



United College
Kumaripati, Lalitpur
FIRST TERM EXAM – 2080

Level: BBS (IIIrd Year)

F.M.: 100

Time: 3:00 hrs.

P.M. 40

Course Title: Foundation of Financial System SET: A

Candidates are required to give the answer in their own words as far as practicable. The figures in the margin indicate full marks.

Group A: Conceptual questions: (10x2=20)

1. What is the money market? Explain in brief.
2. Explain financial risk.
3. How do you define a development Bank in Nepal?
4. Define non-life insurance companies.
5. Explain the net asset value.
6. What do you mean by IPO?
7. Write the concept of a central depository system (CDS).
8. What do you mean by current account?
9. Rapa invests Rs 1000 in Kathmandu investment company.
The load on the mutual funds is 5 percent which is to be paid initially. What is the amount of load of the found?
10. Consider a 90 days' treasury bill, selling today at the price of Rs 98500. Its face value is Rs 100000. Find out 90 days' discount rate?

Group B: Brief questions (attempt only five): (5x10=50)

11. Write the concept of financial institutions. What are the different types of economic units in the economy? Explain in brief.
12. Describe the major function of credit information bureau in Nepal.
13. Mr. Karki is an old investor who invests in treasury securities and expects inflation to be 3.5 percent in year 1, 4.2 percent in year 2, and 5.6 percent each year thereafter. Assume that the real risk-free rate is 2.75 percent and that this rate will be constant. Three-year securities yield 6.25 percent, while 5 years' treasury securities yield 6.8 percent. What is the difference in the maturity risk premium on the two securities?
14. The following information is the extracted from profit and loss account balance sheet of MBL and EBL for the fiscal year 2021/2022:

	MBL	EBL
Operating income (in million Rs)	3400	3000
Net profit (in million Rs)	600	800
Total asset (in million Rs)	48000	39000

- a. Calculate profit margin ratio and asset utilization ratio of MBL and EBL.
- b. Calculate ROA of both banks.
- c. Interpret your results.

15. Consider a 90 days treasury bill, issued today, which is selling for Rs 98500. Its face value is Rs 100000. a. What is 90 days discount rate? b. What is an annual discount rate of treasury bills? c. What is 90 days HPR? d. What are annual equivalent yields?
16. What are the functions and roles of financial intermediaries in the financial system of the country? Explain in detail.

Group C: long questions (attempt only two): (2x15 = 30)

17. The term structure of treasury securities is as follows,

Years	1	2	3	4	5
Yield (%)	10	12	13	14	15

- Find out interest rate on 1- securities 1 year from now
- Find out interest rate on 2- securities 2 years from now
- Find out interest rate on 1- securities 3 years from now
- Explain different types of yield curves in interest rate structure.

18. Assume that an investor is trying to decide between investing in a no-load fund with an annual charge plan or a fund with a front end load:

	Fund A	Fund B
Front end load fee	0	5%
Annual charge	1%	0

The investor thinks that the risk and other characteristics of both funds are equal and that each fund will provide an annual HPR of 11% before considering the load fee and annual charge. Assume the investor has Rs 10000 to invest in either fund.

- Calculate the anticipated rupee values of each investment after a three-year holding period. Which fund appears to be a better alternative by assuming annual compounding?
- Calculate the length of holding period that would make the investor indifferent between the two funds.

19. What are the functions and role of financial intermediaries in the financial system of the country?
Explain in detail.

ALL THE BEST



United College
Kumaripati, Lalitpur
PRE-UNIVERSITY EXAM – 2080

Level: BBS (IIIrd Year)

F.M.: 100

Time: 3:00 hrs.

P.M. 40

Course Title: Foundation of Financial System SET: B

Candidates are required to give the answer in their own words as far as practicable. The figures in the margin indicate full marks.

Group A: Conceptual questions:

(10x2=20)

1. Explain the capital market in brief.
2. Define default risk.
3. How do you define micro-finance?
4. Define non-life insurance company.
5. Explain securities dealers.
6. What do you mean by FPO?
7. Write the concept of the secondary market.
8. What do you mean by capital account?
9. Rapa invests Rs 1000 in Kathmandu investment company. Load on the mutual funds is 5 percent that is to be paid initially. What is the amount of load of the fund?
10. Consider a 91days' treasury bill selling at a discount yield is 4 percent which a face value is Rs 10000 find the price of the bond.

