

Tribhuvan University
2082 (Partial)

B.B.S. 4 Yrs. Prog. / II Year / MGMT
Cost & Management Accounting
(MGT.212) New Course

Full Marks: 100
Time: 3 hrs.

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

Attempt ALL questions.

Brief Answer Questions

[10×2=20]

1. Write any two objectives of financial accounting.
2. Mention the causes of labour turnover.
3. Explain about economic order quantity.
4. What are the two limitations of budget?
5. Write down the meaning of main-product.
6. The following information is available in respect of a material.
 - Annual requirement = 36,000 units
 - Minimum stock level = 300 units
 - Re-order period = 10 days

Required: Re-order level

7. The following data are given to you:

Standard time allowed 16 hours
Actual time spent 14 hours
Wage rate per hour Rs. 20

Required: Wages under Halsey Premium Plan

(1)

Short Answer Questions (Attempt any Five)

(5×10=50)

11. a. What are the importance of flexible budget? (5)
- b. The production unit forecasts for coming four months of a company are:

Months	Baishak	Jestha	Ashad	Shawan
Outputs	5,000	6,000	6,000	5,000

Each unit of finished product needs 2 kg of material @ Rs.3 per kg.
The company's has a policy of keeping ending inventory of raw material is 100 percent of next month's production need. Similarly, each unit of finished goods need 2 labour hours and rate per hour is Rs.3

Required: Material Purchase Budget and Labour Budget for the three months from Baisakh to Ashad (3+2)

12. a. What are the assumptions of cost volume profit analysis? (5)
- b. AB manufacturing company with normal capacity of 30,000 units provides the following particulars for the year ending:

	2082
Production units	32,000
Sales units	30,000
Variable manufacturing cost per unit	Rs.6
Fixed manufacturing cost per unit	Rs.4
Variable selling cost per unit	Rs.3
Fixed selling and administrative cost	Rs.40,000
Selling price per unit	Rs.20

Required:

- i) Income statement under absorption costing system.
- ii) Reconciliation statement

(5)

(3)

8. The following information are provided to you:

	Production Dept. A	Production Dept. B
Rent (Rs)	60,000	74,000
Store overhead (Rs)	40,000	26,000
Labour hours	6,000	10,400
Idle time (hours)	500	400

Required: Labour hour rate of the production departments

9. The following particulars are extracted from the records of a company:
 - Average number of employees was 300.
 - Number of employees quit and discharged was 40 and 30 respectively.
 - Employees replaced during the period were 50.

Required: Labour Turnover Rate Flux method

10. The following information are provided to you:

Expected price of product =	Rs.5,000
Expected discount =	5% on price
Expected production cost of product =	Rs.500
Expected designing cost of product =	Rs.50

Required: Value of product

(2)

13. The following information are given:

Standard:

Labour	Number	Rate per hour
Skilled	5	Rs.20
Semi-skilled	8	Rs.15
Unskilled	7	Rs.10

Actual:

Labour	Number	Rate per hour
Skilled	6	Rs.21
Semi-skilled	9	Rs.16
Un-skilled	5	Rs.9

Standard and actual time is 30 hours

Standard and actual outputs are 200 units and 220 units respectively

Required: Labour Variances (5×2=10)

14. The sales revenue and cost of a manufacturing company for two years were as follows:

Year	Sales Revenue (Rs)	Profit (Rs)
2024	500,000	20,000
2025	600,000	40,000

Required:

- i) Brake-even point in Rs.
- ii) Break-even point in units if selling price per unit is Rs.50
- iii) Sales to earn desired profit after tax of Rs.75,000 if tax rate is 25%
- iv) Profit when sales are Rs.800,000
- v) Margin of safety if profit is Rs.70,000 (3+1+2+2+2)

(4)

P.T.O.

