Nepal Bank Limited
Open Competition Examination
2070/04/32

Paper: First
Post: Assistant Manager
Time: 3 Hours

Full Marks: 100
Pass Marks: 50

Subject : Economy, Money and Banking

Attempt any FIVE questions selecting at least TWO from each group. At least ONE question should be answered in English Language. All questions carry equal marks.

Group 'A' Economy

1. What are the characteristics of developing economics ? Briefly discuss the poverty situtation of Nepal.
2. How Gross Domestic Product (GDP) is computed in Nepal ? Point out the problems in computing GDP.
3. Explain the main features of monetary policy 2070/71 of Nepal Rastra Bank.
4. Using the marginal revenue-marginal cost approach explain how price and output are determined in a perfectly competitive market both in the short-run and long-run.

Group 'B' Money and Banking whesiace

5. What is a letter of credit (LC) with the help of a suitable example, explain its working modalities.
6. What do you know about project evaluation ? What are the differences between IRR and NPV techniques in project evaluation ?
7. How can central bank increase or decrease money supply in the economy ? Can central bank's actions alone control money supply an economy ? Why ?
8. Economic theory predicts that there is a trade off between inflation and unemployment at least in the short run. However, current data indicate that both are in rising trend in Nepal. Explain this issue.

Nepal Bank Limited
Open Competition Examination
2070/05/01

Paper: Second
Post: Assistant Manager **Full Marks: 100**
Time: 3 Hours **Pass Marks: 50**

Subject : Management and Finance

Attempt any FIVE questions selecting at least TWO from each group. At least ONE question should be answered in English Language. All questions carry equal marks.

Group 'A' Management

1. "Human Resources are the precious assets of any organization as compared to other resources" Explain the ways through which the training and development can contribute to the efficiency and success of any organization.
2. Why strategic planning is important for any bank ? Discuss the major areas that shold be included in developing a Strategic plan in a bank ?
3. What is Total Quality Management (TQM) ? Explain the various TQUM techniques. What are the factors-affecting quality.
4. What do you mean by system (IT) Audit ? Give suggestions to enhance the system Audit Process in a bank by assessing the risks associate with the system audit.

Group 'B' Finance

5. What are the principles of World Trade Organization (WTO) ? Examine the impact of WTO on Nepalsese econimy including banking sector.
6. Describe major components of financial sector reforms in Nepal. Are these reform steps sufficient for strengthening Nepalese banking sector ?
7. Explain the NPV and IRR methods of capital budgeting. If there is a conflict between NPV and IRR rules which one you would choose and why ?
8. What do you understand by financial system ? Explain the salient features of Nepalese financial system.

Nepal Bank Limited
Open Competition Examination
2069/06/12

Paper: First
Post: Assistant Manager
Time: 3 Hours

Full Marks: 100
Pass Marks: 50

Subject : Economy, Money and Banking

Attempt any FIVE questions selecting at least TWO from each group. At least ONE question should be answered in English Language. All questions carry equal marks.

Group 'A' Economy

1. Discuss the basic assumptions of Harrod-Domar growth model and justify its significance in a developing economy like Nepal.
2. The poverty level of Nepal is recently reported to have reduced to 25 percent in spite of slow economic growth rate. What are the reasons behind such miracles ? Explain.
3. What are the objectives of monetary policy in Nepal ? Evaluate the effectiveness of monetory policy using current instruments to achieve specified objectives.
4. Write short notes on:
   a. Deficit financing in Nepal.
   b. Constraints to Nepal's economic development

Group 'B' Money and Banking

5. Discuss the role and funcations of Nepal Rastra Bank (NRB) especially to promote economic development and suggest for improving its efficiency in the light of growing nmbers of financial Institutions in Nepal..
6. State the importance of ratio analysis and suggest major ratios which need to be considered while appraising the working capital loan proposal in a bank.
7. Explain the role of reserve money and money multiplier in money supply and monetary management process in Nepal.
8. Both inflation and unemployment are on rise in Nepal implies that theory of inflation which shows the trade off relationship between the two (Philip's Curve) does not hold in case of Nepal. Discuss.

