



UNIVERSITY OF THE PUNJAB

B.S. 4 Years Program / Sixth Semester – 2020

Paper: Corporate Governance

Course Code: BBA-311 Part – I (Compulsory)

Time: 15 Min. Marks: 10

Roll No. in Fig.

Roll No. in Words.

Signature of Supdt.:

ATTEMPT THIS PAPER ON THIS QUESTION SHEET ONLY.

Division of marks is given in front of each question.

This Paper will be collected back after expiry of time limit mentioned above.

Q.1. Encircle the correct choice.

(10x1=10)

1- Sustainability report consists of:

- a) Environmental issues
- b) Economic, environmental and social issues
- c) Economic issues
- d) Social and environmental issues

2- In a two tier board structure of corporate governance

- a) CEO and chair of the board are split
- b) Members of the supervisory board are appointed by the executive board
- c) Chair of the non executive board also chair the executive board
- d) Non executive board is responsible for the day to day operations

3- A board member is independent when:

- a) He is a top executive of the company
- b) He is a family member of the CEO
- c) He represents the shareholders not other constituencies
- d) He has no relationship of any kind with board, management and any other matter on the company

4- Which one of the following is not the duty of the board

- a) Oversees management, provide quality information to stakeholder through financial statement
- b) Appointing the senior management of the company
- c) Define the company strategy
- d) Day to day supervision of sales of the company

5- In Pakistan Companies are regulated through

- a) Company ordinance 1984
- b) Company Act 2017
- c) Company ordinance 1978
- d) SECP Act 1997

6- The remuneration of the directors is approved by

- a) The board in board annual general meeting of company
- b) The share holder in Annual General Meeting of the company
- c) The Auditor of the company
- d) The Security and Exchange Commission of Pakistan

7- The approach in which board is work for the best interest of shareholders only is named as

- a) Stakeholder approach
- b) Shareholder approach
- c) Pluralist approach
- d) Enlightened shareholder approach

8- The person who is the member of the board but not the employee of the company is called

- a) Executive Director
- b) Independent director
- c) Non-Executive Director
- d) Chief Executive Director

9- The real owner of the company are

- a) Share holders
- b) Stakeholders
- c) Directors
- d) Employees

10-Which of the following committee is mandatory by law

- a) Remuneration Committee
- b) Nomination Committee
- c) Audit Committee
- d) CSR Committee



ATTEMPT THIS (SUBJECTIVE) ON THE SEPARATE ANSWER SHEET PROVIDED

Q.2. Give short Answers. (10x2=20)

- i. What is the difference between stakeholder and stock holder?
- ii. What is the difference between internal and external whistle blowing?
- iii. What is meant by controlling share holder of the company?
- iv. How corporate governance linked with agency theory?
- v. What is meant by performance based director remuneration?
- vi. What is the interest of society in the company?
- vii. What is the shareholder approach of corporate Governance?
- viii. What is the importance of Corporate Governance for social sector?
- ix. What are the non audit services provided by the auditor?.
- x. What is the role nomination committee?

Give Long Answers. (3x10=30)

Q.3 Who are the stakeholders of the company? Explain their interest in the company and also discuss who have opportunity to protect their interest? (10 Marks)

Q.4 Explain the types of nonexecutive directors and also discuss the sources of non executive directors. (10 Marks)

Q.5 Discuss the importance of financial report for board, management and outside stakeholders of the company, Also explain the concept of creative accounting.

(10 Marks)