

ST. JOSEPH'S COLLEGE OF COMMERCE (AUTONOMOUS)
END SEMESTER EXAMINATION - OCTOBER 2017
B.COM (Reg, Int. Fin & A/c, BPM/T.T.) B.B.A. -III SEMESTER
UG15AO002 : CORPORATE GOVERNANCE & ETHICS (ALLIED OPTIONAL)

Duration: 3 Hours

Max. Marks: 70

SECTION - A

I Answer any TEN questions. Each carries 1 mark. (10x1=10)

1. Define Corporate Governance.
2. What are values?
3. Define Business Ethics.
4. What is 'risk' in corporate decisions?
5. What is Insider Trading?
6. What is Whistle Blowing?
7. What is Teleology?
8. What is Deontology?
9. What is Trusteeship Theory?
10. What is Agency Relationship
11. Who are the stakeholders of a Business?
12. What is Surrogate Advertising?

SECTION - B

II Answer any THREE questions. Each carries 6 marks. (3x6=18)

13. What are the characteristics of an ethical organisation?
14. What are the principles of Personal ethics?
15. Explain Agency relationships and their significance in corporate governance.
16. List out the steps in corporate Risk Management Process.
17. Explain the essential codes of conduct for Managers.

SECTION - C

III Answer any TWO questions. Each carries 15 marks. (2x15=30)

18. Explain Kohlberg's cognitive moral development model and its six steps.
19. What are the categories of risk faced by organisations?
20. Discuss Sarbanes - Oxley Act, its origin and four important provisions.
21. Discuss the purpose, process and important features of internal control systems.

SECTION - D

IV Case Study – Compulsory question.

(1x12=12)

22.

Cement For Sale

You own a cement company, and deal with most of the local contractors for cement, sand, etc. You have a reputation of high quality products and for good customer service with your customers. Your foreman has just run the standard quality control tests you have performed regularly on your products.

When the test results are ready, you discover that the new batch of product is 5% less durable than your usual material. It is still well above all industry standards and meets all building codes and requirements for the purposes for which it is intended, but it is, nevertheless, not up to your usual company standards. Throwing it away would cost your company many thousands of rupees.

You decide to sell the cement anyway.

Questions:

- a. Should you tell your customers? Justify your stand.
 - b. Should you discount the price? Justify your recommendation.
 - c. Should you tell your employees? Justify your answer.
 - d. Would you use this cement for the foundations of your own house? Justify your decision.
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