Faculty of Management

Bachelor of Business Studies
(4 Years BBS Programme)

1st Year Curriculum

Curriculum Development centre

Tribhuvan University
Kirtipur, Kathmandu
NEPAL

2013
Bachelor of Business Studies (BBS)

Program Objectives
The objective of the BBS programme at the FoM is to develop students into competent managers for any sector of organized activity. The programme is based on the principle that graduates will spend a major portion of their life in a constantly changing environment. Therefore, the student should have an opportunity to obtain a broad knowledge of the concepts and reality-based skills underlying the operation and management of organizations.

Upon graduation, a student should be equipped to function as a manager in business, industry and government. The graduate should also have a variety of career opportunities in different sectors of business including entrepreneurship and create much needed jobs for others.

The BBS programme specially attempts to:
1. Equip the students with the required conceptual knowledge of business and administration to develop a general management perspective in them.
2. Develop required attitudes, abilities and practical skill in students, which constitute a foundation for their growth into competent and responsible business managers.
3. Encourage entrepreneurial capabilities in students to make them effective change agents in the Nepalese society.
4. Develop necessary foundation for higher studies in management and thereafter take up careers in teaching, research and consultancy.

Curricular Structure
The FoM recognizes the need for both breadth and depth in the total academic pattern. Therefore, the curriculum for BBS degree comprises four separate and distinct course components:
1. A strong foundation in allied areas of business such as language, economic analysis, legal environment, quantitative methods and research methods to prepare graduates to understand, analyze and comprehend the management concepts, theories and practices.
2. Core business studies encompassing and integrating all functional areas to provide graduates with an appreciation of the diversity and inter-relationship of business and management issues.
3. The opportunity to concentrate in one area of specialization such as accounting, finance, human resources management, management science, and marketing in order to provide graduates with some degree of functional expertise.

Eligibility Conditions for Admission
The candidate applying for admission to the BBS programme:
1. must have successfully completed the PCL or 10+2 in business/commerce or an equivalent course from a Higher Secondary School Board, or from Tribhuvan University, or from any other University/Board recognized by TU.
2. must have studied English as a full paper at the PC level or 10+2 programme.
3. must have secured the minimum marks at the PC level or 10+2 programme as prescribed by the Faculty Board or the campus concerned.
4. must satisfy any other entry requirements or criteria including the entrance test as prescribed by the Faculty Board or the campus.
Minimum General Requirements
The minimum general requirements for the 4-years BBS programme are as follows:

1. An academic year will consist of a minimum of 150 teaching days excluding the days taken for admission and annual examinations.
2. The total instructional hours in an academic year will be 615 (150 days x 4:10 hours a day). For courses requiring field and practical works, additional hours of study will be required.
3. There will be a minimum of five periods (i.e. class hours) each teaching day. The campuses running morning or evening shifts will also be required to meet this minimum class requirement.

Attendance, Evaluation and Grading System
The final evaluation of students is done through the annual examination conducted by the Office of the Controller of Examinations, Tribhuvan University. However, for qualifying to appear in the annual examinations, students must meet the following requirements:

(a) The student must have a minimum of 70 percent attendance of the classes actually held.
(b) No student will be allowed to appear in the second year final examinations without first appearing in the first year final examinations.

The grading system in the annual examinations is as follows:
- Third Division: 35 Percent
- Second Division: 45 Percent
- First Division: 60 Percent
- Distinction: 75 Percent

Methods of Instruction
The campuses offering the BBS programme should use the methods of instruction which help prepare the student for the realities of Nepalese business, industry and government in which he/she has to work. A combination of lectures, group discussions, problem-solving exercises, guest lectures, practical work, and fieldwork will be used as approaches to learning. The campuses are also encouraged to use the case method of instruction whenever required and wherever possible.

Graduation Requirements
The BBS programme extends over three academic years and the BBS degree is awarded on its successful completion. All candidates for BBS degree must fulfill the following requirements:

1. The successful completion of 2000 marks as prescribed with passing grades in all the courses.
2. The passing scores obtained in all theory and practical components of the course separately.
3. Completion of courses for the fulfillment of BBS programme must occur within the time limit as prescribed by Tribhuvan University.
BUSINESS STATISTICS

Course No: MGT 202
Nature of the Course: Compulsory

Full Marks: 100
Pass Marks: 35
Lecture hour: 150

Course objective
The basic objective of this course is to acquaint the students with necessary mathematical tools and statistical techniques to be used in business decision making processes.

Content
Unit 1: Introduction to Statistics
Meaning, scope and limitation of statistics, Importance of statistics in Business and Management, Types and sources of data, Methods of collection of primary and secondary data, Precautions in using secondary data, Problems of data collection

Unit 2: Classification and Presentation of Data
Data classification (need, meaning, objectives and types of classification)
Construction of frequency distribution and its principles
Presentation of data: Tabular presentation
Diagrammatic presentation: Bar diagram, Pie diagram
Graphic presentation: Histogram, frequency polygon, Frequency Curve and Ogive
(Illustrations related to Business and Management)

Unit 3: Measures of Central Tendency
Mean: Simple and Weighted (Arithmetic Mean, Geometric Mean and harmonic Mean), median, partition values, mode, Properties of averages, choice and general limitation of an average

Unit 4: Measures of Dispersion
Absolute and relative measures, Range, Quartile deviation, mean deviation, standard deviation, coefficient of variation, Lorenz curve

Unit 5: Skewness, Kurtosis and Moments
Meaning, objective and measurement of Skewness, Karl Pearson's and Bowley's Method
Five Number Summary, Box-Whisker Plot
Kurtosis and its measurement by Percentile method
Meaning of moments, Central and Raw moments and their relationship
Measurement of Skewness and Kurtosis by moment method

Unit 6: Simple Correlation and Regression Analysis
Karl Pearson's correlation coefficient including bi-variate frequency distribution, coefficient of determination, Probable Error, Spearman's Rank Correlation coefficient
Concept of Linear and Non-linear regression
Simple linear regression equations including bi-variate frequency distribution, Properties of regression coefficients.
Unit 7: Analysis of Time Series
Meaning, need and components of time series.
Measurement of trend: Semi-average, moving average, method of least squares
Measurement of seasonal variation: Method of simple average and Ratio to moving average

Unit 8: Index Numbers
Meaning and types of Index Number
General rule and problems in construction of Index Number
Methods of constructing index numbers:
Simple and weighted (Aggregative and Price Relative Method)
Laspeyre’s and Paasche’s Index Number, Fisher’s Ideal Index Number
Time and Factor Reversal Tests
Cost of living index number (Consumer’s price index number): Aggregative Expenditure Method and Family Budget Method, Base shifting and Deflating

Unit 9: Probability
Definition of probability, Addition and Multiplication theorem, Application of Combination in Probability, Conditional probability and Baye’s Theorem

Unit 10: Sampling and Estimation
Meaning of sample and population, census versus sampling, Sampling Techniques,
Concept of Sampling distribution, standard error, Estimation, estimator
Concept of types of estimates: Point and Interval

Unit 11: Quantitative Analysis
Introduction to quantitative analysis
Application of management science:
Scientific approach to decision making, Decision making under the condition of uncertainty and risk, Expected Profit, Expected Profit with perfect information and Expected value of perfect information,
Linear Programming Problem:
Problem formulation with two decision variables, Graphical solution of Maximization and Minimization problems.

