

MID-WESTERN UNIVERSITY
EXAMINATIONS MANAGEMENT OFFICE
FINAL EXAMINATION 2076
MASTER OF BUSINESS STUDIES (MBS)
SEMESTER –II

Subject: Marketing Management
Full Marks: 60

Course Code: MGMT 521
Time: 3 Hours

You are required to answer in your own words as far as applicable. The figures in the margin indicate full marks.

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

Answer ALL the questions:

- Q1. Is Dabur Batika Miss Nepal 2019 a product? Justify.
- Q2. Differentiate between selling concept and modern marketing concept.
- Q3. Point out the components of economic environment.
- Q4. Define decision support system in MIS.
- Q5. What do you mean by market segmentation?
- Q6. Define target marketing.
- Q7. What do you understand by strategic group?
- Q8. Give two reasons for analyzing competitors.
- Q9. In which condition do you think that price skimming is more applicable?
- Q10. Write any two ideas for value marketing.

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

Answer any THREE questions:

- Q11. What are the marketing challenges in new millennium? Discuss. 8
- Q12. How does socio- culture impact on buying behavior of consumer? Justify with examples. 4+4
- Q13. Describe buying decision process of consumer goods. 8
- Q14. Identifying competitors is major and complex task to the marketing manager. Explain some of the ways to identify competitors, based on customer approach. 8
- Q15. Direct marketing has been an emerging issue in the entire world. Define and describe the ways of direct marketing. 2+6

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

Answer any TWO questions:

- Q16. "It is necessary to identify the assets and competencies that are relevant to the industry to analyze competitors' strength and weakness". Do you agree to the statement? Describe the components to be analyzed. 13
- Q17. Describe promotion strategies and logistics management strategies. 6+7
- Q18. What do you mean by product positioning? Write the types of product positioning. 3+10



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FINAL EXAMINATION 2076
MASTER OF BUSINESS STUDIES (MBS)
SEMESTER –II

Subject: Banking and Insurance
Full Marks: 60

Course Code: MGMT 522
Time: 3 Hours

You are required to answer in your own words as far as applicable. The figures in the margin indicate full marks.

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

Answer ALL questions:

- Q1. Write down the meaning of electronic fund transfer.
- Q2. Point out any two differences between debit and credit cards.
- Q3. Give the meaning of reinsurance with an example.
- Q4. List out any two nature of insurance.
- Q5. Briefly explain the concept of micro finance.
- Q6. Mention the major problems faced by banking sector.
- Q7. Give the meaning of marine insurance in short.
- Q8. What do you mean by bank assurance?
- Q9. Differentials between capital market and money market.
- Q10. Define the reporting forms with an example.

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

Answer any THREE questions:

- | | |
|---|-------|
| Q11. Explain the various credit facilities of bank. | 8 |
| Q12. What is fire insurance? Explain the procedure of fire insurance. | 2+6 |
| Q13. Is CRM playing the vital role in banking sector? Give your justification with examples. | 8 |
| Q14. Define insurance board. Discuss the formation of insurance board. | 2+6 |
| Q15. What do you mean by treasury management? Describe the role and functions of treasure management. | 2+3+3 |

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

Answer any TWO questions:

- | | |
|---|---------|
| Q16. Define bank. Explain the roles, functions and different deposit products of bank. | 2+3+4+4 |
| Q17. What is insurance? Describe the principles and types of insurance. | 4+4+5 |
| Q18. "Bank merger issues are rising day by day". Elaborate the given statement with suitable examples and also discuss the opportunities and challenges facing by bank due to the merger issues these days. | 3+5+5 |



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FINAL EXAMINATION 2076
MASTER OF BUSINESS STUDIES (MBS)
SEMESTER –II

Subject: International Business
Full Marks: 60

Course Code: MGMT 523
Time: 3 Hours

You are required to answer in your own words as far as applicable. The figures in the margin indicate full marks.

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

Answer ALL the questions:

- Q1. Define Globalization.
- Q2. Name any two organizations that help manage, regulate and police the global market place.
- Q3. What is mercantilism?
- Q4. Point out any four gains from international trade.
- Q5. Write down any four elements of culture.
- Q6. What is centrally planned economy?
- Q7. What is spot exchange rate?
- Q8. Give the meaning of protectionism.
- Q9. When is the currency of any country said to be non-convertible?
- Q10. Point out the first mover advantages.

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

Answer any THREE questions:

- Q11. Country similarity theory says that any product produced in home country can be easily marketed and consumed in similar countries. Do you agree to this statement? 8
- Q12. If you are entering a foreign market, what factors would you consider for selecting the market? Explain. 8
- Q13. Point out the basic principles of multilateral trade negotiation. Describe each of them in short. 3+5
- Q14. What are the features of foreign exchange market? Also explain the role played by U.S dollars in foreign exchange market. 4+4
- Q15. Write short notes: 4+4
 - a. Licensing
 - b. Foreign Exchange market

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

Answer any TWO questions:

- Q16. Explain the absolute cost advantage theory and comparative cost advantage theory with suitable examples. 6+7
- Q17. The concept of SAFTA (south Asian free trade association) and common currency in south Asian countries are in the news from the last decade. Do you believe that free trade and common currency is possible in south Asian countries? 13
- Q18. The critics of globalization believe that organizations like WTO, European Union and United States are undermining the sovereignty of other states and limiting the nation's ability to control their own destiny. Do you agree with the critics of globalization? 13



MID-WESTERN UNIVERSITY
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FINAL EXAMINATION 2076
MASTER OF BUSINESS STUDIES (MBS)
SEMESTER –II

Subject: Organizational Behavior
Full Marks: 60

Course Code: MGMT 524
Time: 3 Hours

You are required to answer in your own words as far as applicable. The figures in the margin indicate full marks.

