Only for 2021 AD admitted Regular Students

TRIBHUVAN UNIVERSITY

FACULTY OF MANAGEMENT

Office of the Dean

November 2025

Full Marks: 100
Pass Marks: 50
Time: 3 Hrs.

BBA / BBM / Seventh Semester / MGT 239: Business Ethics and Corporate Governance

Candidates are required to answer the questions in their own words as far as practicable.

Group "A"

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Brief Answer Questions: *[10 × 2 = 20]*

1. Show the similarity between business ethics and corporate governance.
2. Mention two differences between ethics and law.
3. State ethical issues in IT.
4. Define Anglo-American model.
5. Mention any two emerging trends in corporate governance.
6. What are the roles of auditors in corporate governance?
7. State the meaning of Elkington's Triple Bottom Line approach.
8. What is normative consideration in ethical decision making?
9. Mention two features of OECD principles of corporate governance.
10. Define business code of conduct.

Group "B"

Short Answer Questions: (Attempt any SIX Questions) *[6 × 5 = 30]*

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11. What are the consequences of unethical practices in business?
12. Describe the ethical issues in marketing and sales.
13. Critically assess the resource dependency theory of corporate governance.
14. How can ethical decision-making model improve ethical business practices?
15. State the significance of SA 8,000 and ISO 37000.
16. Explain Friedman's shareholder theory of CSR.
17. Discuss the role of board of directors in corporate governance.

Group "C"

Long Answer Questions: (Attempt any THREE Questions) *[3 × 10 = 30]*

18. Business ethics and corporate governance seems similar but in essence, they are different. Discuss.
19. Explain the German and Japanese corporate governance models with examples.

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20. Managing corporate governance in family owned business in Nepal is challenging. However, its not unmanageable. Discuss the statement.

21. Explain the key corporate governance provisions in prevailing Nepalese Company Act and FNCCI's business code of conduct, 2061.

Group "D"

Comprehensive Answer / Case / Situation Analysis Questions: 16 ***[4 × 5 = 20]***

22. Analyze the following case carefully and answer the questions that follow:

The Government of Nepal launched the Mid-Hill Highway Project, a long-awaited infrastructure initiative intended to connect rural communities with urban centers, reduce travel times, and stimulate local economies. A leading construction company won the contract, with a clear condition: it must comply with environmental regulations, especially regarding riverbed material extraction and the protection of nearby communities.

However, as construction advanced, the company faced rising costs, frequent delays from monsoon landslides, and political pressure to complete the project before the upcoming elections. In an attempt to save time and money, the company began extracting sand and gravel illegally from nearby rivers, far beyond the permitted limits. This resulted in severe soil erosion, destruction of farmland, and the displacement of local families.

When criticized by environmental activists, company officials argued that "national development requires sacrifice", claiming that short-term environmental harm was justified by the long-term benefits the highway would bring. Some government officials tacitly endorsed this strategy, seeking expeditious completion of the project for political gain. However, the affected communities launched protests, asserting that the project had sacrificed their lives and livelihoods for political and corporate gain.

The case illustrates a deep ethical dilemma: should companies and governments prioritize deadlines and cost-efficiency, or should they uphold their ethical responsibility to protect the environment and communities? This dilemma reflects the larger issue of balancing economic development with sustainable and ethical practices in Nepal.

Questions:

a. What is the central ethical dilemma faced by the construction company?

b. Was the company's decision justifiable from a utilitarian perspective? Why or why not?

c. How could Corporate Social Responsibility (CSR) principles have provided a more ethical approach in this case?

d. If you were the project manager, what strategy would you adopt to balance profitability, deadlines, and community well-being?

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