

CSE 2026 – DAW

JUNE 13, 2026

Subjects covered:

GS-II: INTERNATIONAL RELATIONS.

GS-IV: ETHICS (CASE STUDY).

Name:

State:

Mode:

Time taken:

Question Paper Specific Instructions

Please read each of the following instructions carefully before attempting questions:

- I. **All** the given questions are to be attempted.
- II. The number of marks carried by a question/part is indicated against it.
- III. All parts of a question shall be attempted at the place designated for them in the Question-cum-Answer Booklet. Attempts of questions/parts shall be counted in sequential order.
- IV. Unless struck off, attempt of a question/part shall be counted even if attempted partly. Any page or portion of the page left blank in the Question-cum-Answer Booklet must be clearly struck off.

	Excellent	Good	Average	Improve
Understanding				
Structure				
Content				
Language				
Presentation				

DETAILED FEEDBACKS

ADHIKAAR IAS

1. Strategic partnerships in contemporary international relations are increasingly sustained by trust, strategic autonomy, and convergence of long-term interests rather than transactional considerations. Discuss in the context of India–France relations. (10 Marks, 150 Words)

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2. You are a member of the Board of Directors of a large public financial institution that manages the savings of millions of citizens. The institution has held a significant stake in a listed company for several years. Recently, the market regulator initiated proceedings against the company and its promoters on allegations of serious financial misreporting and corporate governance failures, including the inflation of revenues over an extended period.

Internal records reveal that several independent analysts and institutional investors had, over the years, expressed concerns regarding the company's unusually high revenues, low profitability, and opaque business practices. However, the institution continued to hold and even increase its investment in the company. The matter has now attracted public attention, raising questions about the diligence exercised by the institution, the stewardship of public funds, and the accountability of decision-makers.

At the same time, the regulator is undertaking broader reforms relating to corporate governance, disclosure standards, the role of independent directors, and responsible use of emerging technologies such as Artificial Intelligence in financial markets. Some stakeholders argue that stronger regulatory oversight is necessary to protect investors, while others caution against excessive compliance burdens that may hinder innovation and market efficiency.

As a senior official involved in reviewing the institution's investment decisions, you have been asked to submit recommendations on the ethical and governance issues arising from the case.

Questions

- (a) Identify the ethical issues involved in the above case.
- (b) What are the responsibilities of institutional investors in ensuring ethical corporate governance and protection of public interest?
- (c) How should the principles of accountability, transparency, prudence, and fiduciary responsibility guide decision-making in such situations?
- (d) Suggest measures that can strengthen ethical standards, investor confidence, and corporate governance in India's capital markets.

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ADHIKAAR IAS

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SPACE FOR ROUGH WORK

ADHIKAAR IAS