

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. (a) “The failure of seemingly infallible corporations like ENRON, TYCO, WorldCom has brought out one clear message to the fore — ethics and integrity play a vital role in survival of business.”

Briefly explain the role of ethics and integrity in good governance at Board level.

(10 marks)

- (b) “Large frauds have led to the downfall of entire organisation, erosion of goodwill and investor confidence. Hence, senior management must make sure that their firms have robust systems and controls to reduce the risk of them being used to commit such crime.”

In the context of above, explain key principles for proactively establishing an environment to effectively manage fraud risk.

(10 marks)

2. (a) Gobind Steel Co. Ltd. is a manufacturing company of steel products with track record of profit and dividend for last 20 years. It was promoted by Dinesh who is an engineer and is managing the affairs but wants to have a non-executive position. The existing Board wants a newly constructed Board with persons who will be useful to the company. Financial institutions hold 33% equity shares with LIC having 24% and balance by two banks equally. 25% of shares are with public. What should be, in your opinion, ideally constituted Board ? If you suggest independent directors, give their ideal profiles, apart from other types of directors. Also discuss merits of having independent directors.

(10 marks)

- (b) Critically examine the effectiveness and role of the Board in Public Sector Undertakings (PSUs) where government is the major shareholder. Discuss the way forward to strengthen it further.

(10 marks)

3. (a) ‘Work-life balance’ is finding out optimum point of convergence of one’s work with one’s life. Indicate the signs and corrective action required when the life goes off balance.

(10 marks)

- (b) “Happy employees make customers happy.” As an HR Head of a high-tech company, prepare a Board note suggesting ways to keep employees fully charged and motivated.  
*(10 marks)*
4. (a) “Audit committee needs a crystal ball to be aware about critical, current and emerging issues influencing company’s future.” Elaborate the role of Audit Committee.  
*(10 marks)*
- (b) “One of the hottest topics being discussed recently is how to make the relationship between Chairman and Chief Executive Officer (CEO) more effective for better Governance.” Comment.  
*(10 marks)*
5. (a) Explain the broad parameters/areas which can be considered for the performance evaluation/effectiveness of the Board functioning.  
*(10 marks)*
- (b) “The goal of Integrity Pact (IP) is to bring transparency, reduce corruption and enhance public trust in procurement.” Explain the concept of IP and perceived benefits to the bidding company and public sector undertakings (PSUs)/government on adoption of IP.  
*(10 marks)*
6. (a) “Well known companies have proven that they can differentiate their brand and reputation as well as their products and services, if they take responsibility for the well being of the society and environment in which they operate.” Explain the relevance of corporate social responsibility (CSR) in terms of today’s global business environment.  
*(10 marks)*
- (b) In the recent times, there is lot of talk of ‘green initiative’. Ministry of Corporate Affairs has also taken certain steps in this direction specifically related to information circulation to shareholders. Explain the significance of this step.  
*(10 marks)*