

Mid-West University
Examinations Management Office
Surkhet, Nepal
End-Semester Examination-2080
Bachelor of Business Studies (BBS)
Semester - III

Subject: Company Account

Course Code: MGMT 431/331

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: VERY SHORT ANSWER QUESTIONS (10 X 1 = 10 MARKS)

Answer **ALL** the questions.

1. Point out any three features of Company.
2. What is calls in arrear?
3. Point out any three objectives of financial statement.
4. ABC Company issue 5000, 10% debenture of Rs 100 each at a 5% discount and redeemable at a 10% premium after 5 years.

Required: Journal entries for issue of debenture.

5. The following information is provided to you.

Beginning balance of retained earning	Rs 20,000
Net income	Rs 4,500
Dividend paid	Rs 3000
Transfer to general reserve	Rs4,100

Required: Statement of closing retained earning.

6. From the following information , calculate net cash flow from operating activities

Cash collection from sales and debtors	Rs 300,000
Cash paid to suppliers	85,000
Cash paid to employees and others	35,000
Interest paid	15,000
Tax paid	10,000

7. List out any three advantages of holding company.
8. Define subsidiary company.
9. Point out the methods of purchase consideration.
10. Any two differences between amalgamation and absorption.

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

Answer any **THREE** questions.

11. Bulbul company issued 60,000 shares of Rs. 100 each with Rs. 10 premium payable as follows.

On application	Rs. 20
On allotment	Rs 40
On first call	Rs. 30
On final call	Rs. 20

Applications were received for 90,000 shares. Board of directors decided to allot as under:

Share applied	Share allotted
20,000	Full
10,000	Reject
Remaining	On pro-rata

Money over paid on pro-rata allotment was utilized in allotment and other calls. All money dully received

except Mr. Nanda , who holding 5,000 share under pro - rata basis and Mr. Nabin, who was holding 3,000 shares under full allotment did not pay allotment and call money.

Required: Journal entries for share application, allotment, frist and final call [3+2+2+1]

12. (a) From the data relating to a company , you are asked to prepare liquidators statement of account.

- i. 10,000; Equity share of Rs 100 each fully paid.
- ii. 10,000 ; 10% Preference share of Rs 100 each fully paid.
- iii. 5,000; 5% Debenture Rs 300,000.
- iv. Secured creditors Rs 200,000.
- v. Liquidation expenses Rs 20,000.
- vi. Total assets realized Rs 11,07,143.
- vii. Prefential creditors Rs 50,000.
- viii. Unsecured creditors Rs 500,000.
- ix. Liquidators remuneration 2% on total assets realized and 3% on amounts distributed to unsecured creditors.

Required: Liquidators final statement of account [5]

(b)Sushant Company issue 50,000, 10% debenture of Rs 1000 each at a 10% premium and redeemable at a 15% premium after 10 years.

Required: Journal entries for issue and redemption of debenture. [3]

13. What do you mean by corporate liquidation? Explain the procedure of winding up or liquidation as per company act. [3+5]

14. The followings are the balance sheets of a company for two different years:

Liabilities	1 st year	2 nd year	Assets	1 st year	2 nd year
Share capital	7,00,000	9,00,000	Land & building	2,00,000	2,00,000
Share premium	35,000	45,000	Plant & machinery	4,00,000	4,80,000
10% Debenture	2,00,000	1,00,000	Investment	2,05,000	3,50,000
Bank overdraft	-	50,000	Inventories	2,00,000	1,00,000
Account payable	1,50,000	1,00,000	Prepaid expenses	10,000	15,000
Accrued expenses	20,000	10,000	Account receivable	1,60,000	1,20,000
Provision for tax	50,000	70,000	Cash at bank	50,000	80,000
Profit & Loss a/c	70,000	70,000			
	12,25,000	13,45,000		12,25000	13,45,000

Income statement for 2nd year

Particulars	Details	Amount
Sales revenue		7,00,000
Less: Cost of goods sold		4,00,000
Gross margin		3,00,000
Less: Operating expenses :		
Depreciation	48,000	
Interest	20,000	
Other expenses	72,000	
Provisions for tax	70,000	
Total Operating expenses		2,10,000
Net income before other income		90,000
Add: Gain on sales of plant (Book value being Rs. 32,000)		22,000
Total net income		112,000

Required: Cash flow statement by showing cash flow from operating, investing and financing activities.