15. What is value analysis? Explain the different techniques of cost reduction? (4+6)

16. Define activity based costing. Why is it important? (5+5)

Long Answer Questions (Attempt any Two) (2×15=30)

17. The following information pertaining to a contract are provided:

- Material = Rs.1,400,000
- Wages = Rs.1,720,000
(including outstanding of Rs.20,000)
- Other expenses = Rs.80,000
- Plant = Rs.400,000
- Work certified = 80%
- Cash received = Rs.3,200,000
- Material at site = Rs.150,000
- Depreciation on plant = 15%
- Work uncertified = Rs.20,000
- Ignore depreciation of plant for the use on uncertified portion of the work
- Contract price = Rs.5,000,000

Contract was commenced on 1st Shrawan and account are closed on 31st Ashad every year

Required:

- a. Contract Account
- b. Contractee's Account
- c. Work in Progress Account
- d. Balance Sheet

(7+2+2+4=15)

18. Product XY passes through two processes X and Y before it is transferred to finished stock. The other information are:

(5)

	Process X (Rs.)	Process Y (Rs.)	Finished Stock (Rs.)
Opening Stock	10,000	12,000	20,000
Direct Material	13,000	18,000	-
Direct Wages	14,000	16,000	-
Factory Overhead	8,000	6,000	-
Closing Stock	4,000	4,000	6,000
Inter-process profit included in Opening Stock	-	2,000	3,500

The output of process X is transferred to process Y at 20% profit on the transfer price.

The output of process Y is transferred to finished stock at 25% profit on cost price.

The stock in process is valued at prime cost. The finished stock is valued at the price at which it is received from process Y. Sales during the period are Rs.200,000.

Required:

- a. Process Account
- b. Finished Stock Account
- c. Actual realized profit
- d. Stock valuation for Balance Sheet purpose

(5+5+3+1+1=15)

19. "Management accounting involves the presentation of financial information for internal purposes to be used by management in making key business decisions". Discuss. (15)

□

(6)

Candidates are required to give their answers in their own words as far as practicable.

The figures in the margin indicate full marks.

Group "A"

Brief Answer Questions

[10×2=20]

Attempt ALL questions.

1. What do you mean by financing decision?
2. State four ratios used to measure profitability of a firm.
3. Define the term discounting.
4. Write the meaning of financial risk.
5. How does liquidity position affect dividend policy of a firm?
6. Define optimal capital structure.
7. Write the importance of accounts receivable management.
8. City Bank Ltd pays 6 percent interest on its saving deposit. What is the effective interest rate if interest is compounded quarterly?
9. Himat Company has a target capital structure that consists of 60 percent debt and 40 percent equity. The company anticipates that its capital budget for upcoming year will be Rs 5,000,000. If the company has net income of Rs 4,000,000 and if it follows residual dividend payout policy, what will be its amount of dividend?
10. Mega Company is concerned about managing cash efficiently.

(1)

On the average, inventories have an average age of 40 days, and accounts receivable are collected in 50 days. Accounts payable are paid 30 days after purchase. What is the cash conversion cycle?

Group "B"

Descriptive Answer Questions

[5×10=50]

Attempt only FIVE questions.

11. Define financial management. Explain the shareholder's wealth maximization goal of a firm. (4+6)
12. Following are the data available for Terai Feed Company (TFC) and industry average.

Balance Sheet of TFC as on December 31, 2025

Accounts payable	Rs 80,000	Cash	Rs 30,000
Notes payable	60,000	Receivables	180,000
Other current liabilities	20,000	Inventory	120,000
Total current liabilities	Rs 160,000	Total current assets	Rs 330,000
Long term debt	140,000	Net fixed assets	150,000
Common equity	180,000		
Total liabilities & equities	Rs 480,000	Total assets	Rs 480,000

(2)

Income statement of TFC for the year ended December 31, 2025

Sales revenue		Rs 780,000
Less: Cost of goods sold:		
Materials	Rs 330,000	
Labor	230,000	
Heat, light and power	40,000	
Indirect labor	50,000	
Depreciation	20,000	670,000
Gross profit		Rs 110,000
Less: Selling expenses	Rs 50,000	
General expenses	20,000	70,000
Earnings before interest & taxes		Rs 40,000
Interest expenses		14,000
Earnings before taxes		Rs 26,000
Less: Tax @ 40%		10,400
Net Income after taxes		Rs 15,600

Industry average	
Current ratio	= 1.98 times
Quick Ratio	= 1.1 Time
Days sales outstanding	= 42 days
Inventory turnover	= 6 times
Total assets turnover	= 3 times
Profit margin	= 1.5%
Return on assets	= 4.5 %
Return on equity	= 11.25%
Debt ratio	= 60%