Unit 12: Determinant
Definition of determinant, Methods of finding the numerical values of determinant upto three order, Properties of determinant and its use to find the numerical values of determinants, Cramer’s Rule to solve simultaneous equations up to three variables.

Unit 13: Matrix
Definition and types of matrix, Addition, subtraction and multiplication of matrices, Cofactors, Transpose, Adjoint and Inverse of a matrix, Inverse and Row Operations method to solve simultaneous equations upto three unknowns.
(Illustrations and applications in all chapters should be based on Business and Management situation as far as possible.)
Basic Books

Reference Books
Sharma, Pushkar Kumar and Silwal, Dhruba Prasad, *Business Statistics*, Taleju Prakashan, Kathmandu

BUSINESS ENGLISH

Course No.: MGT 201
Nature of the Course: Compulsory

Full Marks: 100
Pass Marks: 35
Lecture hours: 150

Course Objectives
The BBS English course is a two-pronged English course emphasizing the core areas of reading and writing along with a strong communication component. It is designed to help students get ahead fast with their general English skills in interdisciplinary contexts with the lessons covering important vocabulary, grammar, reading and writing, listening and speaking skills for general and technical English. It is a theme-based course with comprehensive coverage of English language and critical thinking skills. Authentic listening and reading materials provide models for up to date language, grammar, and vocabulary.

The course has the following four main components:

i) Interdisciplinary Approach to Learning English
ii) Functional English Language Texts
iii) Reading for Writing
iv) Style

General Objectives
The general objectives of the course are to

- develop specific skills in core English
- tech the writing modes
- discuss rhetorical devices
- present language points required for academic success
- support serious reading and writing activities
- understand and produce paragraphs, essays, letters, and report
- build students' confidence in using English in professional and social scenarios
- develop critical skills and cultural awareness
Specific Objectives
The specific course objectives are to teach students to:
- work on writing, reading and listening skills
- use correct punctuation, spelling and vocabulary
- increase confidence and fluency in speaking
- improve accuracy to enable clear communication of ideas
- develop understanding of grammar
- interact in a multi-cultural and interdisciplinary environment
- focus on student’s personal needs and objectives
- acquire a wide interdisciplinary knowledge of different disciplines
- use thought-provoking readings to develop writing skills
- give students tools to write both personal and academic essays
- help students write in multiple modes
- encourage thinking and reflection as a prelude to writing
- expand students' knowledge of grammar
- introduce students to the key areas in the study of style
- give suggestions for project work

Contents
Unit 1: Interdisciplinary Approach to Learning English (Weightage 40%)
This component of the course carries carry 40 marks.
1) Invitation
   Interactions (relating to the text) and Spotlights
2) Ancient Tales
   Yudhisthira's Wisdom (Rao); The Brave Little Parrot (Martin); If Not Higher (Peretz);
   Interactions (relating to the selected texts) and Spotlights
3) Education
   Why go to a University? (Nissani); Don't Cut Down the Trees, Brother Woodcutter (Sama); Surely
   You Are Joking, Mr. Feynman (Feynman); A 1996 Commencement Speech (Rushdie);
   Interactions (relating to the selected texts) and Spotlights
4) Actions and Consequences
   The Parrot in the Cage (Paudyal); A Sound of Thunder (Bradbury);
   No Smoke from the Chimneys (Shrestha);
   Interactions (relating to the selected texts) and Spotlights
5) Television
   The Wretched Stone (Van Allsburg); TV Can be a Good Parent (Gore);
   Interactions (relating to the selected texts) and Spotlights
6) Crosscultural Bridges
   Marriage is a Private Affair (Achebe); Then and Now: Finding My Voice (Kim);
   Interactions (relating to the selected texts) and Spotlights
7) Cultural Anthropology
   Arranging a Marriage in India (Nanda); Life is Sweet at Kumansenu (Nicol);
   Interactions (relating to the selected texts) and Spotlights
8) The Human Condition
   The Lunatic (Devkota); How Sane Are We? (Chaudhary); Gaia (Lohani)
   Interactions (relating to the selected texts) and Spotlights

9) Natural Science
   The Making of a Scientist (Ramchandran); Scientific Inquiry: Invention and Test (Hempel);
   Interactions (relating to the selected texts) and Spotlights

10) Humor and Satire
    King John and the Abbot of Canterbury (Anon); Third Thoughts (Lucas); The Clock Tower
    (Sherchan);
    Interactions (relating to the selected texts) and Spotlights

11) Critical and Creative Thinking
    The Stub Book (de Alarcon); Mr. Know-All (Maugham); Keeping
    Errors at Bay (Russell); What Is Intelligence, Anyway (Asimov);
    Interactions (relating to the selected texts) and Spotlights

12) Love
    To His Coy Mistress (Marvell); The Telegram on the Table (Pradhan); Piano (Lawrence);
    Interactions (relating to the selected texts) and Spotlights

13) Life and Death
    The Great Answer (Oursler); Stopping by Woods on a Snowy
    Evening (Frost); A Tale (Koirala); Ethics (Pastan); 'Where the Mind is without Fear' (Tagore);
    New Year (Parijat);
    Interactions (relating to the selected texts) and Spotlights

Prescribed Book

Unit 2: Functional English Language Texts (Weightage 15%)
This component of the course carries carry 15 marks.
1) Paragraph to Short Essay
2) Descriptive Essays
3) Narrative Essays
4) Opinion Essays
5) Comparison and Contrast Essays
6) Cause and Effect Essays

Prescribed Book
   2005.