Nepal Bank Limited
Open Competition Examination
2069/06/13

Paper: Second
Post: Assistant Manager
Time: 3 Hours

Full Marks: 100
Pass Marks: 50

Subject : Management and Finance

Attempt any FIVE questions selecting at least TWO from each group. At least ONE question should be answered in English Language. All questions carry equal marks.

Group 'A' Management

1. State the importance of human resource planning in an organization. What are the steps involved in the human resource planning Process ? Give example.
2. The current problems seen an the fiancial sector of Nepal have highalighted many corporate governance failures. What in your opinion, are the major corporate governance issues in the baniking sector of Nepal ? To what extent do you think the corporate readership is responsible for these corporate governance issues ?
3. Examine the role of Information Technology (IT) in modern organization. What strategies would you suggest for improving documentation and reporting system for Nepal Bank Limited ?
4. Describe the nature and causes of conflict in organizations. Is conflict always bad ? Why or why not ?

Group 'B' Finance

5. How is "Portfolio analysis" from "divestment analysis" ? What are the aspects to be considered by finance managers while carrying out the portfolio analysis ? Discuss.
6. Break-even analysis is specific way of presenting and studying me interrelationship between cost volume and profits. Discuss.
7. Suggest your views on the following:
   a. Doess adoption of WTO principles help the Banking business Nepal ?
   b. Scope and use of financial derivatives in the Banking Business in Nepal ?
8. Define capital market and discuss the salient features of capital market in Nepal.

Nepal Bank Limited
Open Competition Examination
2068/02/15

per: First
ce: Assistant Manager
me: 3 Hours

Full Marks: 100
Pass Marks: 50

Subject : Economy, Money and Banking

empt any FIVE questions selecting at least TWO from each group. At least ONE question should answered in English Language. All questions carry equal marks.

Group 'A' Economy

Explain how GDP is measured in Nepal. What are the problems in measuring GDP ?

Write short notes on:

a. Instruments of fiscal policy

b. Instruments of monetary policy

How is the equilibrium level of output and price determined in a monopoly market ? Differentiate the equilibrium output and price from that of an individual firm under perfect competition.

Justify the need for economic planning in a least develped country like Nepal. What are the causes of planning failure to achieve that set targets in Nepal ?

Group 'B' Money and Banking

Explain the main features of NRB's monetary policy 2013/14. How it will meet its objective of controlling price level in the Nepalese economy ? Discuss.

Discuss the lending principles of banks and financial institutions. How do you assess a bank's profitability and liquidity position ?

The base rate and the interest rate corridor were the two concepts widely discussed in Nepal during the last two years. While the former has been introduced the latter is yet to put in place. Make a case of these meaures for.

a. Retionlizing the operation of commercial banks.

b. Modulating liquidity and stabilizing the financial system of Nepal.

Discuss the objectives and implications of merger and acquisition of banks and financial institution and review the progress made so far in this direction in Nepal.

Nepal Bank Limited
Open Competition Examination
2068/02/17

Paper: Second
Post: Assistant Manager
Time: 3 Hours

Full Marks: 100
Pass Marks: 50

Subject : Managemet

Attempt any FIVE questions selecting at least TWO from each group. At least ONE question should be answered in English Language. All questions carry equal marks.

Group 'A' Economy

1. Define quality management. Explain the factors affecting quality. What is the value of benchmarking and quality assurance techniques in quality management ?
2. Discuss the problems inherent in the Human Resources Management (HRM) in Nepalese business organization. What changes you would recommend to strengthen the HRM sysem in Nepalses banks ?
3. What are the fundamental principles of management ? Explain the emerging management issues and challenges in the context of Nepalese banking industry. State the major corporate governance problems observed in the banking industry of Nepal. Explain what measures are necessary to institutionalize a sound corporate governance system in the Nepalese banking sector.

