

Introduction to 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 for increasing the knowledge and understanding of business and public administration. In this pursuit, FOM aims to develop networking with management institutes in the country and abroad to exchange new knowledge, technology and methods of 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 programmes in Nepal.

The FOM offers instruction leading to Bachelor of Business Studies (BBS, 3-years Annual System), Bachelor of Business Administration (BBA, 4-years Semester System), Bachelor of Information Management (BIM, 4-years Semester System), Bachelor of Travel and Tourism Management (BTTM, 3-years Semester System), Bachelor of Hotel Management (BHM, 3-years Semester System), Master of Business Studies (MBS, 2-years Annual System), Master of Public Administration (MPA, 2-years Annual System), Master of Business Administration (MBA, 2-years Semester System), and Master of Philosophy (M.Phil). The FOM also offers doctoral programme in management leading to a degree of Doctor of Philosophy (Ph.D.).

Faculty of Management's Goal

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

Programme Objectives

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

Upon graduation, a student should be equipped to function as a manager in business, industry and government. The graduate should also have a variety of career opportunities

in different sectors of business including entrepreneurship and create much needed jobs for others.

The BBS programme specially attempts to:

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

Curricular Structure

The FOM recognizes the need for both breadth and depth in the total academic pattern. Therefore, the curriculum for BBS degree comprises four separate and distinct course components:

1. A strong foundation in allied areas of business such as language, economic analysis, legal environment and quantitative methods to prepare graduates to understand, analyze and comprehend the management concepts, theories and practices.
2. Core business studies encompassing and integrating all functional areas to provide graduates with an appreciation of the diversity and inter-relationship of business and management issues.
3. The opportunity to concentrate in one area of specialization such as accounting, finance, human resources management, management science, and marketing in order to provide graduates with some degree of functional expertise.
4. The opportunity to choose any sectoral management area such as tourism, cooperatives, transport, hotel and small business, as an elective course to enable graduates to apply the core and functional knowledge and skills in their chosen sector of business.

Course Composition

The BBS programme requires the students to study a total of 14 courses (1400 marks) to be completed in three years. The course composition is as follows:

A.	Compulsory Courses	400 Marks
	MGT 201 English	
	MGT 202 Business Statistics	
	MGT 203 Business Economics	
	MGT 204 Business Law	

B. Core Courses 600 Marks

MGT 211 Accounting for Financial Analysis and Planning
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

C. Concentration Area 300 Marks

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

Accounting

MGT 311 Accounting for Business
MGT 312 Taxation in Nepal
MGT 313 Auditing
MGT 314 Accounting for Financial Institutions

Finance

MGT 321 Corporate Finance
MGT 322 Foundations of Financial Institutions and Markets
MGT 323 Fundamentals of Investment
MGT 324 Banking and Insurance

Marketing

MGT 331 Fundamentals of Advertising
MGT 332 Distribution Management
MGT 333 Fundamentals of Selling
MGT 334 Fundamentals of Service Marketing

Management

MGT 341 Fundamentals of Organizational Behaviour
MGT 342 International Business
MGT 343 Fundamentals of Strategic Management
MGT 344 Management of Industrial Relations

Management Science

MGT 351 Computer System and Programming
MGT 352 Management Information System
MGT 353 Productivity Management
MGT 354 Operations Research

D. Elective Courses

100 Marks

Group A (Sectoral Area)

(Any one course from the following)

- MGT 401 Tourism Management
- MGT 402 Rural Development and Cooperative Management
- MGT 403 Hotel Management
- MGT 404 Entrepreneurship and Small Business Management
- MGT 405 Transport Management
- MGT 406 Project Management
- MGT 407 Foreign Trade and Transit 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:

English	(100 Marks)
Business Economics	(100 Marks)
Business Statistics	(100 Marks)
Principles of Management	(100 Marks)
Cost and Management Accounting	(100 Marks)

The Second Year Programme

The purpose of the second year programme is to provide basic concepts, tools and an understanding of the fundamentals of business studies. 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:

Accounting for Financial Analysis and Planning	(100 Marks)
Fundamentals of Marketing	(100 Marks)
Fundamentals of Financial Management	(100 Marks)
Foundations of Human Resource Management	(100 Marks)
Business Law	(100 Marks)

The Third Year Programme

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

- i) to enable the students to concentrate in one functional area of business. FOM offers five streams of concentration:
 - a) Accounting
 - b) Finance

- c) Marketing
 - d) Management, and
 - e) Management Science
- ii) to provide opportunity to students to select any sectoral management area as an elective course for the integrated application of knowledge, concept and skills acquired from the core and concentration courses.

The third year programme is therefore organized into the following concentration and elective courses:

- Concentration I
- Concentration II
- Concentration III
- Elective (Sectoral Management Area)

Eligibility Conditions for Admission

The candidate applying for admission to the BBS programme:

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

Admission Test

The objective of the admission policy to select students on a competitive basis. A student seeking admission to the BBS programme should apply in the prescribed form for the admission test, within the time specified, along with a non-refundable prescribed fee. The applicant should enclose with the application form attested copies of:

1. Certificates
2. Equivalence, transfer and character certificates.
3. Two passport-size photographs.

Applicants will be required to sit for an admission test designed to judge their abilities and aptitude for the programme. Admission tests will be held in different campuses as arranged by the FOM. The admission test will be held on the following subject areas:

1. Verbal ability
2. Quantitative ability
3. Business and economics
4. Logical reasoning
5. General awareness

Final selection for admission will be based on the applicant's previous academic records and marks obtained in the admission test. Candidates selected for admission will have to produce original certificates/testimonials for all examinations passed at the time of admission.

