

**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 economies? Briefly discuss the poverty situation 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**

**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. "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 should be included in developing a Strategic plan in a bank.
3. What is Total Quality Management (TQM)? Explain the various TQM 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 associated with the system audit.

**Group 'B' Finance**

5. What are the principles of World Trade Organization (WTO)? Examine the impact of WTO on Nepalese economy 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.

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**Nepal Bank Limited**  
**Open Competition Written 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 monetary 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 functions of Nepal Rastra Bank (NRB) especially to promote economic development and suggest for improving its efficiency in the light of growing numbers 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 in the financial sector of Nepal have highlighted many corporate governance failures. What in your opinion, are the major corporate governance issues in the banking 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 the interrelationship between costs volume and profits." Discuss.
7. Suggest your views on the following:
  - (a) Does 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 Exam Questions**  
**2068/02/15**

**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. Explain how GDP is measured in Nepal. What are the problems in measuring GDP?
2. Write short notes on:
  - a) Instruments of fiscal policy
  - b) Instruments of monetary policy
3. 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.
4. Justify the need for economic planning in a least developed country like Nepal. What are the causes of planning failure to achieve the set targets in Nepal?

**Group 'B' Money and Banking**

5. 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.
6. Discuss the lending principles of banks and financial institutions. How do you assess a bank's profitability and liquidity position?
7. 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 measures for.
  - a) Rationalizing the operation of commercial banks.
  - b) Modulating liquidity and stabilizing the financial system of Nepal.
8. 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 Exam Questions**  
**2068/02/17**

**Paper: Second**

**Post: Assistant Manager**

**Time: 3 Hours**

**Full Marks: 100**

**Pass Marks: 50**

**Subject: Management**

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. 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 system in Nepalese 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 Asia to promote such economic cooperation?
6. Explain the payback and average rate of return (ARR) method as capital budgeting techniques. 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 financial derivative? Explain different instruments of financial derivative.



**Nepal Bank Limited**  
**Open Competition Written 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 reasons 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 is 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 failure 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 institutions chasing for limited deposits and investment in Nepal has led the unhealthy competition among them." Do you agree with this statement and give your arguments.
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 the Phillips Curves explain the trade-off between unemployment and inflation? Discuss.



**Nepal Bank Limited**  
**Open Competition Written 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 audia**

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 factors that motivate countries to join regional economic block. Also state the objectives and areas of cooperation 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**

**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. 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 there should be monopoly with regards to various basic necessities like water and electricity in Nepal? Give 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?
2. Define the terms high powered and Low powered money. Nepal experienced the shortage of currency in October 2009. Is it due to shortage of money supply or there are other reasons? Explain.
3. 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?
4. Discuss the characteristics of financial sector in Nepal. Discuss the marketing strategies that a commercial bank should adopt in\* increasingly competitive market structure.

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**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. Explain how organization development can be a major support in implementing changes in the organization.

**Group 'B' Finance**

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

Financial indicators	Company A	Company B
Current ratio	2:1	3:1
Dept Equity ratio	60:40	70:30
Net operating cycle	120 days	95 dasys
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 %

2. Discuss the process of capital budgeting. Under what situation is the IRR method preferable to NPV method in capital project decision making.
3. Discuss the role of financial management in the context of modern business. What is the Importance of the statement of sources and uses of funds to a financial manager?
4. 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**

**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. 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 opinion 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**

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

**Liabilities**

Bank capital Rs. 100 million

Deposit Rs. 500 million

**Assets**

Reserve Rs. 75 million

Loans Rs. 525 million

If bank suffers a deposit outflow of Rs. 50 million with required arve ratio of 10 percent, what actions must you take to keep your bank from' failure?

2. 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 down, 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?
3. 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 or 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 an organization. What do you think are the major constraints that are often to be faced by the change agent?
3. "The success of manager depends not on the mechanism 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. 600 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 the 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	8.5%	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%.

2. (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
3. Define the term " investment" and briefly write the factors to be considered choosing among investment alternatives.
4. 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 annual 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.



**Nepal Bank Limited**  
**Open Competition Exam Questions**  
**2068/08/16**

**Paper: First**

**Post: Deputy 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. Critically examine the Solow-Swan growth model.
2. Differentiate fiscal policy and monetary policy. Evaluate the current monetary policy of Nepal.
3. Explain the types of market system for price determination and discuss how the prices of banking products are determined by Nepalese Banks?
4. Explain how private investment is affected, if public spending is financed by the sale of government bonds. Do you think that borrowing from the central bank is preferable? Give reasons.