Calculate the indicated ratios and comment on the company's financial performance. (10)

(3)

13. (a) If you deposit Rs. 10,000 per year for next four in a bank that offers 10 percent interest p.a., what will be your bank balance at the end of 4th year? [5]
(b) The management of Fine Printing Press decided to buy an equipment taking a loan of Rs 300,000 for 3 years from Lumbini Bikash Bank. The loan bears an annual interest of 10 percent and calls for equal annual instalment payments at the end of each of the 3 years. Calculate amount of annual payment. [5]
14. (a) Suppose Star Company sold an issue of bonds with a 10-year maturity, a Rs. 1,000 par value, a 10 percent coupon rate, and annual interest payments. Market interest rate is 8 percent. Calculate value of bond at present. [5]
(b) Sahara Company has just paid a cash dividend of Rs. 18 per share. Dividend is expected to grow at a steady rate of 6 percent per year forever. Investors require 16 percent return from investment. Calculate value of stock at present. [5]

15. The following table gives capital structure of Hi-Tech Company.

Debt	Rs 20 million
Common equity	Rs 30 million
Total liabilities and equity	Rs 50 million

Current interest rate on new debt is 10 percent. The firm's marginal tax rate is 30 percent. Hi-Tech Company has just paid dividend Rs 10 per share. Dividend is expected to grow at 5 percent per year forever. Current market price per share is Rs 105.

- Calculate Company's after tax cost of new debt, cost of internal equity, assuming that new equity comes only from retained earnings.
- What will be the company's weighted average cost of capital? Also state the uses of cost of capital. [5+5]

(4)

P.T.O.

16. Your company is planning to market mineral water in Janakpur. The marketing department has suggested that it could be sold at Rs 20 per bottle. It is estimated that the annual fixed operating costs, including Rs 200,000 depreciation, will be Rs 800,000 and the variable costs per bottle will be Rs 10.

- What is the operating breakeven point and cash breakeven point in units?
- What should be the sales volume to achieve after tax profit of Rs. 120,000? Assume 30 percent corporate tax rate.
- Calculate and interpret the operating leverage at sales volume of 100,000 bottles. (4+3+3)

Group "C"

Analytical Answer Questions

[2×15=30]

Attempt any TWO questions.

- Describe the concept of working capital. Also discuss the importance of working capital management in manufacturing firm.
- Consider the probability distribution of alternative rates of return associated with Stock A and Stock B given in the following table.

State of economy	Probability	Stock A	Stock B
Recession	0.3	5%	30%
Normal	0.4	10	10
Boom	0.3	15	10

- Calculate the expected return and standard deviation of Stock A and Stock B.
- If you form a portfolio of Stock A and Stock B comprising 60 percent wealth in Stock A and the rest in Stock B, Calculate the risk and return on your portfolio.
- How does coefficient of correlation affect portfolio return and risk?

(5)

19. Mustang Tours Ltd. is considering to run tourist bus from Kathmandu to Muktinath. A tourist bus costs Rs 5,000,000 and it will run daily for 4 years to come. Annual net cash inflows for four years will be as follows:

Year	Cash Flows
1	1,000,000
2	3,000,000
3	2,000,000
4	2,000,000

- What is the payback period of the project? Should the company run tourist bus from Kathmandu to Muktinath if its maximum cost recovery period is 3 years?
- The required rate of return of the project is 10 percent. What is the NPV of the project? Should the company run tourist bus service?
- Define IRR. What is the IRR of the project? Should the company run tourist bus service on the basis of IRR?
- State the merits and demerits of payback period and NPV methods. (3+4+5+3)

□

(6)

TRIBHUVAN UNIVERSITY

2082 (Partial)

B.B.S. **4 Yrs. Prog.** / II Year / MGMT

Business Communication

(MGT 205) (New Course)

Full Marks: 100

Time: 3 hrs.

Candidates are required to give their answers in their own words as far as practicable.

The figures in the margin indicate full marks.

Attempt ALL the questions.

