor engagement, which they term agency, trusteeship and ownership behaviour, and warn that each may degenerate into passivity, short-term trading or a form of ‘bad activism’ focused narrowly on short-term value maximisation. They therefore propose an alternative ‘custodianship’ model of engagement that more clearly balances managerial autonomy against accountability.⁴² Katelouzou, in a volume edited by Enriques and Strampelli, focuses specifically on hedge-fund-style activist investors within the broader stewardship literature, offers empirical evidence of the growing global scale of activist campaigns, and identifies a distinct category of ‘activist shareholder stewards’ who combine the disclosure obligations of the stewardship framework with the more assertive tactics traditionally associated with hedge fund activism.⁴³

V. INDIA: SHAREHOLDER ACTIVISM IN A CONCENTRATED OWNERSHIP MODEL

A. Ownership structure and the promoter paradigm

The Indian corporate landscape is fundamentally distinguished from its American and British counterparts by the persistence of concentrated, promoter-driven ownership. The dominance of business families in controlled companies, and of government ownership in public sector undertakings, has historically constrained the ability of minority shareholders to challenge or influence the functioning of listed entities.⁴⁴ This structural feature means that Indian shareholder activism is oriented less towards the classic Anglo-American problem of a passive, diffuse shareholder base failing to discipline an entrenched management, and more towards the protection of minority shareholders against the risk of expropriation by a controlling promoter, a governance problem that the law and finance literature associates more generally with jurisdictions exhibiting concentrated ownership.⁴⁵

B. Statutory minority protection under the Companies Act 2013

The principal statutory remedy available to minority shareholders in India is the action for oppression and mismanagement under sections 241 and 242 of the Companies Act 2013, which permits an aggrieved member to apply to the National Company Law Tribunal for relief where the affairs of the company are being conducted in a manner prejudicial to the interests of

⁴² Johnston, Belinga & Segrestin, *supra* note 5, at 46–50.

⁴³ Dionysia Katelouzou, *Something Old, Something New: Cultivating Institutional Investor Engagement Through Shareholder Stewardship*, in BOARD-SHAREHOLDER DIALOGUE: POLICY DEBATE, LEGAL CONSTRAINTS AND BEST PRACTICES 185 (Luca Enriques & Giovanni Strampelli eds., 2024), <https://doi.org/10.1017/9781009360746.008>.

⁴⁴ Susmita Biswas & Subhajit Chakraborty, *The Existence of Shareholder Activism in India: A Factual Occurrence or a Deceptive Perception?*, 7(2) J. BANKING & INS. L. 29 (2024), <https://lawjournals.celnet.in/index.php/jbil/article/view/1607>.

⁴⁵ La Porta et al., *Investor Protection and Corporate Governance*, *supra* note 13, at 6–7.

the company or oppressive to any member.⁴⁶ Indian courts applying the Companies Act 1956 historically showed considerable reluctance to intervene in matters of internal corporate management, reflecting the continuing influence of the *Foss v. Harbottle* principle. In *Sandvik Asia Ltd. v. Bharat Kumar Padamsi*, the Bombay High Court sanctioned a selective reduction of capital that extinguished the holdings of non-promoter shareholders, declining to interfere with the majority's decision absent clear evidence of unfairness, an approach also apparent in *In re Elpro International Ltd.*; both decisions have been cited as illustrating the difficulties minority shareholders face in resisting a so-called minority squeeze-out by a controlling shareholder.⁴⁷

The most prominent recent illustration of the limits and possibilities of the oppression and mismanagement remedy is the protracted dispute between the Tata group and Mr Cyrus Mistry, following the latter's removal as Executive Chairman of Tata Sons in October 2016. Mistry-controlled investment vehicles petitioned the National Company Law Tribunal alleging oppression of minority shareholders and, after failing before the Tribunal but succeeding in part on appeal before the National Company Law Appellate Tribunal, the matter ultimately reached the Supreme Court of India, which in March 2021 ruled in favour of Tata Sons, holding that Mistry's removal did not, on the facts, constitute oppression of minority shareholders within the meaning of the Companies Act.⁴⁸ The litigation, spanning nearly five years and multiple layers of the corporate judicial hierarchy, is widely regarded as the most significant instance of shareholder activism in the history of Indian company law. It illustrates both the potential for minority shareholders to bring high-profile governance disputes before Indian courts and tribunals, and the continuing difficulty of establishing oppression where the controlling shareholder can demonstrate a rational commercial basis for its conduct.