Field or Practical Work

The education of future managers will be incomplete without exposure to organizational reality. Therefore, the fieldwork is made an essential academic requirement for the third year students in all elective courses of the sectoral management area.

The student will undergo a fieldwork and spend two weeks studying and learning from the organization during the time fixed by the Department / Campus. After the fieldwork, the student will write a field report on the format prescribed by the FOM and submit it to the Department 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 Office of the Controller of Examinations. The fieldwork should relate to the student's specialization and the sectoral elective.

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 a team of external and internal examiners appointed by the Office of the Controller of Examinations.

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

Minimum General Requirements

The minimum general requirements for the 3-years BBS programme are as follows:

1. An academic year will consist of a minimum of 150 teaching days excluding the days taken for admission and annual examinations.
2. The total instructional hours in an academic year will be 615 (150 days X 4:10 hours a day). For courses requiring field and practical works, additional hours of study will be required.
3. 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	75 Percent

Methods of Instruction

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

Offer of Elective Course by Campuses

The final authority to decide the concentration and sectoral elective courses to be offered by the campuses shall be the Standing Committee of the Faculty Board. The campuses will have to apply to the Dean for permission to offer any concentration and / or sectoral elective courses. The applications thus received from the campuses will be assessed by the Standing Committee of the concerned Subject Committee. The campuses will be allowed to offer concentration and elective courses only upon assessment of the required

physical facilities including computer and other equipment, faculty in the campus, scope for field or practical work, and the business reality of the area.

Graduation Requirements

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

1. The successful completion of 14 courses of 1400 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 prescribed by Tribhuvan University.

COMPULSORY ENGLISH

Course No	: MGT 201	Full Marks:100
Nature of the course	: Compulsory	Pass Marks:35

Course Objectives

The compulsory English course is designed to provide students access to the world of scholarship. It aims at equipping with the knowledge and skills of communication. The major emphasis will be on developing in the students a taste for reading and writing.

The main objectives of Compulsory English at this level are:

1. To expose the students to a variety of subjects,
2. to give them examples of English use in context,
3. to give them opportunities to read and use English for education and communication.

The specific objectives of the course will be:

1. To teach the students language items and reading/writing skills so that they can read books by themselves,
2. to prepare the students to pursue their regular course in English,
3. to develop in the students a take-off level of proficiency in reading and writing,
4. to give the students enough materials of common interest and of interdisciplinary nature so that they will be exposed to the world of knowledge and scholarship,
5. to enable the students to read and comprehend complex texts related to the general and specific areas of their study,
6. to develop communicative competence of the students.

Structure of the Course

The course will consist of the following units:

- A. ***Adventure in English.*** an interdisciplinary reader.
- B. Robinson, Brian M.H., et al. ***Communicative Competence in Business English,***
Hyderabad: Orient Longman.. 1988
- C. ***Joys of Reading,*** a collection of essays, short stories, poems and one-act plays.

Selection from JOYS Of READING

Essays

1. William Colding, "Thinking as a Hobby"
2. T.H. Huxley, "We Are All Scientists"

3. Moorehead, "A Most Forgiving Ape"
4. M.H. Kingston, "Girlhood Among Ghosts"
5. V. Wolf, "Death of the Moth"

Short Stories

1. E. Costworth, "The Buddha"
2. Jackson, "The Lottery"
3. R. Dhal, "Hitch-Hicker"
4. Connell, "The Most Dangerous Game"
5. Oscar Wilde, "The Selfish Giant"

Poems

1. Alden Nowian, "Loneliness of the Long Distance Runner"
2. Roethke, "My Papa's Waltz"
3. S. Plath, "Metaphors"
4. Housman, "Eight O,Clock"
5. L. Hughes, "Ballad of the Landlord"

One-Act plays

1. R.N. Tagore, "Chandalika"
2. Lucile Pletcher, "Sorry, "Wrong Number""

Teaching Weightage and Evaluation

- | | |
|---|-----|
| 1. Core English (Adventures in English) | 40% |
| 2. Faculty Specific Materials | 40% |
| 3. Extensive Reading (Joys of Reading) | 40% |

BUSINESS STATISTICS

Course No. : MGT 202 Full Marks : 100
Nature of the Course : Compulsory (Management Science) Pass Marks : 35

Course Objectives **LH 150**

The basic objective of this course is to acquaint the students with necessary mathematical tools and statistical methods to be used in the decision making process.

Contents

Introduction **LH 8**

- Meaning, scope and limitations of statistics
- Types and the sources of data
- Methods of collection of primary and secondary data
- Problems of data collection

Probability and Sampling **LH 7**

Definition of probability, Addition and Multiplication theorems (Mutually exclusive and independent cases with simple problems only). Meaning of sample and population, census method and sampling.

Classification and Presentation of Data **LH 15**

- 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, ogive)

Statistical Measures **LH 40**

- Measures of Central Tendency.
Mean, Median, Partition values, Mode, Geometric mean, Harmonic mean. Choice and general limitation of an average.
- Measures of Dispersion:
Absolute and Relative measures:
Range, Quartile Deviation
Mean Deviation, Standard Deviation
Coefficient of Variation, Graphic Method (Lorenz Curve)
- Skewness, Kurtosis and Moment
Meaning, objective and measurement of skewness-

Karl Pearson's, Bowley's and Kelly's
Kurtosis and its measurement by Percentile method
Meaning of Moments, Central and Raw Moments and their relations
Measurement of Skewness and Kurtosis based on moment.