Unit 3: Reading for Writing (Weightage 30%)
This component of the course carries carry 40 marks.
1) Introduction to the Topic, Reading, and Discussion
   Reflection
   Discussion
   Preparing to read
Reading for overall meaning
Reading for more detail

2) Personal Written Response
   Journals: a private audience
   Shared writing
   Feedback on student writing

3) Further Reading, Writing, and Discussion
   Preparing to read
   Reading for overall meaning
   Reading for more detail
   Helping each other understand
   Discussion: Critical thinking

4) Focus on Writing Skills
   Using other’s writing
   Meeting reader expectations
   Sentence grammar

5) Formal on Writing Skills
   Writing topics
   Generating ideas
   Expanding student point of view
   Initial drafts
   Review, revision, and assessment

6) Grammar and Punctuation
   Sentence Structure
   Relative Clauses
   Word Order
   Adjectives and Adverbs
   Punctuation

Complete Essay Assessment Checklist

**Prescribed Book**

**Unit 4: Style (Weightage 15%)**
This component of the course carries carry 15 marks.
1) Choosing le most juste
2) Following and flouting conventions
3) Live and dead metaphors
4) Patterns of words in a text
5) Patterns of grammar in a text
6) The textual orchestration of patterns
7) The effects of the medium
8) Sequences of words and events
9) The selection of significant detail
10) Personal attitude, involvement and emotion
11) Style and ideology
12) A note on the poetic
13) Suggestions for projects

Prescribed Book

Teaching Methods
The suggested teaching method is to introduce the theme and the writing task and then guide the students to practice specific skills and put language knowledge to produce their own writings. The recommended approach is to view the books not as mere language texts but to introduce students to many disciplines, to expand their intellectual and spiritual horizons, to underscore the nobility of humanity's never-ending search for truth, beauty, and compassion. The goal is, therefore, to teach language skills along with insight and wisdom. The specific methods are also suggested in the course books and teacher manuals, and it will prove valuable for teachers to follow them. A useful method will be to introduce the theme and the writing task and then guide the student to practice specific skills and put language knowledge to produce their own writings in different genres using appropriate styles.

Evaluation
The examinations will cover the language skills and include a range of tasks which assess students' ability to use English in a variety of contexts. Above all, the examinations will assess the students' ability to communicate effectively in English, especially in reading and writing activities using appropriate writing style.

Suggested Books

PRINCIPLES OF MANAGEMENT

Course No.: MGT 213  
Nature of the Course: Core
Full Marks: 100  
Pass Marks: 35  
Lecture hours: 150

Course Objectives
The basic objective of this course is to give a comprehensive knowledge to students about organization and help them understand the major functions, principles, and techniques of management. The course deals with basic functions like planning, organizing, leading, and controlling with special orientation to modern management practices which are essential to manage business successfully and other organizations.
Contents
Unit 1: The Nature of Organizations LH 15

Unit 2: Introduction to Management LH 10

Unit 3: Evolution of Management Thought LH 15
  Introduction, contribution and limitation of Classical theory, Human relations and Behavioural science theories, System theory, Decision theory, Management science theory, and Contingency theory. Emerging management concepts: workforce diversity, outsourcing, knowledge management, learning organization.

Unit 4: Environmental Context of Management LH 16

Unit 5: Planning and Decision Making LH 20

Unit 6: Organizing Function LH 18

Unit 7: Leadership LH 16

Unit 8: Motivation LH 8

Unit 9: Communication  
Concept, structure, and process. Types of communication – formal and informal. Interpersonal and nonverbal communication. Barriers to effective communication. Enhancing effective communication.

Unit 10: Control and Quality Management  

Unit 11: Global Context of Management  

Unit 12: Management Trends and Scenario in Nepal  

Basic Books  
Griffin, Ricky W., Management, AITBS Publishers and Distributors, Delhi.
Hitt, Michael A., J. Black, Stweart, and Porter, Lyman W., Management, Pearson, India.

Reference Books  
Shrestha, Amuda, Organization Management, Educational Publishing.
Charles, Hill, W.L. and McShane, Steven L., Principles of Management, Tata McGraw Hill, India
Robins, Stephen P. and Coulter, Mary, Management, Prentice Hall of India.
The objectives of the course are to provide the students with the knowledge required to analyze financial statement for decision making including long-term investment decisions.

The course further attempts to provide sound knowledge required for higher studies in capital planning, analysis of financial statement and investment decisions.

Contents

Unit 1: Company: Conceptual and theoretical foundation

Meaning, concept, types, and features of Public Limited Company
Advantages and Privileges of Public Limited Company
Memorandum of Association, Article of Association and Prospects
Concept and types of Share Capital of the company

Unit 2: Financial Statement of the Company

Meaning, concept, features, objectives and importance of company financial statement
Meaning, importance, objectives, contents and preparation of worksheet based Income Statement and Balance Sheet (in vertical form) as per Company Act and Mandatory Standards (Nepal Accounting Standard)
Meaning, objectives, importance, contents and preparation of Cash Flow Statement under direct and indirect approach based on Company Act and Mandatory Standards (Nepal Accounting Standard)
Meaning and concept of Value Added and its application, and concept, advantages, contents and preparation of Value Added statement showing Value Added generated and applied

Unit 3: Analysis of Financial Statement of a Company

Meaning, importance and objectives of financial statement analysis, internationally accepted standard and financial statement, ratio analysis-concept, uses, importance and limitations, types of ratios-computation and interpretation: liquidity, leverage, activity / turnover, profitability and earning evaluation ratio for evaluating the financial performance of the company.

Unit 4: Company Growth, Merger, Combination and Liquidation

Company expansion through Amalgamation and Absorption: meaning and concept, Purchase consideration – Concept and Determination
Accounting treatment in the Books of both Purchasing and Vendor Company
Preparation of Balance Sheet by Purchasing Company
Internal Reconstruction: Meaning, importance, need and accounting treatment and balance sheet after reconstruction
Expansion through Subsidiary Companies (Holding Company)
Concept of Holding and Subsidiary Company, preparation of Consolidated Balance Sheet by Holding Company after due consideration of:
Pre-acquisition and post-acquisition profit, Minority Interest, Cost of Control/Goodwill or Capital Reserve, Revaluation of assets, Dividend from Subsidiary Company, Inter Company debt and unrealized profit.
Corporate Liquidation: Concept and reasons for liquidation, procedures of winding up as per Company Act. Liquidator’s Final Statement of Account: meaning, contents and preparation showing amount realized from assets realized.
Unit 5: Depreciation and its Effect in Financial Statement of a Company