C. The SEBI regulatory architecture

Because company law litigation before the National Company Law Tribunal remains a comparatively blunt and slow-moving instrument, the more significant driver of day-to-day shareholder engagement in India has become the regulatory architecture administered by SEBI. Corporate governance obligations for listed companies are principally contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, which prescribe

⁴⁶ The Companies Act, No. 18 of 2013, INDIA CODE (2013), §§ 241–242.

⁴⁷ *Sandvik Asia Ltd. v. Bharat Kumar Padamsi*, (2009) 92 SCL 272 (Bom.) (India); *In re Elpro Int'l Ltd.*, (2008) 86 SCL 47 (Bom.) (India); see Varottil, *supra* note 1, at 590.

⁴⁸ *Tata Consultancy Servs. Ltd. v. Cyrus Invs. Pvt. Ltd.*, (2021) 9 SCC 449 (India) (Civil Appeal Nos. 440–441 of 2020, decided Mar. 26, 2021).

requirements relating to board composition, related-party transaction approval and disclosure.⁴⁹ Insider trading and market manipulation by activist shareholders are separately governed by the SEBI (Prohibition of Insider Trading) Regulations 2015 and the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations 2003.⁵⁰

A significant regulatory milestone was the constitution, in June 2017, of the Committee on Corporate Governance under the chairmanship of Mr Uday Kotak, tasked with improving standards of independence among independent directors, strengthening the disclosure of related-party transactions, and improving the effectiveness of board evaluation.⁵¹ Following public consultation, SEBI's board accepted a substantial number of the Committee's recommendations, with or without modification, at its meeting of 28 March 2018. These included a requirement that the largest listed companies separate the roles of chairperson and managing director or chief executive officer (a requirement that SEBI made voluntary in February 2022), an expansion of the eligibility criteria for independent directors, enhanced disclosure of related-party transactions, and a reduction in the maximum permissible number of directorships that any individual could hold across listed companies.⁵²

A further important development has been the regulation, since 2014, of proxy advisory firms under the SEBI (Research Analysts) Regulations 2014.⁵³ Proxy advisory firms, which analyse shareholder resolutions and issue voting recommendations to institutional clients, have played an increasingly visible role in Indian corporate governance, providing minority and institutional shareholders with independent analysis that they might otherwise lack the resources to generate internally. As commentators note, however, the influence of Indian proxy advisory firms remains considerably more modest than that of their American counterparts, reflecting the smaller assets under management of Indian institutional investors relative to the promoter shareholding they must engage.⁵⁴

⁴⁹ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (India).

⁵⁰ Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (India); Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 (India).

⁵¹ SEC. & EXCH. BD. OF INDIA, *Report of the Committee on Corporate Governance* (Oct. 5, 2017) (Kotak Committee Report).

⁵² Press Release, Sec. & Exch. Bd. of India, SEBI Board Meeting, PR No. 9/2018 (Mar. 28, 2018), https://www.sebi.gov.in/media/press-releases/mar-2018/sebi-board-meeting_38473.html; Press Release, Sec. & Exch. Bd. of India, SEBI Board Meeting, PR No. 5/2022 (Feb. 15, 2022), https://www.sebi.gov.in/media/press-releases/feb-2022/sebi-board-meeting_56076.html (making the separation of the roles of chairperson and managing director or chief executive officer voluntary); see also Khaitan & Co., *Corporate Governance: SEBI's Go Ahead to Kotak Committee Recommendations*, MONDAQ (Apr. 3, 2018).

⁵³ Securities and Exchange Board of India (Research Analysts) Regulations, 2014 (India).

⁵⁴ Biswas & Chakraborty, *supra* note 44.

D. Institutional investors and the emergence of activist campaigns

Indian institutional investors, chiefly domestic mutual funds, the Life Insurance Corporation of India and foreign portfolio investors, have given increasing priority to disclosure and governance, but their involvement has historically been reactive, taking the form of votes against particular related-party transactions or director remuneration proposals that appear contrary to sound business practice, rather than the sustained public activism pursued by American hedge funds.⁵⁵

Observers argue that this is changing: Indian retail shareholders have grown more alert to governance failures in the wake of a series of scandals, and regulatory measures such as the Kotak Committee reforms and the regulation of proxy advisory firms have contributed to the growth of minority shareholder power.⁵⁶

