

KATHMANDU UNIVERSITY
End Semester Examination
01 January 2024

Marks Scored:

Level : B.E./B.Tech.

Year : IV

Exam Roll No. :

Time: 30 mins.

Course : MGTS 402

Semester : I

F. M. : 10

Registration No.:

Date :

SECTION "A"

[20Q. × 0.5 = 10 marks]

Encircle the most appropriate options.

1. The Benefits of Entrepreneurship are all but not:
 - a. Reap impressive profits
 - b. Create your own destiny
 - c. Make a difference
 - d. Complete responsibility
2. The Deadly Mistakes of Entrepreneurs are all but not:
 - a. Incorrect Pricing
 - b. Poor Financial Control
 - c. Uncontrolled Growth
 - d. Controlled Growth
3. Developing a process to understand the problem, situation, or decision at hand occurs in the _____ phase of The Creative Process.
 - a. Investigation
 - b. Illumination
 - c. Verification
 - d. Incubation
4. In _____ one axis of the matrix displays the characteristic of the process to be improved, and the other axis displays the conflicting characteristic that is becoming worse.
 - a. Force-field Analysis
 - b. Rapid Prototyping
 - c. Problem Reversal
 - d. TRIZ
5. Invented explanations that hides or denies true motivations, causes, or actions is called _____.
 - a. Rationalization of ethical standards
 - b. Rationalization of amoral standards
 - c. Rationalization of moral standards
 - d. Rationalization of social standards
6. Factors such as the number of competitors, industry growth rate, and differentiation of products or services influences:
 - a. Intensity of Competitive Rivalry
 - b. Intensity of Threats to Exit
 - c. Intensity of Bargaining Power of Suppliers
 - d. Intensity of Bargaining Power of Buyers
7. In Business model canvass, _____ encompass the critical assets and capabilities required to deliver the value proposition, reach customers, maintain relationships, and earn revenue.
 - a. Key Activities
 - b. Key Resources
 - c. Channels
 - d. Key Relationship

8. A _____ cannot have more than two of these four corporate characteristics: Limited liability, Continuity of life, Free transferability of interest and Centralized management
- Private Limited Company
 - Joint Venture
 - Limited Liability Company
 - Partnership
9. The Claims of corporation creditors refers to the legal rights and financial interests that individuals or entities holding debts or obligations against a corporation have. It is usually redeemed through
- Corporation Assets
 - Corporation Long Term Liabilities
 - Shareholder Personal Assets
 - Partners Personal Assets
10. Collective knowledge, skills, technologies, and strategic assets that enable a company to deliver superior products or services and outperform its competitors is known as
- Capabilities
 - Skills
 - Core Competencies
 - Competitive Advantages
11. _____ represent crucial elements or activities within an industry or business that play a significant role in enhancing its competitive strength, performance, and overall success. Recognizing and prioritizing these factors is imperative for organizations aiming to prosper in their respective markets.
- Key Success Factors (KSFs)
 - Skills
 - Key Performance Indicator (KPIs)
 - Competitive Advantages
12. The _____ is a distinctive aspect or feature of a product, service, or brand that sets it apart from competitors in the minds of consumers. It is something that makes a product or brand unique and appealing, giving it a competitive edge.
- Unique Selling Proposition
 - Unique Value Proposition
 - Value Proposition
 - Branding
13. A _____ involves a holistic approach that integrates people, processes, technology, and culture to create positive and memorable interactions at every touchpoint.
- Customer Relationship Management
 - Total Quality Management
 - Customer Experience Management
 - Time Compression Management
14. Rapid Market Acceptance, Sales Growth, Increased Competition, Profitability improvement, Marketing and Promotion Focus are all part of _____ stage in product life cycle.
- Maturity stage
 - Saturation stage
 - Introductory stage
 - Growth and Acceptance stage
15. ABC Company adopts a strategy of offering a product or service at a competitive initial price with the aim of swiftly acquiring a significant market share. The objective is to entice a large customer base and establish the product firmly in the market. It is known as:
- Price Skimming strategy
 - Me-too strategy
 - Sliding down the demand curve strategy
 - Penetration Strategy

16. Printer Company sells printer at a lower price and charges a premium for cartridge that are necessary for the use of the core product. It is a classic example of:
- a. Odd pricing
 - b. Geographical Pricing
 - c. Price Lining
 - d. Captive Pricing
17. If Assets equals 650,000, Liabilities equals 250,000 and Owner's Equity equals 250,000, what will be the remaining sum called to balance the accounting equation?
- a. Loss
 - b. Profit
 - c. Depreciation
 - d. Retained Earning
18. If Asha Pharmacy's financial information for the year shows five lakh in Cost of Goods Sold (COGS) with beginning inventory of 100,000 and ending inventory of 80,000, what will be its average inventory turnover ratio?
- a. 5.56
 - b. 5.95
 - c. 5.59
 - d. 5.65
19. _____ is a financial calculation that helps businesses determine the level of sales or units they need to cover their total costs and avoid losses.
- a. Quick ratio
 - b. Contribution margin
 - c. Debt ratio
 - d. Breakeven
20. Operating Cash Flow is 130,000, Investing Cash Flow is - 35000 , Financing Cash Flow is 10,000 and closing cash balance is 155,000, how much is the opening cash balance?
- a. 5000
 - b. 55,000
 - c. 50,000
 - d. 50,500



KATHMANDU UNIVERSITY
End Semester Examination
January 2024

Level : B.E./B.Tech.
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Time : 2 hrs. 30mins.

