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Total number of printed pages – 2

MBA
MBA 401

Fourth Semester Examination – 2013
BUSINESS ETHICS AND CORPORATE GOVERNANCE

QUESTION CODE : A 417

Full Marks – 70

Time : 3 Hours

*Answer Question No. 1 and 2 are compulsory and any **four** from the rest.*

The figures in the right-hand margin indicate marks.

1. Answer briefly the following questions : 2 × 10
- (a) What is the essence of Ethics ?
 - (b) Why is Ethics required in Business practices ?
 - (c) Name any two ethical practices adopted worldwide and are globally accepted.
 - (d) Who is a whistleblower ?
 - (e) What are the sources of Ethical practices ?
 - (f) What is the role of Auditor in promoting Ethics ?
 - (g) What are the Directors duties in Corporate Governance ?
 - (h) Is it essential to promote governance structures to sole trading firms ?
 - (i) The role of society in enforcing ethics in the Corporate Sector.
 - (j) Define Insider Trading.

2. **CASE STUDY :** 10

Recently there has been large number of complaints by the depositors / investors against various firms engaged in collection of money by offering lucrative returns. Most of these firms operate by promising high returns within a short span

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of time which is devoid of any sound business logic and practices. The promoters of these firms have taken advantage of the various loopholes in our financial system and the gullibility of the poor people who have been swayed with attractive offers, which is difficult to refuse. The present regulatory system is inadequate and as a result of which crores of money has been lost by the poor people. The promoters who have duped such investors mostly go scot free due to the lapses in our administrative policy and political patronage. Despite the presence of RBI, SEBI and the plethora of laws, the so called fly-by night operators thrive and prosper.

- (a) Identify the flaws in the system.
- (b) Suggest corrective measures to prevent the occurrence of such scams.
3. Discuss the ethical issues involved in a Corporate firm where there is both permanent employee and contractual employee. 10
 4. Discuss the ethical issues in marketing of pharmaceutical products in semi-urban and rural areas. 10
 5. Examine the role of Independent Director in Corporate Governance. 10
 6. Critically analyze the role of SEBI in promoting sound Corporate practices. 10
 7. Is the disclosure made in the annual reports of the company adequate and meaningful? Give reasons to justify your answer. 10
 8. What is the role of community and consumers in enforcing companies to adopt ethical and good corporate practices? 10