[3+2+2+1]

15. What is public company? Discuss the main documents of public company.

[2+6]

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

Answer any **TWO** questions.

16. The following trial balance is related to Surkhet Company as on 31st December, 2022 .

Particular	Debit (Rs.)	Particular	Credit (Rs.)
Opening stock	50,000	Share capital	8,00,000
Purchase	7,00,000	10% Debentures	3,00,000
Land and building	10,00,000	Sales	15,10,000
Plant and machinery	5,00,000	Unearned commission	65,000
Carriage inwards	30,000	Account payable	55,000
Salaries	1,50,000	General reserve	45,000
Wages	35,000	Purchase return	5,000
Bank balance	15,000	Profit and loss a/c	55,000
Debtors	50,000		
10% Investment	2,00,000		
Stationeries	45,000		
Discount	5,000		
Rent	25,000		
Sales return	10,000		
Insurance	20,000		
Total	28,35,000		28,35,000

Adjustment:

- Closing stock Rs. 80,000.
- Bad debt Rs 5,000 and make a Provision for doubtful debt 5% of debtor.
- Outstanding salaries Rs. 30,000.
- Unearned commission earned Rs. 10,000.
- Depreciation on machinery @ 10%.
- Income tax @ 25%.
- Transfer to reserve fund Rs. 80,000.

Required: i. Income statement

[7]

ii. Balance sheet

[6]

17. The balance sheet of Sky company as on Chaitra 31, 2079 is as follows.

Equities	Rs.	Assets	Rs.
20,000 Equity shares of Rs. 100 each	20,00,000	Fixed assets	20,30,000
General reserve	2,00,000	Investment	1,50,000
Profit & Loss a/c	1,50,000	Stock	1,20,000
Creditors	50,000	Debtors	1,20,000
Employees provident fund	1,00,000	Cash at bank	80,000
Total	25,00,000	Total	25,00,000

The Star Company purchased Sky company on Chaitra 31, 2079 on the following items:

- Fixed assets were taken at a value of Rs. 24,00,000 and investment at a value of Rs. 80,000.
- The remaining assets were taken at book value.
- Provide sufficient cash to meet cash payment for creditor of Sky company and liquidation expenses of Rs. 25,000.
- Issue the sufficient number of equity share of Rs. 100 each at par.

Required:

i Purchase consideration

[3]

ii Closing entries in the books of Sky company.

[8]

iii Realization account

[2]

18. What do you mean by share capital? Explain the types of share capital and difference between equity share and preference share.

[2+6+5]

THE END

Mid-West University
Examinations Management Office
Surkhet, Nepal
End-Semester Examination-2080
Bachelor of Business Studies (BBS)
Semester - III

Subject: Co-operative Management
Full Marks: 60 Pass Marks: 30

Course Code: MGMT 432/332
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: VERY SHORT ANSWER QUESTIONS (10 X 1 = 10 MARKS)

Answer **ALL** the questions.

1. “Co-operative organization is based on the principal of mutual help” Justify .
2. State the popular slogan of co-operative.
3. Differentiate between reserve and provision.
4. Point out any five books and register maintained by the co-operative.
5. What is audit memorandum?
6. List out any four duties of auditor regarding reserve.
7. Show any two differences between co-operative audit and general audit.
8. Write any two weaknesses of cooperatives.
9. What is “Char Khata”?
10. What does PEARLS stand for?

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

Answer any **THREE** questions.

11. State the power and functions of general assembly and board of directors of co-operative organization. [4+4]
12. Distinguish between co-operative accounting and double entry accounting . [8]
13. What is vouching? Clearly explain the objectives of vouching. [3+5]
14. Explain the various principles of co-operative accounting. [8]
15. Write a short essay on the development of micro-finance in Bangladesh. [8]

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

Answer any **TWO** questions.

