

Mid-West University  
**Examinations Management Office**  
Surkhet, Nepal  
Final Examination-2078  
Master of Business Studies (MBS)  
Semester - III

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Subject: Entrepreneurship Development

Course Code: MGMT 531

Full Marks: 60 Pass Marks: 30

Time: 3: 00 Hours

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*You are required to answer in your own words as far as applicable. Figures in the margins indicate full marks.*

**SECTION A: CRITICAL THINKING QUESTIONS (10 X 1 = 10 MARKS)**

Answer **ALL** the questions:

1. What is social entrepreneurship?
2. Write any three main reasons for entrepreneurial failure.
3. Point out any two sources of generating new ideas by entrepreneurs.
4. What is intellectual property?
5. Write down any three myths in entrepreneurship.
6. Write any two differences between an entrepreneur and a small business owner.
7. What is seed capital?
8. Why is the location the most important aspect of business?
9. Write down the full form of SCAMPER.
10. What kind of person makes him a successful entrepreneur?

**SECTION B: SHORT ANSWER QUESTIONS (3 X 8 = 24 MARKS)**

Answer any **THREE** questions:

11. Briefly describe the emerging trends in entrepreneurship [8]
12. Explain the importance of creativity and opportunity recognition in the process of developing a new venture. [4+4]
13. Who is a women entrepreneur? What types of problems are faced by women entrepreneurs during their business operation in the case of the Nepalese environment? Explain. [3+5]
14. Describe the entrepreneurship condition and opportunities for entrepreneurship in Nepal. [3+5]
15. Describe the importance and need of institutional support for entrepreneurship in Nepal. Highlight the various institutes which promote entrepreneurship in Nepal. [5+3]

**SECTION C: LONG ANSWER QUESTIONS (2 X 13 = 26 MARKS)**

Answer any **TWO** questions:

16. Briefly explain the types of entrepreneurs and discuss the approaches to entrepreneurship development. [4+9]
17. “Entrepreneurship development is the best way for solving the problem of growing unemployment in Nepal.” Do you agree? Suggest a suitable strategy to a local government to empower start-up entrepreneurs in your area. [5+8]
18. Elaborate the significant role of preparing business plans before establishing new enterprises. Briefly explain the major elements of the business plan. [5+8]

**THE END**

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Subject: Operation Management

Course Code: MGMT 532

Full Marks: 60 Pass Marks: 30

Time: 3: 00 Hours

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*You are required to answer in your own words as far as applicable. Figures in the margins indicate full marks.*

**SECTION A: CRITICAL THINKING QUESTIONS (10 X 1 = 10 MARKS)**

Answer **ALL** the questions:

1. What do you mean by facilities location?
2. Give the meaning of cost of quality.
3. State the meaning of job production system.
4. Mention the concept of order winner and order qualifier.
5. What is value engineering?
6. Explain the meaning of job rotation.
7. Bring out the meaning of Kaizen theory.
8. Point out any two differences between ISO 9000 and 14000 series.
9. What is synchronous manufacturing?
10. Define job design in short.

**SECTION B: SHORT ANSWER QUESTIONS (3 X 8 = 24 MARKS)**

Answer any **THREE** questions:

11. What is lean management? Explain the natures of lean management. [3+5]
12. State the meaning of service process selection. Describe the types of service process selection. [3+5]
13. Briefly explain the trends of operation management. [8]
14. Define inventory planning. Explain the signification of inventory planning. [3+5]
15. What is TQM? Explain the merits of TQM. [3+5]

**SECTION C: LONG ANSWER QUESTIONS (2 X 13 = 26 MARKS)**

Answer any **TWO** questions:

16. Define process selection technology. Describe the elements and types of process selection technology. [3+10]
17. Why do you think that environmental analysis helps operate activities in manufacturing company? Does it lead to maximization of the wealth of shareholders? Explain the concept and relationship of operation management with other functional areas. [2+2+9]
18. Give the meaning of capacity planning. Explain the types and importance of capacity planning. [3+10]

**THE END**

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Subject: Corporate and Business Law

Course Code: MGMT 533

Full Marks: 60 Pass Marks: 30

Time: 3: 00 Hours

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*You are required to answer in your own words as far as applicable. Figures in the margins indicate full marks.*

**SECTION A: CRITICAL THINKING QUESTIONS (10 X 1 = 10 MARKS)**

Answer **ALL** the questions:

1. What is article of association?
2. Who is liquidator?
3. Define the cooperative.
4. What is share?
5. Define foreign company.
6. What is Bonus?
7. What are the two full regulatory powers of Nepal Rastra Bank to regulate Banking and Financial Institution?
8. List out the methods to appoint an auditor in a company.
9. Define 'Labor'.
10. Write down any two functions of especial general meeting of a company.