Depreciation – Concept and need

Unit 6: Price Level Changes

Concept of Price Level Changes – Inflation and Deflation
Current Cost Accounting: Concept and determination
  o Current Replacement Cost, Net Realizable Value of assets
  o Depreciation Adjustment
  o Holding Gains
  o Inventory Adjustment
  o Cost of Sales Adjustment
  o Monetary Working Capital Adjustment
  o Gearing Adjustment
  o Current Cost Reserve
Preparation of:
  o Current Cost Profit and Loss Account
  o Current Cost Balance Sheet

Unit 7: Long-term Planning – Capital Budgeting

Capital Budgeting: Concept and need
Types of investment Proposals: Mutually Related Project, Mutually Exclusive Project, New Project, Replacement, Diversification, Expansion, Research and Development, Miscellaneous
Estimation of Cash Flow:
  o Net Investment Cost of New Project
  o Differential Net Investment for replacement and mutually exclusive projects
  o Annual Net Cash Flow: Differential Net Cash Flow and Net Cash Flow for New Project
  o Net Cash Flow for Final Year: non-operating and including annual cash flow after tax
Methods of evaluation of investment proposal:
  o Non-discounted Cash Flow Method
    - Playback Period
    - Average Rate of Return
  o Discounted Cash Flow Method
    - Net Present Value
    - Profitability Index
    - Internal Rate of Return
    - Selection of Project based on profitability
Determination of financing mix
  o Leverage – its meaning and types
  o Financial Leverage and effect on the shareholder’s return: effect on EBIT and EPS
  o Analysis of alternative financial plan EBIT – EPS analysis


**Basic Books**

**Reference Books**

---

**BUSINESS ECONOMICS-I**

**Course No.: MGT 203**

**Full Marks:** 100

**Nature of the Course:** Compulsory

**Pass Marks:** 35

**Lecture hours:** 150

**Course Objectives**
This course of Business Economics-I aims to enhance understanding of the microeconomic theories and develop skills of students in using these theories in business decision making.

**Course Description**
This course of Business Economics-I consists of the introduction to microeconomics, theory of demand, supply and equilibrium price, elasticity of demand and supply, theory of consumers behavior, theory of production, cost and revenue curves, theory of product pricing and factor pricing.

**Contents**

**Unit 1: Introduction**

| a) Concept of business (managerial) economics |
| b) Relation of business economics with traditional economics |
| c) Meaning, scope, use and limitations of microeconomics |

**Unit 2: Theory of Demand and Supply and Equilibrium Price**

| a) Demand function, determinants of demand, movement and shift in demand curve |
| b) Supply function, determinants of supply, movement and shift in supply curve |
| c) Market equilibrium |
| d) Change in equilibrium due to shift in demand curve and supply curve |
(Numerical exercise)

Unit 3: Elasticity of demand and supply  
LH 20
a) Concept and types of price, income and cross elasticity of demand  
b) Measurement of price, income and cross elasticity of demand: Total outlay, point and arc method  
c) Uses of price, income and cross elasticity  
d) Concept of elasticity of supply  
e) Measurement of elasticity of supply  
(Numerical exercise)

Unit 4: Theory of Consumer Behavior  
LH 20
· Concept of cardinal and ordinal utility analysis  
  Cardinal approach: Assumptions, consumer's equilibrium, criticisms and derivation of demand curve (cardinal approach)  
  Ordinal approach: Indifference curve: Concept, properties, marginal rate of substitution, price line and consumer's equilibrium  
  Price effect: Derivation of PCC  
  Income effect: Derivation of ICC  
  Substitution effect: Hicksian approach  
  Decomposition of price effect into income and substitution effect: Hicksian approach  
  Derivation of demand curve: (ordinal approach)  
(Numerical exercise)

Unit 5: Theory of Production  
LH 16
· Production function: Meaning, long run and short run production function and concept of Cobb-Douglas production function  
  Concept of total product, average and marginal product  
  Law of variable proportions  
  Isoquant: Meaning and properties  
  Marginal rate of technical substitution  
  Iso-cost curve  
  Optimal combination of inputs  
  Laws of return to scale  
(Numerical exercise)

Unit 6: Cost and Revenue Curves  
LH 17
a) Concept of cost: Actual cost and opportunity cost, implicit cost and explicit cost, accounting and economic cost, historical cost and replacement cost, separable cost and common cost  
b) Derivation of short run cost curves  
c) Reason for the 'U' shape of short run average cost curve  
d) Derivation of long run cost curves  
e) Relationship between short run and long run AC and MC curve  
f) Shape of the long run average cost curve: Theoretical reason and empirical evidence  
g) Concept of economies of scale and economies of scope  
h) Concept of revenue: Total revenue, average revenue, and marginal revenue. Revenue curves under perfect and imperfect competition  
i) Relation between average and marginal revenue curves
j) Relationship between price elasticity and marginal revenue and total revenue  
(Numerical exercise)

**Unit 7: Theory of Product Pricing**  
**LH 30**

**Perfect competition:** Meaning and characteristic of perfect competition; Pricing under perfect competition: Equilibrium of firm and industry in short run and long run (TR-TC approach and MC-MR approach); Derivation of short run and long run supply curve of a firm and industry

**Monopoly:** Meaning and characteristic of monopoly; Pricing under monopoly: Equilibrium of firm in short run and long run (TR-TC approach and MC-MR approach); Price discrimination: Degree of price discrimination and price and output determination under discrimination; Dumping

**Monopolistic competition:** Meaning and characteristics of monopolistic competition; Pricing under monopolistic competition: equilibrium of firm in short run and long run; equilibrium of firm under product variation and selling expenses

**Oligopoly:** Meaning and characteristic of oligopoly; Pricing under cartel (aiming at joint profit maximization)  
(Numerical exercise)

**Unit 8: Theory of Factor Pricing**  
**LH 22**

a) Pricing of inputs in perfect competition and imperfect competition market  
b) Rent: Modern theory of rent  
c) Wages: Marginal productivity theory of wages, Concept of collective bargaining and minimum wages fixation,

d) Interest: Loanable fund theory and Liquidity Preference Theory of interest  
e) Profit: Economic and Business Profit, Dynamic Theory and Innovation Theory of Profit  
(Numerical exercise)

**Basic Books**


**Reference Books**


MGT 211: Accounting for Financial Analysis and Planning
BBS 1st Year
Model Question

Full Marks: 100
Pass Marks: 35

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

Attempt ALL Questions

Brief Questions Answer (10x2=20)

1. Write about the two differences between Equity Share Capital and Preference Share Capital.
2. Differentiate between pre-acquisition and post-acquisition dividend.
3. Define the meaning of cash from financing activities.
4. What do you mean by current purchasing power method?
5. Why is Capital Budgeting significant for an organization?
6. A company presents the following information.
   Equity Share Capital of Rs 100 each = Rs.100000
   8% Preference share capital of Rs 100 each = Rs.60000
   6% Debentures = Rs.40000
   The company is within 40% tax racket
   Required: EPS at EBIT level of Rs.100000

7. You are provided the following information.
   Sales = Rs.300000
   Wages to workers = Rs.50000
   Interest received = Rs.10000
   Cost of bought in materials and services = Rs.180000
   Required: Amount of value added.

