

# **Faculty of Management**

## **Bachelor of Business Studies Program (BBS)**

### **Curriculum**



**Office of the Dean  
Faculty of Management  
Tribhuvan University  
Kathmandu, Nepal**

**2013**

# **Bachelor of Business Studies Programme (4 -Year BBS)**



**Office of the Dean  
Faculty of Management  
Tribhuvan University  
[www.fomecd.edu.np](http://www.fomecd.edu.np)**

## **Faculty of Management**

The Faculty of Management (FOM), Tribhuvan University has its ultimate objective of educating students for professional pursuits in business, industry and government. It is further dedicated to contributing to an increase in the knowledge and understanding of business and public administration. FOM aims to develop a networking with management institutes in the country and abroad to exchange new knowledge, technology, and methods of achieving higher level efficiency in management of business and public entities. It also aims to continuously innovate and promote cost-effective, socially relevant, modern technology based educational programs in Nepal.

The FOM offers instructions leading to Bachelor of Business Studies (BBS-4years annual system) , Bachelor of Travel and Tourism Management (BTTM), Bachelor of Hotel Management (BHM), Bachelor of Information Management (BIM), Bachelor of Business Management (BBM), Bachelor of Public Administration (BPA), Post Graduate Diploma in Police Sciences (PGDPS), Master of Business Management (MBM), Master of Business Studies (MBS), Master of Public Administration (MPA), Master of Travel and Tourism Management (MTTM), Master of Hospitality Management (MHM), Master of Finance and Control, Master of Business Administration (MBA) and Master of Business Administration in Global Leadership and Management (MBA-GLM). The FOM also offers Master of Philosophy in Management (M Phil) and doctoral program in management leading to a Degree of Doctor of Philosophy (Ph D).

### **FOM's GOALS**

- Prepare professional managers capable of handling business in a dynamic global environment.
- Produce socially responsible and creative entrepreneurs capable of promoting business and industry for the socio-economic development of Nepal.
- Conduct research and management development programs for updating the knowledge and skill base of academics and practicing managers.
- Innovate and promote management programs catering to the various social and economic sectors of Nepal.
- Establish linkages with leading universities and management institutes abroad and collaborate with them in program development and implementation.

# **Bachelor of Business Studies (BBS)**

## **Programme Objective**

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, students 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 allied areas of business such as language, economic analysis, legal environment and quantitative method 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 and 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 and marketing in order to provide graduates with some degree of functional expertise.

## **Course Composition**

### **Compulsory Courses**

MGT 201: Business English  
MGT 202: Business Statistics  
MGT 203: Microeconomics  
MGT 204: Business Law  
MGT 205: Business Communication  
MGT 206: Macroeconomics

### **Core Courses**

MGT 211: Accounting for Financial Analysis  
MGT 212: Cost and Management Accounting  
MGT 213: Principles of Management  
MGT 214: Fundamentals of Marketing  
MGT 215: Fundamentals of Financial Management  
MGT 216: Foundations of Human Resource Management  
MGT 217: Business Environment and Strategy  
MGT 218: Taxation and auditing  
MGT 219: Organizational Behavior  
MGT 220: Entrepreneurship and Enterprise Development  
MGT 221: Business Research Methods

### **Concentration Area**

(Three courses from any one of the following five functional areas)

#### **Accounting**

ACC 250: Accounting for Banking  
ACC 251: Accounting for Business  
ACC 252: Advanced Financial Accounting  
ACC 253: Advance Auditing  
ACC 254: Budgeting and Controlling of Profit

#### **Finance**

FIN 250: Fundamentals of Corporate Finance  
FIN 251: Commercial Bank Management  
FIN 252: Foundations of Financial Institutions and Markets  
FIN 253: Fundamentals of Investment  
FIN 254: Insurance and Risk Management

#### **Marketing**

MKT 250: Fundamentals of Selling  
MKT 251: Customer Relationship Management  
MKT 252: Foreign Trade and Export Management in Nepal  
MKT 253: Fundamentals of Advertising  
MKT 254: Fundamentals of Services Marketing

#### **Management**

MGT 250: Entrepreneurship and Small Business Management  
MGT 251: International Business  
MGT 252: Management of Industrial Relations  
MGT 253: Productivity Management  
MGT 254: Quality Management

### **The First Year Programme**

The purpose of the first year programme is to build a strong foundation in students to prepare them to comprehend the business concepts, theories and practices. The first year programme is organized into the following compulsory and core courses:

#### **First Year (500)**

MGT 201: Business English	100
MGT 202: Business Statistics	100
MGT 203: Microeconomics	100
MGT 211: Accounting for Financial Analysis	100
MGT 213: Principles of Management	100

### **The Second Year Programme**

The purpose of the second year programme is to provide basic concepts, tools and understanding of the foundation and core courses. The foundations courses are required to develop understand business practices. The core courses provide essentials of learning which are basic in the broad area of business studies. The second-year programme is therefore organized into the following core and compulsory courses:

#### **Second Year (500)**

MGT 205: Business Communication	100
MGT 206: Macroeconomics	100
MGT 212: Cost and Management Accounting	100
MGT 214: Fundamentals of Marketing	100
MGT 216: Foundations of Human Resource Management	100

### **The Third Year programme**

The purpose of the third year programme is to provide basic concepts, tools and understanding of the fundamentals of business studies. The core courses provide essentials of learning which are basic to understand broader area of business studies. The third programme is therefore organized into the following core and compulsory courses:

#### **Third Year (500)**

MGT 204: Business Law	100
MGT 215: Fundamentals of Financial Management	100
MGT 217: Business Environment and Strategy	100
MGT 218: Taxation and Auditing	100
MGT 219: Organizational Behavior	100

### **The Fourth Year Programme**

In fourth year, the students are encouraged to focus on a particular functional and concentration area of business studies. Building on the foundation laid in the first, second and third years, the principal mission of the fourth year twofold:

- 1) To enable the students to concentrate in one functional areas of business. FOM offers four stream of concentration courses:
  - a) Accounting
  - b) Finance
  - c) Management
  - d) Marketing
- 2) To provide opportunity to students to engage in research and final project presentation.

#### **Fourth Year (500)**

MGT 220: Entrepreneurship and Enterprise Development	100
Concentration I	100
Concentration II	100
Concentration III	100
MGT 221: Business Research Methods	50
MGT 401: Final Project	50

#### **Eligibility Conditions for Admission**

The candidate applying for admission to the BBS programme:

1. Must have successfully completed the 10+2 in business/ commerce or an equivalent course from a Higher Secondary School Board or from Tribhuvan University or from other University/ Board recognized by T.U or must have studied mathematics or economics as a full paper at the 10+2 programme.
2. Must have studied English as a full paper at the 10+2 or equivalent programme.
3. Must have secured the minimum marks at the 10+2 or equivalent programme as prescribed by the Faculty Board or campus concerned.
4. Must satisfy any other entry requirements or criteria as prescribed by the Faculty Board or the campus.

#### **Final Project Work**

The education of future manager will be incomplete without exposure to organizational reality. Therefore, the final project work is made an essential academic requirement for the fourth year students in all concentration courses. To write a project work students will undergo a field work and spend four weeks studying and learning from the organization during the time fixed by the campus/college. After the field work, the student will write a project report on the format prescribed by the FOM and submit it to the college/campus for evaluation. The student may also be asked to present the report to the general class and/ or faculty members. The evaluation of the report will be made by a team of external and internal examiners appointed by the by the Research department of the respective campus/ college. The project work should relate to the student's specialization.

The student must complete the prescribed number of hours of practical work in all courses requiring such work to the satisfaction of the concerned department. The final practical examination will be conducted jointly by team of external and internal examiners appointed by the office of controller of examinations.

A student will have to pass the theoretical, practical and project work examinations separately in all the courses having theoretical, project work and or practical components.

#### **Minimum General Requirements**

The minimum general requirement 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 day \*4:10hours a day). For courses requiring field and practical works, additional hours of study will be required.
3. A paper of 100 marks will have 150 lectures each of 50 minutes. However for practical works, extra class hours will be required as fixed by the Faculty Board.
4. 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 Division	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 lecture, group discussions, problem- solving exercises, guest lectures, practical work, and project work 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 four 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 19 courses of 1950 marks and submit a final project report of 50 marks as prescribed with passing grades in all the courses.
2. The passing scores obtained in all theory and practical components of the courses separately.
3. Completion of courses for the fulfillment of BBS programme must occur within the time limit as prescribe by Tribhuvan University.



# MGT 201: Business English

*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
- teach 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

## Course Details

### 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***

Nissani, M., and S. Lohani. *Flax-Golden Tales: An Interdisciplinary Approach to Learning English*. Shorter Edition. Kathmandu: Ekta, 2013. (Sounds of English and Stories and Poems on CD).

## **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
- 7)

### ***Prescribed Book***

Savage, Alice, and Patricia Mayer. *Effective Academic Writing 2: The Short Essay*. Essay. Oxford: OUP 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***

Smalzer, William R. *Write to be Read: Reading, Reflection, and Writing*. Second Edition. Cambridge: CUP, 2005.

## **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***

Haynes, John. *Style*. London and New York: Routledge, 1995.

### **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**

Carter, Ronald, and Michael McCarthy. *Cambridge Grammar of English*. Cambridge: CUP, 2006.

Crystal, David, ed. *The Penguin Encyclopedia*. 3rd rev. ed. Penguin Books, 2006.

*Effective Academic Writing 2: The Short Essay*. Answer Key Booklet. Oxford: OUP, 2006.

Oxford Advanced Learner's. *Dictionary of Current English*. Eighth Edition. Oxford: OUP, 2010.

Smalzer, William R. *Write to be Read: Teacher's Manual*. Second Edition. Cambridge: CUP, 1996.

Thomson, Anne, *Critical Reasoning: A Practical Introduction*. Third Edition. London and New York: Routledge, 2009.

Thomson, Anne. *Critical Reasoning: A Practical Introduction*. Third Edition. London and New York: Routledge: 2009.

# MGT 202: Business Statistics

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.

## Course Description

This course contains introduction to statistics, classification and presentation of data, measures of central tendency, measures of dispersion, Skewness, kurtosis and moments, simple correlation and regression analysis, analysis of time series, index numbers, probability, sampling and estimation, quantitative analysis, determinant and matrix.

## Course Details

### Unit 1: Introduction to Statistics

LH 5

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

LH 5

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

LH 15

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

LH 15

Absolute and relative measures, Range, Quartile deviation, mean deviation, standard deviation, coefficient of variation, Lorenz curve.

### Unit 5: Skewness, Kurtosis and Moments

LH 15

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

LH 15

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

LH 15

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****LH 15**

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****LH 10**

Definition of probability, Addition and Multiplication theorem, Application of Combination in Probability, Conditional probability and Baye's Theorem.

**Unit 10: Sampling and Estimation****LH 5**

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****LH 15**

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****LH 10**

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****LH 10**

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**

Gupta, S.C., *Fundamentals of Statistics for Management*, Himalayan Publishing House, Bombay.

Tulsian, P.C. & Pandey, Vishal, *Quantitative Techniques: Theory and Problems*, Pearson Education, India.

**Reference Books**

Shrestha, Sunity and Amatya, Sunil, *Business Statistics*, Buddha Academic Enterprises Pvt. Ltd., Kathmandu  
Sharma, Pushkar Kumar and Silwal, Dhruva Prasad, *Business Statistics*, Taleju Prakashan,

# MGT 203: Microeconomics

*Full Marks: 100*

*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.

## **Course Details**

### **Unit 1: Introduction**

**LH 5**

Concept of business (managerial) economics; Relation of business economics with traditional economics; Meaning, scope, use and limitations of microeconomics.

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

**LH 20**

Demand function, determinants of demand, movement and shift in demand curve; Supply function, determinants of supply, movement and shift in supply curve; Market equilibrium; Change in equilibrium due to shift in demand curve and supply curve.

*(Numerical exercise)*

### **Unit 3: Elasticity of demand and supply**

**LH 20**

Concept and types of price, income and cross elasticity of demand; Measurement of price, income and cross elasticity of demand: Total outlay, point and arc method; Uses of price, income and cross elasticity; Concept of elasticity of supply; 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**

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. Derivation of short run cost curves. Reason for the 'U' shape of short run average cost curve. Derivation of long run

cost curves. Relationship between short run and long run AC and MC curve. Shape of the long run average cost curve: Theoretical reason and empirical evidence. Concept of economies of scale and economies of scope. Concept of revenue: Total revenue, average revenue, and marginal revenue. Revenue curves under perfect and imperfect competition. Relation between average and marginal revenue curves. 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

Pricing of inputs in perfect competition and imperfect competition market. Rent: Modern theory of rent. Wages: Marginal productivity theory of wages, Concept of collective bargaining and minimum wages fixation. Interest: Loanable fund theory and Liquidity Preference Theory of interest. Profit: Economic and Business Profit, Dynamic Theory and Innovation Theory of Profit.

(Numerical exercise)

### Basic Books

Salvatore, Dominic. (2009). *Principles of Microeconomics*. Publish in India Oxford University Press, New Delhi

Pindyck, Robert S. and Daniel, Rubinfeld. (2001). *Microeconomics*. New Delhi: Prentice Hall of India

Mankiw, N. Gregory. (2009). *Principles of Microeconomics*. Centage Learning India Private Limited, New Delhi (4<sup>th</sup> edition)

Gilespi, Andrew. (2010). *Business Economics*: Oxford University Press

Koutsoyianis, A. (1991). *Modern Microeconomics*. Hongkong: ELBS

### Reference Books

Joshi, Shyam. (2012). *Business Economics*. Kathmandu: Taleju Prakashan

Dwivedi, D.N. (2001). *Microeconomic Theory and Application*. Tata McGraw-Hill Publishing Company Limited, New Delhi

Ahuja, H.L. (2004). *Advance Economic Theory*. New Delhi: S. Chand and Company

Gould, J.P. and E.P. Lazer. (2003). *Microeconomic Theory*. New Delhi: All India Travelers Book Sellers

Browning, E.K. and Browning, J.M. (2001). *Microeconomic Theory and Application*. New Delhi: Kalyani



# MGT 204 Business Law

*Lecture Hours: 150*

*Full Marks: 100*

*Pass Marks: 35*

## **Course Objectives**

This course aims to enhance students understanding of the basic business laws required for effective management of business operations.

## **Course Description**

This course contain; Introduction to law and business law, General law of contract, Contract of agency, Bailment, Contract of sale of goods, Contract of carriage, Law of company and insolvency, Arbitration, Indemnity and guarantee.

## **Course Details**

### **Unit 1: Introduction to Law and Business Law**

**LH 8**

- Nature and characteristic of law
- Types and sources of law
- Meaning and characteristic and source of Nepalese business law

### **Unit 2: General Law of Contract**

**LH 44**

- Meaning, Nature and definition of contract, Essential elements of valid contract.
- Meaning and Rules regarding offer, Revocation/ lapse of offer, Meaning and rules regarding acceptance, communication of offer and acceptance .
- Meaning of contractual capacity, Legal effects of agreements made with an incompetent party (the minor and the person of unsound mind).
- Meaning and Rules regarding consideration, Exceptions to the general rule 'No consideration no contract.
- Concept and importance of free consent, Meaning, and legal effects of contract caused by: Coercion, Undue influence, Misrepresentation, Fraud, Mistake.
- Concept and importance of legality of objective and consideration, Conditions of unlawful agreement and void agreement.
- Meaning and definition of contingent contract, Rule regarding contingent contract
- Meaning and definition of quasi contract, Cases of quasi contract.
- Meaning and nature of performance of contract, Responsible person for demanding contract and performance of contract, Importance of performance of contract, Rules regarding performance of contract.
- Meaning of termination of contract, Modes of termination of contract.
- Meaning and types of breach of contract, Remedies for breach of contract. Major provision of Nepal contract.
- Conceptual capacity, rules regarding minor's agreement, person of unsound mind and disqualified persons.
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### **Unit 2: Bailment**

**LH 16**

Meaning of bailment, Rights and duties of Bailor and Bailee, Finder of lost goods (rights and duties of finder of lost goods), Meaning of pledge of pawn, Distinction between bailment and pledge, Right and duties of pawner and pawnee, pledge by non-owner.

**Unit 3: Contract of Agency****LH 12**

Meaning and general rules of agency, Modes of creating agency, Types of agent Rights and duties of agent, Right and duties of principal, Delegation of authority, Sub-agent and substituted agent, Responsibility of agent, Personal responsibility of agent, Termination of agency, Procedure of registration and effect of non-registration of agency in Nepal.

**Unit 4: Contract of Sale of Goods****LH12**

Meaning and features of contract of sales of goods, Difference between sales and agreement to sell, implied condition and warranty, and caveat emptor, Transfer of ownership, transfer of title by non-owner, Rights and duties of unpaid seller.

**Unit 5: Contract of Carriage****LH 10**

Meaning and nature of contract of carriage, Characteristics of common carrier, Difference between common and private carrier, Rights, duties and liabilities of common carrier, Carriage by land, Carriage by Sea (contract of Affreightment: charter party and bill of lading), and carriage by air, Inco terms 2010: A brief introduction.

**Unit 6: Law of Negotiable Instruments****LH 6**

Meaning and feature of negotiable instruments, Promissory note, bills of exchange and cheque, Holder and holder in due course, Discharge of negotiable instrument.

**Unit 7: Law of Company and Insolvency****LH 18**

Company: Meaning, Nature and incorporation of company, Insolvency: Meaning and procedure of insolvency of company, legal importance and formalities of meetings minutes and resolutions of a company, Legal provision regarding Board's report appointment of auditor, Removal of an auditor, Investigation, Re- organization and liquidation of a company, Power and role of the liquidator, Nepalese law of insolvency and feature of insolvency Act, 2003.

**Unit 8: Arbitration****LH 12**

Meaning, features and significance of arbitration, process of appointment of arbitrators, power and function of arbitrators, disputes or cases to be settled by arbitration, who can refer disputes to arbitration, revocation of Arbitrator, authority, procedures of settlements of disputes, award, major provisions of Nepal Arbitration Act.

**Unit 9: Indemnity and Guarantee****LH 12**

Meaning of contract of indemnity, Rights and duties of indemnifier and indemnity holder, Meaning of contract of guarantee, Types of guarantee, Difference between indemnity and guarantee, Rights, duties and liabilities of surety, Discharge of surety from liability.

**Basic books/ References**

Albuquerque, Daniel (2013) *Legal Aspects of Business*(Texts, Jurisprudence and Cases), OxfordUniversity Press, New Delhi, India.

Fitzerald, Ram Prasad, P. J (2012), *Salmond on Jurisprudence*, Sweet & Maxwell Ltd. U.K.

Shrestha, Ram Prasad, BaniyyaKanoon, Mrs. BijayaShrestha, Lagankhel, Lalitpur.

Kalika, Satya Narayan, *Business Law* for BBA, BuddhaPulication, Kathmandu.

Kuchhal M.C.- *Mercantile Law*, Vikash Publishing House, Delhi.

Shukla, M.C.,*Mercantile Law*,S. Chand & Company Ltd, New Delhi.

Sen and Metra, *Commercial Law and Industrial Law*, The World Press Pvt. Ltd., Calcutta.

Sukla, *A Manual of Mercantile Law*, S. Chand and Company Ltd., Delhi.  
*Agency Act, 2014, Law Book Mgmt.* Committee, Kathmandu.  
*Companies Act, 2063, Law Book Mgmt.* Committee, Kathmandu.  
*Contract Act, 2056, Law Book Mgmt.* Committee, Kathmandu.  
*Insolvency Act, 2063, Law Book Mgmt.* Committee, Kathmandu.  
*Arbitration Act, 2055*

# MGT 205: Business Communication

Full Marks: 100  
Pass Marks: 35

Lecture hour: 150

The *Business Communication* course contains two components: I. Business English, and II. Problem-solving Approach to Writing Skills. The weightage for the first component is 50% and the second component is 50%.

## I. Business English (50%)

### The Course

This is a course in English for the workplace. It provides

- clear learning aims, targeted to learners' needs
- the grammar, vocabulary, and functions necessary for learners to become operational in a range of professional and social situations
- a new approach to grammar which guides learners to work out rules of meaning and usage
- strategies for effective vocabulary learning
- authentic materials to reflect learners' needs and expectations.

### Objectives

The course is for mature learners who

- need English as a language of international communication in both professional and social contexts
- need to review and build on the grammar they have already covered
- need to develop fluency and accuracy
- need to extend and develop their active and passive vocabulary
- have limited time available for study
- can develop strategies to enable them to take control of their own learning.

### Contents

The course is organized around ten broad communicative units: Achievement, Motivation, Communication, The Future, Challenges, Psychology, Creativity, Image, Responsibility, and Security. Each unit begins with an agenda which gives details of the language to be studied in the unit. This is followed by four main parts: *Language focus*, *Wordpower*, *Skills focus*, and *Focus on functions*. There is a review unit after every two units.

*Language focus* presents and practices the target grammar in a context related to the general topic of the unit. It has four stages: an introductory activity, presentation of the target grammar in a realistic context, grammar analysis, and practice.

*Wordpower* presents and activates a lexical set or semantic field related to the topic of the unit. At the same time it introduces a variety of strategies for organizing and learning vocabulary effectively. It has two stages: introduction of topic-related vocabulary and a follow-up practice activity.

*Skill focus* has longer listening and reading texts, which provide exposure to the target grammar of the unit and develop listening, speaking, and reading skills. It has three stages: a preview to introduce and stimulate interest in the topic, a task (s) to complete while reading or listening, and follow-up.

*Focus on functions* presents and practices basic key phrases which professionals need for socializing. There are two main stages: a range of possible exponents for students to identify, and controlled and then freer role-play.

There is a pocket book in the pouch at the back of the book and it is divided into two sections: *Grammar* and *Focus on functions*. These summarize the key language points from the book.

The attached DVD-ROM includes video clips for every unit, with accompanying interactive exercises. The clips contain reports, interviews, and profiles that relate to the topic of the unit. The disc also has a selection of texts in the book accompanied by audio versions and dictations. These are linked to an interactive vocabulary list containing key words and phrases from the book. There are also grammar, vocabulary, and function practice activities.

### **Prescribed Book**

Harding, Keith, and Adrian Wallwork. **International Express: Student's Book Upper-Intermediate** (with Pocket Book and DVD-ROM). Oxford: OUP, 2007.

### **Suggested Teaching Method**

It is strongly recommended that the teachers follow the ideas for teaching as given in the teacher's resource book. Students will be evaluated in terms of the skills presented in the prescribed book.

### **Reference Books**

Wallwork, Adrian. **International Express: Workbook Upper-Intermediate** (with student's CD). Oxford: OUP, 2007.

Appleby, Rachel, Heidi Grant, and Tracy Byrne. **International Express: Teacher's Resource Book Upper-Intermediate** (with video). Oxford: OUP, 2006.

Harding Keith, and Adrian Wallwork. **International Express: Class CDs Upper Intermediate**. Oxford: OUP, 2007.

*Oxford Advanced Learner's Dictionary of Current English*. Eighth Edition. Oxford: OUP, 2010.

## **II. Problem-solving Approach to Writing Skills (50%)**

The course concentrates on presenting the skills students need when they write in English in business situations. To listen, speak, read, or write, knowledge of English vocabulary and grammar is needed; but these aspects of language are not specific to business communication.