Simple Correlation and Regression Analysis

LH 15

- Karl Pearson's coefficient including bi-variate frequency distribution
Probable error, Rank correlation
Regression equations including bio-variate frequency distribution
Properties of regression coefficients

Analysis of Time Series LH 15

- Meaning, needs, components and measurement of time series
measurement of trend : free hand curve method
Semi-average, moving average, least square method
Measurement of seasonal variation
Method of simple average
Ratio-to-moving average method

Index Numbers

LH 15

- Meaning and Types of Index Number
General rules and problems in construction of Index Number
wholesale price cost of living index numbers
- Methods of Constructing Index Numbers:
Simple and Weighted (Aggregative and Relative Method)
Laspeyre's and Pasches formula
Fisher's Ideal Index
Time and factor reversal test
Consumer's Price Index Number (Aggregative Expenditure Method and Family Budget Method
Base shifting and Deflating

Determinant and Matrix

LH 20

- Determinants: Methods of finding the numerical values of a determinant
Properties of determinant and use to find the numerical value of the determinants
Use of determinant to solve up to three simultaneous equations
- Matrix: addition, subtraction, multiplication

Transpose of matrix cofactor
Adjoint, inverse and its use to solve up to
three simultaneous equations

Quantitative Analysis

LH 15

- Introduction to quantitative analysis
Application of management science:
Scientific approach to decision making,
Decision making under condition of uncertainty
- Problem formulation with two decision variables:
Linear Programming (Graphic Method-maximization and minimization problems)

Basic Books

Levin, Richard and Rubin David, **Statistics for Management**, Prentice
Hall of India, New Delhi

Levin Richard, Dubin, David and Stinson, Joel, **Quantitative Approach to Management**,
McGraw Hill.

References

Shrestha, Sunity and Amatya, Sunil, **Business Statistics**, Budha Academic Enterprises
Pvt. Ltd. Kathmandu.

Sharma, Pushkar and Silwal, Dhruba, **Business Mathematics and Statistics**, Taleju
Prakashan, Kathmandu.

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

BUSINESS ECONOMICS

Course No. : MGT 203
Nature of the Course : Compulsory (ECO)

Full Marks : 100
Pass Marks : 35

Course objectives

The objective of this course is to develop skills in systematic analysis of the economic aspects of business decisions and to equip the students with some relevant analytical methods and concepts.

Contents

Introduction

LH 8

- Micro and macro economics concepts
- Types of micro and macro economics
- Interdependence of micro and macro economics
- Uses of micro and macro economics

Demand Analysis

LH 13

- Demand function
- Determinants of demand
- Elasticity of demand: concept
- Measurement of different types of elasticity (price, income, cross elasticity)
- Uses of different types of elasticity

Utility Analysis

LH 12

- Cardinal and ordinal utility analysis
- Indifference curve
- Properties
- Marginal rate of substitution
- Consumers' equilibrium
- Price effect
- Income effect
- Substitution effect
- Criticism of indifference curve

Cost, Revenue and Supply Curves

LH 14

Cost Curves:

- Concept of cost (Money cost, real cost, explicit cost, implicit cost, opportunity cost, accounting cost and economic cost)

- Derivations of short run cost curves
- Derivations of long run cost curves
- Relationship between average and marginal cost curves
- Shape of average cost curves: Theoretical and empirical evidence

Revenue curves:

- Concept of total revenue, average revenue and marginal revenue, relationship between average and marginal revenue curves and revenue curves under different market situations

Supply curves:

- Concept of supply
- Short run supply curve and its derivation
- Long run supply curve and its derivation
- Elasticity of supply: concept and measurement

Theory of Production

LH 12

- Production function
- Iso-quants: Concepts, Properties
- Law of variable proportions: Concept, causes and significance
- Laws of return to scale
- Least cost combination of factors

Product Pricing

LH 14

Perfect competition:

- Pricing under perfect competition
(equilibrium in the short period and long period)
- Monopoly:
- Pricing under monopoly(short period and long period)
- Discriminating monopoly:
- Meaning, conditions and price-output determination
- Monopolistic competition:
- Pricing under monopolistic competition(short period and long period)

Factor Pricing

LH 13

Rent: Modern theory of rent

Wages: Marginal productivity theory

Interest:

- Loanable fund theory
- Liquidity preference theory
- Modern theory of Interest

Profit:

- Dynamic theory of profit
- Innovation theory of profit

National Income

LH 10

- Meaning
- Different concepts of national income
- Computation of national income by production
Income and expenditure method
- Difficulties of measurement

Macro Economics

LH 32

- Theories of employment
- Classical theory: concept and criticisms
- Keynesian theory: concept and criticisms
Consumption function
- Concept, average and marginal propensity to consume
- Determinants of consumption function
Multiplier:
- Concept, leakages and its uses

Saving

LH 5

- Concept, determinants and paradox of thrift.

Investment

LH 17

- Concept, determinants and marginal efficiency of capital.

Trade cycle:

- Concept, phases and effects.

Inflation:

- Concept, causes, effects and remedies.

Fiscal policy:

- Meaning and objectives
- Significance in developing countries

Monetary Policy:

- Meaning and objectives
- Significance in developing countries

Basic Books:

- Pindyck, Robert S. and Daniel L. Rubinfeld. **Micro Economics**, Prentice Hall of India Pvt. Ltd.
- Shapiro, Edward, **Macro Economic Analysis**, Macmillan, New York.

