

Code: BA1T6

PVP 12

I MBA-I Semester- Regular Examinations - DECEMBER 2015

BUSINESS ETHICS & 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) Define Corporate Social Responsibility
- c) What is morality?
- d) What is sustainability?
- e) OECD principles
- f) SEBI and corporate governance
- g) Utilitarianism
- h) Virtue ethics

SECTION – B

Answer the following:

5 x 10 = 50 M

2 a) Do you think globalization is responsible for the unethical business practices of Indian business firms? Explain with examples.

(OR)

b) What is the importance of business ethics in a globalized world?

3 a) Discuss the nature and types of frauds in the Indian banking sector.

(OR)

b) Examine the major Indian scams and their implications for society.

4 a) What are the important issues in marketing ethics?

(OR)

b) What are the unethical business practices in human resource management?

5 a) Examine briefly Corporate Governance practices in developing and transition economies.

(OR)

b) Discuss the various Corporate governance initiatives taken by the government of India.

6 a) Do multinational corporations have a responsibility towards environment and its sustainability? Explain with examples.

(OR)

b) What are the social responsibilities of a business firm?

SECTION – C

7. Case Study

1 x 10 = 10 M

Infosys Technologies is a formidable name to contend with in any part of the IT world, not merely for its prowess as a leader in IT but also as a great corporation with an enviable ethics track record. But records so painstakingly created over a long period of time, with grit and determination, can tumble down with one

bad example. As the new millennium approached and the business institutions were worried about the Y2K problem, Infosys was involved in an unlikely scandal – a sex scandal.

Phaneesh Murthy was one of the directors of Infosys and headed its operations in the US. After having worked for almost a decade in the US, Phaneesh was sued by Reka Maximovich, an employee of the company, on grounds of sexual harassment and unlawful termination of employment. The matter became too embarrassing for the company, both abroad and at home.

Phaneesh resolutely refuted the charges, but then resigned. The tipping point came when the company agreed to make an out of court settlement for \$ 3 million. Battered by the law, the company learned its moral lessons and put in stricter codes of conduct for its employees.

Phaneesh, the brilliant professional from the reputed Indian Institute of Management (IIM), Ahmedabad, weathered the storm and got on with his life. He became the CEO of IGate, which had acquired and merged with Quintant of Bangalore. A certain Jennifer Griffith filed a suit for sexual harassment against him for a sum of \$ 8 million, which again went for an out of court settlement, for a lesser amount.

Questions:

- i) Is it true that law is sufficient and ethics is not required?
- ii) Does being a competent professional ensure good ethics?
- iii) Is the company's ethics record a dependable intangible asset?
- iv) Is there a need to train professional in ethical behaviour?