### **Objectives**

The main objectives of the course are to enable students to

- put ideas in order
- group ideas into paragraphs
- write apt introduction and conclusion
- show relationship between ideas
- present attitude clearly
- edit out irrelevant materials
- punctuate correctly

### **Contents**

With an eye to the kinds of writing students in business are mostly in need of doing, the contents of the course are listed below:

- *Informal letters*
- *Formal Letters*
- *Reports*
- *Brochures and guides*
- *Articles*
- *Instructions*
- *Writing a story*
- *Business letters and memos*

### **Prescribed Book**

Coe, Norman, Robin Rycroft, and Pauline Ernest. *Writing Skills: a problem-solving approach*. Cambridge: CUP, 1983.

### **Suggested Teaching Method**

Students learn a lot by working together in groups to solve a problem or make a decision. Learners should share their knowledge, compare their opinions, and discuss their ideas in small groups. The instructions for each exercise in both the textbooks include suggestions about ways of working with the material, and the teachers can adopt or adapt those suggestions according to their own ideas and circumstances. A number of ideas for teaching are also given in the teacher's manual. Students will be evaluated in terms of the skills presented in the books.

### **Reference Books**

***Oxford Advanced Learner's Dictionary of Current English.*** Eighth Edition. Oxford: OUP, 2010.

Coe, Norman, and Robin Rycroft. ***Writing Skills: a problem-solving approach. Teacher's Book.*** Cambridge: CUP, 1983.

Leech, G.N., and Jan Svartvik. ***A Communicative Grammar of English.*** Third Edition. London: Longman, 2002.

# MGT 206: Macroeconomics

Full Marks: 100

Pass Marks: 35

Lecture hour: 150

## Course Objectives

This course of macroeconomics aims to enhance understanding of students on the macroeconomic theories and develop skills of students in using these theories in business decision making under different economic environment.

## Course Description

This course of macroeconomics makes students capable to understand macroeconomic theories and contemporary macroeconomic issues in reference to Nepal. This course consists of introduction to macroeconomics, national income accounting, classical theory of employment, Keynesian macroeconomics, inflation, business cycles, monetary theory and policy, government finance and fiscal policy and contemporary issues in references to Nepal.

## Course Details

### Unit 1: Introduction to Macroeconomics

LH 8

Meaning, scope, uses and limitations of macroeconomics; Difference and interdependence between macro and microeconomics; Concept of new classical school and new Keynesian; Macroeconomic concept: Stock and flow variables; Equilibrium and disequilibrium; Static, comparative static and dynamic analysis.

### Unit 2: National Income Accounting

LH 20

Circular flow of income and expenditure in two sector, three sector and four sector economy; Meaning of national income; Different concept of national income: GDP, NDP, GNP, NNP, national income at factor cost (NI), personal income (PI), disposable personal income (DI), per capita income (PCI); Real and nominal GDP, GDP deflator; Computation of National income: Product, Income and Expenditure method; Difficulties in measurement of national income; Importance of national income accounting.  
(Numerical exercise)

### Unit 3: Classical Theory of Employment

LH 7

Concept and types of unemployment; Say's law of market and its implications; Determination of equilibrium level of employment and output under classical theory; Critical evaluation of classical theory.  
(Numerical exercise)

### Unit 4: Keynesian Macroeconomics

LH 30

Keynesian theory of employment: Principle of effective demand; Consumption function: Concept, classification, Psychological law of consumption, determinants of consumption function; Saving function: Concept, classification, determinants of saving and paradox of thrift; Investment function: concept and types of investment, Marginal efficiency of capital, investment demand curve, determinant of investment; Income and output determination in two sector economy; Investment Multiplier: Concept, income generation process, leakages and criticism.  
(Numerical exercise)

### Unit 5: Income determination (IS-LM) model: Hicks-Hansen Approach

LH 8

An Introduction to Product market equilibrium (derivation of IS curve); Money market equilibrium (derivation of LM curve); General equilibrium in the product market and the money market.

**Unit 6: Inflation****LH 14**

Meaning and types of inflation; Measurement of inflation through consumers price index (CPI)  
Demand pull inflation and cost push inflation: concept and causes; Effects of Inflation; Anti inflationary  
measures; Inflation and unemployment: Phillips curve; Concepts of Deflation and Stagflation.  
(Numerical exercise)

**Unit 7: Business Cycles****LH 8**

Concept, types and characteristics of business cycle; Phases of business cycle; Measures to control  
business cycle.

**Unit 8: Monetary Theory****LH 15**

Money supply: Concept and determinants; Demand for money: Keynesian approach; Money market  
and capital market: Meaning and function; Monetary Policy: Concept, types, objectives and instruments  
of monetary policy; Exchange rate: Determination of equilibrium exchange rate under fixed and  
flexible exchange rate system.

**Unit 9: Government Finance****LH 15**

Government budget: Concept, classification, and component and Government budget; Deficit  
financing: Concept, objectives and methods of deficit financing; Fiscal policy: Concept, types,  
objectives and instruments of fiscal policy.

**Unit 10: Contemporary Issues (with reference to Nepal)****LH 25**

Privatization, Liberalization and Globalization: Concepts, benefit and defects; Foreign direct  
Investment: Benefit, defects and current status of Nepal; Economic growth and Development: Concept  
and sources of economic growth; Foreign employment: Benefits, defects and current status of Nepal;  
Poverty: Concept, types, causes and remedies; Economic inequality: Concept, causes and remedies.

**Suggested Books**

- Ackley, Gardener. (1978). *Macroeconomics: Theory and Policy*. New York: Mac Milan Publishing Co.  
Ahuja, H.L. (1997). *Macroeconomic Theory and Policy*. New Delhi: S. Chand and Company  
Branson, William H. (1992). *Macroeconomic Theory and Policy*. New Delhi: Universal Book Stall  
Dornbusch, Rudiger and Stanley Fischer. (1981). *Macroeconomics*. New York: McGraw-Hill Book Company  
Dwivedi, D.N. (2001). *Macroeconomic Theory and Policy*. Tata McGraw-Hill Publishing Company Limited,  
New Delhi  
Jhingan, M.L. (2004). *Macroeconomics*. New Delhi: Vrinda Publication (P) Ltd.  
Joshi, Shyam. (2012). *Business Economics*. Kathmandu: Taleju Prakashan  
Mankiw, N. Gregory. (2009). *Principles of Macroeconomics*. Cent age Learning India Private Limited, New  
Delhi (4<sup>th</sup> edition)  
Publications of NRB, CBS, MOF  
Shapiro, Edward. (2004). *Macroeconomic Analysis*. New Delhi: Galgotia Publication (P) Ltd.  
Singh, S.K. (1996). *Public Finance in Theory and Practice*. New Delhi: S. Chand and Company Ltd.



# MGT 211: Accounting for Financial Analysis

Full Marks: 100  
Pass Marks: 35

Lecture hours: 150

## Course Objectives

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.

## Course Description

This course contains company, conceptual and theoretical foundation, financial statement of the company, analysis of financial statement for a company, company growth, merger, combination and liquidation, depreciation and its effect in financial statement of a company, price level changes, long-term planning – capital budgeting.

## Course Details

### Unit 1: Company: Conceptual and theoretical foundation

LH 8

- 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

LH 25

- 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

LH 14

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

LH 40

- 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)
  - o 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**

**LH 22**

- Depreciation – Concept and need
- Accounting treatment under following Method of Depreciation – Original Cost Method, Diminishing Balance Method, Revaluation Method, Machine Hour Rate Method, Annuity Method, Depreciation Fund Method, Insurance Policy Method, and Sum of Year Digit Method and Change of Depreciation Method and their effects.

### **Unit 6: Price Level Changes**

**LH 18**

- Concept of Price Level Changes – Inflation and Deflation
- Current Purchasing Power-accounting: Concept and Preparation of Financial Statements after Price Level Adjustments.
- Current Cost Accounting: Concept and determination
  - Current Replacement Cost, Net Realizable Value of assets
  - Depreciation Adjustment
  - Holding Gains
  - Inventory Adjustment
  - Cost of Sales Adjustment
  - Monetary Working Capital Adjustment
  - Gearing Adjustment
  - Current Cost Reserve
- Preparation of:
  - Current Cost Profit and Loss Account
  - Current Cost Balance Sheet

### **Unit 7: Long-term Planning – Capital Budgeting**

**LH 23**

- 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:
  - Net Investment Cost of New Project
  - Differential Net Investment for replacement and mutually exclusive projects
  - Annual Net Cash Flow: Differential Net Cash Flow and Net Cash Flow for New Project
  - Net Cash Flow for Final Year: non-operating and including annual cash flow after tax
- Methods of evaluation of investment proposal:
  - Non-discounted Cash Flow Method
    - Payback Period
    - Average Rate of Return
  - Discounted Cash Flow Method
    - Net Present Value
    - Profitability Index
    - Internal Rate of Return
    - Selection of Project based on profitability
- Determination of financing mix
  - Leverage – its meaning and types
  - Financial Leverage and effect on the shareholder's return: effect on EBIT and EPS
  - Analysis of alternative financial plan EBIT – EPS analysis

### **Basic Books**

Gupta, R.L. and Radhaswamy, M., *Advanced Accounting*, S. Chand and Sons. New Delhi.  
Van Horne, *Financial Management and Policy*, Prentice Hall of India  
Pandey, I.M., *Financial Management*, Bikash Publishing House, New Delhi.

### **Reference Books**

Munankarmi, S.P., *Accounting for Financial Analysis and Planning*, Samjhana Publication House, Kathmandu.  
Koirala, Y.R. and et.al, *Accounting for Financial Analysis and Planning*, Ashmita Publication, Kathmandu.  
Shrestha, B.P. and Singh, Y.M., *Accounting for Financial Analysis and Planning*, Buddha Academy Publication House, Kathmandu.  
Dangol, R.M., *Accounting for Financial Analysis and Planning*, Taleju Publishing House, Kathmandu.  
Upadhyay, J.P. and Dahal, R., *Accounting for Financial Analysis and Planning*, Khanal Publication, Kathmandu.  
Shukla, Grewal and Gupta, *Advanced Accounting*, Sahitya Bhawan, Agra.  
Shukla, Grewal and Gupta, *Advanced Accounts*, S. Chand and Co., New Delhi.  
Khan and Jain, *Financial Management: Text and Problems*, Tata McGraw Hill Co., New Delhi.

# MGT 212: Cost and Management Accounting

Full Marks: 100

Pass Marks: 35

Lecture hour: 150

## Course Objectives

The objectives of the course are to provide the students with in-depth knowledge of cost and management accounting in order to enable them to develop, arrange and classify cost information required for decision making for maximizing the profit and reducing / eliminating losses. The course further aims at developing a sound base for higher study in accounting besides in practical knowledge required by the middle level managers to handle cost information independently.

## Course Description

This course contains conceptual foundation, accounting for materials, accounting for labour cost, accounting for overhead cost, costing in different situations, accounting for profit planning, cost accounting for planning and control, cost reduction.

## Course Details

### Unit 1: Conceptual Foundation

LH 6

Meaning, objectives, importance, advantages and limitations of cost & management accounting. Differences between cost and management accounting. Limitations of financial accounting. Concept and importance of cost, cost segregation & estimation: Concept and methods of cost segregation: i) Two point method and ii) Least square method & iii) Estimation of cost.

### Unit 2: Accounting for Materials

LH 10

- Materials/Inventory: Concept, reasons and objectives for holding material / inventory. Inventory Control: Meaning, importance and techniques: Economic order quantity: concept and techniques-formula, and trial and error approaches-considering discount under certainty condition, re-order, maximum, minimum, danger and average stock levels, safety stock under certainty.
- Perpetual inventory system, stock control through ABC analysis Concept & technique and just in time inventory: concept, advantages and limitations.

### Unit 3: Accounting for Labour Cost

LH 14

- Labour cost: Concept and need for control of labour cost.
- Premium Plan: Premium bonus scheme-Halsey and Rowan Plan, Taylor's differential piece rate system, and Gantt's Task and Bonus plan, Group bonus scheme: Pristman's and Scanlon's plan.
- Labour turnover: Concept, causes and effects, cost of labour turnover: preventive and replacement cost calculation, labour turnover ratios.

### Unit 4: Accounting for Overhead Cost:

LH 14

- Overhead cost distribution: Meaning, primary & secondary distribution of overhead cost under direct method.
- Allocation, apportionment and absorption of overhead: meaning, importance, and allocation, apportionment and absorption of overhead based on:
  - o Volume: Concept and ascertainment of total cost and profit under Traditional Volume Base Costing Technique.
  - o Activity: Concept, limitations of traditional overhead absorption system, procedures of absorption of overhead cost under Activity Base Costing Technique, ascertainment of cost and

profit under ABS technique, activity based profitability analysis, benefits and limitations of activity based costing system.

#### **Unit 5: Costing in Different Situations LH 30**

- Service costing: Concept and scope of operating costing; Preparation of Cost sheet for Transport Service for passenger, Hospital and Hotel & Restaurant Services, limitations of service costing.
- Job order costing: Concept, Measuring direct material, direct labour and manufacturing overhead cost, Accounting for job order: Preparation of job order cost sheet showing non-manufacturing costs & determination of cost of goods manufactured and cost of goods sold and computation of unit costs, Job order costing in service companies.
- Process costing: Concept and preparation of Process account with/without beginning and ending work-in-progress inventory, partial & total transfer of output to next process, accounting for process loss/gain: normal and abnormal loss, abnormal effective/gain and treatment of spoilage, wastage, scrap and defective unit, accounting for inter process profit, reserve for unrealized profit, Equivalent unit: Concept and costing: need, importance and methods: Weighted average and FIFO costing techniques, difference between job order costing and process costing.
- Joint Product and by product costing: Concept of joint and by-product, apportionment of joint cost under unit of output and revenue basis.

#### **Unit 6: Accounting for Profit Planning**

**LH 30**

- Absorption costing: Concept, importance, and income statement under absorption costing, normal capacity and fixed manufacturing overhead rate, treatment of opening and closing stock, over and under absorption of fixed manufacturing overhead & adjustment in margin and limitations.
- Variable costing: Concept, use and importance, Income statement under variable costing, variable manufacturing cost and limitations.
- Reconciliation of profit/loss: Manufacturing overhead-period and product cost, fixed manufacturing overhead rate, difference in stock, reconciliation of profit between absorption and variable costing techniques showing the causes of difference.
- Cost Volume profit analysis: Meaning, importance, Contribution margin analysis, contribution margin ratio, Cost Volume ratio, Break-even-analysis: under constant underlying situations: changes on selling price, fixed cost, & variable cost, and under step fixed cost & multi-products situations, margin of safety, assumptions of CVP analysis, advantages, limitations and determination of selling price for realizing desired profit.

#### **Unit 7: Cost Accounting for Planning and Control**

**LH 40**

- Standard costing: Concept, preliminaries to established standard costing system, difference between standard and budget, advantages and limitations.
- Variance analysis:
  - o Material variance: Concept and calculation of cost, price, usage, mix and yield variances.
  - o Labour variance: Concept and calculation of cost, efficiency, rate, mix, idle time and yield variances.
  - o Overhead cost variance: Concept and calculation of capacity, efficiency and spending variances Disposal of variances, preparation of Income Statement based on standard cost
- Budgeting for planning: Budget-Concept, importance, and Types-Sales budget: production budget, direct material consumption and purchase budget, direct labour budget, manufacturing overhead budget, cost of goods manufactured budget, selling/distribution and administrative expenses budget and cost of goods sold budget.
- Flexible budgeting: Concept and limitations of planning (static budget), importance of flexible budgeting, flexible budgeting for overhead cost control on activity levels and budget allowance for actual level attained.

## Unit 8: Cost Reduction

LH 6

- Cost reduction and cost control: Cost reduction-pre-requisites, techniques, steps, responsibility & limitations
- Value engineering (analysis): Concept, advantages, tools and techniques for cost reduction
- Value analysis: Concept, objectives, importance, advantages and techniques of value analysis.

### Suggested Books

Dangol, R.M. and et.al, *Cost and Management Accounting*, Taleju Publishing House, Kathmandu  
Garrison, R.H. & Noreen, E.W., *Managerial Accounting*, McGraw-Hill Companies, Inc.  
Koirala, M.R. and et.al, *Cost and Management Accounting*, Buddha Academy Publication House, Kathmandu.  
Koirala, Y.R. and et.al, *Cost and Management Accounting*, Ashmita Publication, Kathmandu.  
Lal, Jawahar, *Cost Accounting*, Tata McGraw Hill Co., New Delhi  
Lucy, T., *Cost Accounting*, Tata McGraw Hill Co., New Delhi.  
Lynch & Williamson, *Accounting for Management Planning & Control*, Tata McGraw Hill Co.  
Munankarmi, S.P. and Shrestha, B.P., *Cost and Management Accounting*, Samjhana Publication House, Kathmandu.  
Nigam, R.S. Narang, S.P. & Sehagal, B.C., *Principles and Practice of Cost Account*, S. Chand and Co., New Delhi.  
Pillai & Bagavathi, *Cost Accounting*, S. Chand and Company Ltd. New Delhi.  
Tamrakar, M.R. and et.al, *Cost and Management Accounting*, Pinnacle Publication, Kathmandu  
Upadhyay, J.P. and et.al, *Cost and Management Accounting*, Khanal Publication, Kathmandu.

# MGT 213: Principles of Management

Lecture hours: 150

Full Marks: 100

Pass Marks: 35

## 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.

## Course Description

This course contains the nature of organizations, introduction to management, evolution of management thought, environmental context of management, planning and decision making, organizing function, leadership, motivation, communication, control and quality management, global context of management, management trends and scenario in Nepal.

## Course Details

### Unit 1: The Nature of Organizations

LH 15

Concept of organization. Organizational goals – concept, purposes, and types. Features of effective organizational goals. Goal formulation – processes and approaches. Goal succession and displacement. Problems of goal formulation. Changing perspectives of organization.

### Unit 2: Introduction to Management

LH 10

Definition, characteristics, and principles of management. Process and functions of management. Managerial hierarchy. Types of managers. Managerial skills and roles. Emerging challenges for management.

### Unit 3: Evolution of Management Thought

LH 15

Introduction, contribution and limitation of Classical theory, Human relations and Behavioral 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

Concept of business environment. Types of business environment – internal and external. Basic components of economic, socio – cultural, political, and technological environments. Social responsibility of business – concept and approaches. Areas of social responsibility. Business ethics – meaning and significance. Emerging business environment in Nepal.

### Unit 5: Planning and Decision Making

LH 20

Concept, types, hierarchy of planning. Process and importance of planning. Strategic planning. Environmental scanning – concept and methods. SWOT analysis. Formulation and implementation of strategic plans. Quantitative tools for planning. Decision making – definition and approaches. Types of decisions. Decision making under conditions of certainty and uncertainty. Problem solving – concepts, types of problem. Problem solving strategies. Crisis handling. Decision making process. Group decision making.

**Unit 6: Organizing Function****LH 18**

Concept and principles of organizing. Approaches to organizing – classical, behavioural, and contingency. Process of structuring an organization. Departmentalization – meaning and types. Delegation of authority – meaning, features, advantages, and barriers. Centralization and decentralization – meaning, advantages and disadvantages. Concept of organic and mechanistic views of organization. Types of traditional organizational structures – simple functional, and divisional. Types of modern organizational structures – matrix, team, and network.

**Unit 7: Leadership****LH 16**

Concept and functions of leadership. Leadership styles. Approaches to leadership – trait, behavioral, and situational. Group formation. Types and characteristics of groups. Team management. Conflict – meaning and types. Managing conflicts in organization.

**Unit 8: Motivation****LH 8**

Concept. Theories of motivation – Need Hierarchy, and Motivation-Hygiene. Reward system to motivate performance. Motivation through employee participation – quality of work life, and self- managed teams.

**Unit 9: Communication****LH 6**

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****LH 11**

Concept, process, and types of control systems. Characteristics of effective control system. Quality control systems – concept of quality. Total Quality Management (TQM) – concept and tools. Deming management – principles and techniques.

**Unit 11: Global Context of Management****LH 8**

Concept of globalization. Methods of globalization. Effects of globalization. Multinational companies – meaning, types, advantages, and disadvantages.

**Unit 12: Management Trends and Scenario in Nepal****LH 7**

Growth of business sector in Nepal. Major industries in Nepal – manufacturing, export – oriented, import-substitution, and service sector. Existing management practices and business culture. Major problems of businesses in Nepal.

**Basic Books**

Griffin, Ricky W., *Management*, AITBS Publishers and Distributors, Delhi.

Hitt, Michael A., J. Black, Stewart, and Porter, Lyman W., *Management*, Pearson, India.

**Reference Books**

Pant, Prem Raj, *Principles of Management*, Buddha-Academic Enterprises Pvt. Ltd., Kathmandu.

Poudyal, Santosh Raj, Pradhan, Gopal Man, and Bhandari, Kedar Prasad, *Principles of Management*, Asmita Books Publishers and Distributors (P) Ltd., Kathmandu 2012.

Adhikari, Dev Raj, *Principles of Management*, Sunrise Publisher, Kathmandu, 2012.

Agrawal, Govinda Ram, *Principles of Management*, M.K. Publishers and Distributors.

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.

Weihrich, Heinz and Koontz, Herold, *Management: A Global Perspective*, McGraw Hill.

James, Stoner, AF, Freeman, Edward, R. and Gillbert, R., Jr. Daniel, *Management*, Pearson, India.



# MGT 214: Fundamentals of Marketing

*Full Marks: 100*

*Pass Marks: 40*

**Lecture hour: 150**

## **Course Objectives**

This course aims at developing knowledge and skills in students in analyzing issues concerning major decision making areas of marketing. It also aims to give background knowledge to students to prepare them for concentration courses in marketing.

## **Course Description**

This course contains introduction, understanding marketing environment, managing market information, Market Segmentation, Targeting and Positioning, Understanding Buyer's Behavior, Product Decision, Pricing Decision, Promotion Decision, Distribution Decision, Marketing Practices in Nepal.

## **Course Details**

### **Unit 1: Introduction**

**LH 18**

- Meaning and Definitions of Marketing
- Business-Oriented Marketing Concepts & Business Practices: Production concept, Product concept, Selling concept, Modern Marketing concept, Social concept, Holistic concept.
- Emerging Concepts in Marketing – Direct Marketing, Quality Marketing, E-marketing, Relationship Marketing; and Green Marketing.
- Marketing-Mix: Meaning, components and Implications

### **Unit 2: Understanding Marketing Environment**

**LH 12**

- Concept and features of marketing environment
- Classification of marketing environment: micro and macro
- Impact of Macro Environment in Marketing

### **Unit 3: Managing Market Information**

**LH 10**

- Concept and need of market information
- Marketing Information System: concept and components
- Marketing Research: concept and process
- Use of Internet in collecting information

### **Unit 4: Market Segmentation, Targeting and Positioning**

**LH 12**

- Concept of market and market segmentation
- Objectives of market segmentation
- Process of market segmentation
- Targeting the market: concept and types of target market, focusing marketing program
- Product Positioning for Target market: concept and process of product positioning.