Group 'A'

1. Explain the major comparison between man and fly in William Blake's "The Fly". [5]
2. How does Katherine Mansfield's story "Her First Ball" explore the tension between illusion and reality? [5]
3. According to J. Lewis Thomas, the wart curer must be a "cell biologist of world class". Why? [5]
4. Matthew Arnold's poem "Dover Beach" is a lament for humanity in the face of modernity and progress. Explain with reference to textual details. [10]

OR

Based on your reading of Ellen Goodman's essay "The Company Man," illustrate specific traits and actions that define Phil as 'a company man'. How do you think 'a company man' can decrease one's stress level?

5. Ernest Hemingway's "The Old Man at The Bridge" highlights consequences of armed struggle on innocent civilians. Explain this statement with reference to the tragic plight of the old man in the story. [10]

OR

Jamaica Kincaid's "Girl" illustrates overwhelming admonitions required to be a 'proper woman'. Do you think those admonitions are applicable in Nepal too? Why or why not?

6. How does Gary Snyder's "Etiquette of Freedom" serve as a fundamental critique of the modern, consumerist definition of freedom? Explain. [15]

OR

Draw a comparison of the similarities and differences between Lekhanath Paudyal's "The Parrot in the Cage" and Rainer Maria Rilke's "The Panther".

Group 'B'

7. Define the following business communication terminologies/phrases. [5]
 - a. Active listening
 - b. Jargon
 - c. Rapport building
 - d. Resume
 - e. Postscript
8. Rewrite the following sentences choosing the best alternative. [5]
 - a. is written with the purpose of convincing someone outside the organization to buy a product or service.
 - i. An internal proposal
 - ii. A memo
 - iii. An external proposal
 - iv. A report
 - b. help us understand the communicator's emotions, attitudes, and feelings.
 - i. Nonverbal communication cues
 - ii. Visual aids
 - iii. Itineraries
 - iv. Graphs and diagrams
 - c. Effective communication skills a successful career, workplace excellence, and enhanced productivity.
 - i. obstruct
 - ii. bypass
 - iii. hinder
 - iv. ensure

P.T.O.

- d. is a fundamental technique of integrating sources in writing without plagiarizing.
 - a. Brainstorming
 - b. Duplicating
 - c. Paraphrasing
 - d. Imitating
 - e. A summary of your qualifications, skills, and work experience is called a.....
 - i. resume
 - ii. cover letter
 - iii. application
9. Why is analyzing the audience important to deliver an effective presentation? What steps would you take to analyze the audience during the presentation? [6]
 10. Think of a business, product, or service that you want to launch in the near future. Write a short business plan to present to a group of prospective investors. [8]
 11. Write an email to a friend advising her about the process of writing an effective report. [8]

Group 'C'

12. Read the given case and answer the questions given at the end. (2 × 9 = 18)

ABC Bank (a mid-sized commercial bank in Nepal) has historically relied on its extensive network of 120 physical branches as its primary customer touch point, particularly for cash transactions and loan applications in semi-urban and rural areas.

Facing intense competition from digitally-focused rivals (who are capturing the younger, urban demographic), ABC Bank invested \$4 million over the last two years in a new Mobile Banking App and a digital loan origination system. The bank's goal was to shift 70% of routine transactions (deposits, transfers, bill payments) to the app by 2026.

However, the transition has stalled:

- i. **Staff Resistance:** Many long-serving branch managers and staff feel the digital push threatens their jobs and view the app as a separate, competing unit. They are reluctant to actively promote the app and often revert customers to in-branch services, citing "technical difficulties" or "security concerns."
- ii. **Customer Behavior:** Older, established customers, who hold the bulk of the bank's long-term deposits, express deep distrust of transferring large sums electronically and prefer the perceived security and human interaction of the branch. The overall digital adoption rate is stuck at 45% (far below the 70% target).
- iii. **Security Incidents:** The bank recently suffered a minor, publicized DDoS attack that temporarily downed the mobile app, amplifying customer and staff fears about digital security.

Management now faces the challenge of successfully integrating its digital investment into a culture and customer base built on physical trust.

Questions:

- a. How must ABC Bank restructure branch staff incentives and culture to overcome resistance and align branch goals with digital adoption targets?
- b. What strategic PR and trust-building steps should the bank take to reassure high-value deposit holders following the publicized security incident?

