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**MBAS 456**

**Second Semester M.B.A. Degree Examination, May/June 2017**  
**BUSINESS ADMINISTRATION**  
**Business Ethics and Social Responsibility**

Time : 3 Hours

Max. Marks : 70

**SECTION – A**  
**(Compulsory)**

Sri Dharmasasthi Rajanatheshwara  
College of Business Management, Mangalore  
Post Graduate Centre for Management  
Studies and Research Library

**Note :** Answer to the question should **not** exceed **six** pages.

**(1×15=15)**

1. Explain the nature of business ethics. Bring out the salient features of moral responsibilities and social responsibilities.

**SECTION – B**

**Note :** Answer **any five, each** question carries **eight** marks. Answer to the question should **not** exceed **five** pages.

**(5×8=40)**

2. What do you mean by ethical principles ? How can the quality of ethical performance be improved in a business firm ?
3. Explain gender issues and their consequences at work place.
4. What do you mean by Utilitarianism ? How are ethical decisions made ?
5. Describe in detail the ethical and social issues in marketing.
6. Explain the significance of corporate governance in Indian companies.
7. Bring out the impact of new CSR rules on companies and society.
8. Explain Kohlberg's moral development model.
9. Explain the model of organisation culture and ethical behaviour among managers.



SECTION - C  
(Compulsory)

**Note:** Answer to this question should **not** exceed **six** pages.

(1×15=15)

10. Case study :

In March 2016, Indian liquor baron Vijay Mallya (Mallya) fled to Britain after a consortium of 17 banks pulled the plug on him in a bid to retrieve nearly Rs. 70 billion in unpaid loans. Non-bailable arrest warrants were issued against him by separate courts for money laundering and financial mismanagement. As of June 2016, Mallya did not return to India though the Indian government sought his deportation after revoking his passport. The UK government said it would not be able to deport Mallya under its laws and asked the Indian Government to seek his extradition instead. However, Mallya clarified that he was willing to return to India and settle the loans, provided he was assured of a fair trial. He accused the Indian media of conducting a "witch hunt" against him.

His father, Vittal Mallya (Mallya Sr), was a successful entrepreneur who had ventured into India's alcoholic beverage market in 1947 by acquiring a British beer company United Breweries Ltd. By 1982, Mallya Sr became the undisputed king of the beer, liquor and processed foods industries in India. After completing his studies, Mallya was sent abroad where he worked for Hoechst Corporation in the US, a pharmaceutical company in which his father had a large ownership share and with Jenson and Nicholson, a paint company in the UK. After he returned to India in 1980, Mallya was groomed by his father and assisted him in managing the Brewing and Spirits Divisions of the UB Group. Reportedly, Mallya was instrumental in launching the Kingfisher Beer, the flagship brand of the UB Group.

Mallya was known for his flamboyance and for his lavish lifestyle. He had a penchant for glitz and glamor and a chilled out attitude. Mallya called himself the 'King of the Good Times' and built up a reputation for the fast life an flashy parties. He hosted lavish New Year's Eve parties at his 'Kingfisher Villa' in Goa which were attended by prominent business personalities, fashion models, film stars and cricketers. He also organized his birthday parties aboard his luxury yacht, the Indian Empress, or at his other luxurious properties across the globe.



In 2003, Mallya launched the trademark annual Kingfisher calendar featuring top models in bikinis. Images of Mallya with bling jewellery posing with Kingfisher calendar models appeared in various magazines. According to analysts, Mallya used his celebrity image to promote his products and considered himself as the ambassador for his company's tag line, 'the King of Good Times'. "The biggest problem with Vijay Mallya has always been his profile. People love to hate him.

Mallya reportedly entered and exited 32 businesses since the time he took over as the Chairman of the UB Group. Except for some such as the Berger Paints and MCFL acquisitions, none of the other diversifications paid out considerably for the UB Group, analysts said.

Mallya fled to London on March 2, 2016. A month later, the Indian Government revoked his passport on the request of the Enforcement Directorate (ED) after the agency registered a case of money-laundering against Mallya saying it had found evidence of fund diversion by him over a loan from IDBI extended to KFA.

**Questions :**

- 1) Examine Mallya's business acumen and leadership style.
- 2) Explain the importance of ethical leadership.
- 3) Analyze whether personality traits affect the business decisions of an entrepreneur.
- 4) Explore the possible options before Mallya.

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