

2019

**BUSINESS ADMINISTRATION — HONOURS****Paper : A 204 (GE-2)****(Business Ethics)****Full Marks : 80***The figures in the margin indicate full marks.**Candidates are required to give their answers in their own words as far as practicable.*Answer **any forty** questions. Each question carrying 2 marks.

1. The term 'ethic' is derived from the Greek word \_\_\_\_\_, meaning moral character.  
 (a) uthné                      (b) ethios                      (c) etic                      (d) ēthike.
2. Ethics is the study of \_\_\_\_\_.  
 (a) Behaviour    (b) Spirituality  
 (c) Morals    (d) Business values.
3. Business Ethics is a subset of \_\_\_\_\_.  
 (a) Personal ethics    (b) Professional ethics  
 (c) Organizational ethics    (d) Societal ethics.
4. Ethics of Core was propounded by \_\_\_\_\_.  
 (a) Carol Gilligan    (b) Immanuel Kant  
 (c) Aristotle    (d) Plato.
5. Ethical egoism and utilitarianism are two types of \_\_\_\_\_ approach of business ethics.  
 (a) Teleological                      (b) Justice                      (c) Deontological                      (d) Virtue ethics.
6. Deontological approach to business ethics is also referred to as \_\_\_\_\_.  
 (a) duty-based    (b) moral based  
 (c) self-interest focused    (d) character based.

7. Which of the following is not a responsibility of the worker/employee?
- (a) To do a fair day's work
  - (b) To be on time for work
  - (c) To respect the property of the employer
  - (d) To receive fair wages.
8. The main dimension that distinguishes Corporate Citizenship from Corporate Social Responsibility is
- (a) societal dimension
  - (b) voluntariness dimension
  - (c) stakeholder dimension
  - (d) environmental dimension.
9. Business ethics is not against \_\_\_\_\_.
- (a) making capital gains
  - (b) making abnormal profit
  - (c) making abnormal gains
  - (d) profit making.
10. The concept of 'corporate social responsibility' came into common use after the introduction of the \_\_\_\_\_ theory in business.
- (a) Shareholder
  - (b) Bond holder
  - (c) Debenture holder
  - (d) Stake-holder.
11. The provisions governing CSR are covered under Section \_\_\_\_\_ of the Companies Act, 2013.
- (a) 130
  - (b) 135
  - (c) 148
  - (d) 153.
12. Every company having turnover of ₹ \_\_\_\_\_ crores or more during any financial year shall constitute a CSR Committee.
- (a) 200
  - (b) 300
  - (c) 500
  - (d) 1000.
13. Indian Companies, qualifying for CSR, have to mandatorily spend at least 2% of their average \_\_\_\_\_ during immediately preceding three final years on CSR activities.
- (a) Capital employed
  - (b) Total expenditure incurred
  - (c) Gross profits earned
  - (d) Net profits earned.
14. Which of the following is a feature of CSR?
- (a) Narrow concept
  - (b) Strategic management concept
  - (c) Continuing commitment
  - (d) Triple bottom line approach.

15. The stakeholder view of social responsibility states that organizations must respond to the needs of \_\_\_\_\_.
- (a) Employees and customers (b) Shareholders and owners  
(c) All interested parties (d) All those who might sue the organization.
16. \_\_\_\_\_ refers to a moral situation in which a choice has to be made between two equally undesirable alternatives
- (a) Ethical dilemma (b) Ethical deficit  
(c) Ethical erosion (d) Ethical cycle.
17. A firm is said to have good corporate social performance when \_\_\_\_\_.
- (a) Stockholders invest in socially responsible causes  
(b) Charitable deductions are automatically deducted from pay without consent of employees  
(c) the company has not been convicted of ethical violations for five consecutive years  
(d) the stake-holders are satisfied with its level of social responsibility.
18. An ethical dilemma arises due to
- (a) power abuse (b) conflict of interests  
(c) gender disparity (d) unsustainable production.
19. Which moral philosophy seeks the greatest good for the greatest number of people?
- (a) Consequentialism (b) Utilitarianism  
(c) Ethical egoism (d) Virtue ethics.
20. Which approach of resolving ethical dilemma emphasizes the importance of moral character?
- (a) Approach of Utilitarianism (b) Approach of Universalism  
(c) Approach of Care (d) Virtue ethics.
21. Which moral philosophy is focussed more on the benevolence of virtue?
- (a) Universalism approach (b) Utilitarian approach  
(c) Virtue Ethics approach (d) Ethics of Care approach.

22. \_\_\_\_\_ refers to the act of reporting alleged organizational misconduct by an employee of an organization to the public or top executives as the situation demands.
- (a) Performance appraisal
  - (b) Whistle-blowing
  - (c) Customer complaint
  - (d) Job complaint.
23. \_\_\_\_\_ refers to the act of buying and selling stock, or other financial commodities by individuals who have access to information that is not publicly available.
- (a) Insider trading
  - (b) Whistleblowing
  - (c) Window dressing
  - (d) Creative accounting.
24. In which approach to management ethics are employees not discriminated on the basis of gender, caste, religion, or race but discrimination is justified when it is made on the basis of abilities of employees?
- (a) Utilitarian Approach
  - (b) Code of Ethics Approach
  - (c) Social Justice Approach
  - (d) Moral Rights Approach.
25. Values and ethics shape influence
- (a) Corporate evaluation
  - (b) Corporate espionage
  - (c) Corporate culture
  - (d) Corporate strategy.
26. The processes, mechanisms and relations by which corporations are controlled, directed and administered is called
- (a) Business Ethics
  - (b) Code of Conduct
  - (c) Corporate Governance
  - (d) Code of Ethics.
27. The main aim of corporate governance is to align the goals of stake-holders and the
- (a) Society
  - (b) Shareholders
  - (c) Vendors
  - (d) Government.
28. The first corporate governance initiative was launched by India's biggest industry and business association known as the
- (a) Associated Chambers of Commerce and Industry (ASSOCHAM)
  - (b) Federation of Indian Chambers of Commerce and Industry (FICCI)
  - (c) Trade Associations
  - (d) Confederation of Indian Industry (CII).