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

Answer ALL the questions:

- Q1. Mention any two pieces of importance of organizational behavior.
- Q2. State the meaning of perception.
- Q3. Is there relationship between motivation and performance?
- Q4. What do you mean by an informal group?
- Q5. Give the meaning of servant leadership.
- Q6. Write any two the skills of a leader.
- Q7. Make a list of types of power.
- Q8. Mention any two needs of team building committees.
- Q9. What does (5, 5) indicate in managerial grid approach of leadership?
- Q10. Give the concept of organizational development.

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

Answer any THREE questions:

- Q11. What do you mean by personality? Explain the five big personality traits? 2+6
- Q12. Why do conflicts need to be managed in an organization? Explain the different sources of conflict. 2+6
- Q13. Give the meaning of a group in an organization. What steps are to be followed in a group formation process? Explain. 2+6
- Q14. How does a leader influence the behavior of the followers towards goal achievement? Explain with reference to the path goal theory of leadership. 8
- Q15. What roles does learning play in organization behavior? Briefly explain the classical conditioning theory of learning. 2+6

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

Answer any TWO questions:

- Q16. Define organizational behavior. What are the challenges and opportunities for organization behavior? How can a manager convert challenges into business opportunities? Explain. 3+6+4
- Q17. What do you mean by motivation? Explain, in brief, the Herzberg's dual factor theory of motivation. 3+10
- Q18. Change can be introduced successfully only when there are conducive factors in existence in the system. In the context of this statement, define organizational change and explain Kurt Lewin's three-step model to manage organizational change. 3+10



MID-WESTERN UNIVERSITY
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 FINAL EXAMINATION 2076
 MASTER OF BUSINESS STUDIES (MBS)
 SEMESTER –II

Subject: Cost and Management Accounting
 Full Marks: 60

Course Code: MGMT 525
 Time: 3 Hours

You are required to answer in your own words as far as applicable. The figures in the margin indicate full marks.

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

Answer ALL questions:

- Q1. Define management accounting.
- Q2. Give the concept of cost object with suitable an example.
- Q3. Show any two differentiations between historical cost and replacement cost.
- Q4. Point out any four limitations of financial accounting.
- Q5. "Higher the breakeven point, lower the profit." Briefly explain.
- Q6. If a trading company has total sales revenue and total variable cost on 5,000 units Rs. 8,00,000 and Rs.5,00,000 respectively with total standing cost Rs.150,000. Find out the sales volume in unit to earn a profit Rs. 10 per unit sold.
- Q7. Briefly explain the relevant information for decision making.
- Q8. Give the concept of drop or continue choice of decision making alternative.
- Q9. Following information are past and budgeted

Month	January	February	March	April
Sales revenue Rs.	2,00,000	300,000	4,00,000	5,00,000
The gross profit margin on sales will be 40 %. The desired ending inventory of merchandise will be equal to meet the next month's sales need. Beginning inventory of merchandise was Rs. 150,000.				

Required: - Merchandise purchase budget for January to March.

- Q10. Point out any four advantages of zero based budgets.

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

Answer any THREE questions:

- Q11. "Cost accounting is a second generation of accounting subject to overcome the weakness of financial accounting". Do you agree to this statement? Give your argument based on limitations of financial accounting and objectives of cost accounting. (4+4)
- Q12. Express the concept of decision making. Broadly explain its process. (2+6)
- Q13. What is budgetary control? List out its advantages. And compare and contrast between budget and budgetary control. (2+2+4)
- Q14. A manufacturing company has 12,500 units as normal capacity but it produces 13,500 units during the month of December 2018. You are given following Income statement for the month of December 2018

Particulars	Amount	
	Detail Rs.	Total Rs.
Sales revenue (14,000 units @ Rs.28)		392,000
Less:- <u>Cost of sales:-</u>		
Opening inventory (1,500 units @ Rs15)	22,500	
Direct materials cost	40,500	
Direct labor cost	81,000	
Variable manufacturing overhead	40,500	
Fixed manufacturing overhead	81,000	
Closing inventory @ Rs. 18	<u>(18,000)</u>	<u>247,500</u>
Gross profit		144,500
Less:- <u>Operating expenses :-</u>		
Fixed office expenses	10,500	
Variable office expenses	27,000	
Fixed selling and distribution	19,000	
Variable selling expenses (14,000 units @ Rs.2)	<u>28,000</u>	<u>84,500</u>
Net income before tax		60,000
Less:- Tax provision		<u>30,000</u>
Net profit after tax		30,000
Less:- Transfer to dividend equalization fund		<u>10,000</u>
Retained earning		20,000

