

# POKHARA UNIVERSITY

Level: Bachelor

Semester: Spring

Year: 2025

Programme: BBA/BBA-BI

Full Marks: 100

Course: Essentials of e-Business

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. Compare the concept of e-business and e-commerce.
2. What are the major factors that affect the online consumer behavior?
3. Write down the importance of integration of product catalogue.
4. Define the term archiving in e-contracting.
5. What do you understand by IPSEC?
6. What do you mean by digital signature?
7. What do you mean by e-cash and e-cheque?
8. How do you define viral marketing?
9. Define the term hybrid distribution.
10. What is the significance of an e-business plan?

## Section “B”

### Descriptive Answer Questions

Attempt **any six** questions. [6×10]

11. Explain the impact of e-business technologies on economic growth, market competitiveness and productivity.
12. Discuss the advantages and disadvantages of database management systems (DBMS) in e-business.
13. Explain Digital marketing strategy with its various tools and techniques used in digital marketing?
14. a. How is e-purchase different from e-procurement?  
b. What is buy side and how does it differ from sell side?
15. Explain in detail the structure of contract. What are the legal issues that may arise in doing e-business?
16. Define the term online distribution. Explain various components of distribution system and explain the model of electronic software distribution (ESD) with an example.
17. A company is planning to introduce an advanced online payment system to replace traditional methods. What factors should be considered to ensure the payment system is secure, user-friendly and widely accepted?

**Section "C"**  
**Case Analysis**

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

Although support for the green movement is growing, most consumers want to know how going green can save their money. Until recently, acquiring this information was difficult for the average consumer. Now the explosive growth of mobile applications is creating a solution to this problem. These 'green' apps enable users to save money and/or locate green products by making small changes in their everyday lives. For instance, zero gates' Meter Read iPhone app allows users to monitor their energy usage. Founder Mark Barton claims that by adopting these suggestions, he was able to decrease his monthly energy bill by \$50.

In addition to helping consumers save money, mobile apps can also help to combat green washing. Green washing occurs when markets claim that a product is greener than it really is. Because there are very few guidelines on what constitute a green product, consumers must often research products before they enter the store. One of the most popular green mobile apps, known as God Guide, is eliminating this problem.

Consumers with app can use their phones to photograph product barcodes. The app will then provide information on the sustainability of the product while the consumers are still in the store. Green apps have the potential to revolutionize the green movement, particularly as it meets consumer desires for cost savings and convenience. Perhaps best of all, many of the apps are relatively inexpensive, ranging from free to a few dollars.

**Questions:**

- a. What do you understand by Green products? Given example. [5]
- b. What are some of the barriers preventing consumers from buying green products? Explain how they are barriers. [5]
- c. How can mobile apps help consumers to be more "Green"? [5]
- d. What are some ways that mobile apps are combating green washing? Discuss. [5]

# POKHARA UNIVERSITY

Level: Bachelor

Semester: Spring

Year: 2025

Programme: BBA/BBA-BI/BBA-TT

Full Marks: 100

Course: Financial Management

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 decisions involved in financial management?
2. What is optimal capital structure?
3. Differentiate between business and financial risk.
4. What is cash BEP? What does it measure?
5. How can cash conversion cycle be reduced?
6. If conversion price is Rs.50 and market price of share is Rs.60 what should be the initial conversion premium?
7. What is the minimum value of convertible bond?
8. Briefly explain the motive of holding cash.
9. A firm has cost of goods sold of Rs 360,000 and average inventory of Rs 60,000. What is its inventory turnover? Assuming 360 days in a year, what is its inventory period?
10. Brief in short about call option and put option.

## Section “B”

### Descriptive Answer Questions

Attempt **any six** questions. [6×10]

11. What do you know about agency relationship? Explain how agency problem can be resolved in the business firm?
12. The following information is given for the purpose of calculating break-even point.

Selling price = Rs 5, Variable cost = Rs 3 and fixed cost = Rs 24,000 including depreciation of Rs 8,000.

You are required to calculate:

- a. Operating BEP
- b. Cash BEP
- c. Why do you calculate cash BEP if you have an operating BEP figure?
- d. Sales if the desired profit is Rs 30,000.
- e. Sales if desired profit after tax is Rs 20,000 and income tax rate is 40 percent.

13. Guru Trading Company has 2.4 million shares of common stock outstanding and the present market price per share is Rs 36. Its equity capitalization is as follows:

Common stock, Rs 2 par	Rs 4,800,000
Additional paid-in-capital	5,900,000
Retained earnings	87,300,000
Shareholders' equity	Rs 98,000,000

- a. What would happen to these accounts if the company were to declare 12 percent stock dividend?
- b. If the company were to declare 3-for-2 stock split, what would happen to the equity account?
- c. What is the purpose of stock dividend?