Examining directors' duties under Indian company law, Naniwadekar and Varottil show how Indian law has borrowed increasingly stakeholder-sensitive language from its British counterpart, while noting that the governance problem facing Indian minority shareholders, the entrenchment of controllers rather than of managers, does not for now mirror the problem addressed in the Anglo-American corporate governance literature.⁵⁷

VI. COMPARATIVE ANALYSIS

A. Ownership concentration as the central explanatory variable

As Parts III to V indicate, ownership concentration has the greatest explanatory power for the differing manifestations of shareholder activism in the three jurisdictions. In the United States, dispersed ownership and deep, liquid capital markets allow activist hedge funds to gain meaningful leverage with a stake of only one or two per cent of a target's outstanding equity, in the expectation that passive, diversified institutional investors will join them in a coalition large enough to succeed. In the United Kingdom, similarly dispersed ownership permits public campaigns for shareholder value, but the activist hedge fund model has there given way to a more diffuse, private and sustained form of engagement by institutional investors, embodied in the Stewardship Code, which reflects the private engagement of institutional investors with UK companies since the 1980s and 1990s and the law's support for engagement rather than confrontation. In India, by contrast, highly concentrated promoter ownership means that

⁵⁵ LEGAL 500, *India: Shareholder Activism*, Country Comparative Guides (2024).

⁵⁶ Biswas & Chakraborty, *supra* note 44; LEGAL 500, *supra* note 55.

⁵⁷ Mihir Naniwadekar & Umakanth Varottil, *The Stakeholder Approach Towards Directors' Duties Under Indian Company Law: A Comparative Analysis* 12–14 (NUS CTR. FOR L. & BUS. Working Paper No. 16/03, 2016), <https://ssrn.com/abstract=2822109>.

activism must challenge a controlling shareholder rather than an entrenched management. Remedies have accordingly remained centred on statutory oppression and mismanagement claims and, more recently, on SEBI-mandated disclosure, and have not reached even the relatively mild forms of activism practised by shareholders in the United States.^{58,59}

B. Enforcement architecture: courts, regulators, and soft law

The three jurisdictions also differ markedly in the institutions that enforce shareholder rights. The United States relies heavily on private actions before specialist courts, above all the Delaware Court of Chancery, together with rule-making by the Securities and Exchange Commission that is itself subject to judicial control, as *Business Roundtable v. SEC* shows.⁶⁰ The British system is driven essentially by ‘comply or explain’ soft law overseen by the Financial Reporting Council,⁶¹ with comparatively little reliance on judicial enforcement, in line with a broad cultural preference for negotiated compliance over adversarial enforcement.⁶²

India presents a mixed approach to shareholder rights, combining statutory enforcement by the National Company Law Tribunal and the National Company Law Appellate Tribunal, exemplified by the long-drawn-out Tata-Mistry litigation, with an assertive securities regime administered by SEBI, which approaches governance through more prescriptive, codified rules than the United Kingdom’s softer approach. In this respect India is somewhat closer in style to the United States, although its regulator operates with narrower institutional capacity than its American counterpart.⁶³

C. The institutional investor and proxy advisory ecosystem

A further point of comparison concerns the depth of the institutional investor base and the associated proxy advisory ecosystem in each jurisdiction. The United States possesses by far the most developed proxy advisory industry, dominated by firms whose voting recommendations exercise substantial influence over the outcome of shareholder votes, particularly on matters such as say-on-pay and proxy access proposals.⁶⁴ The United Kingdom’s institutional investor base, while similarly deep, channels its influence predominantly through the Stewardship Code’s disclosure architecture rather than through formal proxy advisory

⁵⁸ Charkham, *supra* note 29, at 9; Johnston, Belinga & Segrestin, *supra* note 5, at 48.

⁵⁹ Gilson & Gordon, *supra* note 27, at 868–70.

⁶⁰ *Bus. Roundtable*, 647 F.3d 1144.

⁶¹ FIN. REPORTING COUNCIL, *The UK Corporate Governance Code*, *supra* note 37.

⁶² La Porta et al., *Investor Protection and Corporate Governance*, *supra* note 13, at 6.

⁶³ Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, *supra* note 49; *Tata Consultancy Servs.*, (2021) 9 SCC 449.