Group 'B' Finance

5. Explain the different forms of regional economic integration. What efforts have been made in south Aisa to promote such economic cooperation ?
6. Explain the paybak and average rate of return (ARR) method as capital budgeting technieues. What criticism may be offered against these methods ? Explain.
7. What are the major trends in financial sector reform in Nepal ? Give answer with special focus on fiduciary risk associated with banking sector in Nepal.
8. What do you understand by fianancial derivative ? Explain different instruments of financial derivative.

Nepal Bank Limited
Open Competition Examination
2068/08/23

Paper: First
Post: Assistant Manager
Time: 3 Hours

Full Marks: 100
Pass Marks: 50

Subject : Economy, Money and Banking

Attempt any FIVE questions selecting at least TWO from each group. At least ONE question should be answered in English Language. All questions carry equal marks.

Group 'A' Economy

1. What are the characteristics of Nepalese economy ? Explain the resons responsible for changing structure of Nepalese economy over the years (from agriculture to service sector.)
2. What is Harrod-Domar model ? Explain why this model lis still widely used in investment planning and growth process ? Do you see any weaknesses in this model ?
3. What are the requisites for successful planning ? Explain the causes of filure in achieving the development targets of Nepal.
4. Discuss the objective and importance of monetary policy with reference to Nepal. Explain the provision of current monetary policy regarding the financial sector reform, regulation and supervision.

Group 'B' Money and Banking

5. "Too many banks and financial instituions chasing for limited deposits and investment in Nepal has led the unhealthy competition among them." Do you agree with this statement and give your argumetns.
6. How is interest rate determined ?And how do you manage profitability and liquidity in a commercial bank ? Supplement your views.
7. How exchange rate of a currency is determined ? Why the exchange rate "Nepalese currency is fixed with Indian currency". Give reasons.
8. Distinguish between demand pull and cost push inflation. How does le Phillips Curves explain the trade-off between unemployment and inflation ? Discuss.

Nepal Bank Limited
Open Competition Examination
2068/08/24

Paper: Second
Post: Assistant Manager
Time: 3 Hours

Full Marks: 100
Pass Marks: 50

Subject : Management and Finance

Attempt any FIVE questions selecting at least TWO from each group. At least ONE question should be answered in English Language. All questions carry equal marks.

Group 'A' Management

1. Identify the different skills of managers and discuss them with examples.
2. What do you understand by "Risk Return Trade-off" ? How do you make rational decision under
   a. Certainty (give example)
   b. Risk (give example)
   c. Uncertainty (give example)
3. What is quality management ? What are the elements of TQM ? How could you introduce TQM in Banking sector ? Discuss.
4. Discuss the significance of SWOT analysis to formulate strategy.

Group 'B' Finance

5. Make a difference between capital market and money market Explain the major forms of financial derivative instruments.
6. "Banking Business is on the verge of keen competition and cake sharing". Relate this statement with the present Nepalese market and economic conditions.
7. What is regional economic cooperation ? Identify the factos that motivate countries to join regional economic block. Also state the objectives and areas of coopuration of BIMSTEC.
8. Describe the common methods used in evaluating projects with illustration. Which method do you prefer and why ? Discuss.

Nepal Bank Limited

Open Competition Written Examination

2066/09/10

per: First
st: Assistant Manager
me: 3 Hours

Full Marks: 100
Pass Marks: 50

Subject : Economy, Money and Banking

ttempt any FIVE questions selecting at least TWO from each group. At least ONE question should be answered in English Language. All questions carry equal marks.

