

Roll No.....

Time allowed : 3 hours

Maximum marks : 100

Total number of questions : 8

Total number of printed pages : 7

## **PART — A**

*(Answer Question No.1 which is compulsory  
and ANY TWO of the rest from this part.)*

1. (a) Innovative Business Solutions Ltd. (IBSL) provides business solutions to customers through the use of advanced information technology such as computers, software, and management information systems. Over the past decade, IBSL has been arguably one of the largest corporate contributors of cash, equipment, and people to non-profit organisations and educational institutions across the United States and the world. The company's central social responsibility focus is on helping people to use information technology to improve the quality of life for themselves and others.

IBSL believes that information technology innovations that are revolutionising businesses can provide important breakthroughs for improving the welfare as a whole. These innovations have the potential to help organisations in all segments of society to deliver better services, manage costs, maximise effectiveness, and implement exciting new programmes.

The company's commitment to provide solution-oriented innovations for these organisations involves both monetary contributions and working hand-in-hand with the

organisations themselves to design technology solutions that address specific problems. IBSL's social responsibility activities are diverse and focus on improving education, promoting arts and culture, maintaining and improving the environment and helping communities in need.

One of IBSL's more notable social responsibility programmes is called 'ChildSmart'. This programme is currently going on in 50 countries around the world and aims at providing technological resources to children in remote and needy communities. ChildSmart aspires to develop children's social, innovative, and cognitive skills. A new ChildSmart programme launched in Kenya provided teachers with 50 computers specially designed by toy manufacturers to be colourful and appealing to children. The computer software was translated into local language, and helps teachers to develop children's basic skills in mathematics, science, creative writing and thinking. Kenyan officials are especially pleased with the ChildSmart programme not only because it helps children learn and develop skills, but it also spreads technology awareness within underprivileged communities.

The overall message from CEO of IBSL is clear : IBSL strives to be a socially responsible member of the communities in which it does business.

In light of the above, answer the following :

- (i) The activities undertaken by IBSL reflect the concept of corporate social responsibility and not corporate philanthropy. Do you agree ? Why ?
- (ii) Evaluate the IBSL's social responsibility programme 'ChildSmart' that justifies the message of its CEO.

*(5 marks each)*

: 3 :

(b) Explain the following in brief :

- (i) Good governance is integral to the very existence of a company.
- (ii) Core substance of corporate governance lies in designing and putting in place various mechanisms.
- (iii) A key element in the corporate governance process of any organisation is its audit committee.
- (iv) To make ethical and responsible decisions, companies should not only comply with their legal obligations but should also consider the expectations of other stakeholders.
- (v) The information relating to appointment and reappointment of a director to be provided to the shareholders as per regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(2 marks each)

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

- (i) Tenure of independent director according to ICSI
- (ii) Institutional investors
- (iii) The recommendations of Shann Turnbull in the matter of corporate governance in Australia
- (iv) Primary objectives of the corporate compliance committee
- (v) Disclosures relating to non-mandatory requirements.

(3 marks each)

- (b) "The challenge for professionals like CEO is to identify risks and manage them." Explain.

*(6 marks)*

3. (a) "Secretarial audit is a compliance audit and is an effective tool for corporate compliance management in an organisation." Discuss.

*(5 marks)*

- (b) Define the term 'related party transactions' and discuss the disclosure requirements of 'related party transactions' as laid down by Securities and Exchange Board of India.

*(5 marks)*

- (c) "The UK Corporate Governance Code is the re-fragmentation of combined Code on Corporate Governance with several structural changes." Elaborate.

*(5 marks)*

4. (a) Discuss in brief the following :

- (i) Brand management
- (ii) ISO 26000 on social responsibility
- (iii) Misappropriation theory.

*(3 marks each)*

- (b) Explain the mission of National Foundation for Corporate Governance formed by the Ministry of Corporate Affairs in partnership with the CII, ICSI and ICAI.

*(6 marks)*

: 5 :

**PART — B**

*(Answer ANY TWO questions from this part.)*

5. (a) Explain the following in brief :

- (i) Deontological ethics
- (ii) Principle of contribution to society and human well-being
- (iii) Activity analysis.

*(3 marks each)*

(b) "A company must have an effective ethics programme to ensure that all employees understand its value and comply with the policies and code of conduct." Discuss.

*(6 marks)*

6. (a) "Stakeholder engagement identifies stakeholders, assesses stakeholder needs, develops stakeholder relations, plans and forms alliances with stakeholders." Explain.

*(5 marks)*

(b) "The *credo* depicts a company's ethical and socially responsible approach of conducting business." In the light of this statement, discuss the concept of *credo* with suitable examples.

*(5 marks)*

(c) "Companies should have a committee of independent non-executive directors who are responsible for ensuring that systems are in place in the company to ensure employee compliance with the code of ethics." In the light of this statement, discuss in brief the functions of ethics committee.

*(5 marks)*

7. (a) You as a Company Secretary of Meteor Ltd. are made responsible for filing tenders for the company. Your company is looking forward to win the tender by the government department.

A junior worker joins your company after working with your competitor Ether Ltd., for 5 years. The worker informs you that in his last company he had access to the bids made by the company and that he had knowledge of what standards of cost were set by that company.

He offers for assistance in winning the bid by providing the information of the competitor.

How would you resolve ethical dilemma in the following situations —

- (i) Would you take the input from him;
- (ii) Would you avoid such input and focus on your standards;
- (iii) Would you ask him to leave the company for proposing to leak trade secret of competitor as that reflects his integrity; and
- (iv) If you decide to retain him, how will you ensure that such things do not happen in future ?

(8 marks)

- (b) "Retaining talented people is as big a challenge as getting them in the first place." Comment.

(7 marks)

### PART — C

8. Attempt *any four* of the following :

- (i) 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 person 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 case law.

(5 marks)

: 7 :

- (ii) "Sustainability reporting describes new formalised means of communication which provides information about corporate sustainability." In the light of this statement, bring out the benefits of sustainability reporting and its trend in emerging economies.  
(5 marks)
- (iii) Discuss the Ambuja Petrochemicals v. A.P. Pollution Control Board case.  
(5 marks)
- (iv) Discuss the corporate philosophy of Canon.  
(5 marks)
- (v) What is 'ecomark' scheme on labeling of environment friendly products ?  
(5 marks)