**Group 'B' Money and Banking**

1. Why liquidity management is important for banks and financial institutions? What sort of infrastructure do you think necessary. in order to build strong and efficient market for the same?
2. What do you understand by the term "liquidity trap"? Why a change in money supply up to a certain limit does not help the economy out of the liquidity trap?
3. Examine the factors affecting the money supply?
4. Discuss the role of banks and financial institutions in the implementation of monetary policy.
5. Which policy instrument among others, do you think most effect in Nepal? Justify.



**Nepal Bank Limited**  
**Open Competition Exam Questions**  
**2068/08/17**

**Paper: Second**

**Post: Deputy 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. Define Management Information System (MIS). Explain if an information system of a bank affect business level strategy formulation. State probable benefits of e-banking.
2. Write down the features of good corporate governance. How do you think a sound information system helps in attaining good corporate governance?
3. If you were the Chief Executive Officer of Nepal Bank Limited, what considerations would guide your judgement on the following employment issue?
  - (a) Promotion from within versus selecting the best from outside.
  - (b) Hiring person from-disadvantage group.
4. What is Total Quality Management (TQM)? What are its components? What competitive edge can expect adopting TQM in an organization?

**Group 'B' Finance**

5. What are the functions of "financial Market"? Classify the financial market in terms of:
  - (a) Nature of claim
  - (b) Maturity of claim Seasoning of claim
  - (d) Timing of delivery
  - (e) Organization structure. Briefly discuss about the financial intermediates in Nepal.
6. How do you trade off risk and return in developing a sound portfolio? Explain with illustrations.
7. Define capital rationing. Compare net present value (NPV) and Payback period method investment decisions. Identify problems of payback period method.
8. What is funds flow analysis? what are the sources and uses of funds? What is the use of analysis in financial management?

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**Nepal Bank Limited**  
**Open Competition Exam Questions**  
**2066/09/03**

**Paper: First**

**Post: Deputy 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 is national income? Explain the different methods used in measuring national income. What are the major problems associated with the computation of national income in Nepal?
2. Explain the importance of development planning In Nepal? Critically examine the success of development planning practices in Nepal? What are the issues and challenges of the development planning process in a country like Nepal?
3. What is meant by fiscal policy and 'monetary policy'? Explain the relationship between fiscal policy and monetary policy. State the limitations of fiscal policy in a developing country like Nepal?
4. What are the critical barriers for the promotions of export of Nepal? Suggest trade policy reform measures to address the barriers.

**Group 'B' Money and Banking**

1. What do you mean by asset liability management? What are the major sources of funds for commercial banks? Explain why commercial banks aim at resolving liquidity and profitability.
2. State and explain the term 'money supply'. Distinguish between narrow money (M1) and broad money (M2). Also, illustrate the concept of money multiplier approach to money supply.
3. Critically evaluate the role of the Nepalese banking system for the promotion of economic activities of the country.
4. By January 1, 2010 as per the WTO provision foreign banks can operate banking business in Nepal? What would be the impact of 11 in Nepalese banking industry? What are the measures that Nepalese banks need to adopt to face the challenges created by the operation of foreign bank branches in Nepal?





**Nepal Bank Limited**  
**Open Competition Exam Questions**  
**2066/09/04**

**Paper: Second**

**Post: Deputy 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. Explain the difference between management and leadership. Discuss why conceptual skills because more important and technical skill less important, at higher organizational levels. Discuss how leader can lead an organization successfully.
2. What are fundamental principles of management? Explain the emerging concepts of management to address the quality issue.
3. Point out the most frequent criticisms leveled against Organization Development (OD) program in modern organization. To what extent do you think the human resistance problem can be address through group dynamic?
4. What is strategic planning? Why it is important to design a strategic plan. Explain the process involved in preparing a strategic plan of a commercial bank.

**Group 'B' Finance**

1. Explain the concept of portfolio management. How does the efficient portfolio change when risk securities are combined with risk free securities in the portfolio?
2. Discuss the project characteristics that must be taken into account in project appraisal. Why NPV technique is considered superior to IRR although both are based on the discounted on flow method?
3. Briefly discuss the salient characteristic of financial sector reform program initiated by Government of Nepal. Do you think these reforms are effective solution to all the problems for the banking industry in Nepal?
4. Explain the importance of break-even point, linear programming and found flow analysis in determining the policy of profitability.

