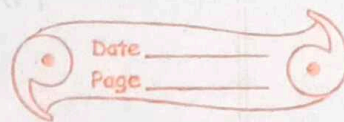


Professional Ethics

chapter - 5



Q:-1. What do you understand by philosophy and Moral Philosophy? -4 marks

* Philosophy :-

Philosophy is the study of the fundamental nature of knowledge, reality, and existence, especially when considered as an academic discipline.

Philosophy is an activity people undertake when they seek to understand fundamental truths about themselves, the world in which they live, and their relationships to the world and to each other.

* Moral Philosophy :-

Moral philosophy is the branch of philosophy that contemplates what is right and wrong. It explores the nature of morality and examines how people should live their lives in relation to others.

Moral philosophy is usually divided into three different subject areas such as:

- Meta ethics
- Normative ethics
- Applied ethics

It provide guidelines for determining how to settle conflicts and optimize mutual benefit.

—X—X—

Q:-2. State various types and impacts of white collar crime. — 7 marks

OR

Short note on white collar crime.

OR

What are common justifications for white collar crime? — 4 marks

— 3 marks.

↳ The term white-collar crime was coined by sociologist Edwin Sutherland in 1939.

↳ He defined it as "crime committed by persons of respectability and high social status in the course of their occupation."

↳ White-collar crimes are committed in the daily business activities by individuals, companies and government for financial benefits and power.

↳ Not every crime is violent or requires a gun.

↳ These are non-violent crimes that includes bribery, wage theft, fraud, insider trading, cybercrime etc.

* Various Types of White Collar Crime :-

↳ **Corporate frauds** :- The illegal activities done by companies or individuals done in dishonest and unethical way are called corporate frauds. For example :- Theft or misuse of assets, false expenses, hiding information etc.

↳ **Embezzlement** :- It happens when a person entrusted by an employer to handle money or property uses their position and funnels the company money into their personal accounts. For example :- Politician spends funds for their personal expenses.

↳ **Ponzi schemes** :- It is an investment scheme in which investors are promised high returns with little or no risks. To earn huge amount in less time, people invest money in such schemes and ultimately lose it.

↳ **Extortion** :- When a people or gang of people forces another person or company to give up their property, money or service, it is called extortion. For example :- 'Hapta Vasuli' by local gangs or police.

↳ **Bankruptcy Fraud** :- When a person or company files for bankruptcy declaring that they can no longer pay the heavy debts due to heavy losses, but hide some properties then it is called bankruptcy fraud.

↳ **Insider Trading** :- The illegal practice of trading of the stock exchange to one's own advantage having an access to confidential information is called insider trading.

↳ **Money Laundering** :- It is the illegal process of concealing the origins of money obtained illegally by passing it through a complex sequence of banking transfers. For example :- Vijay Mallya, Nirav Modi etc.

* Impacts of White collar Crime :-

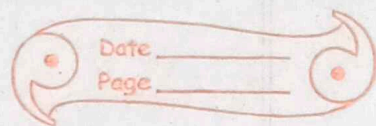
- ↳ It threatens the country's economy by bank frauds, economic thefts, evasion of tax etc.
- ↳ It not only affects the financial status of a country or person but it has also a negative impact on the society.
- ↳ Various crimes such as bribery, corruption etc. has affected society in a negative way.
- ↳ Endanger employees through unsafe working conditions, dangerous products, and cause pollution problems for a community.

* Common justifications for White collar Crime :-

- ↳ The top investigating agencies of the country like CBI, Income-tax department ensure transparency in the systems.
- ↳ Training of the investigating officials for complicated cases.
- ↳ To uproot the existence of such crimes, it is very important to include strict laws into the system.
- ↳ Fast track courts & tribunals should be set in all the parts of the country.
- ↳ long term imprisonment should be given to offenders.
- ↳ The electronic & print media should be utilized in the right way to spread awareness about this.
- ↳ National crime Commission should be establish.

Professional Ethics

Chapter - 5



Q-3. Discuss the role of individual factors in business ethics. -4 marks.

OR

Explain individual factor in business ethics. -4 marks.

- ↳ Individual, social, and opportunity factors all affect the level of ethical behaviour in an organization.
- ↳ Individual factors include knowledge level, moral values and attitudes, and personal goals.
- ↳ The individual factors that determine health are factors identified within an individual including attitudes, knowledge, skills, genetics and personal characteristics.
- ↳ These factors vary from person to person that results in a different set of perceptions, attitudes and behaviour towards certain goods and services.
- ↳ These factors are often inherent in our values and decision processes.
- ↳ Individual factors in ethical decision making are very complex and depends on various factors.
- ↳ It helps in leading economic growth of the company.

—X—X—