

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 4

**NOTE** : Answer **ALL** Questions.

**PART – A**

1. (a) "The Board of directors plays a pivotal role in ensuring good governance. The role of the Board is two-dimensional; as a cornerstone in evolving sound, efficient, vibrant and dynamic corporate for attaining of high standards in integrity, transparency, code of conduct, accountability as well as in promoting social responsibility. The contribution of the directors on the Board is critical to the way a corporate conducts itself. An effective Board evaluation requires the right combination of dynamic factors of performance of the Board as entrepreneurial leader of the company within the framework of prudent and effective controls, which enables risk to be assessed and managed."

In the above backdrop, discuss briefly the essential facets of the role of Board of directors in Corporate Governance and their performance evaluation with special reference to the areas contemplated under clause 49 of the Listing Agreement, Corporate Governance Voluntary Guidelines, 2009 and other relevant parameters.

(10 marks)

- (b) Briefly comment on the following :

- (i) Utilitarianism contributes to happiness among all persons.
- (ii) ICSI principles of Corporate Governance, *inter alia*, include sustainable development of all stakeholders and adherence to ethical standards.
- (iii) Protection of shareholders' rights is sacrosanct for good Corporate Governance.
- (iv) Investors' relations can be referred to as 'financial public relations' or 'financial communications'.
- (v) A company can have as many non-mandatory committees as it would require for efficient oversight of the company.

(2 marks each)

- (c) Briefly discuss the scope of work of the International Corporate Governance Network (ICGN).

(5 marks)

*Attempt all parts of either Q.No. 2 or Q.No. 2A*

2. Write short notes on the following :

- (a) Ethical dilemma
- (b) Integrity pact
- (c) Lead independent director
- (d) COSO's internal control framework
- (e) Corporate Governance in public sector enterprises.

*(3 marks each)*

*OR (Alternate question to Q. No. 2)*

2A. Explain the following :

- (i) Mission of National Foundation for Corporate Governance.
- (ii) Separation of role of Chairman and Chief Executive.
- (iii) Principles of social and ethical accounting.
- (iv) The Clarkson principles of stakeholder management.
- (v) Corporate Governance in Singapore.

*(3 marks each)*

3. (a) "Employees' participation in Corporate Governance system can be found in many countries and corporations throughout the world." In the light of this statement, discuss some of the important examples for ensuring good governance by employees.

*(4 marks)*

(b) "Independent directors are known to bring an objective view in Board deliberations. They act as guardians of the interest of all stakeholders, especially in the areas of potential conflicts." Discuss.

*(4 marks)*

: 3 :

(c) "A Company Secretary can play a significant role in ensuring that a sound enterprise risk management (ERM), which is effective throughout the company, is in place." Explain.

(4 marks)

(d) Write short note on legal provisions on risk management under the listing agreement.

(3 marks)

4. (a) In pursuit of excellence and to identify, foster and reward the culture of evolving globally acceptable standards of Corporate Governance among Indian companies, the ICSI National Award for Excellence in Corporate Governance was instituted by ICSI in the year 2001.

You being the Company Secretary of Adherence India Ltd., are asked by the Board to prepare a note on the attributes which the Institute annually looks for, before it bestows upon the corporate leader the "ICSI Lifetime Achievement Award for Translating Excellence in Corporate Governance into Reality".

(4 marks)

(b) "The institutional investors use different tools to assess the health of a company before investing resources in it." Elaborate.

(4 marks)

(c) "Organisation that builds mutually strong relationship with its vendors improves its overall performance in the market place." Discuss.

(4 marks)

(d) Internal control is a way for management to run a business and is integrated within the management process. Comment.

(3 marks)

### PART — B

5. (a) As the Company Secretary of Sound India Ltd., you are required by the Chairman to prepare a note for the Board of directors highlighting the following :

- (i) Importance of sustainability reporting
- (ii) Available framework for sustainability reporting
- (iii) Challenges involved in mainstreaming sustainability reporting.

(8 marks)

- (b) "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 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 cases.

(7 marks)

*Attempt all parts of either Q.No. 6 or Q.No. 6A*

6. Explain briefly the following :

- (a) Ecomark
- (b) KYOTO protocol
- (c) CSR Standard – ISO 26000
- (d) Global reporting initiative (GRI)
- (e) UN Principle for Responsible Investment.

(3 marks each)

*OR (Alternate question to Q. No. 6)*

6A. (i) Discuss in brief the principles recommended in the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business.

(5 marks)

(ii) The Corporate Manslaughter and Corporate Homicide Act, 2007, UK is a landmark in law. Discuss in the light of decided case laws.

(5 marks)

(iii) Distinguish between 'carbon footprint' and 'carbon offsetting'.

(5 marks)