29. \_\_\_\_\_ may be defined as the enhancement of long-term shareholder value, while, at the same time, protecting the interests of other stakeholders
- (a) Business Ethics (b) Cultural Relativism  
(c) Corporate Social Responsibility (d) Corporate Governance.
30. Which of the following is/are feature(s) of corporate governance?
- (a) Non-universality (b) Accountability  
(c) Ambiguity (d) None of these.
31. Kumar Mangalam Birla Committee was initiated by which regulatory body?
- (a) Reserve Bank of India  
(b) Securities and Exchange Board of India (SEBI)  
(c) Insurance Regulatory and Development Authority of India  
(d) Federation of Indian Chambers of Commerce and Industry.
32. The \_\_\_\_\_ came into existence after major corporate scandals in US involving Enron, WorldCom and TyCo.
- (a) OECD Principles of Corporate Governance  
(b) Smith Report  
(c) Sarbanes-Oxley Act  
(d) Dodd-Frank Act
33. The norms pertaining to corporate governance for Indian listed companies are presented in \_\_\_\_\_ of Companies Act, in the listing agreement.
- (a) Clause 46 (b) Clause 47 (c) Clause 48 (d) Clause 49.
34. In a two-tier structure of corporate governance
- (a) The chair of the non-executive board is also the chair of the executive board.  
(b) Members of the supervisory board are appointed by the executive board.  
(c) CEO and Chairman of the Board are split.  
(d) Non-executives are responsible for the day-to-day operations.

35. An independent director is one who
- (a) did not attend a school supported by the company.
  - (b) does not have outside relationship with other directors.
  - (c) does not have any other relationship with the company other than his/her directorship.
  - (d) All of the above.
36. The Chairperson of the Board of Directors and the CEO should be leaders with :
- (a) vision and problem solving skills.
  - (b) ability to motivate.
  - (c) business acumen.
  - (d) All of these.
37. A board that is elected in a classified system is known as a
- (a) Diversified board
  - (b) Staggered board
  - (c) Rotating board
  - (d) Declassified board.
38. What is the number of independent directors in an Audit Committee?
- (a) At least two-thirds of the members
  - (b) At least three-fourth of the members
  - (c) At least half
  - (d) At least one-third.
39. A \_\_\_\_\_ is a written document prepared by an organization or government authorized body, constituted specifically to lay down the framework for creating long-term trust between companies and the external providers of capital.
- (a) Vision statement
  - (b) Misson statement
  - (c) Corporate Governance Report
  - (d) Corporate Code of Ethics.
40. Which committee was formed to review Clause 49, and suggest measures to improve corporate governance practices in India?
- (a) Naresh Chandra Committee
  - (b) Kumar Mangalam Birla Committee
  - (c) Narayan Murthy Committee
  - (d) Narasimham Committee.
41. Which committee reviewed the governance issues related to appointment of auditors, fees of auditors, rotation of audit firms or partners and make the crucial role of independent directors on the board?
- (a) Narayan Murthy Committee
  - (b) Narasimhan Committee
  - (c) Naresh Chandra Committee
  - (d) Kumar Mangalam Birla Committee.

42. Ethical duty of business is to maximise profit. This view was proposed by

- (a) Milton Friedman
- (b) Peter Drucker
- (c) Adam Smith
- (d) J.S. Mill.

43. Organizational Ethics implies

- (a) set of values, rules and regulations that identify an entity
- (b) principles and guidelines for organizational welfare
- (c) codes of conduct during business dealings
- (d) None of the above.

44. Morality

- (a) Examines how individuals relate to others as well as the world around them
- (b) Is a set of universally accepted rules created by appropriate authority
- (c) Is passive behaviour relating to certain rules
- (d) None of the above.

45. Social dimension implies

- (a) strengthening relationship between business and society
- (b) purchase of carbon credit
- (c) dealing with creditors, staff, suppliers
- (d) None of the above.

46. Approach of Universalism means

- (a) agents are care givers
- (b) greatest benefit for all
- (c) duty based ethics
- (d) None of these.

47. Regarding legal duties of Board Members Duty of Care means

- (a) obedience to central organizational goals
- (b) conflicts to be resolved in favour of organization
- (c) care to ensure that employees comply with law
- (d) None of the above.

48. Deontological approach to ethical reasoning is :

- (a) consequential
- (b) non-consequential
- (c) moral character
- (d) None of these.

49. CSR stands for

- (a) Corporate Social Responsibility
- (b) Company's Social Responsibility
- (c) Corporate Service Responsibility
- (d) Company's Service Response.

50. Which of these is not a feature of corporate governance practices followed in India?

- (a) Growing vigilance on stock exchanges
  - (b) Proactive role of BSE in developing world-class governance systems
  - (c) Voluntary improvements
  - (d) High market premiums of companies with good corporate governance measures.
-