### **Unit 5: Understanding Buyer's Behavior**

**LH 14**

- Concept of buyer and buyer behavior
- Importance of understanding buyer behavior
- Consumer buying decision: process and determinants
- Organizational buying decision: process and determinants

**Unit 6: Product Decision****LH 20**

- Concept, and classification of products
- Types and features of consumer products
- Types and features of industrial
- Service product: concept, features and strategies
- Product life-cycle: concept, stages and implication of marketing strategies
- New product development: concept of new product and development process
- Branding Decision: Meaning, importance and types
- Packaging Decision: Meaning, requirements and strategies
- Labeling Decision: Meaning, types and requirements

**Unit 7: Pricing Decision****LH 10**

- Concept of price and pricing
- Objectives of pricing
- Methods of pricing
- Pricing strategies

**Unit 8: Promotion Decision****LH 18**

- Concept and objectives of promotion
- Promotion mix and its components: advertising, publicity, sales promotion, personal selling, and public relations
- Advertising: concept, features, types, and Media
- Web advertising in marketing communication
- Publicity: concept and forms of publicity
- Sales Promotion: concept and types
- Personal selling: concept, types and process of personal selling
- Public relations: concept and tools
- Selection of Promotion mix
- Integrated marketing communication: Meaning and significance

**Unit 9: Distribution Decision****LH 18**

- Concept and objectives of distribution decision
- Methods of distribution: direct and indirect
- Marketing channels and channel structure for consumer goods and industrial goods
- Role of marketing intermediaries in distribution system
- Selection of channel of distribution
- Channel Conflicts and Conflict Resolution Methods
- Physical distribution: concept and components

**Unit 10: Marketing Practices in Nepal****LH 18**

- Marketing Environment in Nepal
- Marketing Mix Decisions in Nepal
- Information system in Nepalese Firms
- Marketing Research Practices in Nepal
- Problems and Prospects of Marketing Practices in Nepal
- A small project work may be given to students;

### **Suggested Books**

- Evans and Berman, *Marketing*, Macmillan Publishing Company.
- Kotler and Armstrong, *Principles of Marketing*, Pearson/Prentice – Hall of India.
- Rosenberg, Larry J., *Marketing*, Prentice-Hall.
- Stanton, Etzel and Walker, *Fundamentals of Marketing*, McGraw Hill.
- Strauss, El-Ansary and Frost, *E-Marketing*, Pearson Education.
- Zikmund and d'Amico, *Marketing*, John Wiley & Sons.
- Agrawal, G.R., *Fundamentals of Marketing in Nepal*, M.K. Publishers.
- Koirala, K.D., *Fundamentals of Marketing*, Kathmandu.
- Shrestha, Shyam K., *Fundamentals of Marketing*, Asmita Publications, Kathmandu.

# MGT 215: Fundamentals of Financial Management

Lecture Hours: 150

Full Marks: 100

Pass Marks: 35

## Course Objective

This course "*Fundamentals of Financial Management*" aims to provide students with basic understandings of fundamental concepts and principles of financial management. This course also equips the students with fundamental tools and techniques of financial management that are useful to undertake financial decisions by corporate firms. By the end of this course, the student will be able to:

- explain fundamental concepts and principles of financial management
- analyze and interpret the financial statements of corporate firms
- apply the concept of time value of money in business decision
- measure risk and return on assets and diversify risk
- determine the intrinsic value of bonds and stocks
- calculate weighted average cost of capital along with the cost of each source of financing
- evaluate investment projects applying appropriate techniques of capital budgeting
- describe the concept of capital structure and leverage, and analyze its implication on firm value
- Identify fundamental issues in dividend payments of a firm.
- explain basic concepts of working capital and apply different techniques for managing current assets

## Course Description

This course "*Fundamentals of Financial Management*" is deals with how effectively financial resources are raised and used by a business firm. It helps students to learn effective management of financial resources in a firm and equips them with necessary skills to put them in practice. The course also creates foundation for specialized and advance courses in finance. This course is divided into 11 units covering the basic aspects of financial management. The titles covered under this course are: introduction to financial management, financial statements and analysis, time value of money, risk and rates of return, bond valuation, stock valuation, cost of capital, basics of capital budgeting decision, capital structure and leverage, dividend payments, and working capital and current asset management. The course will be implemented to provide in a manner that gives students adequate opportunities to expose to real business financial situations.

## Course Details

### Unit 1: Introduction to Financial Management

LH 5

Nature and functions of Financial Management, The goal of Financial Management, Finance in the organization structure of a firm, Career opportunities in finance.

### Unit 2: Financial Statements and Analysis

LH 10

Financial statements and reports, The balance sheet, The income statement, Statement of cash flows, Statement of stockholders' equity, Free cash flow, Ratio analysis: liquidity, asset management, debt management, profitability, market value ratios, Du-Pont equation, Ratios in different industries, Uses and limitations of ratios.

### Unit 3: Time Value of Money

LH 20

Concept and significance of time value of money, Cash flow time line, Present value and future value: future value of a single amount and present value of a single amount, Solving for interest rates and time period, Annuities: types of annuities, future value of ordinary annuity and annuity due, present value of ordinary annuity and annuity due; solving for annuity payments, periods and interest rates, Present value of perpetuities, Future and present value of uneven cash flows, Semi-annual and other compounding periods, Comparing interest rates, Amortization of Loans

**Unit 4: Risk and Return****LH 10**

Concepts of risk and return, Expected return and risk of a single asset, Expected return and risk of a portfolio of assets, Portfolio and diversification of risk: simple diversification and Markowitz diversification (the role of covariance), Capital Assets Pricing Model: assumptions, the model, estimation of beta, Security Market Line.

**Unit 5: Bond Valuation****LH 15**

Meaning and key characteristics of bonds, Basic financial asset valuation model, Valuation of bonds: perpetual bonds, zero coupon bonds, coupon bonds with finite maturity, Bonds with semi-annual coupons, required return and bond values, Changes in bond values over time, Bond yields: current yields, yield to maturity and yield to call.

**Unit 6: Stock Valuation****LH 15**

Meaning and key features of common stock, Common stock valuation: single and multiple holding periods, The dividend discount model: zero growth model, normal growth model, non-constant growth model, valuing the entire firm, Preferred stock: Features and valuation.

**Unit 7: Cost of Capital****LH 10**

Concepts and uses of cost of capital, Component cost of capital: cost of debt, cost of preferred stock, cost of retained earnings, cost of new common stock, weighted average cost of capital, Factors affecting cost of capital.

**Unit 8: Basics of Capital Budgeting Decision****LH 20**

Concept and significance of capital budgeting, Process of capital budgeting decisions, Classification of capital projects, Capital budgeting techniques: payback period, discounted payback period, accounting rate of return, net present value, internal rate of return, comparing NPV and IRR, modified internal rate of return, profitability index, Evaluation of techniques.

**Unit 9: Capital Structure and Leverage****LH 15**

Capital structure and financial structure, Optimal capital structure and weighted average cost of capital, Business risk and financial risk, Break-even Analysis: Determining BEP, BEP charts, application and limitations of break-even analysis, cash BEP and financial BEP, Degree of operating leverage, financial leverage and total leverage, Factors affecting capital structure decisions.

**Unit 10: Dividend Policy****LH 10**

Concept and types of dividend, Dividend payment procedures, Factors influencing dividend policy, Dividend payout scheme, Stock dividend, Stock split, Stock repurchase, Dividend Payment Practices in Nepal.

**Unit 11: Working Capital and Current Assets Management****LH 20**

Concept of working capital, Importance of working capital management, Factors affecting size of working capital, The cash conversion cycle, Purpose and Significance of inventory management, Basic inventory costs, The economic order quantity model, Re-order point and safety stock, Quantity discount, Purpose and significance of cash management, Motives and rationale for holding cash and marketable securities, Cash Budget, Purpose and significance of receivable management, Elements of credit policy: credit standard, credit terms and collection policies.

### **Basic Text**

Brigham, Eugene F. & Houston, Joel F. (2012). *Fundamentals of financial management*, (12th ed). Delhi: Cenage Learning.

### **Reference Texts**

Gitman, L. J. (2013). *Principles of managerial finance*, (11<sup>th</sup> ed). Delhi: Pearson Education.

Van Horne, J.C. & Wachowicz, JR. (2009). *Fundamentals of financial management (13<sup>th</sup> ed)*, Prentice- Hall India Ltd.

Ross, S. A., Westerfield, R. W. & Jordan, B. D. *Fundamentals of corporate finance*, (8<sup>th</sup> ed). New York: McGraw-Hill Irwin.

Pradhan R. S. (2014). *Financial management (5<sup>th</sup> ed)*. Kathmandu: Buddha Academic Publishers and Distributors Pvt. Ltd.

Paudel, R. B., Baral K. J., Gautam R. R., Dahal G. B. & Rana S. B. (2014). *Fundamentals of Financial Management (3<sup>rd</sup> ed)*. Kathmandu: Asmita Books Publishers and Distributors Pvt. Ltd.

# MGT 216: Foundations of Human Resource Management

*Full Mark: 100*

*Pass Mark: 35*

*Lecture hour: 150*

## **Course Objectives**

The objectives of this course are: To introduce the basic concepts of Human Resource Management. To enhance the knowledge and approaches of Human Resource Management. To develop students' skills to handle tactfully emerging human resources challenges and issues.

## **Course Description**

This course contains introduction to human resource management, human resource planning, job design and analysis, recruitment, selection and socialization, training and development, motivation, performance appraisal and reward management, compensation management, employees discipline, labor relations: grievances and dispute settlement.

## **Course Details**

### **Unit 1: Introduction to Human Resource Management**

**LH 12**

- Concept, characteristics, objectives and functions of Human Resource Management.
- Human Resource Management System, Personnel and Human Resource Management.
- Human Resource outcomes-Quality of work life, productivity and readiness to change.
- Challenges of Human Resource Management.

### **Unit 2: Human Resource Planning**

**LH 17**

- Concept, characteristics and importance for Human Resource Planning.
- Concept of Human Resource Strategy, Relationship between human resource planning and Strategic Planning.
- Approaches to Human Resource Planning.
- Human Resource Planning process - Assessing current human resources, Demand and Supply Forecasting, Human Resource Inventory, Human Resource Information System, Succession Planning, Human Resource Planning in Nepalese Organizations.

### **Unit 3: Job Design and Analysis**

**LH 18**

- Meanings of Job, task, position and occupation
- Concept, benefits and methods of job Design.
- Concept, and purposes of Job Analysis, collecting job analysis information, Job Analysis techniques – Job-focused and person / behavior-focused. Job description, job specification and job evaluation.

### **Unit 4: Recruitment, Selection and Socialization**

**LH 18**

- Meaning, sources and methods of recruitment.
- Concept of selection, Difference between selection and recruitment.
- The selection process, selection tests, interviews and their types.
- Reliability and Validity in selection test.
- Concept and process of socialization.
- Recruitment and Selection Practices in Nepalese Organization.
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### **Unit 5: Training and Development**

**LH 18**

- Concept and process of learning
- Human Resource Development: Concept and importance.
- Concept, objectives and benefits of training, determining training needs.

- Training methods: on - the - job and off - the - job.
- Concept and techniques of management development.
- Evaluating training effectiveness.
- Training and development practices in Nepalese organizations.

#### **Unit 6: Motivation**

**LH 18**

- Concept, types and importance of motivation.
- Motivation Theories: Achievement, Equity, ERG and Vroom's Expectancy Theory.
- Motivation and Performance.
- Frustration - concept and causes.
- Job satisfaction - concept and factors related to job satisfaction.

#### **Unit 7: Performance Appraisal and Reward Management**

**LH 12**

- Concept and uses of performance appraisal.
- Methods of Performance appraisal - Graphic rating scale, alternative ranking, paired comparison, forced distribution, critical incident, essay and Checklist methods.
- Concept of reward management, types and qualities of effective rewards.
- Performance appraisal practices in Nepalese Organization.

#### **Unit 8: Compensation Management**

**LH 12**

- Concept and determinants of compensation.
- Methods of establishing employee's compensation; current trends in compensation; Incentives plans; Different forms of incentives; Union influence in compensation programs.
- Compensation practices in Nepalese Organization.

#### **Unit 9: Employees Discipline**

**LH 7**

- Concept and types of disciplinary problems. General guidelines in administrating discipline, Disciplinary actions.

#### **Unit 10: Labor Relations: Grievances and Dispute Settlement**

**LH 18**

- Concept and purposes of labor relations. The actors of industrial relations system.
- Employee's grievances, causes and handling of employees grievances.
- Labor disputes. Prevention and settlement of disputes. Disputes settlement process in Nepal.
- Features of Labour Act and Trade Union Act.

#### ***Suggested Books***

Adhikari, Dev Raj - *Human Resource Management*, Manakamana Books Pvt. Ltd., Kathmandu, 2002.

Agrawal, G. R. - *Human Resource Management in Nepal*, M.K. Publishers, Kathmandu, 2001.

Aswathappa K. *Human Resource and Personnel Management: Text and Cases*, Tata McGraw Hill, Delhi - 2002.

Decenzo and Robbins, *Human Resource Management*, Prentice Hall of India Pvt. Ltd, New Delhi.

Dessler, Gary - *A Framework of Human Resource Management*, Pearson Education, Delhi - 2003.

Jyothi, P. and Venkatesu, D.N., *Human Resource Management*, Oxford University Press Delhi.

K.C., Fatta Bahadur – *Human Resource Management*, Sukunda Books, Kathmandu, 2003

#### **Labour Act and Labour Rules of Nepal.**

Shrestha, Amuda, - *Human Resource Management*, Educational Publishers, Kathmandu, 2004

Shrestha, Kul Narsingha, *Human Resource Management*, Nabin Prakashan, Kathmandu, 2004



# MGT 217: Business Environment & Strategy

Lecture Hours: 150

Full Marks: 100  
Pass Marks: 35

## Course Objective

This course aims to provide students with a sound understanding of environmental forces affecting business operations and to improve their ability to analyze such environmental forces on Business. This course intends to provide students with a review of major environmental forces concept and a basic understanding of how these forces affects the operations of Business. This course also provides the students to the fundamental concepts of strategic management and practices. The course helps to develop.

## Course Description

This course contains two parts: Business environment and strategic management in business environment students will familiarized with the topics such as introduction to business environment, political environment, environment regulations/legal environment, economic environment, socio-cultural environment, technological environment, Asian and global environment. In strategic management students will be familiarized with the topics such as strategic management, establishing company direction, internal analysis, evaluation company resources and competitive capabilities, strategic options, strategy formulation and strategic choice, strategy implementation strategic control and evaluation.

## Part I: Business Environment

### Course Details

#### Unit 1: Introduction to Business Environment

LH 9

Concept of Business Environment. Components of Business Environment. Environmental Scanning: Process and Techniques/Methods. Environmental Analysis Process (Scanning, Monitoring, Forecasting and Assessment). Types of Environmental Scanning ( Concentrated and Comprehensive Scanning). Importance of the study of Business Environment.

#### Unit 2: Political Environment

LH 12

Introduction to political environment. Components of Political environment. Government and its branches: legislative system, executive system, and other constitutional bodies. Business-government relationship, Government ownership of Nepalese business. Nepalese political environment: Issues and problems.

#### Unit 3: Environment Regulations/Legal Environment

LH8

Introduction and Basic features of law. Business Legislation in Nepal. Features of the following Acts .Foreign Investment and Technology Transfer (FITTA) Act 1992. Companies Act 2006. Private Firm Registration Act 1958 . Industrial Enterprise Act 1992. Income Tax Act 1974 . Value Added Tax Act 1996 . Labor Act 1992. Partnership Act 1964 .Mines and Minerals Act 1985. Patent Design and Trade Mark Act 1965. Foreign Employment Act, 2007.

#### Unit 4: Economic Environment

LH 20

Economic dimensions of an economy. Concept of monetary policies, current monetary policy in Nepal. Privatization: meaning of privatization, methods of privatization: share sales, management contract, lease, assets and business sales, others. Liberalization: meaning, requirement of liberalization, internal/external liberalization, and effects of liberalization on Nepalese business. Industrial Policy:

Concept and objective of industrial policy in Nepal. Trade Policy: concept and objective of trade policy, export/import trade policy. Employment Policy: concept and objectives of employment policy. Tourism Policy: concept, objectives and characteristics of tourism policy in Nepal. An overview of Nepal's industrial sector – structure, performance and problems. Natural environment and energy situation in Nepal. Emerging business environment in Nepal.

**Unit 5: Socio-Cultural Environment**

**LH 6**

An introduction to socio-cultural environment. Socio-cultural components: attitude and belief, religion, language, education, family structure and social organizations.

**Unit 6: Technological Environment**

**LH 10**

Introduction, Business and Technology. Human factors and technology. Science and Technology policy. Information Technology Policy, 2009. Electronic Transactions Act, 2007. Present level of technology adopted by the Nepalese business.

**Unit 7: Asian and Global Environment**

**LH 10**

Concept of Globalization. Forms of globalization. Regional economic groupings of Nations. Regional Trade Agreement in South Asia: SAFTA, SAPTA and BIMSTEC. World Trade Organization (WTO) -Structure of the WTO. Nepal's membership: opportunities and threats for the Nepalese business.

## **Part II: Strategic Management**

**Unit 1: Strategic Management**

**LH 12**

Concept and characteristics of strategy. Level of strategy. Characteristics of strategic management decisions. Importance of Strategic management. Process of Strategic management. Steps in Strategic planning, Role of chief executives in strategic management.

**Unit 2: Establishing Company Direction**

**LH 8**

Meaning and Concept of Mission, Vision. Developing business mission and strategic vision. Communicating the strategic vision. Setting performance objectives (Strategic objectives versus financial objectives). SWOT Analysis.

**Unit 3: Internal Analysis**

**LH 10**

Concept of Internal Analysis. Process of Internal Analysis. Areas of Internal Analysis. Methods of Internal Analysis (Value chain analysis, Cost efficiency analysis, effectiveness analysis and comparative analysis).

**Unit 4: Evaluating Company Resources and Competitive Capabilities**

**LH 9**

Concept of Company Resources. Strengths and resources capabilities. Weakness and resource deficiencies. Assessment of internal resources and core competencies (Available resources, Threshold resources, Unique resource, Core competencies). Strategic advantage.

**Unit 5: Strategic Options**

**LH 12**

Concept of strategic Options: Strategic Alternatives at Corporate level (Stability strategy, growth strategy, Retrenchment strategy, Combination strategy) Strategic alternatives at business level (Porter's Competitive strategy, Strategic clock-oriented market based generic strategies). Direction for strategy development (Consolidation, market penetration, product development,

Market development, Diversification). Methods of strategy Development (Internal development method, acquisition and merger method, joint development and strategic alliances method).

**Unit 6: Strategy Formulation and Strategic Choice**

**LH 8**

Concept and Process of strategy formulation, Evaluation of strategic alternatives (Suitability, Acceptability, Feasibility) Portfolio Analysis (BCG matrix. GE Business Screen, Hofer's matrix).

**Unit 7: Strategy Implementation**

**LH 6**

Concept of strategy implementation. Process of strategy implementation (operationalizing the strategy, Designing structure for strategy implementation). Resource planning. Management system for strategy implementation.

**Unit 8: Strategic Control and Evaluation**

**LH 10**

Concept of control in strategic management, Types of control. Meaning and Characteristics of strategy evaluation. Measures of corporate performance. Types of strategy evaluation (Strategic evaluation and operating evaluation). Guidelines for proper control and evaluation.

**Text Books**

Pant, Prem R. (2012): *Business Environment in Nepal*. Buddha Publication Kathmandu.

Adhikari, D.R (2012). *Strategic Management*. Buddha Publication, Kathmandu

Agrawal, G. R. (2002): *Dynamics of Business Environment in Nepal*, Kathmandu: M. K. Publishers.

Agrawal, G.R (2010). *Business Strategy & Strategic Management in Nepal*, M.K. Publisher Kathmandu

Aswasthappa, K. (1999). *Business Environment for Strategic Management*. Mumbai: Himalaya Publishing House.

Pearce, John A. and Robinson, Richard B: *Strategic Management*, AITBS, Delhi.

Thomson, Arthur A. and Stickland III: *Strategic Management*, Tata Mcgraw-Hill, New Delhi

Wheelen, T.L and Hunger, J.D: *Strategic Management and Business Policy*, Pearson Education, New Delhi.

# MGT 218: Fundamentals of Taxation and Auditing

Lecture hours: 150

Full Marks: 100

Pass Marks: 35

## Course Objectives

The objective of this course is to provide students with the knowledge of general principles and practices of tax law in Nepal and develop in them the basic skills required to solve practical problems regarding Income Tax and VAT and enable for preparing tax returns.

The course further aims to provide students with the basic knowledge, concepts, objectives, importance and procedure of auditing, thereby enabling them to handle internal audit of concerned organizations.

## Course Description

This course contains two parts: taxation and auditing in taxation students will be familiarized with the topics such as conceptual foundation, taxation of income in Nepal, definition of basic terms under income tax act, Tax accounting and timing, quantification, allocation and characterization of amounts, capital and revenue, classification and status of an assessee (tax payer), heads and sources of income, computation of taxable income and tax liability from employment, computation of taxable income and tax liability from business, computation of taxable income and tax liability from investment, tax administration and official documentations, penal provision, value added tax (VAT). In auditing students will be familiarized with the topics such as conceptual foundation, planning an audit, internal check and control, vouching, verification and valuation, audit report, auditing standard.

## Part – I: Taxation

### Course Details

#### Unit 1: Conceptual Foundation

LH 5

Meaning and objectives of tax. Classification of taxes and their merits and demerits. Canons of taxation.

#### Unit 2: Taxation of Income in Nepal

LH 3

Historical background of evolution of income tax in Nepal. Features of income Tax Act, 2058 Relations of Income Tax Act with other Laws: Constitution, Finance Act, Income Tax Rules, Provisional Tax Realization. Act, Legal precedents established by court

#### Unit 3: Definition of basic terms under Income Tax Act

LH 2

#### Unit 4: Tax Accounting and Timing

LH 2

Accounting based on Cash. Accounting on accrual basis. Bad debts and its recovery. Long term contract.

#### Unit 5: Quantification, Allocation and Characterization of Amounts

LH 4

#### Unit 6: Capital and Revenue

LH 3

Capital and Revenue receipts, Capital and Revenue expenditure .Capital and Revenue loss

<b>Unit 7: Classification and Status of an Assessee (Tax Payer)</b>	<b>LH 6</b>
Natural person and entity, Resident and nonresident. Single and couple. Special provision for Natural Person, Entities and Retirement Savings.	
<b>Unit 8: Tax Exemptions, Concessions, Tax Rates and Withholding Payments</b>	<b>LH 10</b>
<b>Reduction Allowed (common deduction) while computing Taxable Income:</b> Contribution to retirement fund .Contribution made to philanthropic purpose (donation/gift).	
<b>Expenses Disallowed for Deduction</b>	
<b>Unit 9: Heads and Sources of Income</b>	<b>LH 2</b>
Concepts, Classification: Income from Employment, Income from Business, Income from Investment, Casual gain. Sources of Incomes: Domestic and Foreign.	
<b>Unit 10: Computation of Taxable Income and Tax Liability from Employment</b>	<b>LH 12</b>
Income included under the head of employment. Non taxable/non chargeable income. Valuation of perquisites. Allowable reduction.	
<b>Unit 11: Computation of Taxable Income and Tax Liability from Business</b>	<b>LH 16</b>
Income included under head of business. Admissible expenses	
<b>Unit 12: Computation of Taxable Income and Tax Liability from Investment</b>	<b>LH 6</b>
Income included under head of investment. Income from the disposal of non-business chargeable assets. Admissible expenses.	
<b>Unit 13: Taxation on Capital Gain</b>	<b>LH 3</b>
<b>Unit 14: Computation of Total Taxable Income (in case of more than one source of income) and Tax Liability</b>	<b>LH 4</b>
<b>Unit 15: Provision for losses</b>	<b>LH 4</b>
<b>Unit 16: Tax Administration and Official Documentations</b>	<b>LH 6</b>
Tax authorities and their powers, rights and duties. Rights and duties of taxpayers. Documentation. Record keeping and Information collection.	
<b>Unit 17: Income Return and Tax Assessment</b>	<b>LH 3</b>
<b>Unit 18: Payment, Collection (recovery/realization), Remission, Refund and Set Off</b>	<b>LH 4</b>
<b>Unit 19: Penal Provision</b>	<b>LH 4</b>
Provision of fees and interest. Provision of penalties for offences	
<b>Unit 20: Administrative Review and Appeal</b>	<b>LH 2</b>
<b>Unit 21: Value Added Tax (VAT)</b>	<b>LH 12</b>
Concept of VAT. Origin and evolution of VAT. Principle governing VAT. Types of VAT. Method of computing VAT. Method of collection/realization and refund of VAT. Penalties and Appeal. Difference between VAT and Sales Tax.	
<b>Unit 22: Contribution of Income Tax and Value Added Tax to National Revenue and Tax Revenue in Nepal.</b>	<b>LH 2</b>

## Part – II: Auditing

### Unit 1: Conceptual Foundation

LH 11

Meaning, scope, objectives and advantages of audit. Evolution of auditing practices in Nepal. Accounting, auditing and investigation. Types of errors and frauds. Detection and prevention of errors and frauds with practical dealings. Types of auditing, qualities, qualification, appointment and rights and duties of an auditor.