14. The ABC Company has warrants outstanding that allow the holder to purchase 3 shares of stock for a total of Rs 60 for each warrant. Currently, the market price per share of the company common is Rs 18. Investors hold the following probabilistic beliefs about the stock 6 months hence:

Market price per share	Rs 16	Rs 18	Rs 20	Rs 22	Rs 24
Probability	0.15	0.20	0.30	0.20	0.15

- a. What is the present theoretical value of the warrant?
- b. What is the expected value of stock price 6 months hence?
- c. What is the expected theoretical value of the warrant 6 months hence?
- d. Would you expect the present market price of the warrant to equal its theoretical value? If not, why not?

15. Biju Noodles Company has an inventory turnover of 12 times each year, an average collection period of 45 days, and an average payment period of 40 days. The firm spends Rs 1 million on operating cycle investments each year. Assuming a 360-day year:

- a. Calculate the firm's operating cycle.
- b. Calculate the firm's cash conversion cycle.
- c. Calculate the amount of negotiated financing required to support the firm's cash conversion cycle.
- d. If the firm's operating cycle were lengthened, without any change in its average payment period, how would this affect its cash conversion cycle and negotiated financing need?

16. Jalvidhyut Company (JC) needs a drilling machine for tunnel construction. Leasing the machine on a 4 year contract with a lease payment of Nrs. 50K per year with payments at the end of year. Alternatively, can purchase the machine at Nrs. 200,000. The cost of capital is 10%. The machine falls into the MARCS 3 year class, has a residual value of Nrs. 20,000. The financing for machine is 12% and tax rate of 35%.

- a. What is PV of leasing? [2]
- b. What is PV of owning? Should we purchase or not? [6]

c. What are the advantage of leasing over purchasing? [2]

17. What do you mean by mergers and acquisitions? Explain the motives behind mergers and acquisitions.

**Section "C"**  
**Case Analysis**

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

A. Bhatbhatini Supermarket has centralized billing system. Payments are done by customers to the central billing. It requires, on an average, four days for customers' mailed payments to reach the central location. An additional day and a half is required to process payments before a deposit can be made. The firm has a daily average collection of Rs. 500,000. The company has recently investigated the possibility initiating of lock-box system. It has estimated that with such a system customers' mailed payments would reach the receipt location two & a half day sooner. Further, the processing time could be reduced by an additional day because each lock box bank would pick up mailed deposit twice a day.

- a. Determine how much cash would be freed up through the use of lockbox system. [2]
- b. Determine the annual gross rupee benefit of the lockbox system, assuming the firm could earn 5 % return on released funds in part a) by investing in short term instruments. [4]
- c. If the annual cost of lock-box system will be 75,000; should such system be initiated? [4]

B. Delicious biscuit factory requires 20,000 bags of wheat per year for the production of biscuit. Each bag contains 50Kgs of wheat and purchase price per kg is Rs 25. It costs 10% for holding the inventory of wheat in a stock per year and ordering cost per order is Rs 125. The factory has 5 days of lead time and need to maintain 10 days consumption in safety stock. Assuming days in a year 360.

- a. What is the EOQ in Kgs?
- b. What is the total inventory cost including safety stock?
- c. At what inventory level should a reorder be placed?
- d. If the suppliers of wheat offers 0.2% quantity discount for the order size of 40,000 Kgs of wheat, should the biscuit factory accept the offer?

# POKHARA UNIVERSITY

Level: Bachelor

Semester: Spring

Year: 2025

Programme: BBA-BI

Full Marks: 100

Course: Legal Aspects of Banking and Insurance

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. Why are banks and insurance companies considered legal persons?
2. Write the names of any two institutions involved in regulating banks or insurance in Nepal.
3. What do you mean by debt recovery tribunal?
4. Mention key objectives of the central bank as laid down by the NRB Act, 2058.
5. State two importance of Memorandum of Association.
6. When does an agreement become a valid contract?
7. Discuss the importance of Corporate Governance in Banking and Insurance sectors.
8. State the functions that a corporate body can carry out in the capacity of a legal person.
9. What is Banking Offence?
10. Write down the major objectives of the establishment of the Nepal Insurance Authority.

## Section "B"

### Descriptive Answer Questions

Attempt **any six** questions. [6×10]

11. "Memorandum of Association and Article of Association are two important twin documents of company but serve for distinct purposes". Explain.
12. Discuss the importance of monitoring and supervising function of the Nepal Rastra Bank.
13. What are the goals of insurance regulation? Mention current regulatory structure of it.
14. Clarify the concept of corporate governance and assess the role of Nepal Rastra Bank in upholding principles of corporate governance within banks and financial institutions.
15. The Board of Directors is often regarded as the 'brain' of a company. Discuss this analogy with the Board's role in effective management and corporate success.
16. Explain the development of banking and insurance laws in Nepal.