16. Define co-operative organization. State and explain the features and principles of co-operative organization. [3+5+5]
17. What is co-operative auditing? Explain the rights and duties of auditors while auditing the transaction of co-operative organization. [3+5+5]
18. What is verification and valuation? How are the different assets and liabilities verified in co-operative organization? Discuss. [3+5+5]

THE END

Mid-West University
Examinations Management Office
 Surkhet, Nepal
 End-Semester Examination-2080
 Bachelor of Business Studies (BBS)
 Semester - III

Subject: Business Statistics-II
 Full Marks: 60 Pass Marks: 30

Course Code: MGMT 433/333
 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: VERY SHORT ANSWER QUESTIONS (10 X 1 = 10 MARKS)

Answer **ALL** the questions.

1. What are the uses of regression analysis?
2. Given $n = 8, \Sigma X = 50, \Sigma Y = 40, \Sigma X^2 = 500, \Sigma Y^2 = 260, \Sigma XY = 350$, find the coefficient of determination.
3. Define optimistic criteria.
4. Define time series analysis.
5. State the two types of price index number.
6. Prepare regret table from the following payoff table.

Strategies	States of nature		
	$N_1 = 98$	$N_2 = 99$	$N_3 = 100$
$S_1 = 98$	196	196	196
$S_2 = 99$	193	198	198
$S_3 = 100$	190	195	200

7. The year of origin of the following straight line equation of annual income in lakh rupees is 2010.

$$y = 15 + 3x$$
 Predict the income for the year 2016.
8. Find the cost of living index if $\Sigma p_1q_0 = 730, \Sigma p_0q_0 = 340$.
9. What is sampling?
10. Define Transportation problem with its type.

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

Answer any **THREE** questions.

11. Given $n = 6, \Sigma X = 30, \Sigma X^2 = 210, \Sigma Y = 39, \Sigma Y^2 = 271, \Sigma XY = 166$
 - a. Find the lines of least square regression.
 - b. Find the coefficient of determination and interpret it.
12. From the given payoff table, give decision according to
 - a. Maximax criteria.
 - b. Maximin criteria.
 - c. Minimax regret criteria.

State of nature (Demand)	Strategy (Decision alternatives)		
	S_1	S_2	S_3
A	4	-2	7
B	0	6	3
C	-5	9	2
D	3	1	4

13. Explain the concept of regression. In the same determination of the volume V of carbon dioxide dissolved in a given volume of water at different temperature θ (thita) the following pair of value is given as

θ	0	5	10	15
V	1.80	11.45	1.18	1.00

Obtained by the method of least square a relation of the form $V = a + b\theta$ which best fit to these observation.

14. From the data given below, construct an index number by simple average of price relative method, by using
- AM as an average.
 - GM as an average.

Commodities	Price in 1992 (Rs.)	Price in 1995 (Rs.)
A	20	26
B	15	18
C	10	12
D	8	10
E	12	15

15. Find the initial basic feasible solution to the following transportation problem by using:
- North West Cost Method
 - Least Cost Method

Sources	Destinations				Supply
	1	2	3	4	
1	10	2	20	11	15
2	12	7	9	20	25
3	4	14	16	18	10
Demand	5	15	15	15	50

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

Answer any **TWO** questions.

16. Under an employment promotion programme, it is proposed to allow the sale of newspaper on the buses during peak hours. A newspaper boy has the following probability of selling a magazine.

No. of copies sold	10	11	12	13	14
Probability	0.10	0.15	0.20	0.25	0.30

Cost per copy of magazine is Rs. 30 and sale price per copy is Rs. 50. He cannot return unsold copies where salvage value is zero.