### Unit 2: Planning an Audit

LH 6

Preparation before an audit: instruction to client, distribution of work to audit staff. Audit programme: contents, techniques and preparation of audit programme. Audit note books: objectives, contents. Audit working papers: concept, objectives and advantages.

### Unit 3: Internal Check and Control

LH 9

Internal check: concept, objectives, characteristics, advantages and disadvantages. Internal control: concept and characteristics. Internal audit: concept, importance, role of internal auditor, internal audit and statutory audit. Test checking: concept, factors to be considered while test checking, advantages and limitations. Routine checking: concept, advantages and disadvantages.

### Unit 4: Vouching, Verification and Valuation

LH 5

Concept, importance and objectives. Difference between vouching, verification and valuation. Consideration before vouching

### Unit 5: Audit Report

LH 2

Concept, contents and types of audit report

### Unit 6: Auditing Standard

LH 2

Concept, objectives and importance of Auditing Standard

### Books for Taxation

#### Basic Books:

1. Lekhi, R.K., *Public Finance*, Kalyani Publishers, New Delhi.
2. Government of Nepal, *Income Tax Act, 2058 with amendment*.
3. Government of Nepal, *Income Tax Rules, 2059 with amendments*.
4. Government of Nepal, *Value Added Tax Rules, 2052 with amendments*.
5. Government of Nepal, *Value Added Tax Rules, 2053 with amendments*.
6. Government of Nepal, *Finance Act*.
7. Government of Nepal, *Economic Survey*.

## **References**

Dhakal, K.D., Pandey, B. and Bhattarai, R., *Fundamentals of Taxation* (updated edition), M.K. Publishers and Distributors, Kathmandu.

Kandel P.R. and Lamsal, R., *Tax Laws and Tax Planning in Nepal* (updated edition), Benchmark Education Support Pvt. Ltd., Kathmandu.

Amatya S.K., Sapkota, P.P. and Thapa, K.B., *Taxation in Nepal* (updated edition), G. Seven Publication Pvt. Ltd, Kathamandu

K.C., J.B., *Tax Laws and Tax Planning: Theory and Practice* (updated edition), Khanal Books and Stationery, Kathmandu.

Bhattarai, I. and Koirala, G.P., *Taxation in Nepal* (updated edition), Asmita Books Publishers and Distributors Pvt. Ltd., Kathmandu

Sundaram, K.P.M. and Andley, K.K., *Public Fianance: Theory and Practice*, S.Chand and Co., New Delhi.

## **Books for Auditing**

### **Basic Books:**

Ramaswamy, M.S., *Auditing*, S. Chand and Co., New Delhi.

Saxena, R.G., *Principles of Auditing*, Himalayan Publishing House, Bombay.

### **References**

Dhakal, K.D., Bhattarai, I and Koirala, G.P., *The Principles and Practice of Auditing*, Asmita Books Publishers and Distributors Pvt. Ltd., Kathmandu.

Tandon, B.N., *Practical Auditing*, S.Chand and Co., New Delhi.

Pandey, D.L., *Auditing*, Asia Books Distributors Pvt. Ltd., Kathamandu.

Government of Nepal, *Auditing Act, 2048 with amendments*.

Government of Nepal, *Company Act, 2063 with amendments*.

Auditing Standards Board of Nepal, *Nepal Standard on Auditing*.

# MGT 219 Organizational Behavior

**Lecture Hours: 150**

*Full Marks: 100*

*Pass Marks: 35*

## **Course Objectives**

The major objective of this course is to provide students with an in-depth understanding of fundamental theories of organizational behavior and thereby enable them to function more effectively in their present or future roles as managers of human resources.

## **Course Description**

This course aims to develop soft HR skills of the students to handle on different dimensions of behavior of people at work. The course contains: introduction, understanding individual behavior, perception, individual decision making and learning in organizations, personality and positive organizational behavior, motivation, job satisfaction and stress management, groups and teams in organizations, leadership, communication, conflict and organizational change and development.

## **Course Details**

### **Unit 1: Introduction to Organizational Behavior**

**LH 12**

Concept, Organizational behavior system, basic assumptions, levels of OB analysis, Basic assumptions of OB, Contributing disciplines to the field of OB, challenges and opportunities for OB.

### **Unit 2: Understanding Individual Behavior**

**LH 10**

Behavior as an input-output system. Mental process-beliefs, attitudes, values, needs, motives and behavior, Sensation, Emotions and Cognitive dissonance.

### **Unit 3: Perception and Learning**

**LH 23**

Concept of perception, perceptual process, factors affecting perception, specific application of perception in organizations, principles of perceptual selection, Application of perception theories in organizations, Attribution theory, Attribution errors. Concept of learning, Learning theories, Factors influencing learning, Principles of learning, Behavior modification, Attitude formation.

### **Unit 4: Personality**

**LH 13**

Concept, Personality traits and characteristics, Determinants of personality, linking an individual's personality and values to the workplace, Major personality attributes influencing OB, application of personality traits and characteristics at work place.

### **Unit 5: Motivation and Job Satisfaction**

**LH 23**

Concept, Motivation theories-historical and contemporary perspectives, Application of motivation theories, Motivation for Performance, Concept of job satisfaction, Measuring job satisfaction, Effects of job satisfaction on employees' performance.

### **Unit 6: Groups and Teams in Organizations**

**LH 15**

Concept of group and group dynamics, the dynamics of group formation, types of groups, The dynamics of informal groups, nature and significance of informal groups, Issues related to group decision making, concept and nature of teams, Types of teams, Team processes.

### **Unit 7: Leadership**

**LH 13**

Concept, Effective leadership, Theories of leadership-trait perspective, behavioral theories, contingency theories, emerging approaches to leadership, Contemporary issues in leadership.



**Unit 8: Communication****LH 13**

Concept, Function and process, System, Types, Communication network, Barriers to effective communication, Overcoming communication barriers, Current issues in communication.

**Unit 9: Conflict****LH 13**

Concept, nature, types and nature and types of intergroup conflict, Dynamics of intergroup conflict, Sources of conflict, Approaches to conflict management, Resolving conflict through negotiation, Functional and dysfunctional conflicts, Assertive behavior.

**Unit 10: Organizational Change and Development****LH 15**

Concept, Forces of change, Resistance to change, Approaches to managing organizational change, creating culture for change, Concept and characteristics of organizational development (OD), OD values, OD interventions at individual, group and organizational level.

**Text Books**

Robbins, S.P., *Organizational Behavior*, New Delhi: Pearson.

Newstrom, J.W., *Organizational Behavior: Human Behavior at Work*, New Delhi: Tata McGraw\_Hill Publishing company.

Arnold, H.J. and Fieldman, D.C. *Organizational Behavior*. New York: McGraw Hill Book Company.

Adhikari, D.R. *Organizational Behavior*. Kathmandu: Buddha Academic Enterprises Pvt. Ltd.

Asathappa, K. *Organizational Behavior*. (8th Edition), New Delhi: Himalayan Publishing House.

Dwivedi, R.S. *Human Relations and Organizational Behavior: A Global Perspective*. New Delhi: Macmillan India Limited.

Hellriegel, D., Slocum, J.W. and Woodman, R.W. *Organizational Behavior*. Singapore: South Western College Publishing.

Moorhead, G. and Griffin, R.W. (2000). *Organizational Behavior*. New Delhi: AITBS Publishers.

# MGT220: Entrepreneurship and Enterprise Development

Full Marks: 100  
Pass Marks: 35

Lecture Hours: 150

## Course Objective

This course aims at familiarizing students with the significance of entrepreneurship and enterprise development, the role and functions of entrepreneurship and entrepreneurs, the concept of women entrepreneurship, the factors affecting entrepreneurship development, and the need for institutional support in entrepreneurship development.

## Course Description

This course contains introduction, women entrepreneurship, growth of entrepreneurship, entrepreneurship competency development, entrepreneurial venture creation, Legal Issues of Entrepreneurial Venture, Institutional Support to Entrepreneurship Development.

## Course Details

### Unit 1: Introduction

LH 30

Concept and Significance of entrepreneurship; entrepreneurship importance, entrepreneurial process; entrepreneur, and entrepreneurial venture; Types of entrepreneurship; Traits of an entrepreneur; Distinction among entrepreneur, entrepreneur and owner-manager; Functions of an entrepreneur; Small business vs. entrepreneurship; Entrepreneurial motivation, the entrepreneurial process, entrepreneurship vs. intrapreneurship, managerial and intrapreneurial decision making, corporate vs. entrepreneurial culture, intrapreneurial leadership characteristics, the individual entrepreneur, entrepreneurial feelings, male vs. female entrepreneurship, entrepreneur vs. inventors.

### Unit 2: Women entrepreneurship

LH 12

Concept of women entrepreneurship; Women empowerment through entrepreneurship; Women entrepreneurship in Nepal; Problems of women entrepreneurship; Future challenges of women entrepreneurs and their success factors.

### Unit 3: Growth of Entrepreneurship

LH 15

The concept of socio-economic growth; Factors affecting entrepreneurial growth; Rural entrepreneurship – types, problems and factors affecting rural entrepreneurship; Tourism entrepreneurship – types, problems and factors affecting tourism entrepreneurship; Emerging concepts in entrepreneurship growth.

### Unit 4: Entrepreneurship Competency Development (ECD)

LH 13

Concept of entrepreneurial competency; Need for Entrepreneurial competency development (ECD); Entrepreneurial competency development programs (ECDPs); Phases of ECDPs; Evaluation of ECDPs; Different institutions and agencies operating ECDPs in Nepal.

### Unit 5: Entrepreneurial Venture Creation

LH 30

Idea generation; identifying and recognizing opportunities, personal characteristics of a entrepreneur, techniques for generating ideas, encouraging and protecting ideas; Preparing business plan – concept and scope, significance and elements; presenting the business plan, financial information needs, using the Internet as a resource pool, writing a business plan.; industry analysis, marketing research, understanding the marketing plan, characteristics of a marketing plan, steps in preparing marketing plan, Venture creation – venture project formulation, implementation and evaluation; choosing a format

of business organization: sole proprietorship, partnership, corporation, limited liability company, developing enterprise in Nepal- legal and ethical considerations.

**Unit 6: Legal Issues of Entrepreneurial Venture**

**LH 10**

Legal requirements for venture creation – legal structures, venture registration, PAN and VAT registration, obtaining intellectual property rights, contract laws, labor laws and environmental laws.

**Unit 7: Financing of Entrepreneurial Venture**

**LH 10**

Need for financial planning; Sources of finance for entrepreneurial ventures – angel investors and venture capitalists; Types of financing – equity and debt; Sources of short-term loans for ventures.

**Unit 8: Institutional Support to Entrepreneurship Development**

**LH 30**

Institutional support – concept and need; Financial support agencies – Rural Development Banks, micro finance institutions, commercial banks; micro enterprise development projects and programs; Logistic support agencies - government, specialized and consultancy agencies; Industrial estates , Role of Government in promoting entrepreneurship incentives, subsidies and grants. Export oriented units-Fiscal and Tax concession, role of financial institutes in the entrepreneurship development in Nepal. Introduction to Entrepreneurship Development Projects in Nepal with reference to IED, MEDEP and ELAM. (MEDEP,-ELAM).

**Text and References**

Khanka, S.S. *Entrepreneurial Development*. New Delhi: S. Chand & Company

Barringer, B.R. and Ireland, R.D. *Entrepreneurship: Successfully Launching New Venture*. New Delhi: Pearson

Hisrich, R.D., Manimala, M. J., Peters, M.P. and Shepherd, D.A. *Entrepreneurship*, New Delhi: McGraw-Hill Education (India) Pvt. Ltd.

Aqrawal, G.R. *Entrepreneurship Development in Nepal*. Kathmandu: M.K. Publishers

Shrestha, P. *Entrepreneurship Development*. Kathmandu: Samjhana Publication Pvt. Ltd.

Joshi, Shyam, *Entrepreneurship Development* (Nepali). Kathmandu: Taleju Prakashan,

# MGT 221: Business Research Methods

*Full Marks: 50*

**Lecture Hours: 75**

## **Course Objectives**

The primary aim of this course is to introduce students to the principle of research methods used most frequently by business students. Basic knowledge of these methodological approaches is absolutely critical to the comprehension of academic understanding and comprehensive and critical writing which is an essence of business students. Therefore, the basic objective of this course is to provide knowledge and understanding of basic principles of business research methods.

## **Course Description**

The course has a preliminary focus on problem identification, theoretical framework development and hypothesis formulation. The course will then deal with research design issues, measurement, sampling, data collection and analysis. This encompasses the overall understanding and application of appropriate research techniques and research statistics, and report writing and presentation skills.

## **Course Details**

### **Unit 1: Introduction**

**LH 20**

Meaning of research; Scientific research – features,; Types of research: applied and basic; The scientific research process; Approaches to research; Paradigm shifts – positivist Vs interpretivist philosophies; Management research – concept, nature, and value in business decision making; Applying scientific thinking to management problems; Ethical concerns in research.

**Qualitative research:** Concept, Features, assumptions, Common practices in qualitative research, Methods of qualitative research: Case study, Ethnography, Grounded theory and phenomenological study (A short introduction only), Building trustworthiness and credibility in qualitative research, Strength of qualitative research.

### **Unit 2: Literature searching and Theoretical Framework**

**LH 10**

Concept, purposes, Kinds and writing a literature survey; Literature search through the Internet; Relation of literature to research. Theoretical framework; Theory and research; Research approaches – deduction and induction; Research problem; Identification of research problem in business. Research questions, hypothesis formulation and role of hypothesis in research.

### **Unit 3: Research Design**

**LH 5**

Concept, Features Types – descriptive, developmental, case studies, causal-comparative, experimental, cross-sectional and longitudinal. Basic principles of research design and criteria of a good research design.

### **Unit 4: Measurement, Scaling and Sampling**

**LH 12**

Variables and their types; Nature of measurement; Scale construction for attitude measurement; Scales commonly used in business research; Validity and reliability of measurement; Sources of measurement

problems; Concept of population, sample and sampling, Factors affecting the size of the sample, The sampling process; Types of samples – probability and non-probability sampling; Sampling and non-sampling errors.

#### **Unit 5: Data Collection and Analysis**

**LH 20**

Types of data: primary and secondary, value of secondary data to business research, Primary data, Methods of collecting primary data : **Questionnaires** – design, components and principles of questionnaire writing, pilot testing and questionnaire administration; **The research interviews** – face-to-face and telephone interviews, computer assisted interviewing; **Observation** – concept and methods – participative and non-participative; Data analysis – organizing and preparing data; Presenting data in tables, graphs and charts; Pre-conditions and the use of statistical techniques:– descriptive: (Mean, Median, Mode and standard deviation) and inferential statistics (Measures of correlation, statistical significance, basic forecasting tools, regression, one way ANOVA and chi-square test); Statistical testing of hypothesis; Methods of collecting and analyzing qualitative data. Role of computers in different phases of research. Qualitative data analysis- content , thematic and narrative.

#### **Unit 6: Research Proposal and Report Writing**

**LH 8**

Topic selection; Research proposal – purpose, types and structure; Writing research reports – the reporting process, Contents of the research report, and style of writing; Typing and layout of the research report; Citations and references by using APA format; Essentials of a good research report.

#### **Basic Books**

Prem R. Pant. *Fundamentals of Business Research Methods*. Buddha Academic Enterprises. Kathmandu.

Dev Raj Adhikari and Dhruva Lal Pandey. **Research Methodology for Management**. Asmita Books Publishers & Distributors (p) Ltd.

#### **Reference Books**

William G. Zikmund. *Business Research Methods*. Thomson India. New Delhi.

Alan Bryman and Emma Bell. *Business Research Methods*. Oxford University Press. New Delhi.

Donald R. Cooper, Pamela S. Schindler, and J. K. Sharma. *Business Research Methods*. McGraw Hill Education (India). New Delhi.

# ACC 250: Accounting for Banking

*Lecture Hours: 150*

*Full Marks: 100*

*Pass Marks: 35*

## **Course Objectives**

The objectives of the course are to provide the students with the basic knowledge required to handle the accounting functions of banks. On completion of this course the students will be able to gain the knowledge of total banking accounting practices of the banks. The course further aims at providing knowledge required to analyze financial statements of banks.

## **Course Description**

This course contains introduction, accounting for deposit, accounting for bills for collection, accounting for guarantee and margin deposit, letter of credit (LC), accounting for remittance, accounting for credit and advances, accounting for cash transactions, accounting for treasury management, banking technology products, concept of BASEL framework, anti money laundering (AML, accounting for decision making, accounting for control , preparation of financial statements, financial statements analysis.

## **Course Details**

### **Unit 1: Introduction**

**LH 8**

Concept of bank account; Rules and classifications of accounts ; Accounting assumptions, principles and conventions ; Evolution of banking industry, Development of banking industry in Nepal; Meaning, nature, objectives, importance and functions of banks; Types of Banks: Central Bank, Commercial Banks, Development Banks, Financial Institutions, Micro Finance Institutions and Co-operative Banks ; Opportunities and Challenges of Nepalese Banking Sector; Legal provisions under Banking and Financial Institutions Act (BAFIA), 2063; Unified directives issued by Nepal Rastra Bank.

### **Unit 2: Accounting for Deposit**

**LH 8**

Account Opening, operations and closure of bank account; Concept and types of deposit: current, saving, time or fixed account, hybrid or flexi deposit, calls deposit account, margin account, foreign currency account, special foreign currency account; Process of opening accounts; Inter bank borrowing from other banks and short term borrowing from NRB; Substitutes for vouchers – pay in slip and its meaning; Cheques: meaning and types of cheques; Electronic cheque clearing (ECC); Service charges- concepts and accounting procedures.

### **Unit 3: Accounting for Bills for Collection**

**LH 8**

Bills for collection: concept, types and necessity for banking business; Outward bills for collection (OBC): concept and types; Service charges and accounting records for OBC; Endorsement: meaning and accounting procedures; Procedures used in bills for collection; Inward bills for collection (IBC): concept and importance; Document required for IBC; Service charges and accounting records for inward bills for collection; Debit note and required reversal entry; Outgoing debit advice for uncollected or dishonored bills.

- Unit 4: Accounting for Guarantee and Margin Deposit** **LH 7**  
 Concept, and types of guarantee deposit; Concept, needs and types of guarantee: Bid bond, Performance bond, Advance payment guarantee, Counter guarantee, Financial guarantee, Standby letter of credit, Bonded warehouse guarantee; Banker's liabilities and customer's liabilities toward guarantee issuance ; Accounting treatment of guarantee issue (voucher and ledger); Margin deposit: concept, process and evaluation ; Service charges and accounting treatment.
- Unit 5: Letter of Credit (LC)** **LH 8**  
 Letter of credit: concept, needs and types of LC; Parties involved in LC; Documents in LC; Trade finance; International Chambers of Commerce and Universal Custom and Practices (UCP) for documenting credit; NRB regulations for LC; Accounting treatment.
- Unit 6: Accounting for Remittance** **LH 8**  
 Remittance: concept and importance; Services rendered by remittance ; Types of remittance; Parties involved in remittance ; Demand draft, accounting for advice received and un-received demand draft; Account payee draft; Books of original entry for advice received and un-received; Telegraphic transfer and mail transfer; Branch reconciliation.
- Unit 7: Accounting for Credit and Advances** **LH 10**  
 Credit creation; Concepts and importance of credit; Types of credit: Cash credit, Overdraft, Secured loan, Micro credit, and other loans: auto, home, credit card, education and social; Security: types and procedures/valuation of securities; Evaluation of feasibility study; Industry risk analysis and Business risk analysis (using six C's of credit); Accounting treatment of different types of credit; Loan processing charges, interest and commission and their accounting treatment; Collection and recovery of loans method applied and accounting treatment; Credit risk management; Credit creation.
- Unit 8: Accounting for Cash Transactions** **LH 7**  
 Receiving cashier's counter cash book ; Paying cashier's counter cash book; General cash books, day books and denomination books.
- Unit 9: Accounting for Treasury Management** **LH 8**  
 Concept of treasury management; Dimensions of treasury management; Market risk management; Liquidity management; Investment portfolio management; Foreign exchange risk management; Assets liability management ; Maintenance of agency ledger (NOSTRO and VOSTRO).
- Unit 10: Banking Technology Products** **LH 9**  
 Banking software; Card operation ; Tele banking; Mobile banking; Internet banking and e banking; SWIFT (society for worldwide interbank financial telecommunication); Branch less banking.
- Unit 11: Concept of BASEL Framework:** **LH 7**  
 Concept and importance; Principles of capital measurement and capital standard
- Unit 12: Anti Money Laundering (AML)** **LH 5**  
 Concept, importance and AML Act; Know your customers (KYC)

**Unit 13: Accounting for Decision Making****LH 11**

Capital Budgeting: Project evaluation on the basis of Pay-back period, Net Present Value, Profitability Index and Internal Rate of Return; Cost Volume Profit Analysis for project evaluation.

**Unit 14: Accounting for Control****LH 8**

General ledger: concept, needs and procedures of maintaining general ledgers; Comparison with commercial accounting; Daily trail balance: concept, needs and preparation and tools for control of general ledgers; Transaction list verification and operational procedures.

**Unit 15: Preparation of Financial Statements****LH 13**

Concept and importance; Statement of profit and loss and other comprehensive income (Income statement); Statement of financial position/balance sheet; Statement of cash flow statement; Statement of changes in equity.

**Unit 16: Financial Statements Analysis****LH 18**

Concepts and importance; Ratio Analysis: concept, importance and limitations

**Types of ratios**

**Profitability ratios:** Net interest income growth (NII growth), Interest yield, Net Spread, Operating profit growth.

**Shareholder ratios:** Return on equity, Return on assets, Earning per share, Price earnings ratio, Market price per share, Dividend payout ratios.