Group 'A' Economy

1. Nepal has already completed five decades of planned development process. Poverty and income inequality still stand as serious problems. In this context, discuss the constraints of economic development in Nepal.
2. Nepal has been emphasizing on trade diversification since last few decades. However, Nepal trade is still largely concentrated with India. Point out the weaknesses in trade policy and recommend appropriate policy measures to enhance export competitiveness.
3. Describe how price and output is determined under Monopolistic competition. Do you think that fires should be monopoly with regards to various basic necessaries like water and electricity in Nepal ? Giver reasons.
4. Write short notes on:
   a. Effectiveness of Monetary Policy in Nepal
   b. Methods of National Income Accounting

Group 'B' Money and Banking

5. Discuss the lending principles of commercial banks ? Why is it necessary to trade off between profitability and liquidity ?
6. Define the terms high powered and Low powered money. Nepal experienced the shortage of currency in Octorber 2009. Is itj due to shortage of money supply or there are other reasons ? Explain.
7. Illustrate the term 'Inflation' and outline its causes. Why do you think Nepal has been experiencing so high inflation rate since the last decade ? Justify your answer with reasons ?
8. Discuss the characteristics of financial sector in Nepal. Discuss the marketing strategies that a commercial bank should adopt m* increasingly competitive market structure.

Nepal Bank Limited
Open Competition Written Examination
2066/09/11

Paper: Second
Post: Assistant Manager
Time: 3 Hours

Full Marks: 100
Pass Marks: 50

Subject : Management and Finance

Attempt any FIVE questions selecting at least TWO from each group. At least ONE question should be answered in English Language. All questions carry equal marks.

Group 'A' Management

1. What are principal components of a strategic plan ? What are its tools ? Discuss the elements of competitive environment which should be analyzed for strategy formulation.
2. "A de-motivated employee is a liability to organizations". If you agree to this statement, what approaches will you use to increase motivation and morale of employees ? base your answer on the established theories of motivation.
3. Explain and distinguish quantitative and qualitative methods of data collection. Explain briefly the steps involved in designing a questionnaire.
4. What do you mean by organization development (OD) ? Define the steps involved in organization development process. Explai how organization development can be a major support in implementing changes in the organization.

Group 'B' Finance

5. A business group is running two separate ventures. Both the ventures are doing well in the market. Based on the financial medicators of two companies, identify which company is in a better position.

Financial indicators	Campany A	Company B
Current ratio	2:1	3:1
Dept Equity ratio	60:40	70:30
Net operating cycle	120 days	95 days
Gross profitability	30%	25%
Net profitability	17%	18%
Return on equity	12%	20%
Debt coverage ratio	1.12%	2.45%
Interest coverage ratio	2.23%	5.45%

6. Discuss the process of capital budgeting. Under what situation is the IRR method preferable to NPV method in capital project decision making.
7. Discuss the role of financial management in the context of modern business. What is the Importance of the statement of sources and used of funds to a financial manager ?
8. Write short notes on:
   a. World Bank
   b. Financial Derivatives

Nepal Bank Limited
Open Competition Written Examination
2061/04/08

Paper: First
Post: Assistant Manager — Full Marks: 100
Time: 3 Hours — Pass Marks: 50

Subject : Economy, Money and Banking

Attempt any FIVE questions selecting at least TWO from each group. At least ONE question should be answered in English Language. All questions carry equal marks.

Group 'A' Economy

1. Nepal has opted for economic liberalization and joined WTO. Discuss the features of market friendly economy and state how the government has incorporated the same in its policy framework.
2. Describe various poverty alleviation measures taken by the government in Nepal and give your opininon as to why such initiatives have not yielded desired results.
3. With co-operation from the World Bank, Nepal is seriously engaged in financial sector reform. Why this was necessary and what is being done under the program ? Whether the institutions are poised to come out of the trouble and contribute to the advancement of Nepalese economy.
4. Write short notes on (Any two)
   a. Corporate governance
   b. Money supply
   c. Privatization