8. A company whose NPAT was Rs.60000, has 10% Debenture of Rs.100000 and 8% Performance Share
   Capital of Rs.100000. If tax rate is 40%, find out Interest Coverage Ratio.

9. The following information are provided
   Cost of sales adjustment = Rs.30000
   Depreciation adjustment = Rs.10000
   Current cost adjustment = Rs.60000
   Required: Monitory working capital adjustment
10. A machine was purchased on 1st Baisakh, 2068 for Rs.90000 and incurred Rs.10000 each for transportation and installation. It was estimated that the machine will have a scrap value of Rs.10000. The total life of the machine will be 10000 hours. If machine runs for 3000 hours during 2068, find out the amount of depreciation for the year 2068.

Descriptive Questions Answer (attempt any five) (5x10=50)

11. a. Ratio Analysis is used to measure financial performance of the organization, comment. (5)

b. The following information are given.

- Current Ratio = 2
- Fixed Assets = Rs.500000
- Prepaid expenses = Rs.25000
- Share Capital = Rs.300000
- Current Liabilities = Rs.250000
- Stock = Rs.100000
- Debenture = Rs.100000
- Net Profit = Rs.50000
- Inventory Turnover ratio = 5 times

Required: a. Quick Ratio
b. Sales (Rs.)
c. Debt to Total Capital Ratio
d. Return on Total Assets (1.25x4=5)

12. A company is considering the replacement of old machine. The existing machine is 5 year old, has current cash salvage value of Rs.30000 and remaining depreciable life of 10 years. The machine was originally purchased for Rs.75000 and it is being depreciated at Rs.5000 per year for tax purpose. The new machine will cost Rs.150000 and will be depreciated on straight line basis over 10 years with no salvage value. The management of the company anticipates that with expanded operation, there will be a need of an additional working capital of Rs.30000. The new machine will allow the company to expand the current operation and there by increase annual sales revenue by Rs.40000 and annual variable operating cost by Rs.10000. The company's tax rate is 50% and its cost of capital is 10%.

Required: i) Net cash outlay (NCO)
   ii) Incremental annual cash inflow (CFAT)
   iii) Final year cash inflow.
   iv) Net Present Value (NPV) of the project.
   v) Decision regarding replacement of old machine. (2+2+2+2+2)

13. a. Clarify the meaning of depreciation with two main objectives. (5)

b. The following are the particulars relating to the machine account.

i) Purchase
   - 5 machines at Rs.10000 each

ii) Date of purchase
   - January 1, 2008

iii) Depreciation applied
   - Straight line at 20% p.a.

iv) Salvage Value
   - Rs.2000 each (Book value)
v) Scrapped One machine realizing Rs.6000 on the last date of December, 2010
vi) Accounts closed on The last date of December every year

Required: Machinery account for 2010

14. A book store performed the following transactions during the year, 2012.

<table>
<thead>
<tr>
<th>Amount (Rs.)</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales revenue</td>
<td>5000000</td>
</tr>
<tr>
<td>Less: cost of goods sold:</td>
<td></td>
</tr>
<tr>
<td>Beginning inventory</td>
<td>600000</td>
</tr>
<tr>
<td>Purchases</td>
<td>3000000</td>
</tr>
<tr>
<td>Ending Inventory</td>
<td>(400000) 3200000</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>1800000</td>
</tr>
<tr>
<td>Less: Operating Expenses:</td>
<td></td>
</tr>
<tr>
<td>Administration (cash)</td>
<td>500000</td>
</tr>
<tr>
<td>Selling and Distribution (cash)</td>
<td>240000</td>
</tr>
<tr>
<td>Interest</td>
<td>60000</td>
</tr>
<tr>
<td>Depreciation</td>
<td>200000 1000000</td>
</tr>
<tr>
<td>Net income before tax</td>
<td>800000</td>
</tr>
<tr>
<td>Less: Income Tax</td>
<td>200000</td>
</tr>
<tr>
<td>Net income after Tax</td>
<td>600000</td>
</tr>
<tr>
<td>Less: Dividend</td>
<td>300000</td>
</tr>
<tr>
<td>Net Profit</td>
<td>300000</td>
</tr>
<tr>
<td>Price Indices</td>
<td></td>
</tr>
<tr>
<td>1-1-2012</td>
<td>125</td>
</tr>
<tr>
<td>31-12-2012</td>
<td>200</td>
</tr>
<tr>
<td>Average Index</td>
<td>160</td>
</tr>
<tr>
<td>Time of fixed assets purchased</td>
<td>100</td>
</tr>
</tbody>
</table>

Required: 
a) Purchasing power gain or less on holding monetary items.
b) Restated purchasing power income statement

15. The balance sheet of a company is as follows:

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Amount (Rs.)</th>
<th>Assets</th>
<th>Amount (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3000 Equity Share Capital of Rs.100 each, Rs.75 called up</td>
<td>225000</td>
<td>Land &amp; Building</td>
<td>200,000</td>
</tr>
<tr>
<td>10% Preference Share Capital of Rs 100 each, fully paid up</td>
<td>100000</td>
<td>Plant &amp; Machinery</td>
<td>240,000</td>
</tr>
<tr>
<td>8% Debenture</td>
<td>200000</td>
<td>Inventory</td>
<td>190000</td>
</tr>
<tr>
<td>Account Payable</td>
<td>225000</td>
<td>Account Receivable</td>
<td>62000</td>
</tr>
</tbody>
</table>
The Company went into voluntary liquidation. The assets except cash realized Rs.450000 including Rs.180000 on sale of plant and machinery, which was mortgaged against 8% debenture. The liquidator was entitled to a remuneration of 4% on value of assets realized and 2% on amount paid to equity shareholders. The cost of liquidation was Rs.12000.

**Required:** Liquidator’s final statement of account

16. Define consolidated balance sheet. How would you ascertain the amount of minority interest and capital reserve or goodwill? Explain with suitable example.