References:

- Joshi, Shyam, ***Micro and Macro Economics Analysis***, Taleju Prakashan, Kathmandu.
- Dillard, Dudley, ***The Economics of J.M. Keynes***, Lockwood, London.
- Kurihara, K.K., ***Monetary Theory and Public Policy***, Kalyani Publishers, New Delhi
- Ahuja, H.L. ***Advanced Economic Theory***, Sultan Chand and Company, New Delhi
- Gardner, Ackley, ***Macro Economic Theory***, Macmillan, New York
- Ahuja, H.L. ***Macro Economics***, Sultan Chand and Company, New Delhi
- Watson and Malcolm Getz, ***Price Theory and its Uses***, AITBS Publishers and Distributors, New Delhi.

BUSINESS LAW

Course No.	: MGT 204	Full Marks	: 100
Nature of the Course	: Compulsory (MGMT)	Pass Marks	: 35

Course Objectives

The primary objective of this course is to give the students a comprehensive understanding of business law and its practices in Nepal.

Contents

- 1. Introduction:** **LH 10**
 - Nature of law
 - Types and sources of law
 - Concept and importance of business law
 - Sources of business law

- 2. Contract** **LH 45**
 - Meaning, nature and essentials of a valid contract
 - Rules regarding offer and acceptance
 - Consideration: meaning and rules regarding consideration
 - Contractual capacity, rules regarding minor's agreement, person of unsound mind and disqualified persons
 - Free consent: meaning and importance of free consent, void and violable agreements, (coercion, undue influence, misrepresentation, fraud and mistake)
 - Legality of object: meaning and importance of lawful object, effect of unlawful agreements
 - Contingent contract:
Meaning and rules regarding contingent contract
 - Performance of contract:
Importance of performance of contract, rules regarding performance of contract
Rules of assignment of contract
 - Termination of contract:
Modes of termination and discharge of contract
 - Remedies for breach of contract
 - Major provisions of Nepal Contract Act.

- 3. 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 or Pawn

- Distinction between Bailment and Pledge
- Rights and duties of Pawner and Pawnee
- Pledge by non-owner

4. Agency **LH 12**

- Meaning and nature of agency
- Modes of creating agency
- Rights and duties of agent
- Right and duties of principal
- Delegation of authority
- Sub-agent and substituted agent
- Termination of agency
- Procedure of registration and effect of non-registration of agency in Nepal

5. 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.

6. Sale of Goods **LH 16**

- Meaning, feature of sale of goods
- Types of goods
- Conditions and warranties
- Transfer of ownership
- Performance of contract of sale of goods
- Unpaid seller

7. Company Incorporation and Management **LH 17**

- Incorporation of a company
- Legal importance and formalities of meetings
Minutes and Resolutions of a company
- Legal provisions regarding Boards' report
Appointment of auditor, removal of an auditor
Rights and power of an auditor
- Dissolution of company:
Modes of winding up

8. Arbitration

LH 12

- Meaning and importance of arbitration
- Who can refer disputes to arbitration?
 - What may be referred to arbitration?
- Power and duties of arbitrator
- Revocation of arbitrator's authority
- The award
- The provisions relating to "Madhyastata Ain" in Nepal

9. Law of Carriage

LH 10

- Meaning and importance of law of carriage
- Classification of carriers
- Rights, duties and liabilities of common carriers
- Contract of affreightment (charter part and bill of lading)
- Air way bill, other documents relating to carriage by air

Basic Books

- 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.

References

- Neupane, Madhav Prasad, **Banijya Kanoon**, Ratna Pustak Bhandar, Kathmandu.
- Parajuli and Acharya, G.P., **Banijya Kanoon**, Ratna Pustak Bhandar, Kathmandu.
- Shrestha, Ram Prasad, **Banijya Kanoon**, Mrs. Bijaya Shrestha, Lagankhel, Lalitpur.
- Kuchhal M.C. - **Mercantile Law**, Vikash Publishing House, Delhi.
- Tulsian P.C. - **Business Law**, Tata McGraw Hill, Delhi.
- Salmondn Jurisprudence –
 - Contract Act, 2056
 - Companies Act, 2053
 - Arbitration Act, 2055

ACCOUNTING FOR FINANCIAL ANALYSIS AND PLANNING

Course No. : MGT 211 Full Marks : 100
Nature of the Course : Core (ACCT) Pass Marks : 35

Course objectives

The objectives of the course is to provide the students with the knowledge required to analyse financial statements for decision making including long term and short term investment decisions. The course further attempts to provide sound knowledge required for higher studies in capital planning, analysis of financial statements and investment decisions.

Contents

Company Formation and Financial Statement of the company.

Accounting for company Formation

LH 12

- **Company:** Concept and features, capital of a company and its types,
- **Raising of capital:** Issue of shares-preference and ordinary- at par, at premium and at discount, over and under subscription of shares, over subscription and pro-rata allocation, calls in arrears and calls in advance, forfeiture of shares and reissue of forfeited shares, transfer of balance on reissued forfeited shares to capital reserve account, alteration in value of shares and shares capital, issue of bonus share, redemption of preference shares,
 - **Issue of Debenture:** issue of debentures at par, at premium and at discount, redemption of debentures at par, at premium, and at discount, conversion of debentures into shares at par, discounted and premium value, amortization of debenture discount,
 - Opening balance sheet.

