

Roll No.

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 6

Total number of printed pages : 6

NOTE : Answer **ALL** Questions.

PART—A

1. (a) Ranjeet is running a Non-Government Organization (NGO) to help deprived children. He receives government grants of ₹ 2 lakh for a project to educate the “non-school” going children who work at small shops, doing casual jobs etc. for the financial year 2018-19. On the completion of financial year Ranjeet managed to utilize only ₹ 50,000 from the grants. In spite of his best efforts he was unable to persuade many street dwelling and poor children or their parents to join his NGO initiative.
- There exists a clause in grant rules that Ranjeet has to return all the unspent money back to the fund providers at the end of March 31st, 2019. However his advisor Roshan advised him following :
- (i) If we honestly return ₹ 1.5 lakh back, then fund providers will think that we are inefficient and ineffective NGO and they may not grant us adequate funds in coming years or in the worse case they may not sanction us any further projects.
 - (ii) We may discuss our CA Ranjan to manage our account books and show that most of the grants has been utilised for the purpose it was given.
 - (iii) Many other recipients of grant are also adopting this practice and no one raised objection so far, as long they give 10 percent of the grant to the in-charge of the project supervision desk.

: 2 :

- (iv) Though it may be considered unethical but we may use the grant money in coming years for the purpose for which it was disbursed. Hence we may not have a guilt feeling of unethical and immoral conduct.

Answer the following questions :

- (i) What should Ranjeet do with the money ?

(5 marks)

- (ii) “Ethics are less a goal than a pathway and less a destination than a trip.”
Comment in the light of above.

(5 marks)

- (b) Write short notes on the following :

- (i) What corporate governance deals with as per Confederation of Indian Industry (CII) Desirable Corporate Governance Code (1998) ?
- (ii) Discuss the principle of Succession Planning based on Adi Godrej Committee Report.
- (iii) Which companies are required to constitute a Nomination and Remuneration Committee of the Board ?
- (iv) Discuss the Review of Information by Audit Committee for Corporate Governance in Public Sector Enterprises.
- (v) Discuss the Accountability Principles of the UK Corporate Governance Code, 2014.

(2 marks each)

- (c) Discuss the nine thematic pillars of business responsibility enshrined in the National Guidelines on Responsible Business Conduct (NGRBC) released by the Ministry of Corporate Affairs (MCA).

(5 marks)

: 3 :

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

2. (a) As the Company Secretary of XYZ Ltd. prepare a note for the Board of Directors regarding the selection, qualifications, remuneration and tenure of Independent Directors.
- (b) “Secretarial Audit ensures adherence to good governance practices.” Discuss and describe provisions of the Companies Act, 2013 related to Secretarial Audit.
- (c) Preparation of minutes of General, Board of Directors and Committee Meetings is a legal requirement under the Companies Act, 2013. Suggest at a minimum, what the minutes must contain ?

(5 marks each)

OR (Alternate question to Q. No. 2)

- 2A. (i) Discuss provisions of Corporate Governance under the Companies Act, 2013 and Listing Regulations related to constitution of Stakeholders Relationship Committee.
- (ii) ABC Company Ltd. (a non-listed company) had a paid up share capital of ₹ 80 crore as on the last day of its financial year ending on 31st March, 2018. However its financial statements for the financial year 2017-18 are yet to be audited. Whether the company is required to appoint a woman director during the financial year 2017-18 ?
- (iii) As the Company Secretary of X & Co. Ltd. prepare note on the matters to be included in Board’s report for One Person Company and Small Company in terms of Rule 8A of Companies (Accounts) Rule, 2014 as amended by Companies (Accounts) Amendment Rules, 2018.

(5 marks each)

3. (a) You, being a practicing Company Secretary, advise the Board mentioning the provisions related to composition and functions of Corporate Social Responsibility Committee.
- (b) “To be effective new directors need to have a good deal of knowledge about the company and the industry within which it operates”. In the light of this statement discuss directors’ induction programme in a company.
- (c) Discuss the system of Corporate Governance in the United Kingdom in the light of ‘comply or explain’ principle established by the Cadbury Committee in 1992.

(5 marks each)

4. (a) List the disclosure requirements prescribed under IRDAI with regards to preparation of Financial Statements and Auditors’ Report of Insurance Companies.
- (b) Discuss Audit Committee Composition under Legislative Framework of Corporate Governance in U.K., Singapore, South Africa, Australia and India.
- (c) As the Company Secretary of MSZ Ltd. you are required to prepare a note for the Board of Directors explaining measures to protect the interests of minority shareholders as prescribed under Companies Act, 2013.

(5 marks each)

: 5 :

PART—B

5. (a) “Business should respect, protect and act to restore the environment”. To recognize the above principle discuss the core elements related to environmental responsibility for sustainable growth and well being of society.
- (b) “Business should provide goods and services that are safe and contribute to sustainability throughout the life cycle”. In the light of this statement explain the core elements recommended by the National Voluntary Guidelines to engineer value in goods and services.
- (c) “Corporate sustainability and corporate social responsibility are different from each other but have strong convergence as well”. Discuss.

(5 marks each)

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

6. Discuss, in brief, the following :
- (a) Corporate Social Responsibility (CSR) is not a philanthropy.
- (b) Investor behaviour challenge in mainstreaming sustainability reporting.
- (c) Dow-Jones Sustainability Index.
- (d) Issues dealt with in Convention on Biological Diversity.
- (e) Objectives of scheme of labeling of environment friendly products.

(3 marks each)

OR (Alternate question to Q. No. 6)

- 6A.** (i) Explain in detail the KYOSEI philosophy of Corporate Governance.
- (ii) Discuss briefly the Corporate Manslaughter and Corporate Homicide Act, 2007 of the United Kingdom.
- (iii) Describe in brief the contents of major legal enactments for Environment Protection in India.

(5 marks each)

————— o —————