⁶⁴ Facilitating Shareholder Director Nominations, *supra* note 17.

intermediaries to the same extent as in the United States.⁶⁵ India's proxy advisory industry, regulated since 2014 under the SEBI (Research Analysts) Regulations, remains comparatively nascent, reflecting both the smaller scale of Indian institutional asset management relative to promoter shareholding and the more recent vintage of the regulatory framework governing such firms.⁶⁶

D. Convergence, divergence, and the limits of legal transplantation

The comparative material canvassed above lends qualified support to the convergence thesis associated with the law and finance literature, insofar as all three jurisdictions have, over the past two decades, moved in the direction of greater shareholder empowerment: through proxy access reform and say-on-pay in the United States, through successive iterations of the Stewardship Code in the United Kingdom, and through the Companies Act 2013 and the Kotak Committee reforms in India.⁶⁷ Yet the underlying ownership structures of the three jurisdictions have proved remarkably persistent, suggesting that formal legal convergence at the level of statutory text or regulatory code does not necessarily produce functional convergence in the practical operation of shareholder activism. India's adoption of stakeholder-sensitive statutory language, and its regulation of proxy advisory firms along broadly American lines, has not transformed the underlying promoter-dominated ownership structure that continues to distinguish Indian corporate governance from both the American and British models. This is a caution against assuming that the transplantation of Anglo-American governance techniques will necessarily replicate Anglo-American governance outcomes.⁶⁸

VII. CRITICAL EVALUATION: DOES ACTIVISM SERVE LONG-TERM VALUE?

The normative debate over whether shareholder activism promotes or undermines long-term corporate value remains unresolved, and this paper does not purport to settle it. What the comparative material does suggest, however, is that the terms of the debate differ across jurisdictions in ways that are easily obscured by treating 'shareholder activism' as a single, undifferentiated phenomenon. In the United States, the central controversy concerns whether hedge fund activism, with its comparatively short investment horizons, induces value-destroying short-termism, a debate crystallised in the exchange between Bebchuk, Brav and Jiang on one side and Lipton and Strine on the other.⁶⁹ Becht, Franks, Mayer and Rossi's clinical

⁶⁵ FIN. REPORTING COUNCIL, *The UK Stewardship Code 2020*, *supra* note 39.

⁶⁶ Securities and Exchange Board of India (Research Analysts) Regulations, 2014, *supra* note 53.

⁶⁷ La Porta et al., *Law and Finance*, *supra* note 4, at 1150–51.

⁶⁸ Naniwadekar & Varottil, *supra* note 57, at 15–16.

⁶⁹ Bebchuk, Brav & Jiang, *supra* note 22; Lipton, *supra* note 24; Strine, *supra* note 11.

study of the Hermes UK Focus Fund found that engagement by a moderately sized activist fund could produce measurable improvements in governance and performance at target companies, suggesting that activism need not be either purely value-destructive or purely opportunistic.⁷⁰ A later cross-country study by Becht, Franks, Grant and Wagner similarly found that the returns to hedge fund activism varied considerably depending on the legal and institutional environment in which the target company was located, underscoring that the desirability of activism cannot be assessed independently of the surrounding governance architecture.⁷¹

In the United Kingdom, the corresponding debate concerns whether the Stewardship Code, notwithstanding three successive revisions, has succeeded in orienting institutional investor behaviour towards long-termism and sustainability, or whether, as Johnston, Belinga and Segrestin caution, engagement continues to risk degenerating into passivity or a narrowly short-term-focused ‘bad activism’ dressed in the language of stewardship.⁷² In India, by contrast, the operative question is less whether activism is too aggressive and more whether the existing framework provides minority shareholders with sufficiently robust and timely remedies against controlling-shareholder overreach, a question to which the protracted and ultimately unsuccessful Tata-Mistry litigation provides, at best, an ambiguous answer.⁷³

A synthesis of these debates suggests that the appropriate regulatory response to shareholder activism is unlikely to be uniform across jurisdictions with different ownership structures. Where ownership is dispersed, as in the United States and the United Kingdom, the central policy challenge is calibrating the balance between empowering activist monitoring and guarding against short-termist opportunism. Where ownership is concentrated, as in India, the central policy challenge is instead ensuring that minority shareholders possess adequate procedural and substantive remedies against the risk of controlling-shareholder expropriation, a challenge that the Companies Act 2013 and the SEBI regulatory architecture have only partially addressed.⁷⁴

⁷⁰ Marco Becht, Julian Franks, Colin Mayer & Stefano Rossi, *Returns to Shareholder Activism: Evidence from a Clinical Study of the Hermes UK Focus Fund*, 22 REV. FIN. STUD. 3093, 3095 (2009), <https://doi.org/10.1093/rfs/hhn054>.