Accounting for capital structure

LH 5

- **Leverage:** Meaning and concept and measures, Effect of leverage on the shareholder return, analysis of alternative financial plan EBIT-EPS analysis

Company in growth including financial statement

LH 45

- Acquisition of business and acquisition of controlling interest in the nature of purchase
- Concept of amalgamation,
- Amalgamation in nature of merger, reconstruction,
- Ascertainment of interest of a merged company,
- Closing books of account of merged company and opening entries in the books of combined company and combined balance sheet,
- Purchase Consideration,

- Entries in the books of purchasing company and vendor company and balance sheet of acquiring company,
- Entries in the case of internal reconstruction and reconstructed balance sheet,
- **Holding company:** Concept of holding company and reasons for holding
- Determination of pre- acquisition profit, minority interest, cost of control or goodwill or capital reserve, revaluation of assets, dividend from subsidiary company, inter-company debt and unrealized profit
- Preparation of consolidation balance sheet

Analysis of financial statement of a company

LH 25

- Meaning and objectives of financial statement, internationally accepted standard and financial statement,
- **Ratio analysis:** concept, uses, limitations,
- Types of ratios: computation and interpretation of:
- Liquidity ratios: current , quick ratio, stock turnover, and debtors turnover
- Leverage ratios: debt equity ratio, debt to total capital ratio, interest coverage ratio and fixed coverage ratio,
- Turnover ratios: inventory turnover ratio, debtor/receivable turnover ratio, and average collection period, fixed asset turnover ratio, capital employed turnover, total asset turnover
- Profitability ratios:
- profitability in relation to sales: gross profit margin, net profit margin, operating ratio,
- profitability in relation to investment: return on assets, return on capital employed, return on shareholders equity, return on common shareholder's equity,
- Earning ratios: earning per share, dividend per share, dividend payout ratio, earning yield ratio, dividend yield ratio, price earning ratio, earning power ratio, interrelationship among financial ratios,
- Growth and merger and changes in ratio position due to company growth and merger,
- Preparation of funds flow statement: working capital basis
- Preparation of cash flow statement under direct and indirect method, and
- Cash flow statement of group, i.e., combined company

Depreciation and its effect on financial statement of a company

LH 18

- **Depreciation** : Concept and need
- Accounting for different methods of depreciation
 - Original cost method,
 - Written down value method
 - Depreciation fund method
 - Sum of year digit method
 - Annuity method,
 - Insurance policy method

Machine hour rate method

Revaluation method,

Double declining balance

- Changes of depreciation methods from original cost method to written down value method and written down value method to original cost method.

Price Level changes

LH 20

- Concept of price level changes, inflation and deflation, impact of inflation,
- Limitation of Historical Cost financial statements
- Current Purchasing Power(CPP) Method: Meaning, features, calculation of gain or loss on holding monetary items, and
- Preparation of adjusted financial statement, i.e., adjusted income statement and adjusted balance sheet under CPP method, determination of profit through balance sheet and income statement, advantages and disadvantages
- Current Cost Accounting (CCA) method: Meaning, features, advantages and disadvantages, cost recovery with computation, assets valuation – current replacement cost, fixed assets adjustments, depreciation adjustments, inventory adjustment, cost of sales adjustment, monetary working capital adjustment, gearing adjustment, current cost accounting reserve, current cost operating profit through Current Cost Income Statement and preparation of Current Cost Balance Sheet.

Accounting for working capital

LH 5

- Concept, need and importance of working capital, determination of working capital requirement considering the duration for which the raw materials, work-in-progress, finished goods, account receivable, account payable and amount of outstanding and prepaid expenses, cash balance and contingency.

Long term planning – capital budgeting

LH 15

- Accounting for cost of capital- concept of cost for equity, debt, preferred stock and overall cost of capital,
- Capital budgeting, concept and need, types of proposals: mutually exclusive project, new project, replacement project, expansion and diversification project, research and development project and miscellaneous project.
- Estimation of Cash Flow Vs. Net Profit
- Determination of investment cost of new project
- Determination of differential investment cost
- Annual net cash flow: differential net cash flow, determination of final year cash flow: working capital adjustment, differential salvage value after tax and operating cash flow
- Methods of Evaluation of Investment Decision: Payback period, and Average rate of return.

- Time Value of money: Net present value; profitability index, internal rate of return,
- Selection of investment project.

Basic Books:

1. Shukla, S.M., **Advanced Accounting**, Sahitya Bhawan, Agra
2. Van Horne, **Financial Management and Policy**, Prentice Hall of India, New Delhi.

References:

1. Dangol, R.M., **Accounting for Financial Analysis and Planning**, Taleju Prakashan, Kathmandu
2. Munankarmi, S.P., **Accounting for Financial Analysis and Planning**, Education Publishing House, Kathmandu
3. Shrestha B.P., Singh Y.M., Sharma N. and Ojha K., Edited by Pandey, R. **Accounting for Financial Analysis and Planning**, Buddha Academic Publishers and Distributors Pvt. Ltd., Kathmandu
4. Dangol, R.M. and Prajapati, K.P., **Bitiya Bisleshan tatha Yojana Lekhabidhi**, Taleju Prakashan, Kathmandu
5. Gupta, R.L and Radhaswamy, M, **Advanced Accounting**, S. Chand and Sons, New Delhi.
6. Khan and Jain, **Financial Management: Text and Problems**, Tata McGraw Hill Co., New Delhi
7. Pandey, I.M., **Financial Management**, Bikash Publishing Houser, New Delhi
8. Wagley, K.N., **Bitiya Bisleshan Tatha Yojana Lekhabidhi**, M.K. Publisher and Distributors, Kathmandu.

COST AND MANAGEMENT ACCOUNTING

Course No. : MGT 212
Nature of the Course : Core (ACCT)

Full Marks : 100
Pass Marks : 35

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, profit maximizing system design and control.

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.

Contents

- 1. Conceptual Foundation** **LH 6**
 - **Cost accounting:** Meaning, objectives, advantages and limitations
 - **Management accounting:** Meaning, objectives and scope of management accounting, limitations of financial accounts, difference between cost and management accounting, advantages and limitations of management accounting.
 - **Cost concept and classification of cost:**
Cost classification: classification according to element of cost, functional classification, behavioral classification, cost segregation and method of segregation of cost: Two point methods and Least square method, classification for decision making: Relevant and irrelevant costs, avoidable and unavoidable costs, opportunity cost, marginal cost, differential and incremental costs, controllable and uncontrollable costs.

