

**31702**

 **M-1328**

**Sl. No.**

**Total No. of Pages : 3**

**I Semester M.Com. Examination, December - 2018**

**(Scheme : CBCS)**

**COMMERCE**

**HC02 : Corporate Governance**

**Time : 3 Hours**

**Max. Marks : 70**

**PART - A**

Answer any five of the following questions. Each question carries five marks.

**[5 × 5 = 25]**

1. Define 'Corporate Governance' and describe its scope.
2. What is the relevance of OECD principles of Corporate Governance?
3. Why was Sarbanes-Oxley Act initiated?
4. Comment on the ethical issues in Human Resource Management.
5. What is CSR index?
6. Discuss the provisions of Clause 49 on audit committee.
7. Write short note on 'code of conduct'.
8. What is Whistle Blowing? Mention the components of Whistle Blowing Policy?

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**PART - B**

Answer any **three** of the following questions. Each question carries **ten** Marks.

[3 × 10 = 30]

9. What is meant by corporate governance? Discuss in detail the key underpinning theories of corporate governance.
10. Write an essay on the impact of narayana Murthy Committee on Indian corporate governance system.
11. Illustrate the various ethical problem in advertising and international marketing with examples.
12. What are India's corporate initiatives on corporate social responsibilities? Explain with some suitable examples of any Indian Company.
13. "Ethical practice is the best policy for the success of business in the long run". Comment.

**PART - C**

14. Case Study (Compulsory Question). [1 × 15 = 15]

Read the following case and answer the questions given at the end:

You are an audit manager of Satsuma & Co and have been assigned to the audit of Tangerine Tech Co(Tangerine), a company which is planning to list on a stock exchanges within six months. The listing rules of the stock exchange require compliance with corporate governance principles, and the directors are unsure whether they are following best practice in relation to this. They have asked the audit engagement partner for their view on his matter.

Tangerine's board is comprised of six executive directors, a non-executive chairman and there other non-executive directors (NEDs). The chairman and one of the NEDs are former executive directors of Tangerine and on reaching

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retirement age were asked to the on non-executive roles. The company has established an audit committee, and all NEDs are members including the chairman who chairs the committee. All four members of the audit committee were previously involved in sales or production related roles.

All of the directors have been members of the board for at least four years. As the chairman does not have an executive role, he has sole responsibility for liaising with the shareholders and answering any of their questions. The company has not established an internal audit function to monitor internal controls.

**Required :**

*Using the information above:*

*Describe FIVE corporate governance weakness faced by Tangerine Tech Co and Provide a recommendation to address each weakness to ensure compliance with corporate governance principles.*