⁷¹ Marco Becht, Julian Franks, Jeremy Grant & Hannes F. Wagner, *Returns to Hedge Fund Activism: An International Study*, 30 REV. FIN. STUD. 2933, 2935 (2017), <https://doi.org/10.1093/rfs/hhx048>.

⁷² Johnston, Belinga & Segrestin, *supra* note 5, at 49–50.

⁷³ *Tata Consultancy Servs.*, (2021) 9 SCC 449.

⁷⁴ See INSTITUTIONAL INVESTOR ACTIVISM: HEDGE FUNDS AND PRIVATE EQUITY, ECONOMICS AND REGULATION (William W. Bratton & Joseph A. McCahery eds., 2015).

VIII. RECOMMENDATIONS FOR THE REFORM OF THE INDIAN FRAMEWORK

On the basis of the foregoing comparison, several suggestions may be made to improve the Indian framework of shareholder activism and corporate governance, bearing in mind the caution noted above against adopting foreign practices mechanically in the Indian context.

First, dedicated and accelerated proceedings should be introduced within the NCLT regime for oppression and mismanagement petitions that raise broad governance issues in large listed companies. Proceedings of the scale and duration of the Tata-Mistry litigation can impose considerable costs on the company and its shareholders and reduce the usefulness of the remedy in time-sensitive matters of corporate governance.⁷⁵

Second, drawing on the 2020 UK Stewardship Code, SEBI could encourage institutional investors to improve corporate governance by developing a disclosure-based, outcomes-based model, under which large Indian institutional investors such as mutual funds and insurance companies would be required to disclose not only their proxy votes but also a narrative account of their engagement efforts, together with evidence of their perceived success, so that proactive institutional stewardship is encouraged in place of reactive proxy voting habits.⁷⁶

Third, continued strengthening of the regulatory framework governing proxy advisory firms, potentially including measures to enhance their independence from both promoter and institutional influence, would help to address the comparatively underdeveloped state of independent shareholder research available to Indian minority and institutional investors relative to their American counterparts.⁷⁷

Fourth, and more cautiously, policymakers should resist the temptation to import wholesale the proxy access or hedge-fund-style activism model associated with the United States, given that such mechanisms were designed to address the governance problems of a dispersed-ownership economy and may have limited application, or even counterproductive effects, in an economy where the principal governance risk remains controlling-shareholder rather than managerial entrenchment.⁷⁸

IX. CONCLUSION

This paper has undertaken a comparative survey of shareholder activism and corporate governance in three jurisdictions which, though sharing a common law tradition and (in the case

⁷⁵ *Tata Consultancy Servs.*, (2021) 9 SCC 449.

⁷⁶ FIN. REPORTING COUNCIL, *The UK Stewardship Code 2020*, *supra* note 39.

⁷⁷ Securities and Exchange Board of India (Research Analysts) Regulations, 2014, *supra* note 53.

⁷⁸ Naniwadekar & Varottil, *supra* note 57, at 16.

of India and the United Kingdom) a common history and doctrinal legacy, have developed demonstrably different governance architectures in response to correspondingly different underlying ownership structures. The United States exhibits a style of activism premised on the power of hedge funds operating within a dispersed-ownership regime subject to litigation-based supervision; the United Kingdom demonstrates a preference for negotiated, privately concluded arrangements between institutional investors and corporate boards, underpinned by soft law and enhanced disclosure; and India, lacking such structural underpinning, operates a hybrid system that combines statutory minority protection with increasingly assertive state regulation of corporate behaviour.

In the final analysis, this comparative project reveals that any attempt to devise effective mechanisms of shareholder empowerment must acknowledge, and ultimately respond to, the ownership structures with which those mechanisms are intended to engage. Because a legal reform that succeeds in one context may fail, or even prove detrimental, in another, no single type of activism is universally preferable. India's best reform pathway will involve fewer efforts to reproduce the hard, hedge-fund-driven shareholder engagement that characterises corporate governance in the United States. Rather, India should improve minority shareholders' procedural access to formal remedies, deepen the outcomes-based disclosure required of domestic institutional shareholders along British lines, and strengthen its indigenous proxy advisory infrastructure, so as to provide meaningful recourse to individual minority investors who, given the continuing concentration of ownership, are even less powerful and more marginalised than their counterparts in Britain or the United States.⁷⁹

⁷⁹ Denes, Karpoff & McWilliams, *supra* note 7; La Porta et al., *Law and Finance*, *supra* note 4.