- 2. Accounting for inventory management and control** **LH 9**
 - Reasons and objectives for holding inventory
 - **Inventory levels:** re- order point, maximum level, minimum level, danger level, average stock level, safety stock under certainty, two bin system,
 - Just-in-time inventory: concept, advantages and limitations
 - **Economic order quantity** model by using formula, by trial and error approach including cash discount
 - **Inventory control system design:** Purchase procedures and control, Purchase requisition, purchase order, material receiving and handling
 - **Perpetual inventory system** (two bin cards) and stock control through ABC analysis

- 3. Accounting for labour** **LH 14**
 - **Labour cost:** Concept and types of wages, direct wages and indirect wages, piece wage and time wages, fringe benefits and salary in lieu of profit, allowances,

- Accounting for pay-roll, preparation of pay roll sheet.
- **Accounting for premium plan:** Premium bonus scheme-Halsey plan and Rowan Plan, Taylor's differential piece rate system, and Gantt's task and bonus scheme
- **Group bonus scheme:** Pristman's plan, and Scanlon's plan
- Accounting treatment of idle time-normal and abnormal,
- **Labour turnover:** causes and effects, cost of labour turnover, labour turnover cost measurement: leaving cost, replacement cost, training and learning cost

4. Accounting for overhead cost

LH 14

- **Overhead cost:** Meaning and classification of overhead cost
- Accounting for overhead allocation, apportionment and absorption
- **Overhead allocation and apportionment:** Meaning, basis for apportionment,
- **Apportionment of overhead:** Primary distribution, difference between allocation and apportionment of overhead
- **Overhead cost absorption:** Meaning, methods of absorption of overhead
- **Activity Cost Based Costing (ABC):** Concept, limitation of traditional overhead cost absorption system, allocation of overhead cost on activity based costing system, allocation of overhead cost on the basis of ABC, determination of total cost and profit under traditional and ABC system, profitability analysis, activities based profitability analysis, ;limitations of activity based costing system

5. Costing in different situations

LH 34

- **Job order costing:** concept and accounting for job order costing
- **Contract costing:** concept, preparation of contra tee's account, work in progress account, contract account, treatment of plant in contract account, preparation of balance sheet
- **Service costing:** concept and scope of operating costing; unit of output costing in public sector:
Transport service costing, Hotel and Restaurant service costing and Hospital service costing, limitations of service costing.
- **Process costing:** concept and uses, accounting for process account, Process loss and accounting for loss: normal loss and abnormal loss, abnormal effective or abnormal gain, inter process profit calculation, reserve for unrealized profit
- **Costing for Joint product and by product:** concept of joint and by-product, apportionment of cost under unit basis and revenue basis
- Treatment of spoilage, wastage, scrap and defective unit.

6. Accounting for profit planning

LH 18

- **Absorption costing:** Concept, income statement under absorption costing, treatment of opening and closing stock, over and under absorption of fixed manufacturing overhead and limitations.
- **Variable costing:** Concept and importance, Income statement under variable costing

- **Reconciliation of profit** between absorption and variable costing.
- Cost volume profit analysis: contribution margin analysis, contribution margin ratio, determination of selling price, realizing profit in Rs. volume, realizing profit on selling price, realizing profit on cost price, Cost volume ratio
- **Break-even analysis** under constant underlying situations including algebraic and graphic representation.
Break-even analysis under changed situation excluding multi-product: change on selling price, change on fixed cost, and change on variable cost.
- Margin of safety

7. Cost accounting for planning and control LH 45

- **Responsibility accounting:** definition of cost center, identification of responsibility and cost center, cost control ledgers, link between financial and cost books.
- **Reconciliation of profit** between financial and cost account.
- **Standard costing:** concept, preliminaries to established standard costing, difference between standard and budget, advantages and limitations.
- **Variance analysis :**
Material variance: cost, price, usage, mix and yield variance
Labour variance: cost, efficiency, rate, mix, idle time and yield variance
- **Budgeting for planning:** concept and importance of budget
- **Types of budget:** Sales budget; material consumption and purchase budget, production budget, labour budget, overhead budget: manufacturing, administrative, selling and distribution, cash budget
- **Flexible budgeting:** concept and limitations of planning (static budget), importance of flexible budgeting, preparation of flexible budgeting for overhead cost control
- **Overhead cost variance:** capacity, efficiency and spending variance

8. Cost reduction LH 5

- **Value engineering** (analysis) : concept, advantages and techniques, Tools and techniques for cost reduction
- **Value analysis:** concept, objectives, importance, advantages and technique of value analysis
- **Value added:** concept of value added and preparation and uses of added statement

Basic Books:

Prasad, N.K, *Principles and Practices of Cost Accounting*, Book Syndicate Pvt. Ltd., Calcutta

Lynch and Williamson, *Accounting for Management Planning and Control*, Tata McGraw Hill Co., New Delhi

References:

Dangol, R.M. and Pradhan, M.L., ***Lagat Tatha Byabasthapan Lekha***, Taleju Prakashan, Kathmandu

Munankarmi, Shiva Prasad, ***Lagat Tatha Byabasthapanikiya Lekha***, Educational Publishing House, Kathmandu

Lal, Jawahar, ***Cost Accounting***, Tata McGraw Hill Co., New Delhi

Bhattacharya, A.K., ***Principles and Practices of Cost Accounting***, Wheeler Publishing, Allahabad

Kapali, Bharat, ***Lagat Lekha***, Ratna Puastak Bhandar, Kathmandu

Munankarmi and Shrestha, ***Cost and Management Accounting***, Educational Publishing House, Kathmandu

Khan and Jain, ***Management Accounting***, Tata McGraw Hill, New Delhi

Nigam, R.S. and Narang, S.P. and Sehagal, B. C, ***Principles and Practices of Cost Accounting***, S Chand and Co., New Delhi

Lucy, T., ***Cost Accounting***, Tata McGraw Hill Co., New Delhi

Prajapati, K.P. and Wagly, K.N., ***Lagat Tatha Byabasthanpan Lekha***, M.K. Publishers and Distributors, Kathmandu

Sharma, Narendra, ***Cost and Management Accounting***, Ratna Puastak Bhandar, Kathmandu.