(4+6=10)

**Analytical Questions Answer (attempt any two)\(^{2\times15=30}\)**

17. A company and B company decided to amalgamate and a new Company, C Company is formed to take over the amalgamated companies with effect from January 1, 2013, when their balance sheet stood as follows:

<table>
<thead>
<tr>
<th>Liabilities (Rs.)</th>
<th>A Co</th>
<th>B Co</th>
<th>Assets (Rs.)</th>
<th>A Co</th>
<th>B Co</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity shares of Rs 100 each</td>
<td>1000000</td>
<td>500000</td>
<td>Goodwill</td>
<td>190,000</td>
<td>60,000</td>
</tr>
<tr>
<td>Reserve Fund</td>
<td>290,000</td>
<td>175,000</td>
<td>Premises</td>
<td>500,000</td>
<td>240,000</td>
</tr>
<tr>
<td>P/L A/C</td>
<td>110,000</td>
<td>75,000</td>
<td>Machinery</td>
<td>300,000</td>
<td>195,000</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>95,000</td>
<td>47,500</td>
<td>Furniture</td>
<td>85,000</td>
<td></td>
</tr>
<tr>
<td>Outstanding expenses</td>
<td>5000</td>
<td>2500</td>
<td>Inventory</td>
<td>130,000</td>
<td>90,000</td>
</tr>
<tr>
<td>Accounts Receivables</td>
<td></td>
<td></td>
<td></td>
<td>210,000</td>
<td>175,000</td>
</tr>
<tr>
<td>Cash at bank</td>
<td>85,000</td>
<td>30,000</td>
<td>Preliminary expenses</td>
<td>10,000</td>
<td></td>
</tr>
<tr>
<td><strong>1500,000</strong></td>
<td><strong>800,000</strong></td>
<td><strong>1500,000</strong></td>
<td><strong>800,000</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

C Company issued 5000 equity shares of Rs.100 each, 10000, 8% preference shares of Rs.10 each and 10% debentures Rs.200000 to the public apart from the issues made to carry out the business combination.

**Required:**

i) Calculate the amount payable to each company assuming that the purchase consideration was settled by the following in each of the companies. 40% in equity shares, 30% in preference shares, 20% in debentures and the rest in cash.

iii) Amalgamated balance sheet of New Company. (4+6+5)

18. An unadjusted trial balance of a company is given below.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Debit (Rs.)</th>
<th>Credit (Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>200000</td>
<td></td>
</tr>
<tr>
<td>Bank</td>
<td>354000</td>
<td></td>
</tr>
<tr>
<td>Discount Allowed</td>
<td>5000</td>
<td></td>
</tr>
<tr>
<td>Furniture</td>
<td>120000</td>
<td></td>
</tr>
<tr>
<td>Purchases</td>
<td>200000</td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td>85000</td>
<td></td>
</tr>
<tr>
<td>Interest on loan</td>
<td>6000</td>
<td></td>
</tr>
<tr>
<td>Salary</td>
<td>60000</td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td>30000</td>
<td></td>
</tr>
<tr>
<td>Capital</td>
<td></td>
<td>500000</td>
</tr>
<tr>
<td>Creditors</td>
<td></td>
<td>5000</td>
</tr>
<tr>
<td>Discount Received</td>
<td></td>
<td>10000</td>
</tr>
<tr>
<td>Sales</td>
<td></td>
<td>400000</td>
</tr>
<tr>
<td>10% Bank Loan</td>
<td></td>
<td>100000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1060000</strong></td>
<td><strong>1060000</strong></td>
</tr>
</tbody>
</table>

**Adjustment:**

a. Closing stock Rs.50000
b. Prepaid rent was Rs.2000
c. Outstanding interest on bank loan was Rs.4000
d. Depreciation on furniture at 10% per annum

**Required:**

i. Income Statement  (4)
ii. Balance Sheet     (5)
iii. Cash flow Statement (6)

19. a. Explain the meaning, features and privileges of public limited company. (2+3+3=8)
   b. “Cash Flow Statement is useful internally to management and externally to investors and creditors”, Discuss. (7)
MGT 203: Business Economics – I
BBS 1st Year
Model Question

Full Marks: 100
Pass Marks: 35

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

Attempt All Questions

Group 'A'

Brief Questions Answer

1. Define Micro Economics.
2. What is the difference between movement along a demand curve and shift in demand curve?
3. As a result of 5% fall in price of food its demand rises by 12%. Find out price elasticity of demand say whether demand is elastic or inelastic.
4. Why indifference curve is convex to the origin?
5. Why AR and MR curve is horizontal straight line in perfect competition market?
6. Draw the diagram of iso-cost line.
7. What is opportunity cost?
8. If Q_d = 100-20p and Q_s = 10 + 40p. Find the equilibrium level of price and output.
9. Define transfer earning with an example.
10. What is oligopoly market?

Group 'B'

Descriptive Answer Questions (attempt any five)

11. What is price effect? Describe how consumer equilibrium changes due to the changes in the price of a commodity. (3 + 7)
12. Explain the uses of microeconomics in making business decision. (10)
13. Derive short-run supply curve of a firm and industry under perfect competition. (10)
14. Complete the following table and answer the given question. (5 + 5)

<table>
<thead>
<tr>
<th>Output</th>
<th>TFC</th>
<th>TVC</th>
<th>TC</th>
<th>AFC</th>
<th>AVC</th>
<th>AC</th>
<th>MC</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>200</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td></td>
<td>50</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>90</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>120</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>140</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>175</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td></td>
<td>230</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td></td>
<td>310</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td></td>
<td>400</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From the given table explain the relationship between Average cost and Marginal cost.
15. Profit is reward for innovation. Explain

16. You are given the following data of total product at different variable factors:

<table>
<thead>
<tr>
<th>Units of Variable factors</th>
<th>0</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total product</td>
<td>0</td>
<td>20</td>
<td>50</td>
<td>90</td>
<td>120</td>
<td>140</td>
<td>150</td>
<td>155</td>
<td>150</td>
</tr>
</tbody>
</table>

a) Calculate marginal product and average product from the above information.
b) Draw a diagram and show the relationship between total product, average product and marginal product.

Group 'C'

Analytical Answer Questions (attempt any two) [2 x 15 = 30]

17. What is monopoly? Explain how price and output are determined under monopoly in the long run? (3 + 12)

18. What is iso-quant? Explain the various properties of iso-quant. (3 + 12)

19. What is price elasticity of demand? Explain and illustrate the measurement of price elasticity of demand with the help of point method. (3 + 12)
Candidates are required to give their answer in their own words as far as practicable. The figures in the margin indicate full marks.

