

Code: BA1T6

I MBA-I Semester-Regular Examinations FEBRUARY 2014

BUSINESS ETHICS AND CORPORATE GOVERNANCE

Duration: 3hours

Max. Marks: 70

SECTION-A

1. Answer any FIVE of the following: 5 x 2 = 10 M

- a. Define Business Ethics
- b. What is whistle blowing
- c. Define Corporate Governance
- d. Values and Ethics
- e. Sarbanes Oxley Act 2002
- f. Rights of shareholders
- g. Consumer autonomy
- h. Distributive justice

SECTION – B

Answer the following: 5 x 10 = 50 M

2. a) What are the roots of unethical behaviour?

OR

b) Why should business firms function ethically?

3. a) Briefly discuss normative theories of ethics.

OR

b) Describe Indian ethical traditions.

4. a) Explain the nature of frauds in insurance sector.

OR

b) Critically examine bank frauds in the Indian banking sector.

5. a) What are the ethical issues in advertising? Give 2 examples

OR

b) What are the major trends in corporate social responsibility in India? Give 2 examples.

6. a) Why are environmental issues a major concern for business and society?

OR

b) Explain the concept and practice of sustainability reporting.

SECTION – C

7. Case Study

1 x 10 = 10 M

Are you conscious that you are being tracked or watched while you are surfing the net? The answer is in the negative, but this is a fact of the internet age. Does this make you feel comfortable? Would you agree to people stealing your data? Would you mind if advertisers observe your surfing behaviour and accordingly target their ads at you? There is something that you would not like to reveal to your marketers, but you expose your supposed needs unawares. For, someone is watching you without your knowledge.

This sort of tracking and placing ads in the surfer's patch is known as contextual targeting. Advertisers may have to spend money on tracking technology but the benefits of alluring the customers unconsciously are enormous. The moral problem lies in the fact that you are being exploited by an advertiser without your knowledge. Agencies around the world are urging their governments to bring in legislation to protect the consumers' privacy. This can be done by offering surfers a clear choice of track-on/track off facilities. But marketers will not give up what they are after.

- i) What are the ethical issues in this case?
- ii) Why is privacy on the internet such a serious issue?
- iii) Do you think tracking should be prohibited?
- iv) Would not prohibition of tracking take away the marketer's legitimate right to study consumer behaviour?