**SECTION B: SHORT ANSWER QUESTIONS (3 X 8 = 24 MARKS)**

Answer any **THREE** questions:

11. Who can obtain bonus? Write down the process of obtaining bonus in advance. [8]
12. Explain rights and duties of an auditor under Company Act of Nepal. [8]
13. What are the major objectives that are taken by Labor Act 2074 for welfare and job security? [8]
14. Explain, in brief, the major objectives of Nepal Rastra Bank Act 2058. [8]
15. Describe, in detail, the procedures relating to the incorporation of Bank or Financial Institute in Nepal under the BAFIA. [8]

**SECTION C: LONG ANSWER QUESTIONS (2 X 13 = 26 MARKS)**

Answer any **TWO** questions:

16. Describe, in detail, the procedures relating to the incorporation of new company in Nepal under the Company Act. [13]
17. 'Dissolution of company means death of artificial person'. What are the modes of dissolution of company? Explain briefly. [13]
18. What are the special provisions on forming the board of director? How it was formed according to BAFIA? [13]

**THE END**

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Subject: Business Research Methods

Course Code: MGMT 534

Full Marks: 60 Pass Marks: 30

Time: 3: 00 Hours

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*You are required to answer in your own words as far as applicable. Figures in the margins indicate full marks.*

**SECTION A: CRITICAL THINKING QUESTIONS (10 X 1 = 10 MARKS)**

Answer **ALL** the questions:

1. What are the qualities of a good research?
2. Write the meaning of population in research?
3. What are ethical issues in research?
4. What is sampling frame?
5. How many measurements are used in research? List them.
6. Point out the various types of validity.
7. State any four problems encountered by researcher in Nepal.
8. What is research interview?
9. State about questionnaire.
10. In short, show the use of internet in research in the recent management sector.

**SECTION B: SHORT ANSWER QUESTIONS (3 X 8 = 24 MARKS)**

Answer any **THREE** questions:

11. What is research? Explain the contribution of research in business. [3+5]
12. Define research design. List out the various types of research design. Explain any two of them. [1+1+6]
13. What are the different sampling techniques commonly used by researchers? Explain any one of them. [2+6]
14. What is data? Distinguish between primary data and secondary data. [2+6]
15. Show the relationship between coding, editing and tabulating of data in research. Why is it applied for data analysis? [5+3]

**SECTION C: LONG ANSWER QUESTIONS (2 X 13 = 26 MARKS)**

Answer any **TWO** questions:

16. Generally academic researcher undertakes basic research. The results of basic research are unable to solve the particular problems. So, few people claim that academic research is useless. Do you agree to logic? Give justifications. [5+8]
17. What is Likert scale in research? How are Likert scale calculated? Explain with a suitable example. Is it possible to conduct research without scaling? Give your opinions. [3+8+2]
18. Research report writing is a critical work because it has to give entire information about research. Why is it critical? Discuss the format of research report. [6+7]

**THE END**

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Subject: Financial Management

Course Code: MGMT 535

Full Marks: 60 Pass Marks: 30

Time: 3: 00 Hours

*You are required to answer in your own words as far as applicable. Figures in the margins indicate full marks.*

**SECTION A: CRITICAL THINKING QUESTIONS (10 X 1 = 10 MARKS)**

Answer **ALL** the questions:

1. What are the routine functions of financial management?
2. Write the meaning of Common Size Statement Analysis.
3. Mention any four limitations of ratio analysis.
4. What do you mean by free cash flow?
5. Write the meaning of NPV profile.
6. Mention the formula for calculating carrying cost of receivable.
7. Define payback period.
8. What is inventory conversion period? How is it calculated?
9. Mention the procedures of dividend payment.
10. Define residual dividend policy.

**SECTION B: SHORT ANSWER QUESTIONS (3 X 8 = 24 MARKS)**

Answer any **THREE** questions:

11. "Wealth maximization goal of the firm is superior to the profit maximization." Justify this statement.  
[8]
12. Karnali Noodles Inc. had earnings per share of Rs 4 last year and paid Rs 2 dividend. Total retained earnings increased by Rs 12 million during the year, while book value per share at year-end was Rs 40. Karnali Noodles has no preferred stock, and no common stock was issued during the year. If Karnali Noodles's year-end debt (which equals its total liabilities) was Rs 120 million, what was the company's year-end debt/assets ratio? [8]
13. Shikhar Shoes Industries has a capital structure that consists solely of debt and common equity. The company can issue debt at 11 percent. Its stock currently pays Rs 2 dividend per share and the stock's price is currently Rs 24.75. The company's dividend is expected to grow at a constant rate of 7 percent per year; its tax rate is 35 percent; and the company estimates that its WACC is 13.95 percent. What percentage of the company's capital structure consists of debt financing? [8]
14. The Gangamala Mining Corporation expects with some degree of certainty to generate the following net income and to have the following capital expenditures during the next 5 years (In thousands) [4x2]

Year	1	2	3	4	5
Net income	Rs 4200	Rs 2200	Rs 3300	Rs 4300	Rs 2800
Capital expenditure	3500	3700	2800	6400	3400

The company currently has 2 million shares of common stock outstanding and pays dividend of Rs 1 per share.

