

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 8

Total number of printed pages : 3

P A R T – A

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

1. (a) "The silver lining in the Satyam episode is that it has opened a window of opportunity for corporate governance reforms in the country. Even though there has been a failure of the checks and balances in corporate governance, this crisis provides a great opportunity to rebuild our governance framework and regulatory control." In the context of this statement, examine the issues and challenges in corporate governance with special reference to the role of independent directors.
- (10 marks)*
- (b) State, with reasons in brief, whether the following statements are correct or incorrect :
- (i) An independent director is a director who has been an executive of the company in the immediate preceding three financial years.
 - (ii) Organisation for Economic Co-operation and Development (OECD) is not connected with corporate governance.
 - (iii) Insurance is a method of risk avoidance.
 - (iv) In India there is no legal requirement for separation of the role of the Chairman and Chief Executive Officer.
 - (v) Shareholders Grievance Committee is a non-mandatory committee.
- (2 marks each)*
2. (a) Write notes on **any two** of the following :
- (i) Role of Company Secretary in ensuring risk management
 - (ii) Corporate governance in public sector undertakings
 - (iii) The Greenbury Report.
- (5 marks each)*
- (b) Describe composition of the 'audit committee' and 'remuneration committee' as per clause 49 of the listing agreement.
- (5 marks)*
3. (a) "The Chairman's primary responsibility is to lead the Board and ensure its effectiveness." Elucidate this statement.
- (5 marks)*

378

: 2 :

- (b) Discuss the principles of corporate governance evolved by the Institute of Company Secretaries of India.
(5 marks)
- (c) "Corporate Social Responsibility (CSR) is also called corporate citizenship or corporate responsibility." Discuss.
(5 marks)
4. (a) Describe briefly **any three** of the following :
- (i) Barriers to 'visionary leadership'.
 - (ii) Social accountability and the 'AA 1000'.
 - (iii) Diligence report in banks.
 - (iv) Scope of work of the Asian Corporate Governance Association.
- (3 marks each)
- (b) Describe and differentiate 'risk reduction' and 'risk retention'.
(6 marks)

P A R T - B

(Answer ANY TWO questions from this part.)

5. (a) You are the Company Secretary of Universal Development Ltd. The company often faces ethical dilemma. The Board wants to circulate a guidance note for its managers to resolve ethical dilemma. Draft guidance note for the consideration and approval of the Board.
(7 marks)
- (b) Write notes on **any two** of the following :
- (i) Ethics in finance
 - (ii) Ethics training and communication
 - (iii) Stakeholder orientation.
- (4 marks each)
6. (a) Explain the Clarkson principles of stakeholder management.
(5 marks)
- (b) "A commitment by corporate management to follow an ethical code of conduct confers a variety of benefits." What are these benefits ?
(5 marks)
- (c) What is 'social and ethical accounting' ?
(5 marks)

7. (a) Elaborate the various 'ethics philosophies'.
(5 marks)
- (b) "An organisation's structure is important to the study of business ethics." Comment.
(5 marks)
- (c) Explain and differentiate 'ethical decisions' and 'ethical dilemma'.
(5 marks)

P A R T – C

8. Attempt **any four** of the following :
- (i) Write note on 'life cycle assessment'.
 - (ii) Discuss the concept of 'sustainable development'.
 - (iii) What is the main function of 'global reporting initiatives' ?
 - (iv) State any five principles of Rio Declaration on Environment and Development.
 - (v) Once the activity carried out by any person is hazardous or inherently dangerous, the person carrying on such activity is liable to make good the loss caused to any other person by his activity. Whether in such case the plea that reasonable care was taken while carrying out such activity is valid ? Discuss in the light of decided case law.
(5 marks each)

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