

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) XM Ltd. (XML) which is the Indian branch of US-based Corporation reported that in the years 1998 and 1999 it manipulated its books to make fictitious payments which were recorded as commissions or discounts. According to the US-based parent company's own admission, XML paid over US \$6,00,000 as bribe to various government employees to win contracts, though it was a serious criminal offence for an American company under the Foreign Corrupt Practices Act (FCPA) to pay bribes in a foreign country to obtain contracts.

In view of the above, answer the following :

- (i) XML paid bribe for contracts. Why was it an unethical business practice ? Explain in the spirit of business ethics.
- (ii) What role can be played by the Board of directors in corporate governance to avoid unethical behaviour ?

(5 marks each)

- (b) (i) Is shadow director equally liable with the other directors for obligations of the firm ?
- (ii) Explain the regulatory requirements to constitute an investment committee in insurance companies working in India.
- (iii) Why was Integrity Pact developed by Transparency International ?
- (iv) What do you understand by 'ethics in compliance' ?
- (v) Briefly explain the legal provisions regarding appointment of woman director in a public company.

(2 marks each)

- (c) How academicians, legislators and professionals are joining hands to improve the corporate scenario throughout the affected world ?

(5 marks)

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

2. Elucidate the following :

- (a) Corporate governance rating systems
- (b) Shareholder activism
- (c) Ethics committee.

*(5 marks each)*

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

- 2A. (i) "Better stakeholders' engagement ensures good governance." Analyse this statement in the context of employees as stakeholders.
- (ii) In Pramod Ltd., vacancy of an independent director arose on 15<sup>th</sup> June, 2014. In the Board meeting held on 14<sup>th</sup> October, 2014, the Board of directors unanimously passed a resolution to appoint one of the nominee directors as an independent director for next two consecutive terms. Enumerate the selection criteria of an independent director.
- (iii) Pawan, carrying 5.23% shares of Combo Ltd., a listed company, was offered directorship in the company. What will be the consequences of accepting the offer on his holdings ?

*(5 marks each)*

3. (a) Board of directors of IT Solutions Ltd. conducted its adjourned meeting on a public holiday in the month of October, 2015. The Board meeting was adjourned due to lack of quorum. Can the articles of association of a company fix such a quorum ?

*(5 marks)*

- (b) How has the Securities and Exchange Board of India (SEBI) contributed in improving corporate governance standards in India ?

*(5 marks)*

- (c) How can the government enforce ethical business practices ?

*(5 marks)*

: 3 :

4. (a) Priya Ltd. declared dividend but failed to pay the dividend in time which created grievances among shareholders and debentureholders. Describe the provisions of law available for the beneficiaries. (5 marks)
- (b) Why Shann Turnbull, an Australian expert in corporate governance recommended 'Corporate Senate' ? (5 marks)
- (c) How important is corporate governance for success of an organisation ? (5 marks)

## PART — B

5. (a) State the Millennium Development Goals that 189 members of United Nations agreed to adopt and achieve. (5 marks)
- (b) Describe corporate sustainability assessment criteria under the Dow-Jones Sustainability Index. (5 marks)
- (c) How far has International Labour Organisation (ILO) succeeded in shaping policies and programmes in favour of government, employees and workers together with the aim of social justice ? (5 marks)

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

6. Explain the following :

- (a) Bali Roadmap
- (b) The Montreal Protocol
- (c) CSR Standard – ISO 26000.

(5 marks each)

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

- 6A.** (i) For the purpose of generating employment in Banaras, a leather industry is being started which consumes a large amount of water and discharges waste water containing putrescible organic and toxic inorganic materials into the river resulting in death of all aquatic life. Whether court should allow the owners of the tanneries to continue as it is working in public interest or direct them to stop working ? Give reasons.
- (ii) Justify why 'corporate sustainability' and 'corporate social responsibility' have different background and different theoretical path although scholars and practitioners often interpret corporate sustainability and corporate social responsibility as being nearly synonymous.
- (iii) Every company is required to constitute a CSR Committee under the Companies Act, 2013. Do you agree ? Explain with the relevant provisions of the law.

*(5 marks each)*

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