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**PRESIDENCY
UNIVERSITY
BENGALURU**

School of Commerce and Economics

Mid - Term Examinations - November 2024

Semester: I

Date: 07-11-2024

Course Code: SOC1001

Time: 11:45am – 01:15pm

Course Name: Corporate Governance and business ethics

Max Marks: 50

Program: B.Com & BBA

Weightage: 25%

Instructions:

(i) Read all questions carefully and answer accordingly.

(ii) Do not write anything on the question paper other than roll number.

Part A

Answer ALL the Questions. Each question carries 2marks.

5Qx2M=10M

- | | | | | |
|---|---|---------|------------|------|
| 1 | Define corporate governance. | 2 Marks | Understand | CO-1 |
| 2 | List any two objectives of corporate governance. | 2 Marks | Understand | CO-1 |
| 3 | Outline any two key features of German Model of Corporate Governance. | 2 Marks | Remember | CO-2 |
| 4 | State the difference between executive and independent directors. | 2 Marks | Remember | CO-2 |
| 5 | What is the philosophy behind the term corporate governance? | 2 Marks | Understand | CO-1 |

Part B

Answer ALL Questions. Each question carries 10 marks.

4QX10M=40M

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|---|---|----------|------------|------|
| 6 | Corporate governance is carried out through two boards, where the upper board oversees the executive board on behalf of stakeholders. This arrangement is referred to as the "two-tier board model." Identify the corporate governance model and explain. | 10 Marks | Understand | CO-1 |
|---|---|----------|------------|------|

OR

7	In order to protect the long-term interests of the corporation and external investors, two important functions merit special attention. They are 'oversight of strategy' and 'oversight of financial reporting and legal compliance'. In this respect the audit committee holds the key to fulfilling the Boards oversight function. Elucidate	10 Marks	Remember	CO-2
8	8a Distinguish between 'duty of loyalty' and 'duty of care' with reference to audit committee.	5 Marks	Understand	CO-1
	8b Outline the 'equitable treatment of shareholders' from OECD principles.	5 Marks	Understand	CO-1
or				
9	In achieving the goal of corporate transparency, write notes on the role of: (i) Stakeholders. (ii) The board of directors.	10 Marks	Remember	CO-2
10	How are corporate governance and corporate social responsibility related to each other? Discuss with particular reference to Indian companies.	10 Marks	Understand	CO-1
or				
11	The Santhosh ltd (A Manufacturing Company) wants to promote policies aimed at improving the economic and social well being of people around the corporate ambience. Since, assume you are the member of BOD, how will you outlay the OECD principles with your company Activities.	10 Marks	Understand	CO-1
12	Mr X has been appointed as CEO of Prabha Ltd on 01.04.2023. Since, he has new appointed, he has to understand the various internal and external members who has the interest against the corporate activities of the Prabha Ltd and their performance expectations. Assume you are the One of the directors of the BOD, how will you help him (Mr X) towards various performance expectations of stakeholders.	10 Marks	Understand	CO-1

Or

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Satyam Computers Limited (Satyam) was a leading global business and information technology (IT) services company, delivering consulting, systems integration and outsourcing solutions. It began its journey with 20 employees in 1987 and grew to become the fourth-largest software company in India with a market capitalization of Rs.15,262 crs. Over a period of two decades, the company built a highly skilled employee base of 53,000 and was on attractive IT outsourcing destination for a number of multinational companies across the world. It was given the Golden Peacock Global Award twice for its excellence in corporate governance in 2002 and 2008 by the world council for corporate governance. The golden peacock global award was one among the several honours received by Satyam for corporate governance. It rated the company with best corporate governance practices by investor relations global rankings (IRGR) in 2006 and 2007 in the investigation, Ramalinga Raju (Raju) founder and chairman of Satyam confessed fudging the accounts books of the company to the tune of Rs.7,800 core. After the government changed the management, Satyam was taken over by Tech Mahindra (TechM) and was renamed Mahindra Satyam (Msat). It addressed the customers and employees' issues very effectively; yet, even after a year of the takeover, Msat continues to face a hoard of legal and financial hurdles in stabilizing the business. Lack of re-instated financial statements has been posing tough situations for Msat to bag contracts. The Satyam saga poses a question whether the government should bailout such companies when they reach a dead end due to financial bankruptcy or moral bankruptcy resulting in financial bankruptcy endangering the very economic and corporate image.

10
Marks

Apply

CO-3

Questions: (a) What are the ethical violations of corporate governance in the case?

(b) How can you prevent these kinds of ethical violations, suggest some code to stop these kinds of practices?