SOMAIYA
VIDYAVIHAR UNIVERSITY
Dr. Shantilal K. Somaiya School of Commerce and Business Studies

QUESTION PAPERS

BRANCH: Master of Commerce (Banking & Finance)	SEM: II
ATKT	JUN-2026

Sr. No.	Subject	Available
1.	231P24C202 – Business Ethics & CSR	
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March/April 2026 Examination: End Semester Examination (PG Programmes)		
Programme code: 24 Programme: Banking & Finance	Class: FYMBF	Semester: II
Name of the School: Dr. Shantilal K Somaiya School of Commerce and Business Studies	Name of the Department: Accounting & Finance	
Course Code: 231P24C202	Name of the Course: Business Ethics & CSR	
Duration : 2 Hr.	Maximum Marks : 60	
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary		

Question No.		Max. Marks	CO
Q1	Read the case and answer the question below: Satyam Computer Services was once a leading IT company in India, known for its strong market presence and global clients. However, the company faced a serious ethical dilemma when its chairman, Ramalinga Raju, began manipulating financial statements to show higher profits and assets than actually existed. This created a false image of growth and stability, attracting investors and maintaining the company's reputation in the market. As financial pressures increased, the management had two choices: to disclose the true financial position and face losses, declining share prices, and damage to reputation, or to continue falsifying accounts to maintain investor confidence and market image. The company chose to continue unethical practices, misleading stakeholders and ignoring principles of transparency and accountability. This decision highlights a classic ethical dilemma between short-term success and long-term integrity. In 2009, the truth was exposed, leading to a major corporate scandal. Investors suffered huge financial losses, employees faced uncertainty, and the credibility of the company was severely damaged. The case emphasizes the importance of ethical decision-making, corporate governance, and honesty in business operations. Questions: 1. What is the ethical dilemma in the case? 2. Analyze the decision taken by the management. 3. What were the consequences of unethical behavior?	 05 05 05	CO1,CO2
Q 2	a. Define Business Ethics. Explain its characteristics b. Explain the various sources of ethics and their impact on individual behavior. Or	08 07	CO1 CO2

	c. A leading FMCG company has achieved high profitability due to aggressive marketing and cost-cutting strategies. The company strictly complies with all government regulations and maintains proper documentation to meet legal requirements. However, recent reports reveal that the company exaggerates product benefits in advertisements and uses low-cost raw materials that may not be harmful legally but raise ethical concerns about consumer well-being. Consumers have started questioning the company's credibility, and social media criticism is increasing. While profits remain high, brand trust is gradually declining. (i) Analyse the situation using the Intersecting Circles Model of CSR. (ii) Explain how Intersecting circles responsibilities intersect and where the imbalance exists.	15	CO3
Q 3	a. Analyze the role of creative accounting in major business scandals. b. Write a brief case study on a real-life organization that faced an ethical issue. Explain what happened and what could have been done differently. Or c. Outline the provisions governing CSR under the Companies Act, 2013.	08 07 15	CO2 CO1 CO3
Q 4	a) A manufacturing company is facing criticism for air and water pollution. Although it complies with minimum legal requirements, it lacks a structured system to monitor environmental impact. Stakeholders are demanding better environmental practices and transparency. **Questions:** (i) Explain how ISO 14000 can help the company improve its environmental performance. (ii) Suggest the benefits of adopting ISO 14000 for strengthening CSR initiatives. Or b) ABC Ltd. meets the applicability criteria under Section 135 of the Companies Act, 2013. However, the Board of Directors decided not to form a CSR Committee, stating that CSR activities can be directly handled by the Board. Further, the company has not disclosed any CSR policy in its Board's Report. The company also failed to spend the prescribed CSR amount during the financial year and has not provided any explanation for the same.	15 15	CO4 CO4

	(i) With reference to **Section 135 provisions**, examine whether the actions of ABC Ltd. are in compliance with the law. **(ii)** State the statutory provisions relating to: • Constitution of CSR Committee • Role of the Board in CSR • Disclosure requirements • Treatment of unspent CSR amount		