

POKHARA UNIVERSITY

Level: Bachelor

Semester: Spring

Year: 2023

Programme: BBA

Full Marks: 100

Course: Business and Society

Pass Marks: 45

Time: 3 hrs.

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

Section “A”

Very Short Answer Questions

Attempt all the questions. [10×2]

1. What are the external factors influencing the business and society relationship?
2. What is corporate citizenship?
3. What are the elements of corporate social responsibility?
4. Construct simple stakeholders map for a business firm.
5. What do you understand by stakeholder coalitions?
6. What are the core elements of ethical character?
7. What do you mean by conflict of interests? Give an example.
8. What are the significance of Corporate Governance?
9. What do you mean by independence and diligence of BOD?
10. What is Whistle Blowing? How can whistle blowers be protected and encouraged?

Section “B”

Descriptive Answer Questions

Attempt **any six** questions. [6×10]

11. What are the main advantages of women at work? Explain the important corporate efforts to promote diversity in workplace.
12. What are the benefits of CSR to business and society? Discuss the major drivers of CSR in the developing countries like Nepal. [5+5]
13. Stakeholders’ analysis involves more than just identifying stakeholders. It involves understanding the nature of their interest, power, legitimacy and coalitions among them. Elaborate this statement with suitable examples.
14. Explain the various causes and consequences of ethical problems in business. What are your suggestions to make ethics works in Nepalese organizations? Discuss. [5+5]
15. Compare and contrast agency theory, transaction cost economics theory and stewardship theory of corporate governance. Which one of these theories do you think is superior? Why?

16. How do you evaluate impact of ethics on business and society? Elucidate.
17. Discuss the current corporate governance scenario of Nepal. What are your suggestions for improving existing corporate governance system of Nepal.

Section “C”

Case Analysis

18. *Read the case situation given below and answer the questions that follow:*
[20]

Kavin’s first year

Kavin was a bright individual who was being groomed for the controller’s position in a medium sized manufacturing firm. After Kavin’s first year as assistant controller, the officers of the firm started to include him in major company functions. One day, for instance, he was asked to attend the monthly financial statement summary at a prestigious consulting firm. During the meeting, Kavin was intrigued at how the financial data he had accumulated had been transformed by the consultant into revealing charts and graphs.

New manufacturing plant

Kavin was generally optimistic about the session and the company’s future until the consultant started talking about the new manufacturing plant the company was adding to the current location and the per-unit costs of the chemically plated products it would produce. At that time, Joseph, the president, and George, the chemical engineer, started talking about waste treatment and disposal problems. George mentioned that the current waste treatment facilities could not handle the waste products of the “ultramodern” new plant in a manner that would meet the industry’s fairly high standards, although the plant would still comply with federal standards.

Cost Increases: Kevin’s boss, Stiven, noted that the estimated per-unit costs would increase if the waste treatment facilities were upgraded according to recent industry standards. Industry standards were presently more stringent than federal regulations, and environmentalists were pressuring strongly for stricter regulations at the federal level. Joseph mentioned that since their closest competitor did not have the waste treatment facilities that already existed at their firm, he was not in favor of any more expenditures in that area. Most managers at the meeting resoundingly agreed with Joseph, and the business of the meeting proceeded to other topics.

Kevin's Dilemma: Kevin did not hear a word during the rest of the meeting. He kept wondering how the company could possibly have such a casual attitude toward the environment. Yet he did not know if, how, when, or with whom he should share his opinion. Soon, he started reflecting on whether this firm was the right one for him.

Questions:

- a) Who are the key stakeholders in above-described case? Discuss their stakes as per the case?
- b) How would you assess the firm's CSR toward the environment and the community?
- c) How do you think the concept of CSR in Ecological Environment is related in the case?
- d) What would you do and why? If you were in the place of Kevin.

POKHARA UNIVERSITY

Level: Bachelor

Semester: Spring

Year: 2023

Programme: BBA/BI/TT/BCIS/BHCM/BHM

Full Marks: 100

Course: Business Research Methods

Pass Marks: 45

Time: 3 hrs.

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

Section “A”

Very Short Answer Questions

Attempt all the questions. [10×2]

1. Differentiate between applied and pure research with an example.
2. What is the purpose of literature review?
3. What is meant by a hypothesis? State the criteria for a good hypothesis statement.
4. Define research design.
5. List out the four types of Scales.
6. Differentiate between validity and reliability with examples.
7. What are the components of research proposal?
8. List out any four characteristics of non-parametric tests.
9. How are sampling errors different from non-sampling errors?
10. What are secondary data? State any two advantages of secondary data.

