

Reg No.: _____

Name: _____

APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY
FIFTH TRIMESTER MBA DEGREE EXAMINATION , FEBRUARY 2020

Course Code: 52

Course Name: BUSINESS ETHICS AND CORPORATE GOVERNANCE

Max. Marks: 60

Duration: 3 Hours

PART A

Answer all questions. Each question carries 2 marks

Write Short notes On :

- 1 Business Ethics.
- 2 Utilitarianism.
- 3 Deceptive advertising.
- 4 Ethics Audit.
- 5 Basel III.

(5x2 marks = 10 marks)

PART B

Answer any 3 questions. Each question carries 10 marks

- 6 a) Explain Stakeholder Model of Business Ethics. (5)
b) Give notes on Corporate Social Responsibility. (5)
- 7 a) Discuss Immanuel Kant's Theory in ethics. (5)
b) Define Social Contract Theory of ethics. Explain the concept (5)
- 8 a) What is 'insider trading'? Substantiate! (5)
b) Explain 'sexual harassment' at work place. How to overcome it. Substantiate. (5)
- 9 a) What is 'Stake Holder Theory' in corporate governance? Explain. (5)
b) Elucidate 'Stewardship Theory' in corporate governance. Explain (5)
- 10 a) Is Corporate governance possible in Family owned Business. Substantiate. (5)
b) Highlight the emerging trends of corporate governance in India. (5)

(3x10 marks = 30 marks)

PART C

Compulsory question, the question carries 20 marks

- 11 Case of Atlanta pharmaceuticals ltd. They marketed '**Bx-gold**'-a drug for curing cold and cough with the tagline: **only remedy for toughest cold and promoted the product with a celebrity**. Since it is a popular brand the sales & revenue grown at a skyrocketing pace. Later a law suit was filed against the company

stating that the pill is ineffective in curing cold & cough. The claim of the complainant was that the doses of Bx-gold for 2 months have minor effects and the manufacturer purposefully kept the dosage low to ensure sales & revenue and even the CEO was aware about the fact. Based on the investigation, the US court penalized the advertisement firm, the celebrity and imposed a fine (US\$10 million) towards the firm and the pill was withdrawn from the market.

Cases of the involvement of top management are reporting from around the universe. Suppose you are a member in the board of directors, identify and explain at least one ethical issue in the following functional areas of business:

1. Financial Management.
2. Human Resource Management.
3. Marketing Management.
4. Production Management.

(20 marks)