Group B: Brief questions (attempt only five):

(5x10 =50)

11. Explain different types of financial institutions? Explain briefly the indirect process of fund transfer.
12. What are the major functions of the depository participant in Nepal? Explain in detail.
13. An investor in treasury securities expects inflation to be 2.5 percent in year 1, 3.2 percent in year 2, and 3.6 percent each year thereafter. Assume that the real risk-free rate is 2.75 percent and that this rate will be constant. Three-year securities yield 6.25 percent, while 5 years' treasury securities yield 6.8 percent. What is the difference in the maturity risk premium on the two securities?
14. The following information is the extracted from profit and loss account balance sheet of HBL and IBL for the fiscal year 2021/2022:

	HBL	IBL
Operating income (in million Rs)	3000	4000
Net profit (in million Rs)	600	800
Total asset (in million Rs)	48000	3900

- a. Calculate the profit margin ratio and asset utilization ratio of MBL and EBL.
 - b. Calculate the ROA of both banks.
 - c. Interpret your results.
15. A 180-day treasury bill, issued today, which is selling for Rs 98500. Its face value is Rs 100000. a. What is the 180-day discount rate? b. What is an annual discount rate of treasury bills? c. What is 180 days HPR? d. What are annual equivalent yields?

16. What are the functions and roles of financial intermediaries in the financial system of the country? Explain.

Group C: long questions (attempt only two): (2x15 = 30)

17. The term structure of treasury securities as follows,

Years	1	2	3	4	5
Yield (%)	8.0	10	12	13	14

- Find out interest rate on 1- securities 1 year from now
- Find out interest rate on 2- securities 2 years from now
- Find out interest rate on 1- securities 3 years from now
- Explain different types of yield curves in interest rate structure.

18. Assume that an investor is trying to decide between investing in a no-load fund with an annual change plan or a fund with a front-end load:

	Fund A	Fund B
Front end load fee	0	4%
Annual charge	1%	0

The investor thinks that the risk and other characteristics of both fund are equal and that each fund will provide an annual HPR of

10% before considering the load fee and annual charge. Assume the investor has Rs 20000 to invest in either fund.

- Calculate the anticipated rupee values of each investment after a three-year holding period. Which fund appears to be a better alternative by assuming annual compounding?
- Calculate the length of holding period that would make the investor indifferent between the two funds.

19. What are the functions and role of financial intermediaries in the financial system of the country? Explain in detail.

ALL THE BEST



United College
Kumaripati, Lalitpur
SECOND TERM EXAM – 2080

Level: BBS (IIIrd Year)

Time: 3 hrs.

Course Title: Fundamental of Financial System

Date: 2080/11/24

F.M.: 100

P.M.: 40

*Candidates are required to give the answer in their own words as far as practicable.
The figures in the margin indicate full marks.*

Group "A"

Conceptual Answer Questions:

[10 x 2 = 20]

1. What is the money market? Explain in brief.
2. Explain financial risk
3. How do you define a development Banks in Nepal?
4. Define non-life insurance companies.
5. Explain the net asset value.
6. What do you mean by IPO?
7. Write the concept of a central depository system (CDS).
8. What do you mean by current account?
9. Rapa invests Rs 1000 in Kathmandu investment company. The load on the mutual funds is 5 percent which is to be paid initially. What is the amount of load of the found?
10. Consider a 90 days' treasury bill, selling today at the price of Rs 98500. Its face value is Rs 100000. Find out 90 days' discount rate?