Section “B”

Descriptive Answer Questions

Attempt **any six** questions. [6×10]

11. What is scientific research? Explain the role and value of scientific research in business decision-making.
12. What is a literature review? Explain the steps involved in a literature review process.
13. Why do we use “Observation” as a source of collecting primary data? Explain in brief the types of Observation. Evaluate its advantages and disadvantages.
14. Why do we need Scales in Research? Write short notes on some of the commonly used techniques to measure attitude in Research.
15. Define descriptive and inferential statistics along with examples. Write about t-test, ANOVA, Chi square, and regression tests.
16. Differentiate between a research proposal and a research report. Explain the process of writing a research report.
17. What is a descriptive research design? Explain any two major types of descriptive research design.

Section “C”
Case Analysis

18. *Read the case situation given below and answer the questions that follow:* [20]

XYZ Brand had established itself as a trusted name in the consumer electronics market with a history of successful product launches. However, the company encountered unforeseen challenges when it introduced its latest product, an innovative smart home device. Despite having unique and feature-rich offerings electronic brands struggle to achieve the desired product visibility and generate the anticipated customer interest. XYZ Brand’s research consultant believed that the smart home device market was highly competitive, with numerous established brands already offering similar products. Despite having a strong brand reputation, electronic brands supplying smart home devices faced limited awareness among the target audience for their products. The brands also faced difficulty in effectively communicating the unique features and benefits of their products to potential customers. Furthermore, the technical aspects of the devices were complex, and simplifying them without diluting their values proved to be a challenge. Following the above observations, the XYZ Brand requested the consultant to conduct extensive research focusing on a large number of smart home device consumers and suggest some strategies that would help them to enhance the visibility of their products in the electronic market.

Questions:

- a) What is the main research problem associated with the case given above? Develop any four hypothesis statements in response to the research problem.
- b) Which research design should the research consultant use to conduct research on the above case? Why?
- c) How would the research consultant collect data for the above research? Explain the reasons why such a data collection instrument would be appropriate for the above case.
- d) Develop a theoretical framework indicating relevant variables for the above case.

POKHARA UNIVERSITY

Level: Bachelor

Semester: Spring

Year: 2023

Programme: BBA/BI/TT/BCIS

Full Marks: 100

Course: Data Analysis and Modeling

Pass Marks: 45

Time: 3 hrs.

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

Section "A"

Very Short Answer Questions

Attempt all the questions. [10×2]

1. If $SST = 90$ and $SSR = 70$, compute the coefficient of determination and interpret its Meaning.
2. Interpret the regression coefficient of regression model $y = 2 + 3x$. what is the estimated value when $x = 2$?
3. For a set of 8 data points, the sum of squared differences between observed values and estimated values of y is 35.72, what is the standard error of estimate?
4. Given information from a multiple regression analysis. if $n=25$, $b_1=5$, $b_2=10$, $sb_1=2$, $sb_2=8$. Setup a 90% confidence interval estimate of the population slope β_2 .
5. Using 2010 as the base year, compute price index number for 2015 by using unweight aggregates index method.

Product	A	B	C	D	E
2010 price (Rs)	27	32	290	60	21
2015 price (Rs)	52	51	314	76	86

6. What are the components of time series?
7. Demand for a certain commodity was 300 units in June, 60 in July and 160 in August. The forecast for June was 110 units with a smoothing constant of 0.30, what will be the September forecast.
8. What is the main objective of Assignment model? Differentiate between balanced and unbalanced assignment model.
9. Find the active and inactive constraints of following LP. Max profit $z=9X+7Y$.

Subject to, $2X+Y \leq 40$

$X+3Y \leq 30$

$X, Y \geq 0$,

where optimal profit $z = 750$ at $X = 18$ and $Y = 4$.

10. What is the role of dummy activity in network model? Draw network diagram for the following project.

Activities	A	B	C	D
Predecessors	-	-	A,B	B

Section “B”

Descriptive Answer Questions

Attempt **any six** questions. [6×10]

11. The income and expenditure of 10 families is given below.

Expenditure \$	5	10	15	20	25	30	35	40	45
Income \$	20	25	30	30	30	40	50	50	70

- Fit the regression equation of expenditure on income, Estimate the expenditure of family having income \$65.
 - Compute coefficient of correlation between income and expenditure and test the significance of correlation coefficient at 5% level of significance.
12. **“Fishers Index number is called an economic barometer”. Why?** From the following data show that fisher’s ideal index number satisfies both the time reversal test and factor reversal test.

Commodity	2011		2012	
	Price	Expenditure	Price	Expenditure
P	10	200	12	180
Q	12	144	15	300
R	8	80	8	96
S	20	300	12	432

13. The following table shows the population of a city for seven years.

Year	2016	2017	2018	2019	2020	2021	2022
Population(million)	23	24	28	31	33	35	38

- Find the trend line that best describes the data.
 - Find the monthly growth rate.
 - Calculate the trend values for different years.
 - Find the percentage of trend for the population of the city.
 - Find the relative cyclic residual for the population of the city.
 - In which year does the largest and smallest fluctuation from trend occur, and is it the same for both methods.
14. a) From the given information, calculate forecast for year 2015 using $\alpha=0.1$ and forecast for year 2012 was 95 units.

