

**VPM's**  
**DR VN BRIMS, Thane**  
**Programme: MMS (2014-16)**  
**Forth Semester Examination April 2016**

<b>Subject</b>	Corporate Governance and Corporate Social Responsibility		
<b>Roll No.</b>		<b>Marks</b>	<b>60 Marks</b>
<b>Total No. of Questions</b>	<b>7</b>	<b>Duration</b>	<b>3 Hours</b>
<b>Total No. of printed pages</b>		<b>Date</b>	<b>12.04.2016</b>

**Note: Q1 is compulsory and solve any FOUR from the remaining SIX questions.**

**Q1) 20 Marks (Compulsory)**

On November 13, 2015, a series of coordinated terrorist attacks killed more than 120 people in Paris. Among the dead were citizens of more than a dozen countries. Many people took to Facebook to express their shock and seek information about friends and family members. That same evening, Facebook enabled a feature that it had used before, which allows users to overlay the colors of a flag over their profile pictures in order to express support for a cause or solidarity with a particular group. In this case, the overlay consisted of the colors of the French flag. Many Facebook users chose to activate that feature, superimposing the French flag over their photos in order to express their sorrow and solidarity with the people of Paris. Others, however, expressed a number of different frustrations with Facebook's actions. Some people complained that Facebook had not enabled a similar show of support for the victims of terrorist bombings in Lebanon, which had taken place a day before the Paris attacks—or for other victims in other parts of the world. Others questioned the value of placing any flags as a show of support, claiming that such use of symbolism would make users “part of the ‘us and them’ mentality.” One commentator saw this action as “self-involvement masquerading as empathy for others.” In an article titled “Facebook’s Tragedy Features and the Outrage They Inspired,” a Wired journalist noted, “I’ve seen the same effect offered to me on certain weekends asking if I want a green and yellow filter to show my enthusiasm for the University of Oregon Ducks.”

(In response to the Paris attacks, Facebook also enabled a separate feature, called “Safety Check,” which was subsequently used by more than 4 million people in Paris; that action by the company was also met with both gratitude and critique for the way it has been deployed so far.)

**Questions :**

1. Was Facebook acting ethically in enabling the French flag overlay for its users? Why, or why not?
2. What, if anything, might Facebook do differently to achieve more ethical results in similar circumstances? Were users who took advantage of the feature acting ethically? Why, or why not?

**Attempt Any FOUR from the Remaining SIX Questions**

**Q2) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks**

- a) List the Kumara Mangalam Committee recommendations and functions of Remuneration committee
- b) Describe with diagram the Anglo-American Model and German Model
- c) Is capital punishment ethical? Give your views on capital punishment in India.

**Q3) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks**

- a) Define Corporate governance and describe the issues in corporate governance.
- b) Write a short note on e-governance. What are the present government initiatives in this direction?
- c) Amit is self-employed with a small but steadily growing number of local clients. Preparing a tax return for his largest client, Mr Bones, he realises that Bones has been significantly under-stating his income and over-stating his expenses. Since the client only passes him selected documentation he can't be sure of the extent, but it looks like he is under-stating net income by at least ₹ 50,000 lac this year, and did so by at least ₹ 20,000 lac last year. When he raises the matter, Mr Bones reminds him that not only is he a valuable client, paying Amit good fees, but that an increasing proportion of Amit's other clients have also been recommended to him by Mr Bones. Of course, if Amit would prefer not to have the business, that is fine – he will go elsewhere. What should Amit do?

**Q4) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks**

- a) Elaborate on the positions held by a Director
- b) Write a short note on CSR.
- c) You are interviewing candidates for a sales and marketing position which will involve face-to-face meetings with customers. On paper, one of the applicants stands out as being the most able and best qualified for the position. This is confirmed at interview, but you then discover that he has a facial deformity that is visually very disturbing and also impacts on his speech. This wouldn't prevent him doing the job and you conclude that he would be very good at it, if people gave him the chance, but you are worried that some of your customers, who are not exactly enlightened, might not give him the chance. What would you do?

**Q5) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks**

- a) Explain 'Decision making of Directors'
- b) Explain stewardship theory and agency theory.
- c) Write a note on Whistle blowing. Support your answer with the Enron scandal example.

**Q6) Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks**

- a) What are the Duties of a Director and how can they be disqualified?
- b) Elaborate on the powers and functions of the audit committee.
- c) Mary is a fast-track graduate employee and a rising star in a management consulting company. She has two children, one nearly 4 years old and the other 18 months old. Her marriage has run into difficulties and her husband has recently left her and taken a job overseas. Mary works hard and is ambitious, but she also cares deeply for her children and she has told her colleagues that she will only be available for meetings during the 'official' office hours of 8.00-16.00 and will not be online or available for conference calls between 16.00 and 20.00. Her team colleagues were initially sympathetic, but after a couple of months they are beginning to get annoyed and concerned that her lack of availability will impact on team performance and thus on their own career success. They come to you, as their manager, and request you take action. What will you do?

**Q7) Write short notes on Any two from (a) or (b) or (c) ————— (5x2) = 10 Marks**

- a) SOX
- b) OECD
- c) Cadbury Committee