

GUJARAT TECHNOLOGICAL UNIVERSITY**MBA - SEMESTER– I EXAMINATION – WINTER 2019****Subject Code: 4519205****Date: 1-01-2020****Subject Name: Business Ethics & Corporate Governance****Time: 10:30 AM TO 1.30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q. No.		Marks
Q.1	Explain the each following terms with suitable examples	14
	(a) Code of ethics	
	(b) Utilitarianism	
	(c) Moral Reasoning	
	(d) Insider trading	
	(e) Conflict of interest	
	(f) Ethical leadership	
	(g) Intrinsic value	
Q.2	(a) What do you understand by values and ethics? Explain the key difference between values and ethics with relevant example/s in brief.	07
Q.2	(b) What defines moral development? Explain the Kohlberg's six stages of moral development in brief.	07
	OR	
Q.2	(b) Ethical dilemma is generally faced by all employees in his/her working tenure. Discuss in detail ethical dilemma and the method of resolving the same.	
Q.3	(a) What do you mean by creative accounting? Discuss the role of creative accounting in financial scandals.	07
Q.3	(b) Discuss the common shareholders' rights in brief.	07
	OR	
Q.3	(a) What Whistleblowing means? Discuss the Salient Features of Whistle Blowers Protection Act of India in brief.	07
Q.3	(b) Illustrate the impact of Sarbanes-Oxley Act (SOX) of 2002 in brief.	07
Q.4	(a) Explain the features of Anglo-US Model of Corporate Governance.	07
Q.4	(b) Discuss some Potential Risks of Poor Corporate Governance with examples in brief	07
	OR	
Q.4	(a) Discuss the recommendations of Ganguly Committee (RBI 2002) for banking sector governance in brief.	07
Q.4	(b) 'Corporate Social Responsibility (CSR) can be made an effective strategy for good governance'. Justify the statement.	07
Q.5	CASE STUDY: Gun Shop under Attack	

The headline from a local Oakland newspaper reported that a gun shop is closing due to unfair taxes. Alexandra J. Wall, “Jewish Gun shop Owner Closing Store; Cites Unfair Taxes,”

The gun shop’s name was Siegle’s Guns. Closing was inevitable, according to owner Mara Siegle, after Oakland residents passed Measure D, which levied a huge tax on gun dealers. They had to pay \$24 for every \$1,000 earned, in comparison to the \$1.20 per \$1,000 that all the other retailers in Oakland fork over. “No one can stay in business paying that kind of tax,” Siegle said while preparing her going-out-of-business sale. “And that’s exactly what Oakland wanted.”

No one disputes the point.

The disputes are about whether Oakland should want that and whether it’s fair for the city to use taxes as a weapon.

- Tracy Salkowitz says yes to both. “Except for hunting rifles, the sole purpose of weapons is to kill people.” Getting rid of gun shops, the logic follows, is a public welfare concern. And about the taxes that brought the store down? She’s “delighted” by them.
- Mara Siegle’s opinion is that people who don’t hunt and shoot for recreation don’t understand that guns are a legitimate pastime. “They don’t see this side,” she says, “because they don’t try to.” Further, she asserts, over the years gun owners have told her that they own guns to defend themselves.
- Outside the store, mingling customers agreed with Siegle. They said closing gun stores was the wrong way to fight crime and then cursed the city for the unjust taxes.

Amid the winners and losers, Mara Siegle certainly got the rottenest part of the deal. She has two sons, fifteen and seventeen, and she doesn’t know what she’ll do for income. “I need a job,” she said.

A hand-lettered sign posted in the store’s backroom for the benefit of Siegle’s five full-time employees displayed the phone number of the unemployment office. The sign said, “You paid for it, use it.”

- (a) With an eye on the concept of fairness, form an argument in favor of the drastically higher taxes imposed on gun shops. **07**
- (b) Would an ethics of duties or an ethics of rights work better for Siegle as she defends her business? Why? What might her argument look like? **07**

OR

- Q.5** (a) Kant’s categorical imperative prohibits killing. Can it be transformed into an argument against a gun shop in Oakland? **07**
- (b) Unemployment benefits are the result of unemployment insurance, which is not optional. Workers are forced to pay a bit out of each paycheck to the federal government, and if they lose their job, they get a biweekly check partially covering lost wages. **07**
- Would a libertarian approve of the unemployment insurance program?
 - Would it be right for a libertarian gun shop owner—someone defending her business on libertarian grounds—to accept unemployment benefits after her shop is forced out of business by extreme taxes? Explain.