- a) Determine the amounts of external financing in each year that will be necessary if the present dividend per share is maintained.

- b) Determine dividend per share and external financing required in each year if dividend policy is treated as residual policy
- c) Determine dividend per share and the amount of external financing that will be necessary if a dividend payout ratio of 50 percent is maintained.
- d) Under which of the three dividend policies are (1) aggregate dividends maximizes? (2) External financing minimized?
15. Write short notes on (Any Two) : [4x2]
- Agency Problem
  - Motives of holding cash
  - Weighted average cost of capital

**SECTION C: LONG ANSWER QUESTIONS (2 X 13 = 26 MARKS)**

Answer any **TWO** questions:

16. a) Define receivable management. Explain the cost of maintaining receivables. [2+5]
- b) Explain the various approaches of estimating cost of equity. [6]
17. Hetauda Clothing Inc. has two alternative investment projects: Project M and Project N. It does not have sufficient funds to invest both projects and has a capital rationing policy. Followings are the relevant financial information about these projects: [4+4+5]

Particulars	Project M	Project N
Initial investment	Rs 50,000	Rs 50,000
Net cash flows per year	Rs 18,000	Rs 12,000
Expected life	5 years	10 years
Cost of capital	10 percent	10 percent

- Calculate NPV and IRR for each project.
  - Which project should Hetauda accept?
18. Zawala Color Bank, Inc. is considering changing its credit terms from 2/15 net 30, to 3/10 net 30, in order to speed collections. At present 40 percent of Zawala's non-default customers take the 2 percent discount. Under the new terms, discount customers are expected to rise to 50 percent of the non-default customers regardless of the credit terms half of the customers who do not take the discount are expected to pay on time, whereas the remainder will pay 15 days late. The change does not involve a relaxation of credit standards; therefore, bad debt losses are not expected to rise above their present 2 percent level. However, the more generous cash discount terms are expected to increase sales from Rs 3 million to Rs 3.8 million per year. Zawala's variable cost ratio is 80 percent, the interest rate in funds invested in account receivable is 10 percent, and the firm's marginal tax rate is 30 percent.
- What are the days' sales outstanding before and after the change? [2]
  - Calculate the discount costs before and after the change. [2]
  - Calculate the rupee cost of carrying receivable before and after the change. [2]
  - Calculate the bad debt losses before and after the change. [2]
  - What is the incremental profit from the change in credit terms? Should Zawala change its credit term? [5]

**THE END**

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Subject: Strategic Management

Course Code: MGMT 536

Full Marks: 60 Pass Marks: 30

Time: 3: 00 Hours

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*You are required to answer in your own words as far as applicable. Figures in the margins indicate full marks.*

**SECTION A: CRITICAL THINKING QUESTIONS (10 X 1 = 10 MARKS)**

Answer **ALL** the questions:

1. What do you mean by strategy?
2. Enlist the type of corporate level strategy.
3. State the meaning of environmental scanning.
4. Mention the concept of unique resources.
5. What do you understand by benchmarking?
6. Under what conditions is retrenchment strategy preferable?
7. State the meaning of core competency.
8. What is product diversification?
9. Give the concept of strategic evaluation.
10. Write down the definition of scenario planning.

**SECTION B: SHORT ANSWER QUESTIONS (3 X 8 = 24 MARKS)**

Answer any **THREE** questions:

11. Write the meaning of strategic management. Explain, in brief, the importance of strategic management in the globalized world. [2+6]
12. Make a short note on available resources and threshold resources. [4+4]
13. What are the different strategic options under strategic clock oriented market based strategies? Explain.[8]
14. What is SWOT analysis? How does SWOT analysis help an organization position itself strategically? [4+4]
15. What is strategic control? Briefly explain the different types of strategic control. [2+6]

**SECTION C: LONG ANSWER QUESTIONS (2 X 13 = 26 MARKS)**

Answer any **TWO** questions:

16. Who is chief executive officer (CEO)? Describe the role of CEO in strategy formulation, implementation and control. [3+10]
17. Why is portfolio analysis important? Explain your understanding of BCG matrix. What are the major contributions of this matrix in corporate strategic choice? Explain. [2+2+9]
18. "Study of business environment is one of the prime activities of modern manager." With reference to the given statement, explain the different components of internal and external business environments.[13]

**THE END**