

Code: 14E00301

MBA III Semester Regular &amp; Supplementary Examinations November/December 2017

**BUSINESS ETHICS & CORPORATE GOVERNANCE**

(For students admitted in 2014, 2015 &amp; 2016 only)

Time: 3 hours

Max. Marks: 60

**PART – A**

(Answer the following: (05 X 10 = 50 Marks))

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- 1 List the three basic ethical theories with an example of each in practice. Identify the limitations of each theory.  
**OR**
- 2 State the difficulties involved in ethical decision making. Bring out the guidelines which help ethical decision making.
- 3 Discuss the types of harmful impact that marketing practices can have on competition and the associated problems.  
**OR**
- 4 Provide two examples of workplace behavior that would probably be unethical but legal and three that would probably be illegal but ethical.
- 5 What do you mean by insider trading? Explain the role of SEBI in controlling insider trading.  
**OR**
- 6 Identify and describe the main issues that the internet and digital content have brought to the wider concerns of protecting intellectual property.
- 7 What are the objectives of corporate governance? Explain the emergence of corporate governance in India.  
**OR**
- 8 What is the philosophy behind the term corporate governance? Elaborate.
- 9 In achieving the goal of corporate transparency, write notes on the role of: (i) Stakeholders. (ii) The board of directors.  
**OR**
- 10 How are corporate governance and corporate social responsibility related to each other? Discuss with particular reference to Indian companies.

**PART – B**

(Compulsory question, 01 X 10 = 10 Marks)

- 11 **Case Study:**  
Is it possible for a retailer to become too large and powerful? This is a question some people have been asking about Wal-Mart, the world's largest retail company and about Tesco in the UK. Wal-Mart has aggressively pursued its low-price mantra, bringing better value to consumers and forcing suppliers to innovate. A possible concern is that Wal-Mart has become so big that it can do virtually anything it wants in some areas. Obviously this kind of power has enormous ethical and social implications. Some suppliers suggest that Wal-Mart is able to dictate every aspect of its operations, from product design to pricing, in its efforts to maximize savings for customers. Some suppliers claim they have been forced to reduce staff numbers and even locate to lower-cost regions, in order to meet the biggest retailer's margin demands. Their fear is that if they hesitate to comply, they risk losing their most lucrative outlet and will find their products quickly replaced by a competitor's on Wal-Mart's shelves. For the customer, seeking keen prices and great choice, there are obvious benefits to Wal-Mart's approach, but perhaps there is also a cost.  
**Questions:**  
(a) What are some of the ethical and social implications of the power Wal-Mart and other huge retailers are able to exert?  
(b) What action can a company like Wal-Mart take to manage these issues?