REV-01
MCM/22/30

2025/05

SET A

MASTER OF COMMERCE
FOURTH SEMESTER
CORPORATE GOVERNANCE AND ETHICS
MCM – 403
[USE OMR SHEET FOR OBJECTIVE PART]

Duration: 1.30 hrs. **Full Marks: 35**

Objective **Marks: 10**

Time: 15 mins.

Choose the correct answer from the following: ***1×10=10***

1. Which of the following best describes the core concept of agency theory in corporate governance?
   a. Focus on maximizing shareholder value
   b. Addressing the conflict of interest between principals (owners) and agents (managers).
   c. Promoting ethical behavior among all stakeholders
   d. Establishing a strong legal framework for corporate operations

2. What is the primary goal of corporate governance?
   a. To protect the interests of managers
   b. To ensure accountability and transparency in the operations of a company
   c. To maximize profits for shareholders
   d. To minimize government regulation

3. Why is a whistleblower policy important for organizations?
   a. To protect the organization from liability
   b. To avoid legal repercussions
   c. To promote a culture of secrecy
   d. To encourage employees to report wrongdoing

4. What is the role of the company's whistleblower policy in protecting the whistleblower?
   a. To ensure that the whistleblower is protected from retaliation
   b. To ensure that the company is protected from legal action
   c. To punish the whistleblower
   d. To ignore the whistleblower

5. The principle of "accountability" in corporate governance means that:
   a. The company must be responsible to its shareholders only
   b. The BoD must be held responsible to shareholders, employees, and the public
   c. The company is not responsible for its actions to anyone
   d. The company must be responsible for its profits only

6. The Sarbanes-Oxley Act (SOX) primarily addresses issues related to:
   a. Environmental protection
   b. Financial reporting and corporate governance
   c. Employee rights
   d. Product safety

7. A key role of an independent director on a company's board is to:
   a. Oversee day-to-day operations
   b. Ensure the company complies with all regulations
   c. Act as a watchdog for shareholder interests
   d. Manage the company's finances

8. The Hampel Report's emphasis on transparency included which of the following?
   a. Reducing the need for detailed financial reporting
   b. Increased disclosure of executive compensation
   c. Shifting the responsibility for disclosure to the shareholders
   d. Less frequent communication with investors

9. The Gandhian concept of "Trusteeship" suggests that:
   a. Wealthy individuals should use their wealth for the benefit of society
   b. Wealthy individuals should give away their property to the government
   c. Wealthy individuals are naturally inclined to act in the best interest of others
   d. Wealthy individuals are responsible for the welfare of their employees

10. What is the purpose of the "triple bottom line" approach to CSR?
   a. To focus solely on environmental performance
   b. To measure a company's impact on social, environmental, and economic aspects
   c. To increase the company's profits
   d. To reduce government regulation

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Descriptive

Time : 1 Hr. 15 Mins. **Marks : 25**

[Answer question no.1 & any two (2) from the rest]

1. Explain the principles of Corporate Governance. 5

2. Elaborate the developmental stages of corporate citizenship. 10

3. Write the concept of Whistleblower policy. Discuss the various types of Whistleblower policy. 2+8=10

4. Analyze the Cadbury Committee Report and Hampel Committee Report on Corporate Governance. 5+5=10

5. Define Corporate Social Responsibility. Discuss the Gandhian concept of ethics. 2+8=10

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