**Liquidity ratios:** Net liquid assets, Net liquidity ratios, Statutory liquidity ratio (SLR), Cash reserve ratio (CRR), Gap analysis.

**Activity ratios:** Cost of fund, Base rate, Cost to income ratio, Credit deposit ratio, Net interest margin, Non-funded income as a percentage of total operating income, Operating expenses ratio (interest to total operating expense, office operating expense to total operating expenses and HR expenses to total operating expenses) Staff efficiency (per employee income, per employee business i.e. deposit plus loan)

**Gearing and Financial ratios:** Total borrowing to shareholder fund, Total external liabilities to total assets, Total assets growth, Net worth growth

**Cash Flow ratios:** Interest coverage ratio, Debt coverage ratio

**Assets Quality ratios:** Non-performing loans to total loans, Loan loss reserves to gross loan, Earning coverage to loan losses, Increase in loan loss reserve to gross income

**Earnings ratios:** Net interest margin, Non-funded income expenses as a percentage of total operating expenses

**Capital Adequacy ratios:** Capital fund as a percentage of risk weighted assets

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.



## References

- Indian Institute of Banking and Finance, (2008), *Accounting and Finance for Bankers*, Macmillan India Ltd. Chennai India
- Jain, S. P. and Narang, K. L., (2014), *Advanced Accounting, Corporate Accounting, Vol. 11*, Kalyani Publishers, New Delhi
- Battliboi, J. R. *Advanced Accounting*, Standard Accountancy Publication Pvt. Ltd. Mumbai
- Nepal Rastra Bank Act, 2058
- Accounting Manual of banks
- Bank and Financial Institutions Act, 2063
- Negotiable Instrument Act, 2034
- Unified Directives issued by NRB
- Circulars issued by NRB (Banks and Financial Institution Regulation department and Foreign Exchange Management Department)
- International Chamber of Commerce and the UCPDC 600

# ACC 251: Accounting for Business

*Lecture Hours: 150*

*Full Marks: 100*

*Pass Marks: 35*

## **Course Objectives**

The objectives of the course are to provide the students with in-depth knowledge of accounting required to handle accounting works in the various business situations like partnership, consignment, branch etc. independently. The course further aims at providing knowledge required by the students for advance studies in accounting subject.

## **Course Description**

This course contains accounting for partnership, admission of new partner, retirement and death of a partner, dissolution of a partnership firm and piecemeal distribution, accounting for, consignments, accounting for joint ventures, accounting for branch, accounting for department of activity, Accounting for packages or containers, accounting professional men, accounting for royalties, accounting for hire purchase system, accounting for installment system.

## **Course Details**

### **Unit 1: Accounting for Partnership**

**LH 10**

Concept of partnership; Partnership agreement and status of partners in the absence of partnership deed; Accounting for partnership firm-partner's capital a/c, fixed and fluctuating capital; Accounting treatment of partner's salary, interest and drawing; Partner's loan account; Preparation of profit and loss appropriation account in the book of the firm.

### **Unit 2: Admission of New Partner**

**LH 11**

Concept; Impact of admission in the profit sharing ratio of the firm; Impact of admission in the revaluation of assets and liabilities; Impact of admission in the value of goodwill of the firm; Re-arrangement of reserve and surplus and accumulated losses of the firm; Re-adjustment of partners capital giving due influence of new admission; Distribution of old profit to old partners; Admission of a partner during an accounting year.

### **Unit 3: Retirement and Death of a Partner**

**LH 14**

Calculation of new profit sharing ratio; Revaluation of assets and liabilities; Adjustment regarding undistributed profits and losses; Adjustment regarding goodwill and capital after retirement; Ascertainment of the due amount to the outgoing partners; Mode of payment to the outgoing partners; Death of a partner; Accounting for Joint life policy; Accounting for insurance premium.

### **Unit 4: Dissolution of a Partnership Firm and Piecemeal Distribution**

**LH 10**

Concept; Closing the books of account and final settlement; Accounting for dissolution-Settlement of partner's capital accounts when the firm and all the partners are solvent, Settlement of account when a partner is insolvent with or without using the rule of Garner Vs Murry; Gradual realization and piecemeal distribution-Surplus capital method, Maximum loss method.

### **Unit 5: Accounting for Consignments**

**LH 10**

Concept; Difference between consignment and sales; Important terms-Consignment goods sent at invoice price, Consignment expenses, Commission, Valuation of unsold stock, Loss of goods on consignment- Normal loss, Abnormal loss; Interest on consignment; Consignment goods taken over by consignee.

**Unit 6: Accounting for Joint Ventures****LH 10**

Meaning, characteristics and features of joint venture; Difference between joint venture and consignment; Difference between joint venture and partnership; Methods of accounting-Without keeping separate set of books, With keeping separate set of books.

**Unit 7: Accounting for Branch****LH 11**

Concept and types of branch; Accounting records-Dependent branch, Independent branch; Accounting entries for incorporation of branch transactions in the books of head office and consolidated balance sheets ; Accounting treatment of some important adjustments-Normal loss, Abnormal loss, Cash in transit, Goods in transit, Inter branch transactions.

**Unit 8: Accounting for Department of Activity****LH 9**

Concept, objectives and types of department; Department trading and profit and loss account; Allocation of expenses, Difference between branch and department, Inter – department transfer.

**Unit 9: Accounting for Packages or Containers****LH 9**

Concept and objectives of container; Importance terms of container; Calculation of missing terms of container; Accounting for types of container-Returnable: with maintaining trading and reserve account, with maintaining trading, reserve and stock account; Non Returnable.

**Unit 10: Accounting Professional Men****LH 14**

Concept and techniques in general, Accounting treatment-- receipt and payment account, adjustments, income and expenditure account, profit and loss account , household cash statement.

**Unit 11: Accounting for Royalties****LH 12**

Concept and modern terms; Accounting treatment with and without maintaining minimum rent account.

**Unit 12: Accounting for Hire Purchase System****LH 10**

Concept and objectives of hire purchase system; Calculation of interest, cash price and installment (using analytical table); Accounting treatment: *In the book of purchaser*- Journal entries, Necessary ledger accounts. *In the book of vendor*-Journal entries, Necessary ledger accounts.

**Unit 13: Accounting for Installment System****LH 10**

Concept and features of installment system; Difference between hire purchase and installment system; Calculation of interest, cash price and installment (using analytical table); Accounting treatment: *In the book of purchaser*-Journal entries, Necessary ledger accounts. *In the book of vendor*, Journal entries, Necessary ledger accounts.

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Basic Books:**

Battliboi, J. R., *Advanced Accounting*, Standard Accountancy Publication Pvt. Ltd., Mumbai

Jain, S. P. and Narang, K. L., (2014), *Advanced Accounting, Corporate Accounting, Vol. 11*, Kalyani Publishers, New Delhi

Shukla, Grewal and Gupta, *Advanced Accounting*, S. Chand and Co., New Delhi

**Reference Books:**

Dangol, R. M., Prajapati, K. P., Tamrakar, M. R. and Upadhyay, T. P., *Accounting for Business*, Taleju Prakashan, Kathmandu

Koirala, Y. R. and Dahal, S., *Accounting for Business*, Ashmita Books and Distributors, Kathmandu

# ACC 252: Advanced Financial Accounting

*Lecture Hours: 150*

*Full Marks: 100*

*Pass Marks: 35*

## **Course Objectives**

The objectives of the course are to provide the students with a detailed knowledge of accounting principles, concepts, techniques and their application to develop ability and skills in practical work situation. On completion of this course the students will be able to gain the knowledge of government accounting, national accounting standards and international accounting standards. The course further attempts to provide sound knowledge of new trends of accounting. It helps them to understand the concept of business combinations and to prepare the consolidated financial statement.

## **Course Description**

This course contains introduction to advanced financial accounting, preparation of company accounts, valuation of goodwill and shares, new trend in accounting, accounting for contract, accounting for non-profit organizations, government accounting in Nepal.

## **Course Details**

### **Unit 1: Introduction**

**LH 10**

Meaning, objectives, importance and functions of financial accounting; Accounting Principles, Concepts and Conventions ; GAAP, Accounting Standards, Nepalese Accounting Standards (NAS), International Accounting Standards (IAS), Relative aspects of NAS and IAS.

### **Unit 2: Preparation of Company Accounts**

**LH 36**

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 and external 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; Preparation of accounts from incomplete records (single entry system).

### **Unit 3: Valuation of Goodwill and Shares**

**LH 14**

Goodwill: concept and need for valuation, Factors affecting the value of goodwill and accounting treatment, Methods of evaluating goodwill: average profit method, super profit method, capitalization method, annuity method; Valuation of shares: concept and need, Factors affecting value of shares, Methods of valuation of shares: net assets method, yield method, earning capacity method.

**Unit 4: New Trend in Accounting****LH 28**

Human Resource Accounting: concept, objectives and benefits of HRA, Valuation of Human Resources – Historical Cost Approach, Replacement Cost Approach, Opportunity Cost, Standard Cost Approach, Present Value Approach; Social Accounting: concept and approaches, Social responsibilities of business, Measurement of social cost benefit, Social Accounts and Balance Sheet; Environment Accounting: concept, needs, scope, forms and elements of environment accounting; Forensic Accounting: concept, functions, needs of forensic accounting, Detection techniques used in forensic accounting, Critical aspects to be followed while conducting forensic accounting .

**Unit 5: Accounting for Contract****LH 12**

Meaning and concept of contract; Calculation of profit for complete and incomplete contract; Accounting treatments: Contract Account, Contractee's Account, Work in progress account, Balance sheet.

**Unit 6: Accounting for Non-Profit Organizations****LH 12**

Concept, features and characteristics of non-profit organization; Accounting procedures of non-profit organization: Receipt and Payment account, Income and Expenditure account, Balance Sheet.

**Unit 7: Government Accounting in Nepal****LH 28**

Concepts, objectives and features of government accounting; Historical development of government accounting; Present accounting system (including single treasury accounting system): concept, objectives and importance of accounting system; Comparison with commercial accounting; Preparation of report of income and expenditure; Role of Comptroller and Auditor General in Nepal.

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Reference Books**

Battliboi, J. R., *Advanced Accounting*, Standard Accountancy Publication Pvt. Ltd., Mumbai

Jain, S. P. and Narang, K. L., *Advanced Accounting, Corporate Accounting, Vol. 11*, Kalyani Publishers, New Delhi

Shukla, Grewal and Gupta, *Advanced Accounting*, S. Chand and Co., New Delhi

Agarwal, A. N., *The Higher Science of Accountancy*, Kitabmahal, Allhabad

Jawahar Lal., *Accounting Theory and Practice*. New Delhi: Himalaya Publishing House

Jawahar Lal, *Cost Accounting*, Tata Mc Graw Hill, New Delhi

Directive of Single Treasury Accounting System, 2072

Accounting Standards Board. (2003). *Nepal Accounting Standards*. Kathmandu: ASB.

NFRS (2014). *Nepal Accounting Standards*. Kathmandu: ASB.

# ACC 253: Advance Auditing

Lecture hours: 150

Full Marks: 100

Pass Marks: 35

## Course Objectives

The objective of the course is to provide conceptual and working clarity and understanding of the relevant audit procedures and techniques and increase candidate's capability to assess internal control systems to identify audit risks of auditing, various types of audit so that they can plan and perform effective and efficient audit.

## Course Description

This course contains conceptual foundation, planning an audit, internal check and control, vouching, audit of impersonal ledgers, verification and valuation of asset and liabilities, depreciation, reserve and provision, appointment, remuneration and right and duties of an auditor, audit of a limited company, audit of divisible profits and dividends, audit report, liabilities of an auditor, audit programmes and procedures of different classes of audits, investigation, government audit in Nepal, recent trends in auditing.

## Course Details

### Unit 1: Conceptual Foundation

LH 9

Nature and scope, Evolution of auditing practices in Nepal, Objectives of audit ; Detection and prevention of frauds and errors with practical dealings; Advantages and Limitation of audit; Accounting, auditing and investigation; Terms of audit engagement.

### Unit 2: Planning an Audit

LH 10

Knowledge and understanding of the organization; Audit programme: Contents of audit programme, techniques and preparation of audit programme; Tolerable error, audit risks, sampling and determinants of sample size; Audit note books: Objectives, procedures and techniques and contents of audit note books; Organization of audit staff, job description, responsibility assigned and liabilities defined, conduct of an audit work, continuous audit, periodical audit, interim audit, partial audit; Types of audit: Tax audit, cash audit, cost audit, management audit, data processing audit, scope of work to be determined, instruction to the client, preparation by the auditor, division of work, audit files, audit working papers.

### Unit 3: Internal check and control

LH 8

Concept, objective, essential characteristics, advantages and disadvantages, internal check and internal audit, effects of internal control and internal audit, auditor's duties as regard to internal check and internal control, use/adoption of distinctive ticks, routine checking, difference in balancing books, concept of test checks, advantage and limitation; Difference between statutory audit and internal audit

### Unit 4: Vouching

LH 14

Concept, importance, objectives of vouching, vouching of cash transactions, vouching of payments, vouching of receipts, vouching of sales, credit and cash sales, internal checks as regard to cash sales, cash discount allowed and return, credit sales, review of internal check system as regard to credit sales, sales on approval basis, sales under hire purchases system, goods on consignment, goods sent on package and containers, return, vouching of purchase, cash purchase, internal check as regard to cash purchase, discount received and return, credit purchase, internal check as regard to credit purchase, discount received and return.

- Unit 5: Audit of Impersonal Ledgers** **LH 8**  
Capital expenditure, revenue expenditure and deferred expenditure; Outstanding expenses and income, repairs and renewals; Prepaid expenses, contingent liabilities and asset.
- Unit 6: Verification and valuation of asset and liabilities** **LH 13**  
Concept, importance, distinction between verification and vouching, verification and valuation of assets, methods of valuation, vouching and valuation, valuation of fixed assets, current assets and wasting assets, auditor's position as regards to verification and valuation of assets, verification of liabilities, capital loans and long-term loans, trade creditors, outstanding liabilities for expenses, bills payable, contingent liabilities, confirmation and verification, concept of fair value measurement.
- Unit 7: Depreciation, reserve and provision** **LH 5**  
**Depreciation:** Concept and causes for depreciation, methods of depreciation, difference between fluctuation and depreciation, difference between obsolescence and depreciation, Auditor's duty in connection with depreciation.  
**Reserve and Provision:** Concept of reserve and provision, need for reserve and provision, types of reserve and provision, Auditor's duty in connection with different provisions and reserves.
- Unit 8: Appointment, remuneration and right and duties of an auditor** **LH 5**  
**(According to Nepal Company Act and other legislations governing audit)**  
Qualification of an auditor of a company, appointment and remuneration of an auditor, qualities of an auditor, rights and duties of an auditor, removal of an auditor.
- Unit 9: Audit of a limited company** **LH 13**  
Nature of company audit, preliminaries before company audit, statutory audit, audit of preliminary expenses, audit of statutory general meetings, review of memorandum of association and articles of association, audit of shares capital, issue of shares at par, premium and discount, issue of share for other than cash, bonus share, calls in arrear and calls in advance, forfeiture and re-issue of forfeited shares, transfer and conversion of shares, alternation of share capital; Audit of underwriting commission, transfer fees, brokerage and commission; Audit of debentures: Debentures issued at par, discount and premium, redemption of debentures, regular redemption and redemption at par, premium and discount, redemption through purchase in open market, conversion of debentures into shares.
- Unit 10: Audit of divisible profits and dividends** **LH 9**  
Concept of profit and divisible profit, consequences of incorrect valuation of profit; Factors affecting dividend-capital profit and revenue profit, dividend by appreciating assets including intangible assets, loss on fixed assets and dividend pre-opening profit and dividend; Dividend on preference shares: cumulative and non-cumulative preference shares, unclaimed dividend.
- Unit 11: Audit report** **LH 5**  
Meaning of audit report, content of audit report; Types of audit report: statutory report, general report, qualified report, tax audit report; Evaluation of audit evidence, adequacy and appropriate of audit evidence.
- Unit 12: Liabilities of an auditor** **LH 10**  
Legal provision regarding liability of an auditor, auditor appointed by a private business concern, liability of a limited company auditor, civil liability, liability for negligence and misfeasance, criminal liability

**Joint audit:** Meaning, liability of joint auditor and branch auditor, liability of an honorary auditor, auditor's liability to third party.

**Unit 13: Audit programmes and Procedures of different classes of Audits** **LH 8**

Audit of educational institutions, co-operative societies, charitable institutions, NGO's and local government bodies; Audit of partnership firm: concept of partnership firm audit, procedures to be followed by a newly appointed auditor, audit on behalf of different types of partners, performance audit.

**Unit 14: Investigation** **LH 8**

Concept of investigation, difference between investigation and audit, causes for investigation and methods of investigation, identification of objectives of investigation, formulation of programme, collection and examination of records and evidence; Types of investigation, investigation on behalf of incoming partners, prospective shareholders, prospective moneylenders and suspected frauds, duties and liabilities of an investigator.

**Unit 15: Government Audit in Nepal** **LH 7**

Concept, objectives, natures and evolution, difference between government audit and commercial audit; **Internal audit:** Concept, objectives and advantages; Misappropriation and procedure for regularization, roles of Comptroller General, final audit, audit of expenditure, debts, deposit, remittance and stores, audit report; Roles of auditor General in government audit, and Public Account Committee; Directives of Office of Auditor General; Government auditing standard.

**Unit 16: Recent trends in auditing** **LH 8**

Establishment of ICAN, Accounting Standards Board, Auditing Standard Board, The Institute of Chartered Accountants Act; Roles of ICAN and AuSB in developing and promulgating auditing standards, Certificate of practice, code of ethics; Auditing Standards, concept, objective, importance and requirement of each auditing standards (mandatory, voluntary and exposure drafts).

**Project Work** **LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Basic Books**

Ramaswamy, M.S., *Auditing*, S. Chand and Co., New Delhi.  
Saxena, R.G., *Principles of Auditing*, Himalayan Publishing House, Bombay

**References**

Dhakal, K.D., Bhattarai, I and Koirala, G.P., *The Principles and Practice of Auditing*, Asmita Books Publishers and Distributors Pvt, Ltd., Kathmandu.  
Tandon, B.N., *Practical Auditing*, S.Chand and Co., New Delhi.  
Pandey, D.L., *Auditing*, Asia Books Distributors Pvt. Ltd., Kathamandu.  
Government of Nepal, *Auditing Act, 2048 with amendments*.  
Government of Nepal, *Company Act, 2063 with amendments*.  
Auditing Standards Board of Nepal, *Nepal Standard on Auditing*.  
Website: ICAB, AuSB  
Government of Nepal; Income Tax Act, Co-operative Act, Education Act, Self Governance Act (with amendments).



# ACC 254: Budgeting and Controlling of Profit

Lecture hours: 150

Full Marks: 100

Pass Marks: 35

## Course Objectives

The objectives of this course are to give students a deeper understanding in the area of budgeting and controlling in a competitive business environment. It also aims to acquaint students with advanced knowledge in the field of accounting in order to formulate business strategies.

## Course Description

This course contains conceptual foundation, sales planning and control, production planning and control, planning of factor of production, planning and controlling cash, completion of profit plan, zero-based budgeting, planning and controlling capital expenditures, application of cost volume profit analysis in profit planning, performance reports for management control.

## Course Details

### Unit 1: Conceptual Foundation

LH 14

Introduction and purpose of profit planning and control; Overview of PPC; Fundamental concept of Comprehensive profit planning and control; Management planning and control using PPC; Time dimensions in PPC; Organizational adaptation to PPC; PPC processes; Line and staff responsibilities related to PPC; Behavioral implications of a PPC program; Application of PPC in manufacturing and non-manufacturing organizations.

### Unit 2: Sales Planning and control

LH 10

Concept and objectives of sales planning; Sales planning compared with forecasting; Strategic and Tactical sales plans; Component of comprehensive sales planning; Developing a comprehensive sales plan; Consideration of alternatives in developing a realistic sales plan; Steps and methods of sales planning

### Unit 3: Production Planning and Control

LH 10

Concept and objectives of production planning; General considerations in planning production and inventory levels; Time dimensions of production planning; Developing production planning; Developing inventory policies; Setting production policies; Just in time (JIT) production; The production budget as a planning, coordinating and control tool

### Unit 4: Planning of Factor of Production

LH 28

Material Consumption, purchases and material cost budgets; Material inventory and JIT purchase; Merchandize purchase budget of a non manufacturing organization; Open to buy concept and its validity; Planning of direct labour hours, direct labour costs, direct labour budget and control; Overhead cost planning and control; Controllable and non-controllable overhead cost; Cost control and reduction; Manufacturing, administrative and selling & distribution overhead cost planning; Apportionment and reapportionment of planned overhead costs to operating divisions

**Unit 5: Planning and Controlling Cash****LH 14**

Concept and objectives of planning and control of cash; Time horizons in cash planning and control; Estimation of cash receipts and payments; Borrowing and other financial need; Use of financial accounting approach in computing cash collection and cash disbursements.

**Unit 6: Completion of Profit Plan****LH 18**

Concept and objectives of completion of profit plan; Completion of the annual profit plan; Alternatives available in developing profit plan; Implementation of the profit plan; Application of profit plan in controlling operation.

**Unit 7: Zero-Based Budgeting****LH 6**

Concept, objectives, advantages, limitations and procedures of zero-based budgeting

**Unit 8: Planning and Controlling Capital Expenditures****LH 15**

Concept, objectives and characteristics of capital expenditure budget; Project orientation in the capital expenditure budget; Time dimensions in the capital expenditure budget; Benefits of capital expenditures budget; Responsibilities for developing the capital expenditures budget; Methods of measuring the economic value of a capital expenditures

**Unit 9: Application of Cost Volume Profit Analysis in Profit Planning****LH 14**

Concept and objectives of cost volume profit analysis; Basic assumption underlying cost-volume-profit analysis; The principle of cost variability as applied to cost-volume-profit analysis; Identification of fixed and variable cost components; Break even and contribution analysis; Application of break even analysis; Cost validity; Sales mix and sales price planning

**Unit 10: Performance Reports for Management Control****LH 11**

Classification of reports; Performance report as a communication tool; Essential features of a performance report; The basic format of performance report; Adapt performance reports to requirement of users; Design and preparation of performance report; Time gap between the decision and report; Technical aspect of control reports.

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Basic Books**

Welsh, G. A., Ronald, W. H. and Gordan, P. N. *Budgeting: Profit planning and control*, New Delhi: Prentie Hall of India.

Jones, R. L. and Trentin, G. H. *Budgeting: Key to planning and control*, Mumbai  
Jakhotiya, G. P., *Budgeting and Budgetary Control*, Tata McGraw Hill Publishing  
Company Limited

**Reference Books**

Shah, B. and Goet, J., *Profit Planning and Control*. Dreamland Publication,  
Kathmandu

Ojha, K. P. and Gautam, C. M., *Profit Planning and Control*. Ashmita Books and  
Distributors Pvt. Ltd.

Fago, G. and Niraula, H., *Profit Planning and Control*. Buddha Academic  
Enterprises Pvt. Ltd.

# FIN 250: Fundamentals of Corporate Finance

Full Marks: 100  
Pass Marks: 35

Lecture Hours: 150

## Course Objective

The objective of this course is to provide students an understanding of the basic concepts and theories of corporate finance and develop skills to analyze issues in corporate finance for sound financing decisions in businesses.

