

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 2

**NOTE :** Attempt **ANY FIVE** questions. All questions carry equal marks.

1. “Few trends could so thoroughly undermine the very foundation of our society as the acceptance by corporate official of a social responsibility other than to make as much money for their stockholders as possible. This is a fundamentally subversive doctrine” (Milton Friedman). Critically examine this statement with reference to the code of practice in the field of Corporate Governance.  
(20 marks)
2. “Independent directors can’t solve governance problems.” Discuss this statement in the light of role and responsibilities of independent directors.  
(20 marks)
3. (a) “The key characteristics of audit committee and the responsibilities of internal auditing are closely interlinked. Internal auditing serves as a corporate resource in support of the audit committee in its pursuit for effectiveness.” Discuss.  
(10 marks)  
(b) Ministry of Corporate Affairs has recently announced a code for adoption by corporates with recommendations for improving Corporate Governance. Enumerate some of them and comment on their effectiveness in installing a good Corporate Governance structure.  
(10 marks)
4. “Corporate casualty rate is sure to be higher where governance structures are inadequate or faulty.” Elucidate this statement with reference to the high profile business frauds and questionable business practices which came to light worldwide in recent years.  
(20 marks)

5. (a) “The intention of the whistle bower policy is that management establishes a mechanism for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company’s code of conduct or ethics policy.” Do you agree ? Draft model whistle bowler policy for a listed company.  
(15 marks)
- (b) Explain in brief whether independent director can continue for more than nine years.  
(5 marks)
6. (a) “For too long the auditing profession believed that auditors are not bloodhounds but only watchdogs. Now a time has come that they have to change their belief.” Do you agree ? Discuss.  
(10 marks)
- (b) Compare the important provisions in respect of Corporate Governance prevalent in the leading stock exchanges, namely, London Stock Exchange, NASDAQ, and NYSE *vis-à-vis* the current provisions of clause 49 of the listing agreement.  
(10 marks)