TRIBHUVAN UNIVERSITY

2082 (Partial)

B.B.S. **4 Yrs. Prog.** / II Year / MGMT

Organizational Behavior and HRM

(MGT 223) (New Course)

Full Marks: 100

Time: 3 hrs.

Candidates are required to give their answers in their own words as far as practicable.

The figures in the margin indicate full marks.

Group "A"

Brief Answer Questions

[10×2=20]

Attempt ALL questions.

1. State the levels of OB analysis.
2. Write any two features of attribution theory.
3. State the dimensions of measuring job satisfaction.
4. Write any two features of group.
5. Enlist any four causes of stress.
6. Illustrate any two objectives of HRM.
7. Give the meaning of task.
8. Write any two sources of recruitment.
9. Show your familiarity with checklist method of performance appraisal.
10. Define surveillance as an ethical issue in HRM.

P.T.O.

Group "B"

Descriptive Answer Questions

[5×10=50]

Attempt any FIVE questions.

11. What is learning? Explain the principles of learning.
12. Explain the major personality attributes influencing OB.
13. What is team management? Describe the issues in managing work team.
14. Explain the sources of job analysis information.
15. Describe the performance appraisal practices adopted by Nepalese organizations.
16. Illustrate the guidelines that are adopted while administering employee discipline.

Group "C"

Analytical Answer Questions

[2×15=30]

Attempt any TWO questions.

17. Study of OB is essential to manage human resources in modern organizations. Discuss the statement highlighting the assumptions of OB.
18. Proper HRM results in various outcomes in the organizations. Discuss the statement.
19. Discuss the methods of training. How do you evaluate the effectiveness of training program? Write with examples.

□.

TRIBHUVAN UNIVERSITY

2082 (Partial)

B.B.S. **4 Yrs. Prog.** / II Year / MGMT

Macroeconomics for Business

(MGT 209) (New Course)

Full Marks: 100

Time: 3 hrs.

Candidates are required to give their answers in their own words as far as practicable.

The figures in the margin indicate full marks.

Group "A"

Brief Answer Questions

[10×2=20]

Attempt ALL questions.

1. Write any four uses of macroeconomics?
2. Prepare a list of criticisms of principle of effective demand.
3. Write any four determinants of investment.
4. What are the phases of trade cycles?
5. What is macro dynamics?
6. Let, proprietor's income = 600, corporate profit = 2000, dividends = 400. Compute profit.
7. What are the types of unemployment?
8. Compute MPC at $MPS = 0.3$, $\Delta Y_d = 500$.
9. What are the benefits of privatization?
10. What are the quantitative expansionary instruments of monetary policy.

Group "B"

Descriptive Answer Questions (Attempt any Five)

[5×10=50]

11. Explain the process of computing GDP by expenditure method with example.

P.T.O.

12. (i) Derive IS and LM functions.

(ii) Let, $C = 300 + 0.5(Y - T)$, $T = 0$, $I = 300 - 3000i$,
 $M_{SP} = 200 - 2000i$, $M_t = 0.5$, $M = 800$ billion. Determine
equilibrium output and rate of interest. [4+6]

13. Explain the labour market equilibrium.

14. Describe the sources of economic growth.

15. Explain the concept of paradox of thrift with numerical examples.

16. How is exchange rate determined? Explain.

Group "C"

Analytical Answer Questions (Attempt any Two) : [2×15=30]

17. Describe the demand-pull inflation. How can these inflation be controlled by fiscal policy? Explain. (7+8)

18. What is globalization? Explain its advantage and disadvantages. (3+12)

19. Consider the following data :

Period	t_1	t_2	t_3	t_4	t_5	t_6	t_7	t_8	t_9
Yd:	0	2000	4000	6000	8000	10000	12000	14000	16000
C:	1600	3200	4800	6400	8000	9600	11200	12800	14400
I:	400	400	400	400	400	400	400	400	400
ΔI :	800	800	800	800	800	800	800	800	800

a) Derive linear consumption and saving functions.

b) Graph Yd, C + I and C + I + ΔI .

c) Determine the equilibrium output. What will be the new equilibrium output when planned investment increases by 400 billion? Is it consistent when it is computed by investment multiplier?

d) What are the assumptions of investment multiplier? [3+4+4+4]

□