## Course Description

This course familiarizes students the fundamentals of corporate finance and provides them required skills to analyze and manage financing aspects of business decisions. This course deals with introduction to corporate finance, financial markets and institutions, interest rates, short-term financing, common stock and investment banking process, long-term debt and preferred stock financing, capital structure and leverage, financial planning and forecasting, derivatives and risk management, multinational corporation and merger and acquisition.

## Course Details

### Unit 1: Introduction to Corporate Finance

LH 10

Corporate finance and financial manager; Financial manager's responsibilities; Managerial actions to maximize shareholder wealth; Corporate finance and other functional areas; The agency problem: stockholders versus managers and stockholders versus creditors; Corporate social responsibilities; and Corporate governance.

### Unit 2: Financial Markets and Institutions

LH 5

The capital allocation process; Financial markets; Types of financial markets; Financial institutions; The stock market; Stock market and returns; and Stock market and efficiency.

### Unit 3: Interest Rate

LH 10

The cost of money; Interest rates levels; Determinants of market interest rates; Term structure of interest rates; Shape of yield curve; Using the yield curve to estimate future interest rates; Macro-economic factors influencing interest rates; and Interest rate and business decision.

### Unit 4: Short-Term Financing

LH 20

Nature of short-term financing, Advantages and disadvantages, Sources of short-term financing: accruals, accounts payable (trade credit), commercial paper, short-term bank loans – line of credit, revolving credit arrangement, transaction loans; The cost of bank loan; Choosing a bank; Comparison of cost of trade credit, commercial paper and short-term bank loan; Use of security in short-term financing: inventory financing and accounts receivable financing.

### Unit 5: Common Stock and Investment Banking Process

LH 15

Balance sheet accounts and definitions; Features of common stock; Legal rights and privileges of common stockholders; Advantages and disadvantages; The market for common stock; Methods of selling securities: public offering, rights offering and private placement; Analysis of rights offering and effect of rights offering on shareholders' wealth; and The investment banking process.

**Unit 6: Long-Term Debt and Preferred Stock Financing****LH 10**

Debt instruments: term loan and bonds; Debt contract features; Loan repayment schedules; Types of bonds; Bond innovations; Advantages and disadvantages; Preferred stock: features, types, advantages and disadvantages.

**Unit 7: Capital Structure and Leverage****LH 10**

Capital structure and financial structure; Determining the optimal capital structure: EBIT–EPS analysis of the effect of financial leverage, EPS indifference analysis; The effect of capital structure on stock prices and the cost of capital; Capital structure and value of the firm; Operating leverage, financial leverage and total leverage.

**Unit 8: Financial Planning and Forecasting****LH 15**

Strategic planning; Operating plans and the financial plan; Sales forecast; The Additional Fund Needed (AFN) Equation; Forecasted financial statements; Using regression to improve forecasts; and analyzing the effects of changes in ratios.

**Unit 9: Derivatives and Risk Management****LH 15**

Reasons for managing risk; Introduction to derivatives, Options: Option types and markets; Factors affecting the value of a call option; exercise value versus option price; Forward and futures contracts; Other types of derivatives: swaps, structured notes, inverse floaters; Using derivatives to reduce risk.

**Unit 10: Multinational Corporate Finance****LH 20**

Nature of multinational corporations; Reasons for companies going global; Multinational versus domestic financial management; Exchange rates quotations; Cross rates; Interbank foreign currency quotations; Trading in foreign exchange rates: spot rates and forward rates; Interest rate parity; Purchasing power parity; Inflation, interest rates, and exchange rates; International money and capital markets; International capital budgeting; and International capital structure.

**Unit 11: Merger and Acquisition****LH 10**

Rationale for mergers; Types of mergers; Level of merger activity; Hostile versus friendly takeovers; Merger analysis; Role of investment bankers; Corporate alliances; and Private equity investments.

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Basic Text**

Brigham, Eugene F. & Houston, Joel F. *Fundamentals of financial management*, Delhi: Cenage Learning.

Weston, J. Fred, Scott Beasley, and Brigham, Eugene F. *Essentials of managerial finance*. New York: Harcourt Brace College Publishers.

**Reference Texts**

Van Horne, J.C. & Wachowicz. *Fundamentals of financial management*. Prentice- Hall India Ltd.

Ross, S. A., Westerfield, R. W. & Jordan, B. D. *Fundamentals of corporate finance*. New York: McGraw-Hill Irwin.

Gitman, L. J.. *Principles of managerial finance*. Delhi: Pearson Education.

Paudel, R. B., Baral K. J., Gautam R. R. & Rana S. B. *Fundamentals of corporate finance*. Kathmandu: Asmita Books Publishers and Distributors.

# FIN 251: Commercial Bank Management

Full Marks: 100  
Pass Marks: 35

Lecture Hours: 150

## Course Objective

This course aims to provide students with basic understandings of how commercial banks provide their services and equip them with the tools and techniques required for commercial bank management. By the end of this course, the student will be able to understand regulatory environment, evaluate performance, analyze asset/liability position of banks, make correct investment decisions, provide various types of lending, manage capital and liquidity position and analyze the impact of off balance activities of commercial banks.

## Course Description

This course deals with one of the most important financial institutions – commercial banks. This course introduces students with the commercial bank and the regulatory environment in which it operates. Then it evaluates the performances of banks and discusses how the assets and liabilities of the banks are managed. It describes how these banks maintain their liquidity, manage the capital and offer different types of loan to their clients. Finally, it also covers the off-balance sheet items and electronic banking.

## Course Details

### Unit 1: Introduction to Commercial Banking

LH 5

Meaning, types and functions of a bank; Bank goals and constraints; Internal organization of banking firms; Sizes and market shares of commercial banks; Assets and liabilities of commercial banks; Current status of commercial banks in Nepal.

### Unit 2: The Bank Regulatory Environment

LH 10

Reasons for bank regulations; Evolution of regulatory framework; Salient Features of Banking and Financial Institutions Act; Functions and power of bank regulator; The Role of Nepal Rastra Bank in the regulation of banks in Nepal.

### Unit 3: Evaluating Bank Performance

LH 10

Framework for evaluating bank performance: internal performance, external performance; Bank financial statement: the balance sheet, the income statement; Analyzing bank performance with financial ratios: profit ratios, risk ratios, other ratios; Risk-adjusted return on capital; Economic value added.

### Unit 4: Asset/Liability Management

LH 15

Concept of asset/liability management; Approaches in managing interest rate risk: balance sheet adjustment, off-balance sheet adjustment; Measuring interest rate sensitivity and dollar gap: classification of assets and liabilities, definition of dollar gap, asset and liability sensitivity gap, interest rates and profitability, incremental and cumulative gap, gap analysis, managing interest rate risk with dollar gap, balance sheet adjustment, acceptable level of interest rate risk, aggressive vs defensive management of interest rate risk using dollar gap, problem of dollar gap management; Duration gap analysis: measurement of duration gap, interest rates, the duration gap and the value of equity, defensive and aggressive duration gap management, problem with duration gap management; Simulation and stress testing in asset/liability management.

- Unit 5: Investment Management** **LH 10**  
Investment policies and goals; Types of investment securities; Evaluating investment risk: security specific risk, portfolio risk, inflation risk; Investment strategies: passive investment strategies, aggressive investment strategies.
- Unit 6: Credit Evaluation Process** **LH 10**  
Credit scoring; Credit rating; financial analysis; Ratio analysis: profitability ratios, liquidity ratios and measures, efficiency ratios, leverage ratios; Common size statement analysis.
- Unit 7: Commercial and Industrial Lending** **LH 15**  
The role of asymmetric information in lending; Lending environment; Loan policy; Ways to making loan; Principal lending activities; Collateral: characteristics of good collateral, types of collateral, the lending process: evaluating a loan request, structuring commercial loan agreements, pricing commercial loans, monitoring and loan review.
- Unit 8: Real Estate and Consumer Lending** **LH 10**  
Real estate lending; Characteristics of mortgage loan; Residential mortgage loan; Commercial real estate loan; Consumer lending; Types of consumer loans; Financial charges.
- Unit 9: Liquidity Management** **LH 15**  
Estimating liquidity needs: sources and uses of funds method, structure-of-deposits method; Assets liquidity: role of asset liquidity, primary reserves, managing the money position, secondary reserves; Liability management; Fund management of liquidity: liquidity ratios, optimal bank liquidity; Regulatory view of bank liquidity; Nepal Rastra Bank directives on liquidity management.
- Unit 10: Capital Management** **LH 10**  
Definition of bank capital; Role of bank capital; Capital adequacy; Shareholders' view on bank capitalization; Trends in bank capital; Nepal Rastra Bank Directives on bank capital.
- Unit 11: Liabilities Management** **LH 10**  
Structures of bank liabilities; Deposit sources of fund; Non deposit sources of funds; Balance sheet structure of bank liabilities; Managing bank liabilities; Formulating pricing policies; Estimating cost of bank funds; Cost analysis.
- Unit 12: Off-Balance Sheet Activities** **LH 10**  
Financial guarantees; Standby letter of credit; Bank loan commitments; Derivatives; Other off-balance sheet activities.
- Unit 13: Electronic Banking** **LH 10**  
Retail payments and financial services; Electronic banking services: retail services, wholesale services; Electronic banking: internet banking.

### **Project Work**

**LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

### **Text book**

Gup, B. E. & Kolari, J. W. *Commercial banking*, New Delhi: Wiley India.

### **References**

Rose, P. S. & Hudgins S. C. *Bank management and financial services*, New Delhi: Tata McGraw-Hill Education.

Koch, T. W. & McDonald, S. S. *Bank management*. New Delhi: Cengage Learning.

Koirala, P. *Essentials of commercial bank management*. Kathmandu: Ekta Books.

Chaudhari, M. *An introduction to banking – liquidity risk and assets liabilities management*, West Sussex, UK: Wiley.

Government of Nepal. *Banks and financial institutions act 2006*.

# FIN 252: Foundations of Financial Markets and Institutions

Full Marks: 100  
Pass Marks: 35

Lecture Hours: 150

## Course Objective

The course aims to lay the foundation of students on financial institutions and markets by imparting the fundamentals concepts and theories of financial markets and institutions. By the end of this course, the student will understand the functioning of financial institutions such as depository and non-depository financial institutions, the role of the central bank, and the markets for government and corporate securities.

## Course Description

Financial institutions and markets are important components of market economy. Students studying finance courses must be familiar with the purpose and functions of the financial institutions and the markets. Therefore, this course deals with fundamental aspects of financial institutions and markets as they operate in an economy. This course covers the fundamentals concepts and theories of financial markets and assets, depository and non-depository financial institutions, central banking and monetary policy, assets price and interest rates, organization and structure of markets, government securities markets, markets for corporate securities, mortgage and assets backed securities, and risk in financial institutions.

## Course Details

### Unit 1: Introduction

LH 10

Overview of financial assets: concept of financial assets, debt versus equity instruments, the price of financial assets and risk, financial assets versus tangible assets, the role of financial assets; financial markets: concepts and role of financial markets, classification of financial markets, market participants, globalization of financial markets, classification of global financial markets, motivation for foreign market and Euromarkets; the role of the government in financial markets: justification for regulation, forms of regulation; financial innovation: categorization of financial innovations, and motivation for financial innovation.

### Unit 2: Financial Institutions, Financial Intermediaries and Asset Management Firms

LH 7

Financial institutions: services provided by financial institutions; role of financial intermediaries; overview of asset/liability management for financial institutions; concerns of regulators; and asset management firms; and hedge funds.

### Unit 3: Depository Institutions

LH 8

Asset/liability problems of depository institutions; commercial banks—services, bank funding, capital requirement for banks; savings and loan associations—assets, funding, regulation, the savings and loans association crisis; savings banks; credit unions; and classification of depository institutions in Nepal.

### Unit 4: The Central Bank and Monetary Policy

LH 10

The central bank and its purposes; the central bank of Nepal; instruments of monetary policy; different kinds of money; money and monetary aggregate; the money multiplier—the expansion of the money supply; the impact of interest on money supply; and the money supply process in an open economy;



monetary policy: concept and goals of monetary policy, trade-offs and conflicts among policies, goals and types of targets, and monetary policy of Nepal.

**Unit 5: Insurance Companies**

**LH 15**

Meaning; types of insurance; insurance company versus types of products; fundamentals of the insurance industry; regulation of insurance industry; structure of insurance companies; forms of insurance companies—stock and mutual; individual versus group insurance; types of life insurance; general account and separate account products; participating policies; insurance company investment strategy; changes in insurance industry; evolutions of insurance, investment and retirement products; insurance Industry in Nepal; and regulation and supervision mechanism in Nepal.

**Unit 6: Investment Companies, Pension Funds and Exchange Trade Funds**

**LH 15**

Types of investment companies—open-end funds, closed-end funds; unit trusts; funds sales charges and annual operating expenses; multiple shares classes; economic motivation for funds; types of funds by investment objectives; the concept of family of funds; investment vehicles for mutual funds; mutual fund costs; taxation of mutual funds; regulation of funds; structures of a funds; recent changes in mutual funds; alternatives of mutual funds—exchange traded funds and segregated accounts; mutual funds versus exchange trade funds; and investment companies in Nepal; concept of pension funds; types of pension plans—defined-benefit plan, defined-contribution plan, and hybrid pensions plans; and practices of pension plan in Nepal.

**Unit 7: Determinants of Asset Prices and Interest Rates**

**LH 15**

Properties of financial assets; principles of pricing of financial assets; price volatility of financial assets; the theories of interest rates—Fisher's classical theory, the loanable funds theory, the liquidity preference theory; the determinants of the structure of interest rates; the yield curve and the term structure; forward rates; historical shapes observed for the treasury yield; determinants of the shape of the term structure; and the main influences on the shape of yield curve.

**Unit 8: Organization and Structure of Markets**

**LH 10**

Primary markets: the traditional process for issuing new securities, regulation of the primary market, variation in the understanding of process, and private placement of securities; secondary markets: functions of secondary markets; trading locations; market structures; perfect markets; roles of brokers and dealers in real market; market efficiency; and electronic trading; primary and secondary markets in Nepal.

**Unit 9: Market for Government Securities**

**LH 10**

Markets for treasury securities: types of treasury securities, the primary markets—auction cycles, determination of the results of an auction, primary dealers, submission of bids; secondary market; stripped treasury securities; municipal securities markets: types and features of municipal securities, municipal bond ratings, the primary and secondary markets for municipal securities; and yields on municipal bonds; and government securities and markets in Nepal. I guess it also covers T-bills.

**Unit 10: Markets for Common Stock**

**LH 10**

Trading mechanics; transaction costs; trading arrangement for retail and institutional investors; basic functioning of stock markets; stock market indicators; pricing efficiency of the stock markets; exchange market structures; changes in exchange ownership and trading structure; stock market and over-the-counter markets; off-exchange markets; evolving stock market practices; and common stock market in Nepal.

**Unit 11: Market for Corporate Senior Securities****LH 10**

Concept of corporate senior securities; credit risk; commercial paper—concept, issuers of commercial paper; medium term notes; banks loans; corporate bonds: overview of concept and features, bonds with special features, corporate bond credit rating, high-yield sector; Eurobond market; preferred stock: features, adjustable-rate preferred stock; bankruptcy and creditor rights; negotiable CDs; and bankers acceptance.

**Unit 12: The Mortgage and Asset-backed Securities Markets****LH 10**

Concept of mortgage and mortgage markets; mortgage origination; types of mortgage; commercial mortgage-backed securities; investment risks; concept of mortgage-backed securities; development of the secondary mortgage market; mortgage pass-through securities; collateralized mortgage obligations; accrual bonds; stripped mortgage-backed securities; and yield on mortgage-backed securities; asset-backed securities markets: concept of asset-backed securities and securities markets; motivation for issuing an asset-backed security; features of an asset-backed security; major asset classes securities; credit consideration for a corporate bond versus an asset-backed security.

**Unit 13: Risks of Financial Institutions****LH 10**

Concept of risk; types of risk: interest rate risk, market risk, credit risk, off-balance-sheet risk, foreign exchange risk, sovereign risk, technology and operational risks, liquidity risk, insolvency risk and other risks.

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Textbook**

Fabozzi, Frank J., Modigliani, Franco, Jones, Frank J., and Ferri, Michael. (2014). *Foundations of financial markets and institutions* (3<sup>rd</sup> ed.). Delhi: Dorling Kindersley (India) Pvt. Ltd.  
Meir Kohn. (2013). *Financial institutions and markets*. (2<sup>nd</sup> ed.). Delhi: Oxford University Press India.

**References**

Saunders, Anthony and Cornett, Marcia Millon. (2012). *Financial markets and institutions* (5<sup>th</sup> ed.). New York: McGraw Hill Irwin.  
Madura, Jeff. (2014). *Financial institutions and markets* (10<sup>th</sup> ed). Delhi: Cengage Learning India Private Limited.  
Klob Robert and Rodriguez, Ricardo J.(1996). *Financial institutions and markets*. Cambridge: Blackwell Publishers Inc.  
Bhattacharai, J and Ghimire, S. R. (2014). *Financial markets and institutions* (3<sup>rd</sup> ed). Kathmandu: K. P. Pustak Bhandar.  
Bhole, L. M. and Mahakud, Jitendra. (2014). *Financial institutions and markets* (5<sup>th</sup> ed). Delhi: Tata McGraw Hill Education Pvt. Ltd.

# FIN 253: Fundamentals of Investment

Full Marks: 100  
Pass Marks: 35

Lecture Hours: 150

## Course Objective

The objective of this course is to provide students with basic understanding of fundamental concepts and principles of investing and equip them with the tools and techniques for analyzing individual securities and portfolios. By the end of this course, the student will be familiar with the investment environment and be able to analyze securities and make correct investment decisions from the view point of individual investors.

## Course Description

This course deals with investment environment, principles and process of investing in securities. It also provides students opportunities to learn techniques of analyzing securities and forming portfolios. The topics covered in this course are: investment environment, securities markets and transactions, risk and return, modern portfolio, investment in common stocks, bonds, and mutual funds, and derivative securities.

## Course Details

### Unit 1: Investment Environment

LH 10

Meaning and types of investment; Types of investors; Investment process; Investment vehicles; Making investment plan: steps in investing, considering personal taxes, investing over the life cycle, investing in different economic environment; Meeting liquidity needs: investing in short-term vehicles; Investment environment in Nepal; Ethics in investing.

### Unit 2: Markets and Transactions

LH 15

Meaning of securities markets; Types of securities markets: primary market and secondary market, broker and dealer market, alternative trading system, general market conditions; Globalization of securities markets: importance, investing in foreign securities, risk in international investing; Trading hours and regulations of securities markets: trading hours, regulations; Types of securities transactions: long purchase, margin trading, short-selling.

### Unit 3: Investment Information and Securities Transactions

LH 15

Introduction to online investing; Pros and cons of using internet as an investment tool; Types and sources of investment information: types of information, sources of information; Market averages and indexes: Dow Jones averages, S & P Indexes, NEPSE Indexes; Bond market indicators; Making securities transactions – the role of the stock brokers; Types of orders; Online transactions; Transaction costs; Investor protection.

### Unit 4: Return and Risk

LH 10

The concept of return: components of return, importance of return, level of return, historical return, time value of money and return; Measuring return: real, risk-free and required returns, holding period return, the internal rate of return; Finding growth rates; The meaning of risk; Sources of risk; risk of a single asset: standard deviation, coefficient of variation; Assessing risk; Combining risk and return.

**Unit 5: Modern Portfolio****LH 15**

Concept of portfolio; Portfolio objectives; Portfolio return and standard deviation; Correlation and diversification; International diversification; The Capital Assets Pricing Model (CAPM): components of risk, beta, estimating return using CAPM, the Security Market Line; Traditional approach of portfolio management; Modern portfolio theory: the efficient frontier, portfolio beta, the risk return tradeoff; Reconciling traditional approach and modern portfolio theory.

**Unit 6: Common Stock Fundamentals****LH 8**

Pros and cons of stock ownership; Buying and selling of common stocks: reading the quotes, transaction costs, common stock values; Types of stocks and stock dividends; Investment strategies.

**Unit 7: Common Stock Analysis and Valuation****LH 15**

Concept of fundamental analysis and technical analysis; Security analysis – principles and approaches; Economic analysis: economic analysis and business cycle, key economic factors, developing an economic outlook; Industry analysis: key issues, industry growth cycle, developing an industry outlook; Financial ratios – liquidity ratios, activity ratios, leverage ratios, profitability ratios, ROA-ROE interaction, common stock ratios; The valuation process; Stock valuation models: the dividend valuation model, other approaches to valuation – dividend-and-earnings approach, price/earnings approaches; concept of market efficiency and behavioral finance.

**Unit 8: Fixed Income Securities****LH 10**

Meaning and types of fixed income securities; Features of a bond; Bond market performance; Bond's exposure to risk; Bond ratings; The market for debt securities: Treasury bonds, agency bonds, municipal bonds, corporate bonds, zero coupon bonds, mortgage-backed securities, assets-backed securities, junk bonds; Global bond market; Nepalese bond market; Convertible securities.

**Unit 9: Bond Valuation****LH 12**

The behavior of market interest rates; the term structure of interest rates and yield curve; The pricing of bonds; Measures of yield and return: current yield, yield to maturity, yield to call, expected return; Duration and immunization: the concept of duration – measuring duration, bond duration and price volatility; uses of bond duration measures; bond investment strategies.

**Unit 10: Mutual Fund****LH 10**

The mutual fund concept; Advantages and drawbacks of mutual fund ownership; Organization and functioning of mutual funds; Open-end and closed-end funds; Exchange-traded funds; Important considerations in investing mutual funds; Other types of investment companies; Types of funds and services: types of funds, investors services; Investing in mutual funds; Investing in closed-end funds; Measuring performance; Mutual funds in Nepal.

**Unit 11: Managing Portfolios****LH 10**

Constructing a portfolio; Evaluating the performance of individual investments; Measuring the performance of investment vehicles; Assessing portfolio performance; Comparison of return with overall market measures: Sharpe's measure; Treynor's measure, Jensen's measure; Portfolio revision; Timing transactions.

**Unit 12: Derivative Securities****LH 10**

Basic features of put and call options; Advantages and disadvantages of puts and calls; Option markets; Stock option provisions; Put and call transactions; Other types of options: stock-index option, option in exchange-traded funds, interest rate options, currency options; Future market; Market structure; Trading in future market; Trading commodities; Financial Futures.

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Basic Text**

Gitman, L. J. & Jochnk, M. D. *Fundamentals of investing*. New Delhi: Dorling Kindersley India.

**References**

Bodie, Z., Kane, A. & Marcus, A. J. *Essentials of Investment*. New York: Irwin McGraw-Hill.

Alexander, G. J., Sharpe, W. F. and Jeffery V. B. *Fundamentals of Investments*. Delhi: Pearson Education.

Reilly, F. K. *Investment analysis and portfolio management*. Singapore: South-Western/ Cengage Learning.

# FIN 254: Insurance and Risk Management

Full Marks: 100  
Pass Marks: 35

Lecture Hours: 150

## Course Objectives

The objective of this course is to familiarize students with the basic nature of risk and provide detail knowledge of insurance. The course also aims at providing necessary skills to analyze and shop appropriate life and non-life policies.