Required:-

- Income statement under marginal and full costing method using LIFO inventory issue policy. (3+3)
- Explain the causes of profit differences between two costing method with reconciliation statement. (2)

Q15. You are given the following information of a manufacturing company for the budgeted production of product X, Y and Z are 11,000 units, 11,000 units and 10,000 units respectively during the quarter. The direct labor requirements of three products manufactured in a factory, each involving more than one direct labor operation are estimated as follows:

Operations	Direct Labor Hours per unit (in minute)		
	Product X	Product Y	Product Z
1	24	30	30
2	-	18	24
3	12	6	-

The factory works for 8 hours per day, 6 days in a week. The budget quarter is taken as 13 weeks. During a quarter, estimated lost hour is 124 hours due to leave, holiday and other causes. The budgeted hourly rates for the workers on the operation 1, 2 and 3 are Rs. 5, Rs.3 and Rs.4 respectively.

Required: Prepare a detail man-power budget for the quarter showing direct labor hours, direct labor hour cost and number of workers for each operation. (3+2+3)

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

Answer any TWO questions:

- Q16. "Dynamic environmental forces arises so many managerial issues but management accounting should perform by scanning available qualitative and quantitative information for optimum solution of those managerial issues ". By highlighting this statement, explain the current management accounting trends and issues. And also explain the controllership functions and responsibilities of a management accountant. (5+4+4)
- Q17. The soap manufacturing Company's production division manufactures three types Lux, Max, and Liril soap that are widely used. Selected information on the soaps given below.

Description	Lux	Max	Liril
Selling price per soap	Rs.40	Rs.60	Rs.90
Variable expenses per soap:-			
Production	22	27	31.50
Selling (5% of selling price)	2	3	4.50

All sales are made through the company's own rental outlets. The cost record show the total fixed cost is assignable to the production division Rs. 270,000 for a month.

Sales in unit over the past two months have been as follows:

Description	Lux	Max	Liril	Total
April	2,000	1,000	5,000	8,000
May	8,000	1,000	3,000	12,000

Required:

- Using the contribution approach, prepare income statement for April and May separately for each product. (4)
- Based on the income statement in a), 50% more sales in May then in April but in profit decrease. Explain your argument for the drop in net income based on breakeven point and contribution margin of different two months. (2)
- The soap manufacturing company decided to drop soap Liril and continue for soap Lux and Max. Based on following table you are prepared production plan of soap Lux and Max that maximizes contribution by help of linear programming model with utilization constraints at the activity level. (6+1)

Product(soap)	Unit CM Rs.	Material uses/unit	LH require/unit
Lux	22	12.50 unit	5.5 hrs.
Max	18	10.5 unit	7.5 hrs
Available resources: Material – 12,600 units, Labor hour - 6,600			
LH			

- Q18. A trading company wants to prepare master budget on the basis of following information for the year 2019;

a. As of march 31st, 2019 balance sheet and sales of company are as follows:

Balance sheet summery		Actual and forecasted sales and merchandise		
		Months	Sales Rs.	Cost of merchandise (50% of sales) Rs.
Liabilities and capital :-	Rs.	Nov.	120,000	60,000
Share capital	120,000	Dec.	160,000	80,000
Account payable	<u>80,0000</u>	Jan.	160,000	80,000
Total assets	<u>2,00,000</u>	Feb.	200,000	100,000
Assets:-		Mar.	240,000	120,000
Inventory of merchandise	80,000	Apr.	280,000	140,000
Debtor :-				
Nov.'s sales 30,000				
Dec.'s sales <u>80,000</u>	110,000			
Cash in hand	<u>10,000</u>			
Total liabilities and capital	<u>200,000</u>			

- b. Gross profit margin on sales is 50%. All merchandise purchases are paid on following month of purchase.
- c. Company's all sales are on credit. As per sales manager, 50% of credit sales are collected in the month of sales and remaining 50% credit sales are collected on following two month of sales equally. Bad debt and uncollectable debtors are negligible.
- d. Management expenses are 30% of sales which are payable on the month of their being due.
- e. The company has a policy to maintain sufficient merchandise inventory to meet the necessary for following months sales and a minimum cash balance Rs. 10,000.
- f. The company has been going to purchase a photocopy machine in the month of January at a cost of Rs. 80,000.
- g. The company has an agreement with Bank of Kathmandu, Surkhet for a soft loan at 12% interest annually and assumed that loan is taken in the first day of month and repayment is in the last day of the month. Loan are received in a multiple of Rs.5, 000 and repayment are in Rs.1, 000 and amount of interest due are paid for the loan with the repayment amount to a nearest of Rs. 100.

Required:-

- i. Merchandise Purchase budget for first three month of 2019. (2)
- ii. Management expenses budget for first three month of 2019. (2)
- iii. Cash receipt and disbursement budget for first three month of 2019. (5)
- iv. Budgeted income statement for first three month of 2019. (2)
- v. Budgeted balance sheet at the end of March 2019. (2)