Group "B"

Brief Answer Questions

[5 x 10 = 50]

Attempt any FIVE questions

11. Write the concept of financial institutions? What are the different types of economic units in the economy? Explain in brief.
12. Describe the major function of credit information bureau in Nepal.
13. Mr. Karki is an old investor who invest in treasury securities expects inflation to be 3.5 percent in year 1, 4.2 percent in year 2, and 5.6 percent each year thereafter. Assume that the real risk-free rate is 2.75 percent and that this rate will be constant. Three-year securities yield 6.25 percent, while 5 years' treasury securities yield 6.8 percent. What is the difference in the maturity risk premium on the two securities?
14. The following information is the extracted from profit and loss account balance sheet of MBL and EBL for the fiscal year 2021/2022:

	MBL	EBL
Operating income (in million Rs)	3400	3000
Net profit (in million Rs)	600	800
Total asset (in million Rs)	48000	39000

- a. Calculate profit margin ratio and asset utilization ratio of MBL and EBL.
- b. Calculate ROA of both banks.
- c. Interpret your results.

15. Rupa invested Rs 1000 in Dhaulagiri investment company.

Load on the mutual funds is 5 percent that is to be paid annually.

- What is the amount of load of the fund?
- What will be the net investment of her investment?
- Is it the funds purchased above the NAV?

16. What are the functions and roles of financial intermediaries in the financial system of the country? Explain in detail.

Group "C"

18. Star company is proposing the right offering. Presently there are 250000 shares outstanding at Rs 80 per share each. There will be 40000 shares new shares offered at Rs 60 each.

- What is the new value of the company?
- How many rights are required to purchase a new share?
- What is the value of right?
- What ex-right price?
- Why might a company issue a right offering rather than a general cash offering?

19. Explain the process of issuing securities in primary market.

Analytical Answer Questions

[2 X 15 = 30]

Attempt any TWO questions.

17. Consider the following information about Nabil bank limited:

52 weeks		stock	Sym	Yld			Vol	Hi	Lo	close	Net change
Hi	Lo			Div	%	PE					
1000	600	NIBL	----- -	117.4	10.2	--- ---	43	1020	575	980	----- ---

- What are HI and LO explain it.
- Why price earnings per share and how it is calculated?
- What is the highest price of the year
- Determine the previous day's closing price.
- What do you mean by net change?

ALL THE BEST



United College
Kumaripati, Lalitpur
SECOND TERM EXAM – 2080

Level: BBS (IIIrd Year)
Time: 3 hrs.
Course Title: Business Law

F.M.: 100
P.M.: 50
Date: 2080/11/22

*Candidates are required to give the answer in their own words as far as practicable.
The figures in the margin indicate full marks.*

Group "A"

Brief Answer Questions:

[10 x 2 = 20]

1. What do you mean by law? Mention its sources.
2. Define contract.
3. When an offer can be revoked?
4. Who is a bailor?
5. What do you mean by legality of object?
6. What is mistake?
7. Mention the types of contract.
8. Who is an unpaid seller?
9. What is quantum meruit?
10. Define award.

Group "B"

Short Answer Questions

[10 x 5 = 50]

Attempt any FIVE questions

11. Define consideration. Explain its exceptions in which a contract is valid without consideration.
12. How can you liquidate a company?
13. Who can demand remedies? What are the legal remedies available to the aggrieved party for the breach of contract?
14. Write the various rights and duties of an agent.
15. Differentiate between sale of goods and agreement to sell.
16. What is the termination of contract? Explain its modes.

Group "C"

Analytical Answer Questions

[15 x 2 = 30]

Attempt any TWO questions.

17. Explain the essential elements of valid contract.
18. What is arbitration? Explain its procedures as per Arbitration Act, 2055.
19. Explain the features of common carrier and private carrier.

ALL THE BEST

Level: BBS (IIIrd Semester)

F.M.: 100

Time: 3:00 hrs.

P.M. 40

**Course Title: Cost and Management Accounting
2080/11/22**

Date:

Candidates are required to give the answer in their own words as far as practicable. The figures in the margin indicate full marks.

Group A: Very Short Answer Question (10x2= 20)

Attempt All Questions.