## Course Description

This course deals with basic nature of risk and the way it is managed by different types of insurance businesses. In this course, students will learn fundamental aspects of risk management along with general principles of insurance. Besides, they will also have an opportunity to learn the principles and processes of effecting life, health, and property and liability insurances. Students will also develop the necessary skills to evaluate and shop appropriate insurance policies. This course includes a total of 13 units, they are: Introduction to Risk and Insurance, Risk management, Risk Identification and Measurement, Fundamental Legal Principles and Insurance Contract, Life Insurance, Health Insurance, Automobile Insurance, Homeowners Insurance, Commercial Property Insurance, Commercial Liability Insurance, Social Insurance and Government Regulation of Insurance. The course will be administered in a manner that gives students adequate opportunities to expose to real business situations particularly in the context of Nepal.

## Course Details

### Unit 1: Introduction to Risk and Insurance

LH 10

Meaning of risk; Peril and hazard; Basic characteristics of risk; Burden of risk on society; Methods of handling risk; Definition of insurance; Basic characteristics of insurance; Requirements of insurable risk; Types of insurance; Benefits and costs of insurance to society.

### Unit 2: Risk Management

LH 10

Meaning of risk management; Objective of risk management; Steps in risk management process; Benefits of risk management; Personal risk management; The changing scope of risk management; Financial analysis in risk management decision making; Other risk management tools.

### Unit 3: Risk Identification and Measurement

LH 10

Risk identification; Concept and use of probability in risk measurement; Evaluating the frequency and severity of losses.

### Unit 4: Fundamental Legal Principles and Insurance Contract

LH 10

Legal principles; Requirements of an insurance contract; Distinct legal characteristics of insurance contract; Basic parts of insurance contract; Law and the insurance agent.

**Unit 5: Life Insurance****LH 15**

Premature death and financial impact; Amount of life insurance to own; Types of life insurance; Life insurance contractual provisions; Life insurance contractual options; Concept of group insurance; Group life insurance plans; Buying life insurance: determining the cost of life insurance, taxation of life insurance, shopping for life insurance; Life insurance in Nepal: evolution, current status, major policies.

**Unit 6: Health Insurance****LH15**

Meaning and importance of health care insurance; Types: individual and group; Individual health care insurance coverage; Individual medical expense contractual provisions; Shopping for individual health insurance; Group medical expense insurance; Traditional indemnity plan; Managed care plan; Consumer-driven health plan; Group medical expense contractual provisions; Group-disability income insurance; Status of health insurance in Nepal, Major challenges.

**Unit 7: Automobile Insurance****LH 12**

Overview of automobile insurance; Liability coverage; Medical payment coverage; Uninsured and insured motorists coverage; Auto insurance pricing and underwriting: rating factors, underwriting, residual markets; Arguments for and against compulsory auto insurance; Tort liability and no-fault law; Automobile insurance in Nepal: current status, process of effecting automobile insurance, major issues.

**Unit 8: Homeowners Insurance****LH 7**

Types of policies; Major coverage; Property loss settlement; Pricing homeowners policies; Personal umbrella policies; Coverage of high risk/ catastrophic perils; Impact of catastrophes on property insurance.

**Unit 9: Commercial Property Insurance****LH 6**

Commercial package policy; Important forms: property coverage form, causes-of-loss form, reporting form; Business income insurance; Transportation insurance: ocean marine insurance, inland marine insurance.

**Unit 10: Commercial Liability Insurance****LH 15**

General liability loss exposure; Commercial general liability policy; Employment-related practices liability insurance; Workers' compensation insurance; Commercial auto insurance; Aircraft insurance; Commercial umbrella policy; Professional liability insurance; Directors and officers liability insurance.

**Unit 11: Social Insurance****LH 15**

Need of social insurance; Old-age survivors and disability insurance; Medicare; Unemployment insurance; Workers compensation; Social insurance in Nepal: current status and major issues.

**Unit 12: Government Regulations of Insurance****LH 15**

Reasons for insurance regulation; Methods of regulating insurers; Areas of regulation; Problems and issues in regulation; Features and coverage of Insurance Act; Role and functions of Insurance Board in regulating insurance in Nepal.

## **Project Work**

**LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

## **Basic Texts**

Rejda, G. E. *Principles of risk management and insurance*. New Delhi: Pearson Education.

Harrington, S. E., and Niehaus, G. R. *Risk management and insurance*. New Delhi: Tata McGraw-hill.

## **References**

Vaughan, E. J. & Vaughan, T. M. *Fundamentals of risk and insurance*. New Delhi: Willey India.

Williams, C. A., Smith, M. L. & Young, P. C. *Risk management and insurance*. Ohio: McGraw Hill.

Dorfman, M. S. *Introduction to risk management and insurance*: New Delhi: Pearson Education.

Government of Nepal, Insurance Act.

Beema Samiti, Annual Reports of Beema Samiti



# MKT 250: Fundamentals of Selling

Lecture Hours: 150

Full Marks: 100

Pass Marks: 35

## Course Objective

This course aims to provide knowledge to the students about effective techniques of selling and developing practical skills in the selling job. An additional attempt has been made to familiarize the students with the sales force management technique.

## Course Description

This course contains introduction, understanding sales process, communication and transactional analysis in sales job, buyer behaviour and buying process, building future sales and customers relations, managing sales force in the organization, arrangement of sales territories, arrangement of sales quotas, international sales, evaluating, supervising and controlling sales and sales personnel

### Unit 1: Introduction

LH 17

Nature and meaning of selling; Marketing concept and selling; Role of selling in society and in firm; Duties of a sales representative; Types of sales job; Essential knowledge for successful selling; Qualifications for success in sales job; Theoretical basis of sales job – the *AIDAS* approach, the *RIGHT SET OF CIRCUMSTANCES* approach, the *BUYING FORMULA* approach, and the *BEHAVIORAL EQUATION* approach.

### Unit 2: Understanding Sales Process

LH 17

Pre-sale preparations; Prospecting and qualifying potential customers; Pre-approach planning; Approaching the prospects; Sales presentation and product demonstration; Handling customers' objections; Closing the sales; Follow-up Action.

### Unit 3: Communication & Transactional Analysis in Sales Job

LH 13

Meaning and process of communications; Two-way communications: listening and questioning; Verbal and non-verbal communications; Transactional analysis – concept and methods of analysis; Hooking the adult; Role of Communications in Selling Job; Factors affecting effective communication.

### Unit 4: Buyer Behaviour and Buying Process

LH 13

Meaning of buyer Behavior; Types of buyers – Individual buyer and Industrial buyer; Individual Buying process; Factors affecting the buying decisions; Organizational buying process; Collecting information about buyers; Customer care and satisfaction.

### Unit 5: Building Future Sales and Customers Relations

LH 15

Developing goodwill – meaning and importance; Methods of establishing goodwill; Analyzing the types of customers and their characteristics; Methods of improving relations with the non-buyers; Understanding the nature of after-sale or post-sales services to the customers – knowledge about the use of product, adequacy of product information, need for help and nature of services by the customer, and understanding the promises (warranty and guarantee); Handling customer complaints – need for handling customers' complaint and methods of handling customer complaints.

**Unit 6: Managing Sales force in the Organization****LH 15**

Meaning and tasks of sales force management; Designing the sales force; Recruitment and selection of sales force; Challenges in sales force selection; Training the sales force; Remunerating/compensating the sales force; Directing and motivating the sales force.

**Unit 7: Arrangement of Sales Territories****LH 11**

Meaning of sales territory; Need for establishing sales territories; Reasons for not having sales territories; Elements of territory management: establishing sales quota, account analysis, developing account objectives and sales quotas, territory-time allocation, customer sales planning, scheduling and routing, territory and customer evaluation.

**Unit 8: Arrangement of Sales Quotas****LH 11**

Meaning and objective of sales quotas; Types of sales quotas; Methods of setting sales quotas; Problems of establishing sales quotas.

**Unit 9: International Sales****LH 13**

Introduction; Sales opportunities abroad; Identifying buyers in foreign markets; Methods of selling in foreign markets; Difficulties in selling abroad; Major tools in international sales: Internet marketing/e-marketing, referral marketing, and direct marketing.

**Unit 10: Evaluating, Supervising and Controlling Sales and Sales Personnel****LH 15**

Meaning and need of sales evaluation, supervision and control; Process of sales control; Controlling sales personnel through supervision; Tools of sales control and analysis – Sales audit, Market audit, Sales force expense analysis; Methods of measuring sales organization effectiveness – sales analysis, marketing cost analysis, classification of marketing expenses, credit control, market share analysis, budgetary control, ratio analysis, management objectives (MBO)

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Basic Books**

Pedarson, Carton A., Wright, M. D., and Wright, B. A., *Selling: Principles and Methods*, Richard D. Irwin. Cooper, Simon, *Selling: Principles, Practice and management*, Pitman Publishing, London.

**Reference Books**

Shrestha, Shyam K., *Fundamentals of Selling*, Book Palace, Kathmandu.

Futrell, Charles, *ABCs of Selling*, Richard D. Irwin Inc. Homewood, Delhi.

Still, Richard R., Cundiff, Edward W., Bovoni, and Norman, A. P., *Sales Management: Decisions, Strategies and Cases*, Prentice hall of India, New Delhi.

Sharma, G. R., *Fundamentals of Selling*, Taleju Prakashan, Kathmandu.

# MKT 251: Customer Relationship Management

Full Marks: 100

Pass Marks: 35

Lecture Hours: 150

## Course Objective

This course aims at providing fundamental knowledge to the students about the customer relationship management and develops skill on automating and improving the business processes associated with managing customer relationships in the areas of sales, marketing, customer-service and support. This course also helps them in acquiring, developing and retaining the satisfied loyal customers; achieving profitable growth, and creating economic value in a company's brand.

## Course Description

This course contains introduction, customer care and delighting customers, building customer loyalty, customer retention, measuring customer satisfaction, customer service planning, implementation of customer relationship management system, customer data management and warehousing, CRM practices in Nepal.

### Unit 1: Introduction

LH 20

Concept of CRM; Reasons for Customer Relationship Management; CRM in Marketing; Value of Customer Relationship Management – *to organization and customer*; Types of Customer Relationship Management; Various Aspects of CRM; Stages of CRM Strategy.

### Unit 2: Customer care and delighting customers

LH 15

Concept of Customer Care and Delighting Customers; Customer Value and Expectations; Customer Care and Delighting Programs.

### Unit 3: Building customer loyalty

LH 10

Concept and Importance; Factors Affecting Customer Loyalty; Attitudinal and Behavioral Components of Loyalty.

### Unit 4: Customer retention

LH 15

Concept and Importance; Analysis of Customer Life Cycle; Reasons for Lost Customers; Customer Retention Strategies; Management of Customer Complaints.

### Unit 5: Measuring customer satisfaction

LH 20

Concept of Customer Satisfaction; Reasons for Measuring Customer Satisfaction; Benefits of Measuring Customer Satisfaction; The Costs of Poor Service and Poor Quality; Conducting Customer Satisfaction Survey; Triangular Relationship in Customer Satisfaction – *Customer Satisfaction, Employee Satisfaction and Company Management Satisfaction*; Tools and Techniques of Measuring Customer Satisfaction.

**Unit 6: Customer service planning****LH 20**

Concept of Customer Service; Cost and Value of Customer Service; Developing Customer Service Strategy; Monitoring and Controlling Customer Service Strategy ; Managing Customer Service and Total Service Quality .

**Unit 7: Implementation of customer relationship management system****LH 15**

Concept of Implementing CRM System; Considerations in CRM Implementation; Potential Problems in CRM Implementation; Avoiding the Problems of CRM Implementation; Steps in CRM Implementation.

**Unit 8: Customer data management and warehousing****LH 18**

Information Technology and CRM; Sources of Customer Data – Internal and External Sources; Tools and Techniques of Data Collection – Publications, Internet, marketing intelligence system, etc.; Concept and Components of Data Warehouse – large reservoir, business dimensions, and easy retrieval; Steps in Data Warehousing;

**Unit 9: CRM practices in Nepal****LH 15**

Evolution of CRM; The Global Dimension of CRM; Implementation of CRM System In Nepalese Enterprises; The Future of CRM System; Project work need to be assigned to students.

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Suggested Books**

Anderson, Kristin and Carol Kerr – *Customer Relationship Management* – McGraw-Hill, New York, USA.

Bhat, K. Govind – *Customer Relationship management* – Himalaya Publishing House, Mumbai-New Delhi, India.

Sharp, E. Duane – *Customer Relationship Management handbook* – Auarbach Publications, London, New York.

Graham Roberts-Phelps – *Customer Relationship Management* (How to turn a good business into a great one!) – Thorogood Publications, London.

Zikmund, William G., Raymond McLeod, and Faye W. Gilbert – *Customer Relationship Management* – John Wiley & sons (Asia) Pte. Ltd., Singapore.

# MKT 252: Foreign Trade & Export Management in Nepal

Lecture Hours: 150

Full Marks: 100

Pass Marks: 35

## Course Objective

This course aims at providing basic understanding of the theories, processes and components of foreign trade and export management. In addition, this course also aims to impart practical knowledge of the operational aspects of export, import and transit management in Nepal.

## Course Description

This course contains introduction, commercial and industrial policy, balance of payments and adjustment, export promotion through EPZ and SEZ, export procedure and documentation, export finance, transit System and its arrangements in Nepal, role of regional economic cooperation & international organizations in Nepal's foreign trade.

## Course Details

### Unit 1: Introduction

LH 15

Nature of Nepal's Foreign Trade; Import and Export Structure of Nepal; Diversification of Nepal's Trade; Role of foreign trade in economic development of the country; Nepal in the Global Trade.

### Unit 2: Commercial and Industrial Policy

LH 18

Introduction; Free Trade vs. Protectionism; Trade Barriers: Tariff and Non-tariff Barriers; Nature and Components of Commercial policy of Nepal; Provisions of Nepal's Commercial Policy; Role of trade and industrial policy in export promotion.

### Unit 3: Balance of Payments and Adjustment

LH 19

Nature and Components of Balance of Payments; Review of Nepal's Balance of Trade and Balance of Payments Situation; Reasons for Widening Gap between Import and Export; Problems of Export Trade of Nepal; Government's Efforts in bridging Gap between Import and Export; Efforts of Private Sector for Export Promotion; Import Control Measures in Nepal.

### Unit 4: Export promotion through EPZ and SEZ

LH 19

Concept and Need of Export Processing Zones (EPZ) and Special Economic Zones (SEZ); Development of SEZs in Asian Countries; Development of SEZ in Nepal; Government's Policy regarding SEZ.

### Unit 5: Export Procedure and Documentation

LH 17

Preliminary Requirements in Export Executions; Stages in Export Procedure; Export Procedure in Nepal; Requirement of Export Documents; Export Custom Points in Nepal; Products Banned for Export in Nepal.

**Unit 6: Export Finance****LH 14**

Concept and Types of Export Finance; Need of Export Finance; Pre-shipment Finance – concept and types ; Post-shipment Finance – concept and types; Export Credit and Financing in Nepal ; Methods of Export Payment; Market Study is needed.

**Unit 7: Transit System and its Arrangements in Nepal****LH 19**

Land-locked Character and Nature of Transit problems; Land-locked Countries of the World and their Transit Trade Situation; Cost of Transit problems; An Overview of Nepal's Trade and Transit Arrangements; Nepal's Trade and Transit Agreements with Neighboring Countries; Nepal's Trade and Transit Arrangements with India, Bangladesh and China.

**Unit 8: Role of Regional Economic Cooperation & International Organizations in Nepal's Foreign Trade**  
**LH 19**

Concept and Need of Regional Economic Integration/Cooperation; Forms of Regional Integration; Understanding the role of SAARC, ASEAN, and EU; Role of SAARC and BIMNST-EC in Nepal's Export Promotion; Role of Multilateral Trading System in Nepal's Foreign Trade; A small project work is needed.

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Basic Books**

Rathor, B. S. and Rathor, J. S., *Export marketing*, Himalaya Publishing House, Mumbai.

Cherunilam, Francis, *International Trade and Export management*, Himalaya Publishing House, Mumbai.

Mannur, H. G., *International Economics*, Vikas Publishing House, New Delhi.

**References**

Basnet, Kabi Keshari, *A Study of Nepal's Transit Arrangement, (Nepali Version)* Nepal Adhyayan Samuha, Kathmandu.

Gupta, K. R., *International Economics*, Himalaya Publishing House, Bombay.

Nepal Law Society, *Landlocked States and Access to Sea*, Kathmandu.

Shrestha, S. K., *Export Market Management in Nepal: A critical study*, Padma Educational Enterprise, Kathmandu.

Trade and Transit Agreements of Nepal with Foreign Countries

Various Publications of ETPC, SAARC Secretariat, WTO, UNCTAD, ITC, FNCCI, Chamber of Commerce, and others.

# MKT 253: Fundamentals of Advertising

*Full Marks: 100*  
*Pass Marks: 35*

*Lecture Hours: 150*

## **Course Objective**

This course aims to provide knowledge to the students about basic concept of advertising and make them able to analyze the functions of advertising business and develop basic skill in designing advertisements, planning media selection and advertising budgeting.

## **Course Description**

This course contains introduction, advertising business and advertising agencies, creation of advertisements, designing the advertising message/ advertising appeals, media planning and scheduling, establishing and allocating advertising budget, measuring advertising effectiveness, advertising business practices in Nepal.

## **Course Details**

### **Unit 1: Introduction**

**LH 17**

Advertising and Marketing Communication; Objectives and Elements of Advertising; Role of Advertising to Firm, Consumers and Society; Types of Advertisements; Social Ethics and Advertising Business;

### **Unit 2: Advertising Business and Advertising Agencies**

**LH 17**

Key Players in Advertising Business; Role and Functions of Advertising Managers; Role and Types of Advertising Agencies in Advertising Business; Selection Criteria of Advertising Agency;

### **Unit 3: Creation of Advertisements**

**LH 17**

Creative Advertising and Its Features; Creative Process or Visualization process of an Advertisement Copy; Creation of a Print Copy, Radio Commercials, Web Advertisements, and Television Commercials; Creative Persons in Creating an Advertisement Copy; Meaning and Types of Advertisement Copy; Major Components of an Advertisement Copy; Essentials of a Good Advertisement Copy; Concept, Functions and Principles of a Good Advertisement Layout;

### **Unit 4: Designing the Advertising Message**

**LH 15**

Concept and Essentials of an Effective Advertising Message; Use of Unique Selling Propositions (USP) in Message Design; Models of Message Design: Heart & Heart, Advertising Effectiveness, and MECCA Models; Message Strategies: Cognitive, Affective, Conative and Brand Image Strategies;

### **Unit 5: Advertising Appeals**

**LH 14**

Concept and Types of Advertising Appeals: Rational, Emotional, and Sex Appeals; Essentials of a Good Advertising Appeal; Role of Various Colors in Advertisement; Market survey is needed

**Unit 6: Media Planning and Scheduling****LH 17**

Concept and Process of media Planning; Types and Characteristics of Advertising Medias; Role of Media Research in Media Planning; Media Selection Criteria; Concept and Methods of Media Scheduling.

**Unit 7: Establishing and Allocating Advertising Budget****LH 14**

Concept and Need of Advertising Budgeting; Expenses in Advertising Business; Factors Affecting the Advertising Budget Size; Process of Setting the Advertising Budget; Approaches to Advertising Budgeting; Methods for Establishing Advertising Budget

**Unit 8: Measuring Advertising Effectiveness****LH 14**

Concept and Importance of Effectiveness Measurement: Effectiveness Testing Areas: Market; Message; Media; Motives and Mission; and Overall Results; Copy Testing: Concept and Methods; Measurement of Overall Effectiveness of Advertising Campaign: PACT & DAGMAR Models; Leveraging other components of promotion-mix in advertising;

**Unit 9: Advertising Business practices in Nepal****LH 15**

Historical Development of Advertising Business in Nepal; Advertising Agencies in Nepal and Their Role in Promoting Advertising Business in Nepal; Development of Print and Audio-Visual Advertisements in Nepal; Individual Consumers and Social Perception on the Use of Sex Appeals in Nepalese Advertisements ; Role of Advertising Association of Nepal in Advertising Business in Nepal;

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Basic Books**

Belch and Belch: *Advertising and promotion: An Integrated marketing Communications Perspective*, TATA McGRAW-HILL, New Delhi.

Jethwaney, Jaishri and Jain, Shruti, *Advertising Management*, Oxford University Press, New Delhi.

O'Guinn, Allen and Semenik: **Advertising and Integrated Brand Promotion**, Thomson South-western, Delhi.

**Reference Books**

Sharma, Sangeeta and Singh, Raghuvir: **Advertising Planning and Implementation**, Prentice-Hall of India, New Delhi.

Sontakki, C. N.: **Advertising**, Kalyani Publishers, New Delhi.

Willmshurst and Mackay: **The Fundamentals of Advertising**, Butterworth-Heinemann, Delhi.

Agrawal, Govind Ram : **Marketing Communicartion and Fundamentals of Advertising**, MK Publisher & Distributors, Kathmandu.

Koirala, Kundan : **Marketing communications**, Buddha Academic Publishers & Distributors, Kathmandu.



# MKT 254: Fundamentals of Services Marketing

*Lecture Hours: 150*

*Full Marks: 100*

*Pass Marks: 35*

## **Course objective**

This course aims to impart fundamental knowledge about marketing of services and service industries. In addition, this course also makes an attempt to acquaint knowledge to them regarding service marketing practices in Nepal.

## **Course Description**

This course contains introduction, models in service marketing, marketing segmentation, targeting and positioning for services firm, customer perception and expectations of services, buyer behavior and relationship marketing, service product and quality management, pricing strategies for services, promotion strategies for services, distribution strategies for services, emerging service sectors in Nepal.

## **Course Details**

### **Unit 1: Introduction**

**LH 17**

Meaning, characteristics and classification of services; Fundamental difference between goods and services; Emerging key services; Reasons for the growth of services sector; Challenges in service sector; Concept and importance of services marketing; Marketing mix for services.

### **Unit 2: Models in Services Marketing**

**LH 8**

The molecular model; The servfunctional model; The industrial management model The market-focused management model.

### **Unit 3: Market Segmentation, Targeting and Positioning for a services Firm**

**LH 9**

Concept and process of market segmentation for service product; Market segment strategies for service products; Concept and process of service positioning in the target market; Service positioning strategies.

### **Unit 4: Customer Perceptions and Expectations of Services**

**LH 17**

Customer perception on service products; Customer satisfaction and service quality; Gap model of service quality; Concept of customer expectations and factors influencing customer expectations; Service encounters and moment of truth; Management of customer service expectation; A process model of customer service expectation management.

### **Unit 5: Buyer Behaviour and Relationship Marketing**

**LH 15**

Understanding buyer behavior; Factors influencing buyer behavior; Meaning and importance of relationship marketing; Difference between transactional selling and relationship marketing; Customer development process; Customer relationship development strategies; Customer value building approaches.

### **Unit 6: Service Product and Quality Management**

**LH 15**

Concept and nature of service product; New service product and service product development; Life-cycle strategies for service products; Branding the service product; Maintaining service quality and model of service quality; Service-profit chain strategy; Researching service quality and setting quality standard.

**Unit 7: Pricing Strategies for Services****LH 15**

Pricing objectives and buyers' perception of value; Considerations of services pricing – demand considerations, cost considerations, competition considerations, legal considerations; Emerging service pricing strategies – satisfaction-based pricing, relationship pricing, efficiency pricing.

**Unit 8: Promotion Strategies for Services****LH 15**

Meaning and objective of promotion for service product; Communication process for service product; Promotion mix for service product; Selection strategies for selecting the promotion mix; Integrated marketing communication for service product – service promised, communicated message, internal communication, and guarantees; Social ethics in service promotion.

