

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 8

Total number of printed pages : 4

P A R T – A

(Answer Question No. 1 which is compulsory
and any two of the rest from this part.)

- 1 (a) In United Kingdom, the Combined Code on Corporate Governance of 2008 is the result of studies made from time to time by various committees to prevent the recurrence of scandals and financial collapses experienced in 1980s and early 1990s, when Cadbury Committee was first set-up in 1992 which gave a new dimension to the Corporate Governance.

List out the three important recommendations made by Cadbury Committee and outline atleast five major landmarks in the historical development since the setting-up of the Cadbury Committee for improvement in the Corporate Governance.

(10 marks)

- (b) State, with reasons in brief, whether the following statements are correct or incorrect :
- (i) All non-executive directors are independent directors.
 - (ii) Compliance Management Committee is compulsory under clause 49 of the listing agreement.
 - (iii) The Sarbanes-Oxley Act, 2002 is applicable to listed companies in India.
 - (iv) Enron debacle led to the appointment of Naresh Chandra Committee in 2002.
 - (v) Shareholders activism played a major role in eradicating apartheid in South Africa through divestment.

(1 mark each)

- (c) Choose the most appropriate answer from the given options in respect of the following :
- (i) The mechanism for employees to report certain events to the management, like-unethical behaviour, suspected fraud or violation of the company's code, is known as –
 - (a) Whistle Blower Policy
 - (b) Surveillance action
 - (c) Market abuse
 - (d) Snap investigation.

378

: 2 :

- (ii) Out of the following, which is an institutional investor group –
- (a) Foreign Institutional Investors
 - (b) Mutual funds
 - (c) Banks and financial institutions
 - (d) All the above.
- (iii) Out of the following, which is a Corporate Social Responsibility (CSR) reporting framework –
- (a) CSR 1982
 - (b) SA 8000
 - (c) MCA-21
 - (d) SA 800.
- (iv) A person can hold office of director of the public companies at the same time in –
- (a) Not more than 20 companies
 - (b) Not more than 11 companies
 - (c) Not more than 15 companies
 - (d) Any number of companies.
- (v) Remuneration Committee is appointed for the purpose of recommending remuneration of –
- (a) Chief Executive Officer
 - (b) Managing Director
 - (c) Whole-time Director
 - (d) All the above.

(1 mark each)

2 (a) Write short notes on the following :

- (i) Rules vs. principles
- (ii) Parties to corporate governance.

(3 marks each)

(b) Expand the following abbreviations :

- (i) OECD
- (ii) NFCG
- (iii) COSO
- (iv) ASSOCHAM.

(1 mark each)

- (c) Draw a comparison between section 292A of the Companies Act, 1956 and clause 49 of the listing agreement with regard to composition of the audit committee.
(5 marks)
3. (a) What are the major legislations/regulations/guidelines dealing with transparency and disclosures by companies ?
(5 marks)
- (b) Discuss in brief some of the main Corporate Social Responsibility (CSR) Reporting Frameworks.
(5 marks)
- (c) What is 'risk management process' ? What are the four steps in risk management ?
(5 marks)
4. (a) What are the legal remedies available in India for the redressal of the following complaints :
(i) Delay in refund of application money;
(ii) Delay in transfer of securities;
(iii) Insider trading of shares;
(iv) Delay in payment of dividend; and
(v) Delay in re-payment of deposits.
(5 marks)
- (b) Discuss briefly the role of directors in the good corporate governance.
(5 marks)
- (c) What are the principles of corporate governance as evolved by the ICSI ?
(5 marks)

P A R T – B

(Answer ANY TWO questions from this part.)

5. (a) "Ethics in business is simply the application of moral or ethical norms to business." Explain and discuss the advantages of business ethics.
(5 marks)
- (b) Write notes on **any two** of the following :
(i) Enlightened-egoism
(ii) Ethics in compliance
(iii) Social and ethical accounting.
(5 marks each)

378

: 4 :

6. (a) What is the role of Board of directors in ethical management of a company ?
(5 marks)
- (b) Discuss 'ethics programme'. Set-out the relevant provisions in clause 49 of the listing agreement.
(5 marks)
- (c) What is the significance of organisation structure in business ethics ?
(5 marks)
7. (a) "The code of conduct of a company sets for the legal and ethical standards of conduct for its directors and its employers." Discuss and list out the important contents of the code of conduct of a company.
(7 marks)
- (b) Discuss briefly the Clarkson principles of stakeholder management.
(4 marks)
- (c) Explain briefly the following :
- (i) Virtue Ethics Theory
 - (ii) The Caux Round Table.
- (2 marks each)

P A R T - C

8. Attempt **any four** of the following :
- (i) What is the difference between 'sustainable development' and 'corporate sustainability'. List out four fundamental principles of sustainable development agreed in the United Nations Conference on Environment and Development (UNCED), 1992.
 - (ii) Discuss the significance of 'shareholders inclusiveness' in sustainability reporting.
 - (iii) Write a note on 'Agenda-21'.
 - (iv) Discuss briefly the principle of absolute liability with the help of rule laid down in Rylands vs. Fletcher.
 - (v) Discuss river water pollution citing at least one decision of the Supreme Court of India.
- (5 marks each)

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