1. Define cost accounting.
2. State any two limitation of cost accounting.
3. What is semi-variable cost?
4. What do you mean by opportunity cost?
5. What do you mean by inventory? Write the motive of holding of inventory.
6. The difference in cost for repair and maintenance is Rs. 6,000 between 10,000 units and 7,000 units output. Total cost at 10,000 units is Rs. 45,000

Required:

- a) Variable cost per unit
- b) Amount of Fixed cost
7. Himal Food Company's annual requirement of material is 200,000 Kg, the cost of placing an order is Rs. 30 per order and carrying cost is 25% of inventory value. The cost of material is Rs. 3

Required

- a) Economic Order Quantity(EOQ)
- b) Total cost of EOQ
8. Goodwill company provides the following information

Delivery period	3-9 Days
Minimum stock level	6,900kg
Reorder quantity	13,500kg

Required:

- a) Normal consumption per day
- b) Maximum usage per day
9. Considering the following information

Fixed cost	Rs. 60,000
Variable cost per unit	Rs.20
Selling price per unit	Rs. 40

Required:

- a) Cost to volume Ratio
- b) Break Even in Units
10. The ratio of variable cost to sales is 70%. Find out the breakeven sales if fixed cost is Rs. 60000. Also calculate the required sales for earning profit is Rs. 40,000.

Group B: Short Answer Questions (6x5=30)

Attempt Any SIX Questions

11. Define cost, explain the types of cost on the basis of behavior
12. List out the any five assumptions and limitations of CVP analysis
13. Following information of inventory requirement were given

Yearly Demand..... 40,000 units

Reordering quantity4,000 units

Procurement cost per Procurement Rs. 100

Cost per unit of material Rs 2

Required:

- a) Holding cost per unit per year
 - b) Total cost a order size of 8000 units a discount offer is Rs. 2
14. The following are the data relating overheads of a company:
- a. Normal capacity 100,000 DLHs.
 - b. Standard time for one unit of output is 4 hours.
 - c. Flexible budgeting data = Fixed cost+ Variable cost rate x Unit produced
= Rs. 150,000 + Rs. 10 x Units produced
 - d. Unit produced 27,500 units
 - e. Labor hours paid 105,000
 - f. Total overheads paid Rs. 423,000

Required: Analysis of three overhead variances.

15. A trading company has presented the following information:

Months	Chaitra	Baisakh	Jestha	Ashadh	Shrawan
Sales budget in (Rs)	1,200,000	1,600,000	1,400,000	1,200,000	1,200,000

The gross profit margin in sales will be 40%. Administrative and selling expenses will be 10% of sales revenue excluding depreciation, which will be Rs. 20,000 per month.

The merchandise inventory will be equal to what the company will need for next month's sales. The beginning inventory in the month of Baishakh was Rs. 960,000.

Required:

- a. Merchandise purchase budget for 1st Three months ending Ashadh.
- b. Administrative and selling expenses budget for three months ending Ashadh.

16. Flexible Budget by Table Method Details of overhead cost of manufacturing company and other information have been provided.

Output	5,000 units	10,000 units
Indirect material	Rs. 5,000	Rs.
Indirect labor cost	10,000	10,000
Supervision	15,000	20,000
Depreciation	20,000	20,000
Maintenance cost	10,000	20,000
		10,000

Required: Budget overhead cost for 7,000 and 8,000 units

17. A renowned organization is planning to prepare functional budget for their decision purpose from the following information:

Total sales for six months are 200,000 units, which are apportioned as:

Chaitra 15%, Baisakh 20%, Jestha 15%, Ashad 10%, Shrawan 10%, Bhadra 20% and Ashwin 10% respectively, Selling price per unit will be Rs. 20.

Purchase: One unit of finished good requires 2 kg of material at a cost of Rs. 10.

Inventory policy:

Material: 50% of the subsequent month's requirement.

Finished goods: 20% of the subsequent month's sale.

Required for four months from Baisakh to Ashadh:

- a. Sales budget.
- b. Production budget
- c. Material consumption and Material purchase budget

Group C: Long Answer Questions (3x10=30)

Attempt Any "THREE" Questions:

18. Why variable costing income statement and absorption costing income statement shows difference in profit? What do you mean by product cost and period cost? Also list out the types of period cost and product cost under absorption costing
19. Following information are given to you:

Standard: Material A B	Quantity 40% 60%	Standard Price Per kg Rs. 20 Rs. 30
Actual: Material A B	Quantity 70 kg 130 kg	Standard Price Per kg Rs. 25 Rs. 27

Standard loss is 10% and actual output is 185 kg.

Required: Possible material variances.