PRINCIPLES OF MANAGEMENT

Course No.	: MGT 213	Full Marks : 100
Nature of the Course	: Core (MGMT)	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 managerial functions like planning, organizing, leading, and controlling with special orientation to modern management practices which are essential to manage business successfully and other organizations.

Contents

- 1. The Nature of Organization** **LH 15**
Meaning, characteristics, and types of organizations. 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 on organization.
- 2. Introduction to Management** **LH 10**
Definition, characteristics, and principles of management. Process and functions of management. Managerial hierarchy. Type of managers. Managerial skills and roles. Emerging challenges for management.
- 3. Evolution of Management Thought** **LH 12**
Introduction contribution and limitation of Classical theory, Human relations and behavioural science theories. Decision theory, Management science theory, Systems theory, and Contingency theory.
- 4. Environmental Context of Management** **LH 16**
Concept of business environment. Organization-environment relationship. Types of environment-internal and external. Meaning and basic components of economic, socio-cultural, political, and technological environments. Social responsibility of business - concept and approaches. Areas of social responsibility. Management ethics - meaning and significance. Emerging business environment in Nepal.
- 5. Planning** **LH 12**
Definition, types, hierarchy, and methods of planning. The process and importance of planning. Steps in planning. Strategic planning. Environmental scanning - concepts

and methods. SWOT analysis. Formulation and implementation of strategic plans. Quantitative tools for planning.

6. Decision Making

LH 10

Definition. Approaches to decision making. Types of decisions. Decision making styles. Decision making under conditions of certainty and uncertainty. Problem solving – concept. Types of problem. Problem solving strategies. Crisis handling. Decision making process. Group decision making. Quantitative tools for decision making.

7. Organizing and Staffing 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, disadvantages. Coordination of activities - meaning and purpose. Forms of organizational structure – line, line-and-staff, functional, committee, and matrix. Emerging concepts in organizing.

Staffing Function – human resource management system. Importance and objectives of staffing function. Components of staffing function.

8. Leadership

LH 15

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

9. 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.

10. Communication

LH 6

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

11. Control and Quality Management

LH 13

Concept, process and types of control system. Characteristics of effective control system. Problems with control system. Managing information for effective control – management information system (MIS) and decision support system (DSS). Budgets

and financial control. Quality control systems – concept of quality. Total Quality Management (TQM) – concept and tools. Factors affecting quality. Deming management - principles and techniques.

12. Global Context of Management

LH 8

Concept of globalization. Forms and nature of globalization. Methods of globalization. Changing global business scenario. Effects of globalization. Multinational companies - meaning, types, advantages, and disadvantages.

13. Management Practices and Problems in Nepal

LH 7

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

Basic Books:

- Ricky W. Griffin, **Management**. AITBS Publishers and Distributors, Delhi, 2001.
- John M. Ivancevich, James H. Donnelly, and James L. Gribson, **Management: Principles and Functions**. AITBS Publishers and Distributors, Delhi, 2001

References:

- Prem Raj Pant, **Principles of Management**, Buddha Academic Enterprises Pvt. Ltd., 2004
- Govind Ram Agrawal, **Principles of Management**, M.K. Publishers and Distributors, 2003.
- Stephen P. Robbins and Mary Coulter, **Management**, Prentice Hall of India, 2002.
- Stoner James, AF, Freeman, R. Eward and Gilibert, Jr. Daniel R, **Management**, Prentice Hall of India, 2000.
- Heinz Wehrich and Herold Koontz, **Management: A Global Perspective**, McGraw Hill, 2001.
- Amuda Shrestha, **Organization Management**, Educational Publishing, 2003

FUNDAMENTALS OF MARKETING

Course No : MGT 214
Nature of Course : Core (MKT)

Full Marks: 100
Pass Marks: 35

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.

Contents

INTRODUCTION

LH 8

- Meaning and importance of Marketing
- Approaches to the study of Marketing: Commodity Approach, Functional Approach, Institutional Approach, System Approach, Managerial Approach, Economic Approach, Legalistic Approach.
- Development of Marketing Concepts
- Marketing Mix and its Components

MARKETING ENVIRONMENT

LH 10

- Meaning and Scope of Marketing Environment
- Micro and Macro Environmental Forces
- Marketing Environment in Nepal and its impact on marketing activities.

MARKET SEGMENTATION AND TARGETING

LH 15

- Meaning, concepts and types of Market
- Meaning of market segmentation
- Requirements and benefits of market segmentation
- Segmentation Variables for Consumer and Industrial Markets
- Process of Market Segmentation
- Segmentation practices in Nepal.

MARKETING INFORMATION SYSTEM & MARKETING RESEARCH

LH 10

- Meaning and importance of information and data;
- Sources of Information and Data;
- Meaning, Feature and Importance of Marketing Information System
- Components of Marketing Information System
- Process and Areas of Marketing Research
- Marketing Information System in Nepal and its use in marketing decisions.