- Construct payoff table.
 - Calculate the expected monetary value (EMV) for each strategy.
 - How many copies should be ordered?
 - Compute expected profit with perfect information.
 - Also calculate cost of uncertainty.
17. The following table reveals the annual trend of net profit of two different companies seeking investment for their development project. As an investment advisor on which company would you suggest your client for investment. Support your advice with statistical information that you can extract from the table.

Fiscal year	Net profit in Rs. Lakh	
	Company A	Company B
2054-55	14	14
2055-56	18	14
2056-57	20	15
2057-58	16	19
2058-59	20	20
2059-60	18	21
2060-61	32	22
2061-62	15	28
2062-63	29	29

18. The manufacturer of electric bulbs claims that have a mean life of 26 months. A random sample of 10 such bulbs gave the following results.

Life in months: 25, 27, 33, 29, 21, 21, 24, 28, 35 and 30.

Can you regard the manufacturer's claim to be valid at 5% level of significance?

THE END

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 Bachelor of Business Studies (BBS)
 Semester - III

Subject: Risk and Disaster Management
 Full Marks: 60 Pass Marks: 30

Course Code: MGMT 434/334
 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: VERY SHORT ANSWER QUESTIONS (10 X 1 = 10 MARKS)

Answer **ALL** the questions.

1. Define risk.
2. What is capital adequacy?
3. Explain currency swap.
4. What is risk avoidance?
5. Define equity risk.
6. Give any four examples of natural disaster.
7. What is terrorism?
8. Point out any four sources of project risk.
9. What is Strategic Risk Management?
10. Point out any two Non-Insurance Transfers for risk management.

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

Answer any **THREE** questions.

11. Differentiate between Pure and Speculative risks.
12. Define operational risk. Explain the sources of operational risk.
13. What is credit risk? Point out any four ways to control credit risk.
14. Point out any six ways for coping with stress, anxiety and fear.
15. XYZ co. produces sales its product which has a variable cost of Rs 7 and fixed cost Rs 1,00,000. The company management is having a price review and have reviewed the choice to price either Rs.11 or Rs.12 per unit of sales and their price has been estimated as probability distribution as follows.

At Rs.11 per unit		At Rs.12 per unit	
Sales unit	Prob	Sales unit	Prob
35,000	0.1	30,000	0.1
45,000	0.2	35,000	0.2
55,000	0.4	40,000	0.4
65,000	0.2	45,000	0.3
75,000	0.1		

On the basis of expected profit which sales price should be selected.

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

Answer any **TWO** questions.

16. Define disaster. Explain the effects of disaster. [3+10]
17. What is risk management? Explain the objectives of risk management. [3+10]
18. Define financial risk. Explain the sources of financial risk and also explain the tools for financial risk management. [3+3+7]

THE END

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End-Semester Examination-2080
Bachelor of Business Studies (BBS)
Semester - III

Subject: E-Commerce

Course Code: MGMT 435/335

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: VERY SHORT ANSWER QUESTIONS (10 X 1 = 10 MARKS)

Answer **ALL** the questions.

1. What is EDI?
2. Write about E-marketing
3. What is SET?
4. Give the meaning of Web tracking .
5. What is file transfer protocol ?
6. List out any two limitations of e-commerce.
7. Write any two differences between C2C and P2P
8. What is a Web auction?
9. What is E-ticketing ?
10. Write any two differences between debit card and credit card.

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

Answer any **THREE** questions.

11. Explain the concept of e-commerce. [8]
12. Write any two effects of computer virus on websites or ecommerce business. [8]
13. 'E-commerce industry supports the promotion of new businesses'. Justify. [8]
14. Illustrate how traditional commerce is different from e-commerce giving five suitable reasons. [8]
15. What kind of ecommerce is favorable in Nepal's market? Discuss. [8]

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

Answer any **TWO** questions.

16. E-commerce is a new model of business that the entire world is adapting to. It lights this statement, explain the challenges that investors often face initiating new online businesses. [13]
17. Explain the different models of ecommerce with examples. [13]
18. What are the beneficial points of e-commerce that support expansion of the domestic business of Nepal in pursuit of globalization? Discuss. [13]

THE END