Attempt All Questions

Group 'A' [10 x 2 = 20]

1. The mean of 200 items was found to be 80, later it was found that 61 and 45 were misread as 16 and 15. Find correct mean.

2. The following results were obtained
   Coefficient of variation = 50%
   Karl Pearson's coefficient of skewness = 0.5
   Standard deviation = 2
   Find mean and mode.

3. In a single throw of two dice, find the probability that sum of two faces is 7 or 11.

4. Differentiate between probability and non-probability sampling.

5. The year of origin of the following straight line trend equation of profits in lakhs of rupees is 2008.
   \[ y=35+2x \]
   Estimate profit for the year 2015.

6. Prepare regret table from the given conditional profit table.

<table>
<thead>
<tr>
<th>Demanded Units</th>
<th>Decision Alternatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>15</td>
<td>150</td>
</tr>
<tr>
<td>16</td>
<td>150</td>
</tr>
<tr>
<td>17</td>
<td>150</td>
</tr>
<tr>
<td>18</td>
<td>150</td>
</tr>
</tbody>
</table>

7. The following calculations were based on the life of refrigerators of two companies.

<table>
<thead>
<tr>
<th></th>
<th>Company A</th>
<th>Company B</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average life</td>
<td>8 years</td>
<td>6 years</td>
</tr>
<tr>
<td>Standard deviation</td>
<td>12 years</td>
<td>8 years</td>
</tr>
</tbody>
</table>

Which company's refrigerator shows greater consistency in terms of life?
8. On the basis of the given information find the regression coefficient of X on Y.

\[ \Sigma XY = 750 \quad \Sigma X^2 = 2085 \quad \Sigma Y^2 = 285 \]
\[ \Sigma X = 135 \quad \Sigma Y = 45 \quad N = 9 \]

9. The coefficient of correlation between 10 pairs of values of demand and supply was found to be 0.8. Test the significance of the result.

10. The first four moments about mean of a distribution are

\[ \mu_1 = 0 \quad \mu_2 = 16 \quad \mu_3 = -30 \quad \mu_4 = 40 \]

Test for the normality of the distribution.

Group 'B'

Descriptive Answer Questions (attempt any five) [5 x 10 = 50]

11. a) Two merchants M₁ and M₂ had the following units of three commodities and the prices of these commodities in three different cities of the country.

Supply Matrix

<table>
<thead>
<tr>
<th>Commodities</th>
<th>X</th>
<th>Y</th>
<th>Z</th>
</tr>
</thead>
<tbody>
<tr>
<td>M₁</td>
<td>50</td>
<td>60</td>
<td>90</td>
</tr>
<tr>
<td>M₂</td>
<td>40</td>
<td>50</td>
<td>70</td>
</tr>
</tbody>
</table>

Price Matrix

<table>
<thead>
<tr>
<th>Commodities</th>
<th>X</th>
<th>Y</th>
<th>Z</th>
</tr>
</thead>
<tbody>
<tr>
<td>C₁</td>
<td>18</td>
<td>20</td>
<td>16</td>
</tr>
<tr>
<td>C₂</td>
<td>16</td>
<td>22</td>
<td>14</td>
</tr>
<tr>
<td>C₃</td>
<td>20</td>
<td>24</td>
<td>16</td>
</tr>
</tbody>
</table>

To which city each merchant should supply the commodities in order to get the maximum receipt?

b) An aeroplane has 40 seats for passengers. Passengers travelling in economy class can take 20 Kgs of baggage each and business class can take 60 Kgs of baggage each. The aircraft can carry only 1200 Kgs of baggage. Find the number of passengers of each kind by using Cramer's rule.

12. The following distribution represents yearly income of 2500 employees of an industrial concern in thousand of rupees. Employees earning 2 lakhs or more have to pay 15% tax to the government. Find the average income of the employees and the amount of tax to be paid to the government.

<table>
<thead>
<tr>
<th>Income (In '000' Rs.)</th>
<th>70-100</th>
<th>100-130</th>
<th>130-160</th>
<th>160-190</th>
<th>190-220</th>
<th>220-250</th>
<th>250-280</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
13. The following is the net profits of two companies in millions of rupees, which company shows greater consistency in net profit. Justify.

<table>
<thead>
<tr>
<th>Year</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Company A</td>
<td>15</td>
<td>16</td>
<td>20</td>
<td>16</td>
<td>22</td>
<td>20</td>
<td>24</td>
</tr>
<tr>
<td>Company B</td>
<td>14</td>
<td>15</td>
<td>19</td>
<td>20</td>
<td>21</td>
<td>22</td>
<td>22</td>
</tr>
</tbody>
</table>

14. a) A company has two plants to manufacture scooters. Plant I manufactures 80% of scooters and plant II manufactures 20%. At plant I, 85 out of 100 scooters are rated Standard Quality. At plant II, only 65 out of 100 scooters are rated Standard Quality. What is the probability that scooter came from plant-II if it is known that the scooter is of Standard Quality.

b) In a certain distribution, the first four moments about an arbitrary point were 1,3,7 and 21. Test the Skewness of the distribution.

15. a) Why is it necessary to analyze time series data? Discuss various components of time series.

b) Calculate moving averages for the following data, assuming the length of business cycle as 3 years.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales In '000'</td>
<td>35</td>
<td>50</td>
<td>60</td>
<td>65</td>
<td>70</td>
<td>80</td>
<td>90</td>
<td>92</td>
<td>95</td>
</tr>
</tbody>
</table>

16. a) What do you understand by classification of data? What are its objectives? Classify the given data using Sturje’s rule.

b) What do you understand by sampling distribution? Differentiate between point and interval estimate.

17. From the following bi-variate table find out whether there exists any relationship between security prices and dividends and test the significance of the result. Also estimate the amount of dividend when price of security is Rs. 150.

<table>
<thead>
<tr>
<th>Security Prices (in Rs.)</th>
<th>Annual Dividends (in Rs.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6-8</td>
<td>8-10</td>
</tr>
<tr>
<td>70-80</td>
<td>2</td>
</tr>
<tr>
<td>80-90</td>
<td>3</td>
</tr>
</tbody>
</table>
18. A firm manufacturers two types of electrical items $E_1$ and $E_2$. The profit contribution per unit of $E_1$ and $E_2$ are Rs. 1600 and Rs. 2400 respectively. Both $E_1$ and $E_2$ make use of two essential components, a motor and a transformer. Each unit of $E_1$ requires 3 motors and 2 transformers and each unit of $E_2$ requires 2 motors and 4 transformers. The total supply of components per month is restricted to 210 motors and 300 transformers. $E_2$ is an export model requiring a voltage stabilizer, which has supply restriction to 65 units.