Year	Actual demand
2012	100
2013	120
2014	250

- A project work consists of four job for which 4 contractors have submitted tenders. The tender amounts quoted in lakhs of rupees are given in the matrix from.

Job/contractor	I	II	III	IV
A	10	16	12	9
B	24	22	20	26
B	30	28	32	34
D	15	12	10	16

Find the assignment which minimizes the total cost of the project. (Initial feasible solution by VAM)

15. Using the following data, find the minimum transportation cost.

Sources	Destinations				Availability
	A	B	C	D	
P	9	7	10	8	14
Q	8	11	9	11	27
R	13	10	12	10	14
Requirement.	15	19	11	10	55

16. A firm takes two types of furniture, chairs and tables. The contribution(profit) for each product as calculated by the accounting department is Rs. 200 per chair and Rs.300 per table. Both products are processed on three machines M1, M2 and M3. The time requirement in hours by each product and total time available in hours per week on each machine are as follows.

Machine	Chair	Table	Available time.
M1	3	3	36
M2	5	2	50
M3	2	6	60

How should the manufacturer schedule his production in order to maximize the contribution (profit)? Use graphical method.

17. A small project composed of eight activities and their time estimates are as follows: Consider the following project.

Acclivity	Pre-requisite Activity	Time Estimate		
		Optimistic	Mostly likely	Pessimistic
A	-	1	4	7
B	-	5	10	17
C	A	3	3	3
D	A	1	4	7
E	B	8	15	26
F	B	2	4	8
G	C,E	5	5	5
H	G,F	2	5	8

- a) Draw the network for this project and find the expected project completion time.

- b) What is the probability that the project will be completed within 41 days.
- c) What should be the scheduled completion time for the probability of completion to be 95%?

Section “C”

Case Analysis [20]

18. Successful selling is as much an art as a science, but many sales managers believe that personal attributes are important in predicting sales success. Design Alley is full service interior design store that sales custom blinds, carpets and wall coverings. The store manager, **Mr. A**, contracted with a sales- force selection company to conduct pre-hiring test on four aptitudes. **Mr. A** has collected sales growth data for 25 of the sales people who were hired, along with the scores from the four test of aptitude: **creativity**, **mechanical ability**, **abstract thinking**, and **mathematical calculation**. **Mr. A** generated the following Minitab output.

Coefficient Table

Predictor	Coefficient	Std. dev	t-ratio	p-value
Constant	70.0660	2.130	32.895	0.000
CREAT	0.42160	0.17192	2.4523	0.0024
MECH	0.27140	0.21840	1.2426	0.228
ABST	0.74504	0.28982	2.57	0.018
MATH	0.14955	0.06871	2.18	0.000

ANOVA Table

Source	Sum of Squares	df	Mean Square	F
Regression	1050.78	4	262.695	62.64
Residual	83.88	20	4.194	
Total	1134.66	24		

- a) Write the regression equation for sales growth in terms of the four factors test. Also predict the sales growth when CREAT = 12, MECH = 14, ABST = 18, and MATH = 30.
- b) Find standard error of estimate.
- c) How much variation in sales growth is explained by the aptitude tests?
- d) At a significance level of 0.05, which of the aptitude tests are significant explanatory variables for sales growth?
- e) Is the overall model significant as a whole?

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Full Marks: 100

Course: Financial Management

Pass Marks: 45

Time: 3 hrs.

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Section "A"

Very Short Answer Questions

Attempt all the questions. [10×2]

1. What is corporate governance?
2. What do you mean cash Break-even point?
3. What is the stock repurchase?
4. Define investment bankers. List out the key functions of investment bankers?
5. How cash conversion cycle can be reduced?
6. Briefly explain the motive of holding cash.
7. What is forward contract?
8. What are the key objectives of merger and acquisition.
9. What do you understand by inventory conversion period?
10. What is right offering?

Section "B"

Descriptive Answer Questions

Attempt **any six** questions. [6×10]

11. The following relationship exists for Kumari Enterprises. Each unit of output is sold for Rs.45; the fixed costs are Rs.175,000 of which Rs.110,000 is annual depreciation; variable costs are Rs.20 per unit. The firm has 10%, debenture Rs.200,000 and 15% preferred stock Rs.100,000. The firm is in 40% tax rate.
 - a) Calculate the accounting break-even point both in units and rupee.
 - b) What should be the level of sales in units to achieve target profit of Rs. 400,000?
 - c) Calculate the cash break-even quantity? Why do you calculate cash BEP if you have an accounting BEP figure?
 - d) Assume the company is operating at a level of 4,500 units. Are creditors likely to seek the liquidation of the company if it is slow in paying its bills?
 - e) Calculate the financial break-even both in rupee and quantity.
12. The Mercantile Company has the following shareholders' equity account:

Common stock (Rs 8 per value)	Rs 2,000,000
Additional paid-in capital	1,600,000
Retained earnings	8,400,000
Shareholders' equity	Rs 12,000,000

The current market price of the stock is Rs 60 per share.

