

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) Infowin Ltd. has been pioneer in corporate governance practices. The Board is comprised of appropriate mix of independent and executive directors to separate Board functions of governance and management. The Board comprises of fifteen members with seven executive directors and eight independent directors. Responsibilities of the Chairman, CEO (Chief Executive Officer) and COO (Chief Operating Officer) have been clearly defined and they have to make periodic presentations before the Board on their responsibilities, targets and performance. The Board is responsible for selection of new directors and it delegates the selection of the new Board members to the Nomination and Remuneration Committee. The Nomination and Remuneration Committee recommends to the Board the induction of any new Board member. The Board also regularly works with the Chairman, CEO and the COO to determine the plans of internal succession of these posts in case of any emergency. The Board meets to review the quarterly results, discusses issues related to the company's financial performance and the shareholders' interests. The independent directors are always kept up to date with the information regarding the company by the Board through separate meetings arranged at regular intervals. The Board currently has five committees namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Investment Committee. The COO and CEO deal with interaction of the Board with the clients, employees, institutional investors, the government and press. The risk management is dealt with by the Board with the help of the Audit Committee.

In light of the above, you are required to answer the following questions :

- (i) How do independent directors on the Board help Infowin Ltd. to formulate best business policies ?
- (ii) What are the different committees formed as part of corporate governance of Infowin Ltd. and what role do these committees play ?

(5 marks each)

(b) Briefly comment on the following statements :

- (i) Ethical conduct is in the long-term interest of business.
- (ii) Well defined and implemented risk management policy has many potential advantages to an organisation.
- (iii) Independent Board is essential for sound corporate governance.
- (iv) An 'ethical dilemma' involves a situation, when a person is indecisive as to what is right and what is wrong.
- (v) Institutional investors have a crucial role to play in ensuring good corporate governance.

(2 marks each)

(c) "Corporate Boards are also involved in women empowerment." Comment.

(5 marks)

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

2. Elucidate the following :

- (a) Reputational risk management.
- (b) Best practices in ethics programme
- (c) Corporate excellence through governance.

(5 marks each)

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

2A. (i) You are Company Secretary of a listed company. You have been asked to prepare report on corporate governance to be included in the annual report of the company. Briefly explain the major contents of such report.

(5 marks)

(ii) What do you mean by 'related party transaction' ? What are the provisions of listing agreement related to monitoring of related party transactions ?

(5 marks)

(iii) What do you understand by 'internal control' ? What are its components ?

(5 marks)

: 3 :

3. (a) Explain the focus areas of Global Corporate Governance Forum. (5 marks)
- (b) Discuss briefly the Department of Public Enterprises Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises. (5 marks)
- (c) Ayesha Ltd. is engaged in managing events. A Board meeting is recently held at the head office of the company to expand its business operations to new areas. As a Company Secretary of the company, you are required to prepare minutes of this Board meeting. (5 marks)
4. (a) "In the globalised world, ethical assessments are based on relativism." Comment on this statement in the light of business practices adopted by corporates in different parts of the world. (5 marks)
- (b) Discuss the salient features of CalPERS. What are the main drivers of their corporate engagement programme ? (5 marks)
- (c) What are the areas in which a company may face ethical issues ? Explain with the help of case study as to how investors can force ethical issues on company's agenda. (5 marks)

**PART — B**

5. (a) Milkworld Ltd. started milk collection in the district it was situated with a collection of 511 Kgs. of milk from 180 farmers. The company set-up a system of direct and efficient contact with farmers. Company veterinarians and agronomists supervise the milk routes and advise farmers on various issues including proper feed for the herds. Milk storage facilities have been set-up close to the farmers, veterinary services are provided free and medicines provided at wholesale price. The company assists farmers in artificial insemination programmes for their cattle, and helps them in obtaining subsidy and loans.
- By working very closely with the farmers of the district and its local administration, the company has helped to raise the quality and hygiene of the milk produced and

improved the health and lifestyle of the farmers and other residents. Its contribution to the creation of prosperity on an ongoing and sustainable basis has not only transformed the district into a prosperous and vibrant milk district today, but also a thriving hub of industrial activity.

On the basis of facts given in above case, what are your observations pertaining to performance of the company on corporate social responsibility ?

(7 marks)

- (b) Write a note on 'biological diversity'.  
(4 marks)
- (c) Discuss the regulatory framework for environment protection in India.  
(4 marks)

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

6. (a) Explain the rule laid down in Rylands v. Fletcher case. How far it is applicable in Indian scenario ?  
(5 marks)
- (b) "Greenwashing is an evil practice amongst the corporates." Comment.  
(5 marks)
- (c) Explain the role of the government in improving sustainability reporting.  
(5 marks)

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

- 6A. (i) "The UN Global Compact incorporates a transparency and accountability policy known as the communications on progress (COP)." Elaborate.  
(5 marks)
- (ii) The Triple Bottom Line is made up of social, economic and environmental aspects and indicated by the phrase 'people, planet and profit'. Elucidate.  
(5 marks)
- (iii) "Corporate Manslaughter and Corporate Homicide Act, 2007 of United Kingdom (UK) is a landmark legislation." How ?  
(5 marks)