1. (a) "Corporate governance is the acceptance by management of the inalienable rights of shareholders as the true owners of the corporation and of their own role as trustees on behalf of the shareholders. It is about commitment to values, ethical business conduct and making a distinction between personal and corporate funds in the management of a company."

Discuss the scope of corporate governance in the backdrop of this statement. (10 marks)

(b) State, with reasons in brief, whether the following statements are true or false:

(i) Corporate social responsibility (CSR) is nothing but spending on non-business activities by corporate entities.
(ii) Whistle blowing is a warning given by the auditor to the management that there is something wrong in the entity.
(iii) Constitution of the audit committee is mandatory under the Companies Act, 1956 as well as the listing agreement.
(iv) UK Stewardship Code, 2010 follows the concept of 'comply or explain'.
(v) Kautilya's fourfold duty of a king are equally applicable to corporate governance. (2 marks each)

2. (a) Write short notes on the following. Attempt any three:

(i) Shadow director
(ii) External communication
(iii) Internal control
(iv) Related party transactions. (3 marks each)
(b) You are a Company Secretary of Blue Bells Ltd., a telecom company. Your company wants to prepare its corporate social responsibility (CSR) policy in compliance with the Corporate Social Responsibility Voluntary Guidelines, 2009. Draft a note for the CMD of the company containing the core elements, which should normally be covered in the CSR policy of the company as per the above guidelines.

(6 marks)

3. (a) Corporate governance is still evolving in India. Trace the major principles of corporate governance in India as recommended by Kumar Mangalam Birla Committee and N.R. Narayana Murthy Committee appointed by the Securities and Exchange Board of India (SEBI).

(7 marks)

(b) "The Board of directors plays a pivotal role in ensuring good governance." In the light of this statement, discuss the role of directors in a company.

(4 marks)

(c) "UK Corporate Governance Code, 2010 is the refragmentation of the earlier one with several structural changes." Discuss the Board composition in compliance with the new code in the light of this statement.

(4 marks)

4. (a) What is 'risk'? Discuss various phases of risk management cycle.

(6 marks)

(b) Discuss briefly the following. Attempt any three:

(i) Training of directors
(ii) Shareholder activism
(iii) National Foundation for Corporate Governance
(iv) Corporate governance in insurance sector.

(3 marks each)
PART—B

(Answer ANY TWO questions from this part.)

5. (a) "It is now well recognised that the business ethics and financial performance of companies are interlinked.” Discuss this statement and highlight the benefits of business ethics.  

(b) Discuss briefly the following. Attempt any three:

(i) Organisation structure and ethics
(ii) Ethics in marketing
(iii) Egoism
(iv) Ethics programme.

6. (a) "Ethical business behaviour and practices could have prevented Satyam fiasco emanating from financial fraud and poor corporate governance.” Comment.

(b) What is understood by the term 'stakeholder'? Enumerate the different stakeholders of any corporate entity.

(c) "Most of the ethical decisions have uncertain consequences." Comment.

7. (a) Discuss the best practices in an ethics programme.

(b) "An effective leader is required to balance profit motivated entrepreneurial skills and corporate citizenship." Discuss the role of leadership in business ethics in the light of this statement.

(c) "Sexual harassment at work place has been a matter of debate." Discuss this statement in the light of ethics in human resources.
PART—C

8. Explain *any four* of the following statements:

(i) Kyosei philosophy reflects a confluence of social, environmental, technological and political solutions.

(ii) 'Sustainable development' and 'corporate sustainability' are intermingled.

(iii) The scheme of 'Ecomark' was launched by Government of India to increase consumer awareness for easy identification of environment friendly products.

(iv) 'Ecological footprint' is a measure of human demand on the earth's ecosystems.

(v) Supreme Court's judgement in the Ganga water pollution case has become a landmark judgement in handling the pollution of river Ganga.

*(5 marks each)*