What will happen to this account and to the number of shares outstanding with (1) a 20% stock dividend? (2) a 2-for-1 stock split? (3) a 1-for-2 reverse stock split?

13. Apple Corporation, wishes to acquire generator with which the firm can operate its daily operation during load shedding. The firm can lease the asset at an annual lease rent of Rs.65,000 per year payable at the beginning of the year or it can purchase the asset at a cost Rs.200,000. The machine has a useful life of 4 years, after with an expected salvage value of Rs.25,000. The depreciation value of machine from year 1 through 4 would be calculated as 33 percent, 45 percent, 15 percent, and 7 percent of the cost of the asset. The firm can borrow at an annual interest rate of 12%. The firm is in 25 percent tax bracket.
- What is company's PV cost of leasing?
 - What is company's PV cost of owning? Should the truck be leased or purchased?
14. RC corporation is attempting to analyze its efficiency in working Capital management. It has sales of Rs 360,000 this year of which 80 percent are on credit. The investment in receivables for the firm is worth for Rs 50,000. The cost of goods sold which includes the material and labor costs are 60 percent of sales (assumes all purchase are on credit). The firm has Rs 60,000 investment in inventories and an average account payable of Rs 30,000. Assume 360 days a year.
- What are the firm's day's sales outstanding, inventory conversion period and payable deferral period?
 - What is the length of firm's cash conversion cycle?
 - What amount of working capital must it finance?
 - What is the working capital turnover of the firm?
15. The stocks of H. Company and L. Products Company are expected to have the following probability distributions with respect to market price per share 6 months hence.

Probability of occurrence	H. Company	L. Company
0.15	Rs 32	Rs 20
0.20	36	26
0.30	38	34
0.20	40	42
0.15	44	48

Options exist for each of these stocks, and both have an exercise price of Rs 35 and an expiration date 6 months from now.

- What is the expected value of market price per share 6 months hence for the two companies?
 - What is the expected value of option price for the two options at expiration, assuming the options are held to this time?
16. What is agency problem? What are the issues in the conflict of interest between stockholders and managers and how can they be resolved?

17. What is financial distress? Describe the key reasons of financial distress. How can we address it? Explain.

Section “C”

Case Analysis

- 18 *Read the case situation given below and answer the questions that follow:*

- a) The Bharatapur Bakery buys and then sells as bread 2,450,000 kg annually. The wheat must be purchased in multiples of 1,000 kg. Ordering cost, which includes grain elevator removal charge of Rs 350 is Rs. 500 per order. Annual carrying costs are 2 percent of the purchase price of Rs. 25 per kg. The company maintains a safety stock of 200,000 kg. The delivery time is 1 week. Assume 50 weeks in a year. [8]
- What is the economic order quantity?
 - Calculate the total cost of inventory including safety stock.
 - At what inventory level should a reorder be placed to prevent withdrawal of the safety stock?
 - The wheat processor agrees to pay the elevator removal charges if the company will purchase wheat in quantities of 500,000 kg. Would it be advantageous to company order this alternative quantity?
- b) Mina textile company has 21 retail clothing outlets scattered throughout the country. Each outlet sends an average of Rs. 2,500 daily to the head office in Biratanager, through checks drawn on local banks. On average, it takes six days before the company's Biratanager bank collects the checks. The company is considering an electronic funds transfer arrangement that would completely eliminate the float. [6]
- What amount of funds will be released?
 - What amount will be released on a net basis if each local bank requires an increase in compensating balances of Rs.7,500 to offset the loss of float?
 - Suppose that the company could earn 15 percent interest on the net released funds in Part (b). If the cost per electronic transfer were Rs.5 and each store averaged 250 transfer per year, would the proposed arrangement be worthwhile? (Assume that the cost of issuing checks on local banks is negligible.)
- c) Ram Spinning Mills sells on terms of 2/10, net 30. Total sales for the year are Rs 1,825,000. 40 percent of the customers pay on the tenth day and takes discount, the other 60 percent pay on average 40 days after their purchases. Assume 360 days a year. [6]
- What is the DSO?
 - What is the average amount of receivables?
 - What would happen to average receivables if the firm toughened its collection policy with the result that all non discount customers paid on the 30th day?