**Unit 9: Distribution Strategies for Services****LH 15**

Nature of distribution for service products; Factors affecting the choice of distribution channels; Distribution strategies – intensive, selective and exclusive; Managing distribution channels – selection, motivation, training, evaluation, managing conflict; Role of Internet in global distribution system.

**Unit 10: Emerging Service Sectors in Nepal****LH 14**

Introduction; Healthcare sector; Banking sector; Insurance sector; Tourism sector; Communication and networking sector; Hydro power sector.

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Basic Books**

Jauhari, Vinnie & Dutta, Kirti, *Services Marketing, Operations, and Management*, Oxford University Press, New Delhi.

Palmer, Adrian, *Principles of Services Marketing*, McGraw-Hill International Edition, London.

Woodruff, Helen, *Services Marketing*, Macmillan India Ltd., Delhi.

**References**

Lovelock, Christopher, *Service Marketing*, Pearson Education Asia, New Delhi.

Apte, Govind, *Services Marketing*, Oxford University Press, New York.

Payne, Adrian, *The Essence of Services Marketing*, Prentice Hall of India, New Delhi.

Balaji, B., *Services Marketing and Management*, School and Co. Ltd, New Delhi.

Zeithaml, V. A., Bitner, M. J., Gremler, D. D., & Pandit, A. (2011) *Services Marketing*. New Delhi: Tata McGraw-Hill

# MGT 250: Entrepreneurship and Small Business Management

Lecture Hours: 150

Full Marks: 100

Pass Marks: 35

## Course Objectives

The main objective of this course is to provide basic knowledge and practice of entrepreneurship and small business management.

## Course Description

This course contains meaning of small business, causes of failure of small business, importance of location of business, nature and importance of management, nature of capital needs, factors for product-line decision, sources of long-term funds, management of small retail store.

## Course Details

### Unit 1: Introduction

LH 7

Concept, becoming an entrepreneur, key elements of entrepreneurship, characteristics of successful entrepreneurs, common myths about entrepreneurs, types of start-up firms, Importance of entrepreneurship- entrepreneurial firms, society and larger firms, The process of new venture creation, ; Entrepreneurship Vs entrepreneurship Vs salaried employees; Comparative advantage and disadvantages of salaried employment; Positive and negative aspects of entrepreneurship; Entrepreneurship qualifications Entrepreneurship development in Nepal.

### Unit 2: Meaning of Small Business

LH 12

Relative importance of small business; Features of small business in developed and developing countries; Small business in Nepalese economy; Strengths and weakness of small business; Importance of small business; Role of human resources in small business, Identifying and recognizing opportunities- observing trends and solving problems, personal characteristics of the entrepreneur, techniques for generating ideas, encouraging and protecting new ideas; linking creativity, innovation and entrepreneurship.

### Unit 3: Causes of Failure of Small Business

LH 17

Sources of idea generation for small business; Different ways of business ownership; Pros and cons of buying, inheriting and starting a new business; Forms of business organizations and their relative importance; Introduction and role of small business promotion centre; Role of Ministry of Commerce and Industry in promoting and strengthening small business in Nepal; Acts regulating small business in Nepal.

History and evolution of franchising opportunities; Relative advantages and disadvantages of franchising; Evaluating franchising opportunities; Scope and practice of franchising in Nepalese context; Failure symptoms; Failure trend of small firms in Nepalese economy.

### Unit 4: Importance of Location in Business and feasibility Analysis

LH 16

Factors affecting location sustainability; Choice of location; Agencies that assist in choosing location; Special location problems for small wholesaling, service and retailing business; Physical facilities and their minimum requirements; Factors in acquiring appropriate physical facilities; Problems of physical facilities; Layout of physical facilities; Effective use of physical facilities, Concept, product/service feasibility, industry/target market feasibility analysis, organizational feasibility analysis and financial feasibility analysis.

**Unit 5: Nature and Importance of Management and Start-Up of Business****LH 28**

Management functions and their applicability; Sources of management assistance; Management of time in small business; Economics of small business strategy; Objectives of small business; Social responsibility of small business; Small business and firms; Planning in small firms; Steps In planning procedure; Types of plans; Decision-making functions and its relevancy; Steps in decision-making; Major quantitative tools to aid decision making; Organizational structures and their comparative advantages and disadvantages; Formal and informal organizational structure; Factors for effective organization; Recruitment and selection; Use of personnel manager and important personal functions; Human relations approach; Factors for good human relations. Recruiting and selecting key employees, selecting a market and establishing a position, key market issues for new ventures, the 4 Ps of marketing for new ventures; Nature of business growth, planning for growth, reasons for growth and managing growth, knowing and managing the stages of growth, managing capacity, day-to-day challenges of growing a firm.

**Unit 6: Nature of Capital Needs****LH 11**

lenders and investors, funding requirements, sources of personal financing, venture capital, commercial banks, sources of debt financing; Estimating capital requirements; Sources of funds; Nature of credit selling; Decision in relation to terms of sales: cash or credit; Procedure in credit operation.

**Unit 7: Factors for Product-line Decision****LH 14**

Factors for pricing decision; Elements of personal selling; Advertising and sales promotion; Marketing research techniques and activities; Motivation research; Use of consultants in marketing research.

**Unit 8: Sources of Long-term Funds****LH 12**

Concept and application of capital budgeting in small business; Maintenance of accounting records; Preparation of financial statements; Analysis of financial statements to facilitate management control.

**Unit 9: Management of Small Retail Store****LH 23**

Operating method of small retail store; Problems and deficiencies in the operations of small stores in Nepal; Service firm; as a small business; Operation and unique characteristics of service firms; Material and alike problems of service firms in Nepal; Operation of small manufacturing plant as small business; Operating methods; Focus and problems of small manufacturing plants in Nepal.

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Basic Books**

Siropolis, Nicholas C., **Small Business Management**, Houghton Mifflin Company, Dallas

Broom, H.N., J.G. and Moore, C.W., **Small Business Management**, South-Western Publishing Co., Dallas.

## References

- Schaper, M., Volery, T. Weber, P. and Lewis, K. entrepreneurship and Small Business, 3<sup>rd</sup> Asia-Pacific Edition.
- Barringer, B.R., and Ireland, R. D., Entrepreneurship: Successfully Launching New Ventures, Pearson.
- Holt, D.H. Entrepreneurship New Venture Creation, Prentice-Hall.
- Mariotti, S. and Glackin, C., Entrepreneurship and Small Business Management, Pearson.
- Zivetz, Lausiz, **Private Enterprise and the State in Modern Nepal**, Oxford University Press, New Delhi.
- Steinhaff, Dan and Burgess, J.F., **Small Business Management Fundamentals**, McGraw Hill, Tokyo.

# MGT 251: International Business

Full Marks: 100

Pass Marks: 35

**Lecture Hours: 150**

## **Course Objectives**

The basic objective of the course is to provide the students the fundamental knowledge of the international business environment and marketing. The course also aims to develop students' skills to apprehend the international business performance.

## **Course Details**

### **Unit 1: The Nature of International Business**

**LH 10**

Definition, nature, components, scope, opportunities and challenges of IB. History of IB. Domestic Vs IB. Factors leading to the growth of IB.

### **Unit 2: Global Economy and Regional Economic Integration**

**LH 22**

Structure of the global economy-matured market system, developing economic and other economic systems. Transition in the economic system.

**Regional Economic Integration-** Concept and purpose. Types of integration- preferential trading agreements, free trade area, custom union, common markets, and economic union. Benefits and costs of economic integration.

### **Unit 3: Globalization and International Business**

**LH 15**

Concept, nature and stages of globalization. Process and forms of globalization. Components of globalization. Characteristics of contemporary world business. WTO – origin, objectives, structure and functions. Concepts of globalization and international business; Factors affecting globalization; Reasons for international business expansion; Drivers of market globalization; Domestic vs international business.

### **Unit 4: Modes of Entering IB**

**LH 22**

Determinants of entry modes. Contractual entry modes – licensing, franchising, management contract, turn-key projects. Foreign Direct Investment (FDI) – concept, trends in FDI, strategies and techniques of FDI. Mergers and acquisitions. Strategic alliances – nature, benefits, scope of international strategic alliances.

### **Unit 5: International Business Environment**

**LH 34**

Political and legal systems; Actors in political and legal systems; Political risks; e-commerce and intellectual property rights; Government interventions and investment barriers; – concept, types of economic systems and structures, Competition, privatization and deregulation. Preliminary economic indicators. Process of analyzing economic environment. . International monetary system – determination of exchange rates, fixed vs. floating exchange market. World's main financial markets. Techniques of financing foreign trade. Exchange control and liberalization. International payment systems. Regional economic integration – types, leading economic blocs; Emerging foreign markets; The changing demographics of the global economy; International monetary and financial environment – currencies and exchange rate systems; The floating exchange rate system; Modes of payment in international trade; Global financial system; International economic institutions; WTO and free trade policies. Socio-cultural environment – concept, cultural diversity. Implications of cross-culture for IB. national differences in terms of ethics and social responsibility, why culture matters in international business?

## **Unit 6: Planning, Organization, and Control of IB**

**LH 22**

Planning – the nature of planning, strategic plans, types of planning systems, gap analysis.

Definition, and characteristics of MNCs , Organization structure for MNCs – functional structure, regional structure and product structure, span of control, criticisms of MNCs, conflict with host country.

Control – nature, control systems. Headquarters – subsidiary relations, Appraising the performance of foreign subsidiaries.

## **Unit 7: Strategies for IB**

**LH 15**

Concept, features, process, strategic objectives, strategy formulation, product portfolio analysis – advantages and problems of portfolio analysis. Competitive strategy. Sources of competitive advantages. The value chain. Critical success factors. Strategy and opportunity assessment; Role of strategy in international business; Estimating market potential; Choosing a strategy; Entering and operating in international markets – exporting and importing, collaborative ventures and strategic alliances, licensing, franchising; Global outsourcing; MNCs and Foreign Direct Investment (FDI) in the world economy – concept, types and trends.

## **Project Work**

**LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

## **Basic Books**

Roger Bennet, **International Business**, Pearson Education, New Delhi

K. Aswathappa, **International Business**, Tata-Mcgraw Hill, New Delhi

## **References:**

V. Sharan, **International Business**, Pearson Education, New Delhi.

P. S. Rao, **International Business**, Himalaya Publishing House, Mumbai.

Daniels and L.H. Radhebaugh, **International Business**, Pearson Education, New Delhi.

# MGT 252: Management of Industrial Relations

Lecture Hours: 150

Full Mark: 100

Pass mark: 35

## Course Objectives

This course aims to familiarize the students with the basic concepts of Industrial relations. It will also focus on the structure of trade unionism, industrial disputes and its settlement, participative management, wage determination and other related issues.

## Course Description

This course contains introduction to industrial relations, trade unionism and employer's association, prevention and settlement of industrial disputes, industrial democracy and participatory management, labour legislation, wage determination, ILO and Nepal, labor welfare and social security, technology and industrial relations, industrial relations scenario in Nepal.

## Course Details

### Unit 1: Introduction to Industrial Relations

LH 8

Concept and meaning of IRs, objectives and scope of industrial relations, forms of industrial relations, theories of industrial relations, actors of Industrial relations, the system perspectives of industrial relations, industrialization strategy and industrial relations.

### Unit 2: Trade Unionism and Employers' Association

LH 18

Concept, functions and objectives of trade union and employer's associations, emergence of trade unionism,, trade union activities, trade unions in service sector, structure of trade unions in Nepal, trade union movement in Nepal, trade unions related issues in Nepalese organizations, provisions in Trade Union Act 2049 (1992),origin, growth and types of trade unionism and employers association in Nepal

### Unit 3: Prevention and Settlement of Industrial Disputes

LH 27

Concept and causes of disputes, typology of industrial disputes: Individual and collective disputes, interest and right disputes; Prevention of disputes: Code of conduct, handling employee grievances, Grievance machinery, maintain discipline; Settlement of disputes: Collective bargaining: concept and process, nature of collective bargaining, collective bargaining as a method of wage fixation, prerequisite for collective bargaining, negotiating techniques and skills, types of collective bargaining contracts, provisions of collective bargaining in Nepal, collective bargaining issues in Nepalese organizations; Conciliation and arbitration; Legal framework for settlement of industrial disputes resolution in Nepal

### Unit 4: Industrial Democracy and Participatory Management

LH 20

Concepts of Industrial Democracy and Participatory Management; Schemes of workers' participation in management, determinants of workers' participation in management, workers' empowerment-techniques quality circle and its application Kaizen and its benefits quality of work life and work behavior, joint work committees, managing good industrial relations- problem and prospects future of industrial relations; Workers' participation in management in Nepal: Legal provision and practices



- Unit 5: Labour Legislation** **LH 15**  
 Concept; Objectives of labour legislation; Labour legislation in Nepal:  
 Labour Act, Trade Union Act and Bonus Act
- Unit 6: Wage Determination** **LH 14**  
 Concept of wages; Methods and criteria of wage determination; Minimum wages in Nepal; Wages and productivity
- Unit 7: ILO and Nepal** **LH 13**  
 Governing principles and objectives of ILO; Functions and activities of ILO; Structure of ILO; Labor standards; ILO's activities in Nepal
- Unit 8: Labor Welfare and Social Security** **LH 15**  
 Concept and objectives of labor welfare; Types of labor welfare programs; Concept and Methods of social security; Labor welfare and social security in Nepal
- Unit 9: Technology and Industrial Relations** **LH 10**  
 Modernization of work processes; Effects of New Technology in Employment; Trade unions and technological change; Managing technological change
- Unit 10: Industrial Relations Scenario in Nepal** **LH 10**  
 Historical perspective and Current scenario; Emerging trends and issues if IRs in Nepalese organizations.

### **Project Work**

**LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

### **Basic Books**

Monappa, Arun, **Industrial Relations**, Tata-McGraw Hill, New Delhi.  
 Verma, Pramod, **Management of Industrial Relations**, Oxford and IBH, New Delhi.  
 Singh, B.D. **Industrial Relations and Labour Laws**, Excel Book, New Delhi  
 Bhatia, S.K. **constructive Industrial relations and Labour Laws**, Deep & Deep Publications, India  
 Monappa, A., Nambudiri, R. and Selvaraj, P. **Industrial Relations and Labour Laws**, Tata McGraw Hill Education Pvt. Ltd.  
 Salamon, M. **Industrial Relations: Theory and Practice**, Prentice Hall  
 Sihna, P.R.N. **Industrial Relations, Trade Unions and Labour Legislation**, Pearson Education  
 Ratnam, C.S.V. **Industrial Relations**, Oxford University Press, India.

### **References**

Kanoon Byabasta Samiti, **Trade Union Act, Labour Act, and Bonus Act of Nepal**.  
 ILO, **Labour Administration: A Profile on Nepal**, Kathmandu: the Office of the ILO Advisor.  
 Pant, Prem R. and Manandhar, Narayan (eds), **Industrial Relations in Nepal: A book of Readings**, Kathmandu: FNP and IRF, 1998  
 Shrestha, Bishweshor, Man, **Industrial Relations Management (Theory and Practice)**, Akshalok Prakashan, Kathmandu.

# MGT 253: Productivity Management

Lecture Hours: 150

Full Marks: 100

Pass Marks: 35

## Course Objectives

The course aims to provide the students with the knowledge of the productivity management, and the develop the knowledge and skill of the students of using the tools and techniques of productivity improvement.

## Course Description

This course contains introduction to productivity management, factors affecting productivity management, productivity improvement tools and technique, productivity movement and international and regional cooperation, productivity in Nepal.

## Course Details

### Unit 1: Introduction

LH 33

Definition of Productivity; Concept and Misconception of Productivity (Production vs. Productivity, Efficiency, Profitability); the importance and role of productivity, productivity management system, productivity policy, approaches to productivity appraisal- total productivity, labor productivity, government and public sector productivity appraisal, comparing and analyzing productivity; approaches to productivity analysis in the enterprises- the Kurosawa structural approach, Lawlor's approach, Gold's approach, quick productivity appraisal approach, Inter-firm comparison, Quality and Productivity Management.

### Unit 2: Factors Affecting Productivity and Productivity Improvement

LH 37

Internal factors: Hard factors and Soft factor; External factors: Structural adjustments, Natural resources, Government, Infrastructure and Others, General considerations, productivity improvement programs: concepts and key elements, organizational approaches to productivity improvement programs, Levels of Productivity Measurement: Macro Level and Micro Level; Types of Productivity Measurement: Total Productivity; Total Factor Productivity; Partial Productivity (Labor, Capital and Materials); Productivity Measurement Approaches (Physical Measurement, Value Measurement and Value-Added Measurement)

major variations of productivity programs, productivity improvement techniques- industrial engineering and behavioral, productivity improvement strategies and action plans.

### Unit 3: Productivity Measurement

LH 28

Concept, objectives of productivity measurement, Levels of Productivity Measurement: Macro Level and Micro Level; Types of Productivity Measurement: Total Productivity; Total Factor Productivity; Partial Productivity (Labor, Capital and Materials); Productivity Measurement Approaches (Physical Measurement, Value Measurement and Value-Added Measurement), management by objectives and productivity measurement, system approach and productivity measurement, performance objectives- productivity (PO-P), identification of key performance areas (KPA's), setting of performance objectives, ranking and weighting and sub-systems, KPA's and PO's performance indices- calculation and evaluation.

**Unit 4: Productivity Improvement Tools and Technique****LH 15**

Productivity Improvement Factors; Productivity Improvement Approaches: Innovation and System Oriented (ISO) Approach, Practice and Human Oriented (PHO) Approach. Productivity Improvement Tools and Techniques; Human-ware Oriented; Software Oriented; Hardware Oriented

**Unit 5: Productivity Movement and International and Regional Cooperation****LH 14**

Productivity Movements in Different Regions: European Countries, Asia-pacific and others; International and Regional Productivity Organization; International Labor Organization (ILO); Asian Productivity Organization (APO) and member NPO's

**Unit 6: Productivity in Nepal****LH 13**

Productivity Movements in Nepal; Productivity Policy in Nepal; Productivity Organizations of Nepal; Productivity in Nepalese Organizations: Issues, Problems and Prospects.

**Project Work****LH 10**

After the completion of fourth year concentration classes the students shall have to prepare and submit a project work in the area they have specialized. The subject teachers have to discuss with students on possible topics of the project work, availability and sources of literature, availability of data, data collection methods, appropriate tools of data analysis, etc relevant to the subject within 10 lecture hours.

**Basic Books**

Prokopenko, J., **Productivity Management**, Oxford & IBH Publishing Co. Pvt. Ltd., New Delhi.

**References**

Vrat, P, Sardana, G.D., and Sahay, B.S., Productivity Measurement for Business Excellence, Alpha Science International Ltd. Oxford UK.

Sawhney, S.C. Productivity Management: concepts and Techniques, Tata McGraw-Hill, India

P. Kongkiti, Productivity Management in an Organization: Measurement and Analysis, To Know Press.

Economic development and National Productivity Center, Productivity in Nepal.

Pant, D., Bajracharya P., Pradhan M., (edit): **Current Issues on Productivity**, National Productivity & Economic Development Centre, Kathmandu.

National Productivity & Economic Development Centre, **Productivity Measurement (Macro Level)**, National Productivity & Economic Development (NPEDC), Kathmandu.

Asian Productivity Organization (APO), **Changing Productivity Movement in Asia and the Pacific-Challenges and Lessons**, Asian Productivity Organization, Tokyo.

Asian Productivity Organization, **Enhancing Productivity, Competitiveness and Quality of Jobs – The Asian Experience**, Asian Productivity Organization, Tokyo.

# MGT 254: Quality Management

*Lecture Hours: 150*

*Full marks: 100*

*Pass Marks: 35*

## **Course Objective**

This course aims to acquaint students to the concept and practice of management and focuses on the quality of managing, operating, and integrating customer service, marketing, production and delivery, throughout an organization's value chain.

## **Course Description**

This course contains introduction, managing for quality products and services, Quality Planning, Control and TQM, Quality Improvement and Results.

## **Course Details**

### **Unit 1: Introduction**

**LH 20**

Concept of quality, dimensions of quality, Importance of quality in business and commerce, service quality vs. product quality, determinants of service quality, process and quality, strategic quality management, quality and strategic planning, Strategic Quality management, cost of quality, total quality management, Quality Function Deployment (QFD)—concept and applications.

### **Unit 2: Managing for Quality Products and Services**

**LH 35**

Concept, strategies and quality, quality assurance, process capability, measures of variation and process capability, process variation; quality infrastructure, total organizational involvement, supply chain management-logistic management, inventory management, materials requirement planning, manufacturing resource planning, just-in time; quality management systems- ISO9000:2000 Quality Management System, ISO 14000:1996 Environmental Management System.

### **Unit 3: Quality Planning, Control and TQM**

**LH 45**

Concept, quality planning and control process, different quality tools- check sheets, stratification, Pereto chart, cause and effect diagram, control chart, histograms; the quality planning process; concept of TQM, emergence of TQM, implementing TQM, TQM models, benefits of TQM, quality Gurus- Juran, Crosby's 14-Point program, TQM practices-value analysis and value engineering, brainstorming, Delphi and Nominal group technique, quality function deployment, ergonomics, single minute exchange of dies and total productive maintenance, benchmarking- process, code of conduct, types, benchmarking customer service, internal benchmarking, advantages and limitations, steps, integrated approach to benchmarking; business process reengineering- BPR methodology, difference between TQM and BPR, approaches to integrate TQM and BPR, Advantages and limitations of BPR, result of TQM, quality performance excellence awards- Deming application prize, European Quality Award and Malcolm Baldrige National Quality Award; Six Sigma- design for Six Sigma, Six Sigma DMAIC process, key analytical tools for implementing Six Sigma, advantages of Six Sigma, Zero defect concept, quality control mechanism in Nepalese industries.

### **Unit 5: Service Quality Management and Cost of Quality**

**LH 20**

Concept, product and services, measuring service quality using SERVQUAL, limitations of SERVQUAL, the sequential incident technique, quality rating in the service industry, methods analysis,

stopwatch, time study, work sampling, cost of quality—prevention costs, appraisal costs, internal failure costs, external failure costs, cost of quality models, Nepal Standard of Quality Control (NSQC).

#### **Unit 4: Quality Improvement and Results**

**LH 20**

Concepts, benefits of quality improvement, inhibitors of quality improvement projects, quality improvement projects, the remedial journey, dealing with resistance to change, customer satisfaction, empowered employees, maximization of return on investment, challenges of quality management in service and manufacturing sector of Nepal.

#### **Text and Reference Books:**

Janakiraman, B. and Gopal, R.K, Total Quality Management, Prentice-Hall of India

Bedi, K. Quality Management, New Delhi: Oxford University Press.

Oakland, J.S. , Total Quality Management: Text and Cases, Butterworth Heinemann

Bagad, V.S., Total Quality Management, Technical Publication Pune

Mukherjee, P.N. Total Quality Management, Prentice-Hall of India

Summers, D.C. Quality Management, Pearson

Dale, B.G., and McQuater, Managing Business Improvement and Quality, Black-Well.

Dale, B.G. , Wide, T.V., Iwaardeen , J.V., Managing Quality, Wiley-Blackwell

Burrill, c and Ledolter, J., Achieving Quality through Continual Improvement, Wiley-blackwell