

4. What are the critical issues in governance of board of directors? Explain the role of CEO in this context. (10)
5. Discuss the moral principles with respect to virtue ethics? Are there any objections to virtue ethics? If yes, explain. (10)
6. A student incorrectly defined utilitarianism this way "Utilitarianism is the view that so long as an action provides me with more measurable economic benefits than cost, the action is morally right." Identify all the mistakes contained in this definition of utilitarianism. (10)
7. Write short notes : (Do Any Two) (10)
- (i) Discrimination & Reverse Discrimination
- (ii) Justice Theory
- (iii) Corporate Disclosure

[This question paper contains 6 printed pages.]

Thursday

Your Roll No.....

Sr. No. of Question Paper : 7363

Unique Paper Code : 61015902

Name of the Paper : Ethics & Corporate Social Responsibility (GE)

Name of the Course : Bachelor of Management Studies (BMS), 2017 (CBCS)

Semester : II

Duration : 3 Hours

Maximum Marks : 75

Instructions for Candidates

1. Write your Roll No. on the top immediately on receipt of this question paper.
2. Attempt ALL questions.

1. Case Study :

Chief Mentor N.R. Narayana Murthy is as well-known as a promoter of corporate governance reform and excellent corporate workplace ethical practices, as he is as the co-founder of Infosys Technologies Ltd., the Mysore-based company that is one of India's new technology leaders.

Murthy, who turned 60, is relinquishing key executive positions in the company he co-founded in 1982 to become the enterprise's Chief Mentor. His approach to corporate governance and workplace values has been no less influential on the most dynamic and successful technology companies in India. Infosys highlights its perspectives at www.infosys.com.

The Company's Vision is: "To be a globally respected corporation that provides best-of breed business solutions, leveraging technology, delivered by best-in-class people." And, its Mission is: "To achieve our objectives in an environment of fairness, honesty, and courtesy towards our clients, employees, vendors and society at large."

While offering stock options to its employees, it ensures that the workforce has a stake in its overall growth. Actions speak louder than words and leaders must speak in a way that inspires integrity and a vision for the company. Corporate Governance is an area of critical importance to Infosys and one where it has sought to be a global leader. It is seeking to use its model example to promote far higher standards in India and Murthy has been one of the most vocal and influential advocates of corporate governance reform in his country. The company states: "We believe that sound corporate governance is critical to enhance and retain investor trust. Accordingly, we always seek to ensure that we attain our performance rules with integrity. Our Board

been set up in government schools spread across many villages. Other activities include the reconstruction of old school buildings, setting up of rural Science Centers and schemes to provide support to dying traditional art and culture forms.

Answer the following questions on the basis of above case study :

- (a) On July 31, 2006, Murthy said that Infosys was started with a vision of global delivery. Analyze Infosys vision statement in terms of ethical issues involved while developing the vision statement? (5)
 - (b) Infosys has majority of the board structure and compensation, nomination, investor grievance and audit committees, which are comprised of independent directors. Discuss. Also discuss the other corporate governance initiatives taken by Infosys where it sought to be a global leader. (10)
- What are the qualifications of Executive & Non- Executive Directors? Discuss the role and composition of Board of Directors to ensure good Corporate Governance. (10)
3. What are the legal requirements of CSR as per the Company Act 2013? Explain the common indicators for measuring business social performance. (10)

Infosys stresses that at the core of its corporate governance practice is the Board, which oversees how the management serves and protects the long-term interests of all the stakeholders of the company. It states: "We believe that an active, well informed and independent Board is necessary to ensure the highest standards of corporate governance.

Majority of the Board, 9 out of 16, are independent members. Further, Infosys has compensation, nomination, investor grievance and audit committees, which are comprised of independent directors."

Murthy is a member of the Advisory Boards and Councils of the William F. Ahtmeyer Center for Global Leadership at the Tuck School of Business, the Corporate Governance initiative at the Harvard Business School, and the Yale University President's Council on International Infosys Foundation, the philanthropic arm of Infosys Technologies Ltd., came into existence on 4th December 1996 with the objective of fulfilling the social responsibility of the company by supporting and encouraging the underprivileged sections of society. In a short span of time, the Foundation has implemented numerous projects in its chosen areas. The Foundation has undertaken various initiatives in providing medical facilities to remote rural areas, organizing novel pension schemes and in aiding orphans and street children. It has undertaken a large rural education program titled "A library for every school" under which 5500 libraries have

exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures always seek to attain the best practices in international corporate governance. We also endeavour to enhance long-term shareholder value and respect minority rights in all our business decisions.”

The Infosys corporate governance philosophy is based on the following principles :

- Satisfy the spirit of the law and not just the letter of the law.
- Corporate governance standards should go beyond the law.
- Be transparent and maintain a high degree of disclosure levels. When in doubt, disclose.
- Make a clear distinction between personal conveniences and corporate resources.
- Communicate externally, in a truthful manner, about how the company is run internally.
- Comply with the laws in all the countries in which the company operates.
- Have a simple and transparent corporate structure driven solely by business needs.
- Management is the trustee of the shareholders' capital and not the owner.