Group 'B' Money and Banking

5. The bank, where you have the full authority has the following balance sheet.

Liabilities	Assets
Bank capital Rs. 100 million	Rserve Rs. 75 million
Deposit Rs. 500 million	Loans Rs. 525 million

   Inf bank suffers and deposit outflow of Rs. 50 million with required arve ratio of 10 percent, what actions must you take to keep your bank from failure ?
6. If e bank, where you are the manager has no excess reserve and a sound customer comes in asking for a loan. Should you automatically turn him donw, explaining that you do not have any excess reserves to loan out ? Why or why not ? What options are available for you to provide your customer with the funds he needs ?
7. Our banks are faced with excess liquidity, while good projects are facing dearth of resources. What is wrong with the lending strategy and practices and what good can be made for a healthier cooperation ?
8. Write short notes on (Any two)
   a. Balance of Payments
   b. Role of Central Bank
   c. Features of Bank and Financial Institutions Ordinance 2060.

Nepal Bank Limited
Open Competition Written Examination
2061/04/09

Paper: Second
Post: Assistant Manager
Time: 3 Hours

Full Marks: 100
Pass Marks: 50

Subject : Management and Finance

Attempt any FIVE questions selecting at least TWO from each group. At least ONE question should be answered in English Language. All questions carry equal marks.

Group 'A' Management

1. Why is human resource planning important in modern organization ? Suggest the main processes steps that should be followed in planning the human resources in Nepal Bank Limited.
2. Describe "Change Management" and its basic strategies or approaches in introducing changes in a organization. What do you think are the major constraints that are oftern to be faced by the change agent ?
3. "The success of manager depends not on the machanism and instruments alone but on his vision and capacity to go with people with team-work. effective communication participation and consciousness of time and conflict management." Discuss.
4. a. Show your familiarity with the total quality management. Explain the tools that are commonly used for TQM.
   b. What is management information system ? Explain MIS with suitable examples.

Group 'B' Finance

1. a. The risk-free rate of return is 6 percent and the market risk premium is 5 percent. The beta of the project under analysis is 1.8, with expected net cash flows after taxes estimated at Rs. 60 for five years. The required investment outlay on the project is Rs. 1,800.
   i. What is the required risk-adjusted return on the project.
   ii. Should the project be accepted ? Explain.
   b. ABC manufacturing company is trying to determine on appropriate capital structure. It is known that as its leverage increases, its cost of borrowing will eventually increase as well as required rate of return on its common stock, the company has made the following estimates for various leverage ratio.

Debt Percent of Total Capital employee (Debt + Equity)	Interest Rate on Borrowings	Required Rate of Return on Equity
0	-	10%
10	8%	10.5%
20	8%	11%
30	58.5%	11.5%
40	9%	12.25%
50	10%	13.25%
60	11%	14.50%
70	12.5%	16%
80	15%	18%

Suggest the company to determine optimal capital structure by calculating weighted average cost of capital. The appropriate tax rate is 50%.

a. What are the issues in the conflict of interest between stockholder and managers and how can they be resolved ?

b. Write short notes on (Any two)

i. Break-even analysis

ii. Profitability ratio

iii. Investment policy 7294

Define the term "Investment" and briefly write the factors to be considered choosing among investment alternatives.

A company is considering a project at a cost of Rs. 1,00,000. The life of the project is 5 years at the end of which its scrap value is likely to be nil. The project is expected to yield an annuual sale of Rs. 2,00,000 per year for five years. The annual cost required is Rs. 1,40,000. Net working capital of Rs. 20,000 will be required immediately and then amount will be free at the end of 5th year. The project will be depreciated on straight line basis.

The corporate tax rate is 30% and cost of capital is 12%, present value interest factors of 12% and annuity factors are given below:

Year	1	2	3	4	5
P.V. Factor	0.893	0.797	0.712	0.636	0.567
Annuity	0.893	1.690	2.402	3.037	3.605

Required: Using the net present value, determine investment in project is acceptable.