

Subject Code: MB1326/R13

M B A- II Semester Regular/Supplementary Examinations, Aug - 2015

BUSINESS ETHICS AND CORPORATE GOVERNANCE

Time: 3 hours

Max Marks: 60

Answer any **FIVE** of the following

All questions carry equal marks. **Q.No.8 is compulsory**

1. Describe the theories of Business Ethics.
2. What are the ethical attitudes of Managers in Major Indian Scams?
3. Explain the HR related ethical issues with suitable examples.
4. What are the different kinds of Bank Frauds? How can they be prevented?
5. State the Land marks in the emergence of Governance OECB Principles.
6. Discuss the Governance issues relating to Board of Directors in Indian Corporates.
7. What are the salient features of Corporate Governance in the developing economies?

8. Case Study:

On January 08, 2009, M. Rammohan Rao ,resigned as the Dean of the Indian School of Business (ISB) .The resignation followed the announcement of the previous day by B.Ramalinga Raju ,Founder and Chairmen of India's fourth largest IT Services company, Satyam Computer services Limited ,that the company had been inflating the revenue and profit figures for past several years. In his resignation letter ,Rao who has recently resigned as independent director on the satyam board ,said , "Unfortunately ,yesterday's shocking revelations (by raju) , of which I had absolutely no prior knowledge, mean that we are far from seeing the end of the controversy surrounding Satyam Computers. My continued concern and pre occupation with the evolving situation are impacting my role as dean of ISB at a critical time for the school. On December 30th 2008 Rao, resigned from the board of satyam. with him two other independent directors, Vinod Dham, inventor of the Pentium chip and Krishna Palep , Professor at the Harvard Business School also submitted their resignations to the board of the company. Another independent director, Mangalam Srinivasan had resigned from the satyam board a few days earlier, on December 25th 2008 the resignations of these directors were the result of an aborted deal by satyam to acquire two companies run by Raju's Son's, Mayta's Properties Pvt.Ltd and Maytas Infrastructure Limited for US\$1.6 billion.

Questions:

- a) What is the state of business ethics involved in this case?
- b) Do you think that the organization followed sound corporate governance principles? Give reasons.