Course : MGTS 402
Semester : I
F. M. : 40

SECTION "B"

[4Q × 10 = 40 marks]

Attempt *ANY FOUR* questions.

1.
 - a. Financial management requires putting in place a system that provides entrepreneurs with relevant financial information in an easy-to-read and readily understandable format on a timely basis. Explain three basic financial statements and their purpose. [6]
 - b. Define Current Assets and provide four examples of current assets [2]
 - c. Equity Capital is called risk capital because investors assume the risk of losing their money if the business fails. Explain two advantages and two disadvantages of raising the investment through equity. [2]
2.
 - a. Explain each stages of Product life cycle in short. [5]
 - b. Product, Place, Price and Promotion being the 4P's of product and service mix; explain other 3P's of service marketing mix in short. [3]
 - c. The "right" price for a product or service depends on one factor: the value it provides for a customer. What are the two aspects of value? Explain in short. [2]
3.
 - a. Explain in short The "Five Cs" of Credit. [5]
 - b. Strategy is a road map of the actions an entrepreneur draws up to achieve a company's mission, goals, and objectives. It is the company's game plan for gaining a competitive advantage. What are the three basic strategies? Explain. [3]
 - c. A set of measurements unique to a company includes both financial and operational measures. It gives managers a quick, yet comprehensive, picture of a company's overall performance. Explain in short its four perspective that it does cover. [2]
4.
 - a. When using the sketch pad, the entrepreneur asks a series of key questions addressing five key parameters. Explain its five parameter in short. [5]
 - b. A value proposition has four essential elements showing how product/service creates value for specific customer segments. What is value proposition? Shortly, explain its four essential elements. [5]

5.

a. Write short note on each:

[3 × 2 = 6 marks]

i. Mind mapping

ii. Barriers to creativity

iii. Difference between social responsibility and corporate social responsibility (CSR)

b. What is Intellectual Property? Explain Patent, Copyright and Trademark.

[4]

6.

a. There is no one "best" form of ownership and the best form of ownership depends on an entrepreneur's particular situation. Highlight 6 factors affecting the choice of business ownership. [3]

b. How is Single ownership and Partnership business different from Public Limited Company? [3]

c. Much like choosing a form of ownership and selecting particular sources of financing, the location decision has far-reaching and often long-lasting effects on a small company's future. How? [2]

d. Shortly explain any two Retail Layout Patterns [2]

KATHMANDU UNIVERSITY
End Semester Examination
21- December 2023

Level : B.E.
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SECTION "B"
[6Q. × 4 = 24 marks]

Attempt *ANY SIX* questions.

1. Following are the information provided:

Particular	Amount (NRs)
Cash Sales	12,00,000
Credit Sales	400,000
Opening Inventory	14,00,000
Closing Inventory	300,000
Purchase	700,000
Fixed Assets	10,00,000
Current Assets	400,000
Long Term Liability	500,000
Current Liability	300,000
Share Capital	15,00,000

Particulars	Industry Mean
Debt ratio	0.30
Net-Sales-to-Total-Assets Ratio	2
Average-Inventory-Turnover Ratio	2

- Calculate and interpret the following:
- Debt ratio [1]
 - Net-Sales-to-Total-Assets Ratio [1]
 - Average-Inventory-Turnover Ratio [2]
- Explain pricing and the three potent forces that determines pricing. [1+3]
 - Explain the term "Idea Assessment". Elaborate all three idea assessment test to evaluate your new business idea. [1+3]
 - Identify and explain your choice of one local Nepalese company that is implementing the following pricing tactics mentioned below.
 - Dynamic Pricing (one company and explain your choice) and [2]
 - Freemium Pricing (one company and explain your choice) [2]
 - Briefly elaborate all four types of Intellectual Property with example.
 - It is not easy to build a loyal customers base. Explain all the Business's Responsibility to Customers that you have to maintain the loyalty.
 - You plan to launch a small retail café in KU road. You have determined the targeted net income to earn is NRs 270,000. Statistics gathered from Nepal Bureau of Statistics show that the typical café's net profit margin is 30% and the Cost of Goods Sold is 45%.
 - Using this information, compute a simple projected Income Statement. [3]
 - What is the required monthly and daily (assuming 360 days in a year) sales volume? [1]

SECTION "C"
[2Q. × 8 = 16 Marks]

Attempt *ANY TWO* questions.

8. Your friend is planning to start a drinking water plant. You are interested in the business and seeking to be part of it. Your friend wants to understand more about partnership form of business. You are trying to convince him/her that partnership is better than sole proprietorship.
 - a. Explain four advantages of partnership that it has over sole proprietorship, so your friend would understand why partnership is better choice. [4]
 - b. Explain any two types of partners to your friend. And which partner one would you like to be any why? [2+2 =4]
9. Prepare a CANVAS Business Model for Yak Brewery, a Beer Producing Company.
10. Your friend is thinking of entering the Fast Food business. S/he is trying to understand the different location option for retail and service businesses. Explain briefly all seven location option for retail and service businesses. And suggest one location option for your friend and justify why you selected that option.

B7-

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