Formulate the above problem in a mathematical form describing the objective and limitations of the problem. Solve the formulated problem by graphic method with an objective of maximization of profit.

19. What are Index numbers? Why are they called economic barometers? You are required to prove from the following data that Fisher index number is an ideal index number.

<table>
<thead>
<tr>
<th>Commodity</th>
<th>2010 Price / units</th>
<th>Expenditure</th>
<th>2011 Price / units</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>50</td>
<td>600</td>
<td>60</td>
<td>840</td>
</tr>
<tr>
<td>B</td>
<td>40</td>
<td>840</td>
<td>80</td>
<td>2400</td>
</tr>
<tr>
<td>C</td>
<td>30</td>
<td>900</td>
<td>30</td>
<td>1500</td>
</tr>
<tr>
<td>D</td>
<td>20</td>
<td>600</td>
<td>20</td>
<td>1000</td>
</tr>
<tr>
<td>E</td>
<td>60</td>
<td>360</td>
<td>70</td>
<td>2100</td>
</tr>
<tr>
<td>F</td>
<td>80</td>
<td>640</td>
<td>80</td>
<td>2400</td>
</tr>
</tbody>
</table>
MGT 213: Principles of Management
BBS 1st Year
Model Question

Full Marks: 100
Pass Marks: 35

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

Attempt All Questions

Group 'A'

Brief Questions Answer

1. State three major features of an organization.
2. Give the meaning of 'Unity of Command'.
3. Point out two limitations of classical theories of management.
4. Mention three problems in goal formulation process.
5. Define social responsibility.
6. Give an example of programme decision.
7. What is SWOT analysis?
8. Make a figurative presentation of communication process.
9. State three characteristics of quality.
10. State any three methods of globalization.

Group 'B'

Descriptive Answer Questions (attempt any five)

11. What is an organization? Explain the objectives and characteristics of an organization. (2+4+4)
12. Define management? Explain the system theory. (3+7)
13. What is strategic planning? Explain the process of strategic plan formulation. (3+7)
14. Define motivation and explain dual factor theory of motivation. (3+7)
15. Describe essential characteristics of an effective control system and state the problems associated with the control system. (5+5)
16. Why is "Decision Making" called number one job of a manager? Explain. (10)

Group 'C'

Analytical Answer Questions (attempt any two)

17. Define leadership. What role does leadership play in the success of an organization? What leadership style, you think, is suitable in Nepalese context? (15)
18. Discuss the organizing functions of management and emerging concepts in organizing. (8+7)
19. Define business environment. Explain the environment scanning technique and also discuss how political environmental factor influence the functioning of a business enterprise. (3+6+6)
Candidates are required to give their answer in their own words as far as practicable. The figures in the margin indicate full marks.

**Attempt All Questions**

**Group 'A'**

**Brief Questions Answer**  
[10 x 2 = 20]

1. What is goal displacement?
2. State the three main roles of managers.
3. Write four general principles of management described by Fayol.
4. What is understood by 'social responsiveness'?
5. Outline hierarchy of plan.
6. Prepare a graphic presentation of line and staff organization.
7. Define self-managed teams.
8. List out three differences between a leader and a manager.
9. Illustrate wheel network communication.
10. State three disadvantages of MNCs.

**Group 'B'**

**Descriptive Answer Questions (Attempt any five)**  
[5 x 10 = 50]

11. How is goal formulated? Explain the factors responsible for goal succession. (3+7)
12. What are the different skills required for managers? Explain them in terms of management levels. (5+5)
13. What is planning? Explain the quantitative tools used for planning. (4+6)
14. Define motivation and make a comparison between Maslow's hierarchy of needs theory and dual factor theory. (3+7)
15. Highlight on the major problems faced by business in Nepal. (10)
16. What is globalization? Explain its effects. (4+6)

**Group 'C'**

**Analytical Answer Questions (Attempt any two)**  
[2 x 15 = 30]

17. Discuss the elements and approaches to organizing. (8+7)
18. Discuss the importance of leadership in an organization and also discuss the trait theory of leadership. (8+7)
19. Control is the process of monitoring activities to ensure that they are being accomplished as planned and correcting any significant deviation. In the light of this statement discuss the process and problem of a control system. (8+7)
Course Description
The BBS English course is a two-pronged English course emphasizing the core areas of reading and writing along with a strong communication component. It is designed to help students get ahead fast with their general English skills in interdisciplinary contexts with the lessons covering important vocabulary, grammar, reading and writing, listening and speaking skills for general and technical English. It is a theme-based course with comprehensive coverage of English language and critical thinking skills. Authentic listening and reading materials provide models for up to date language, grammar and vocabulary.

The course has the following four main components:
1. Interdisciplinary approach to Learning English
2. Functional English Language Texts
3. Reading for Writing
4. Style

Prescribed Books

Evaluation
Questions will be set covering all the prescribed books.
The questions will be of three broad types.
1) **Comprehensive/Analytical type:** 2 questions each of 15 marks (3 questions will be given):
   \[2 \times 15 = 30 \text{ marks}\]
2) **Descriptive/Short answer type:** 5 questions each of 10 marks (6 questions will be given):
   \[5 \times 10 = 50 \text{ marks}\]
3) **Brief/Objective type:** 10 questions each of 2 marks (12 questions will be given):
   \[2 \times 10 = 20 \text{ marks}\]
The distribution of questions will be as follows:
1) Comprehensive / Analytical type:
   - one question from *Flax-Golden*
   - one question from *Write to be Read*
   - one question from *Flax-Golden and / or Write to be Read*

2) Descriptive/Short answer type
   - one question from *Flax-Golden*
one question from *Write to be Read*

two questions from *Short Essay*

two questions from *Style*

3) Brief/Objective type:

two questions from *Flax-Golden*

two questions from *Write to be Read*

two questions from *Short Essay*

four questions from *Style*

4) Students will be tested on their ability to:

   to apply the four levels of reading a text
   to write convincing paragraphs and essays
   to discover and communicate meaning holistically
   to write a variety of functional text types with a rhetorical focus matching content with style
   to show an understanding of grammar and vocabulary in context

A model question paper is given below, but it is to be borne in mind that it is just for giving a general idea of an exam paper and is not and does not aim to be exhaustive. It is just one of the many kinds of question papers that may be framed.