17. Why the principle of indemnity is regarded as the most prominent principle of Insurance business?

**Section “C”**  
**Case Analysis**

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

Mr. Sharma, a businessman, requested a loan of NPR 2 million from Mr. Bhandari, stating that it was needed for his business expansion. To assure repayment, he issued a post-dated cheque of ABC Bank. Relying on their prior business relationship, Mr. Bhandari provided the funds in good faith. Upon presenting the cheque the following month, the bank dishonored it due to insufficient funds. Attempts to contact Mr. Sharma were unsuccessful. Further inquiry revealed that Mr. Sharma had similarly defrauded at least 15 others and had since absconded.

**Questions:**

- a. Where should Mr. Bhandari file a complaint against Mr. Sharma? [2]
- b. What is the statutory limitation for initiating legal proceedings in such a case? [2]
- c. Identify Drawer, Drawee, and Payee in the above case. [2]
- d. What do you mean by cheque dishonor? [2]
- e. Which law is applicable to address this case? [2]
- f. What legal remedies are available under Nepalese law in the event of cheque dishonor? [4]
- g. In recent years, there has been a noticeable rise in complaints related to the dishonor of cheques. What may be the factors contributing to this trend? What preventive measures could be implemented to address this issue? Provide a reasoned analysis. [6]

# POKHARA UNIVERSITY

Level: Bachelor

Semester: Spring

Year: 2025

Programme: BBA-BI

Full Marks: 100

Course: Life and Health Insurance

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. Give the meaning of life insurance.
2. How do you define premature death in Life Insurance?
3. State any three characteristics of a term insurance plan.
4. How do you call an Insurance Agent is a first underwriter. Give three reasons.
5. Point out the process of death claim settlement in life insurance.
6. List out the general steps involved in purchasing a life insurance policy.
7. What is third party administrator (TPA)?
8. List out four major factors must be considered while determining the cost of life insurance.
9. Define annuities and write its types.
10. Mention six health care problems in Nepal.

## Section “B”

### Descriptive Answer Questions

Attempt **any six** questions. [6×10]

11. Trace out the historical development of the life insurance sector in Nepal and highlight major turning points. Analyze the current challenges faced by and opportunities of life insurance companies. [5+3+2]
12. Explain in details about the maturity and death claim settlement practices and documents required in Nepal. [4+6]
13. Briefly explain any six life insurance contractual provisions.
14. What do you mean by underwriting guidelines? What are the steps generally required completing the process of underwriting of life insurance? [3+7]
15. Give the concept of individual and group insurance. Write six characteristics and benefits of group insurance. [4+6]
16. There are various health insurance programs available in Nepal. Discuss any four programs.

17. List out ten different life insurance products under different categories offered by Nepalese companies. Give features of these products. Suggest any three products to Sandwich family.

**Section “C”**  
**Case Analysis**

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

Mr. Ram Prasad Bhandari, a 42 year’s old widowed father, works as a bus conductor in a small town in Nepal. After the sudden demise of his wife in a road accident four years ago, he has been the sole caregiver for his three children: Anjali, Deepak and Kabita are 12, 9 and 6 years old respectively. Ram earns around Rs. 18,00 per month. His income barely covers food, school fees, and basic household needs.

Ram does not own a house and pays Rs. 5,000 monthly rents. He has no savings and often borrows money during health emergencies. Recently, one of his fellow conductors shared how his family was supported by a life insurance pay out after he passed away. This struck Ram, who worries deeply about his children’s future if anything were to happen to him.

Ram began researching about life insurance and came across the following options:

- Micro Life Insurance: designed specifically for low-income individuals with very low premiums.
- Child Education Insurance Plans: Provides financial aid for children’s education in case of the parent’s death or policy maturity.
- Group life Insurance Plans: available through certain transport unions at discounted rates.

Now, Ram faces the challenge of deciding which type of insurance would secure his children’s future without putting extra strain on his current income.

**Questions: [4×5=20]**

- a. If you were an insurance advisor, what policy or combination of policies would you recommend to Ram Prasad Bhandari? Why?
- b. How do micro term life insurance and child education insurance differ, and which aligns more closely with Ram’s priorities?
- c. What role does affordability play in selecting a policy for low-income individuals like Ram, and how can insurers make products more accessible?
- d. Briefly discuss the social and financial importance of life insurance for single parents in informal employment sectors.