20. The following are the information of a Manufacturing Company with normal capacity of 20,000 units:

Years	2078	2079
Production units	20,000	21,000
Sales units	19,000	20,000

Fixed factor overhead at normal capacity	Rs. 100,000
Fixed administrative overhead	Rs. 40,000
Fixed selling overhead	Rs. 30,000
Unit selling overhead	Rs. 30
Variable cost per unit Rs. :	
Raw material	Rs 8
Direct labor	Rs. 6
Direct expenses	Rs. 4

Required: Income statement under absorption costing for the year 2079 and reconcile profit without preparing variable costing statement.

21. You have been provided the following income statement of a company a company producing three products namely A, B and C

Particulars	Products			Total
	A	B	C	
Sales units	10,000	10,000	5,000	25,000
Sales revenue	Rs. 50,000	Rs.40,000	Rs.30,000	Rs.120,000
Less: Variable cost	Rs.30,000	Rs. 20,000	Rs. 18,000	Rs. 68,000
Contribution margin	Rs. 20,000	Rs. 20,000	Rs. 12,000	Rs. 52,000
Less: Fixed cost	-	-	-	Rs. 20,000
Net income				Rs. 32,000

Required:

- Weighted average contribution margin
 - Overall BEP in Units and Rs.
 - BEP Units if sale mix is reversed i.e. 1:2:2
22. Rozan Company uses standard costing system for labor cost and factory overhead cost. The activities level and cost per direct labor hour are given below.

Items	Activities level in DLH	
	1,000	2,000
Direct labor cost (Rs)		
Skill men labor 4 men @ Rs. 2	8,000	16,000
Semi skill labor 6 boys @ Re. 1	6000	28,000
Total labor cost	14,000	28,000
Factory overheads (Rs.)		
Indirect materials and labor	30,000	40,000
Supervision cost	20,000	30,000
Repairs cost	30,000	50,000

Rent and tax	10,000	10,000
Depreciation	20,000	20,000

Normal capacity 1,500 DLH
 Hours worked 1,600 DLH
 Hours produced 1,400 DLH
 Actual overhead paid Rs. 150,000

Actual labor cost:

Skill men labor: 5 men @ Rs. 1.5

Semi skill labor: 5 boys @ Rs. 0.9

Required:

- Direct labor cost for 1,200 DLH
- Factory overhead budget for 1,400 DLh.
- Labor cost, rate, efficiency and mixed variance.
- Three overhead variances.
- Standard costing is a technique of cost control? Give examples for supporting your answer.

ALL THE BEST



United College
Kumaripati, Lalitpur
PRE-UNIVERSITY EXAM – 2080

Level: BBS (IIIrd Year)

Time: 3 hrs.

F.M.: 100

P.M.: 50

Course Title: Business Environment and Strategic Management

Date: 2080/11/23

*Candidates are required to give the answer in their own words as far as practicable.
The figures in the margin indicate full marks.*

Group "A"

Brief Answer Questions:

[10 x 2 = 20]

1. Write any four Fundamental Rights that constitution of Nepal has ensured.
2. What are Techniques of Environmental Scanning?
3. List out the problems of Nepalese Political Environment.
4. What is liberalization?
5. What is strategic vision?
6. What is market development?
7. What is horizontal merger?
8. Enlist four characteristics of strategic vision.
9. What do you understand the term Democracy?
10. Write about types of Judiciary body of Nepal.

Group "B"

Short Answer Questions

[10 x 5 = 50]

Attempt any FIVE questions

11. State and explain the role of chief executives in strategic management.
12. What is product development strategy? How does it differ from market development strategy? Explain.
13. List out the process of strategy formulation. Difference between BCG and GE Matrix.
14. Explain in detail about concept of Value Chain Analysis.
15. What is Strategic Advantage Profile (SAP)?
16. Hofer's matrix is based on product life cycle. Explain how?

Group "C"

Analytical Answer Questions

[15 x 2 = 30]

Attempt any TWO questions.

17. Discuss the application of Porter's competitive strategy as strategic alternative at business level in detail.
18. Critically examine the problems of Nepalese political environment to Nepalese business development.
19. Explain in detail about BCG matrix.

ALL THE BEST