BUYER BEHAVIOUR**LH 12**

- Meaning and Importance of Buyer Behaviour
- Consumer Buying Process
- Factors Determining Consumer Buying Decisions
- Meaning and features of organizational buying behaviour
- Organizational Buying Process
- Factors Determining organizational Buying Decisions

PRODUCT DECISION**LH 25**

- Meaning and Concepts and levels of Product
- Types of Product: their Distinctive Features and Marketing Considerations
- Meaning and Stages of Product Life Cycle
- Marketing Activities in Different Stages of Product Life Cycle
- Product Adoption and Diffusion Process
- Concept of New Product, Need for Product Innovation, Reasons for Product failure
- Process of New Product Development
- Product Line and Product Mix Strategies
- Service product; Nature and Strategies
- Branding: Meaning, Objectives, Reasons for and against branding, Types and Essentials of a Good Brand Name
- Packaging: Meaning, Objectives and Functions, Levels of Packaging, Essentials of a good packaging
- Label: Meaning, Objectives, Functions and Types
- Product strategies in Nepal.

PRICING DECISION**LH 15**

- Meaning and Objectives of Pricing
- Importance of Pricing
- Factors Affecting Price Determination
- Methods of Price Determination – cost-oriented, demand-oriented and competition-oriented
- Initiating and Responding to Price Changes
- Pricing Policies and Strategies
- Pricing strategies in Nepal.

DISTRIBUTION DECISION**LH 20**

- Meaning, Objectives and Importance of Distribution
- Channel System
- Channel Structure for Consumer and Industrial Goods
- Marketing Intermediaries and Their Role in Distribution System
- Strategic considerations in Channel Selection
- Channel Dynamics: Role, Power, Conflicts and Conflicts Resolution
- Meaning and Components of Physical Distribution
- Distribution practices in Nepal.

PROMOTION DECISION**LH- 25**

- Meaning and Objectives of Promotion
- Process and Elements of marketing Communication
- Promotion Mix
- **Advertising** – Meaning, Objectives, Importance, Medias, and Selection of Advertising Media
- **Personal Selling** – Meaning, Objectives and Types of Personal Selling
- Process of Personal Selling: Indoor and Traveling Sales
- **Sales Promotion** - Meaning, Objectives and Methods of Sales promotion
- **Publicity** - Meaning, Objectives and Types of Publicity
- **Public Relations** - Meaning, Objectives and Nature of Public Relation
- Factors Affecting Determination of Promotion Mix
- Promotion decisions in Nepal.

EMERGING CONCEPTS IN MARKETING:**LH 10**

- Quality Marketing
- Relationship Marketing
- Direct Marketing
- E-commerce (Internet Marketing).

Basic Books:

Kotler, Philip and Armstrong, *Principles of Marketing*, Prentice Hall of India, New Delhi.

Stanton, Etzel & Walker, *Fundamentals of Marketing*, McGraw Hill, New York.

References:

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

Agrawal, Govind Ram, *Fundamentals of Marketing in Nepal*, M. K. Publishers, Kathmandu.

Koirala, K. D., *Fundamentals of Marketing Decisions*, M. K. Publishers, Kathmandu.

Cundiff, E. W. and Govoni, N. A. P., *Fundamentals of Modern Marketing*, Prentice Hall of India, New Delhi.

FUNDAMENTALS OF FINANCIAL MANAGEMENT

Course No.	: MGT 215	Full Marks:	100
Nature of the Course	: Core (FIN)	Pass Marks:	35

Course Objectives

The objective of the course is to provide the students with an understanding of the fundamental concepts, principles, and techniques of financial management and their application in real life business situations. It specifically aims at imparting the students with necessary basic knowledge and skills required for making financial management decisions.

Contents

Introduction

LH 5

- Importance of financial management
- Finance in the organizational structure of the firm
- Nature and functions of financial management
- The financial manager's responsibilities
- Goals of financial management
- Relationship with other functional areas

Financial statements and cash flows

LH 10

- Understanding financial statements
- Role of financial statements
- The Balance Sheet
- The Income Statement
- The Statement of Cash Flows
- Sources and Uses of Funds Statement

Financial Analysis

LH 15

- Common size statements
- Financial ratio analysis
- Uses of financial ratios
- Types of Ratios
- Liquidity ratios
- Asset management or efficiency ratios
- Debt management or leverage ratios

- Profitability ratios
- Market value ratios
- Limitations of ratio analysis
- Predictive uses of ratios

Risk and Return: Theory

LH 15

- Nature of risk and return
- Mean variance indifference curves
- Mean and variance of single asset
- Mean and variance of portfolio of two assets
- Correlation and covariance
- The portfolio opportunity set and the efficient set
- Optimal choice

Time Value of Money

LH 15

- Cash flow time lines
- Future value and compounding
- Present value and discounting
- Finding out the discount rate
- Finding the number of periods
- Even and uneven cash flows
- Semi-annual and other compounding periods
- Comparison of different types of interest rates
- Amortized loans

Bonds and their valuation

LH 10

- Meaning and key features of bonds
- Financial asset valuation
- Cash flows for a regular bond
- Bond valuation
- Discount bond and premium bond
- Bond yields
- Yield to maturity
- Current yields
- Semi-annual bonds

Stocks and their valuation**LH 10**

- Features of common stock
- Classified stocks
- Common stock valuation
- Constant growth stocks
- Intrinsic value of the stock – super normal growth
- Expected rate of return on a constant growth stock
- Preferred stock: Features and valuation

Cost of capital**LH 10**

- Cost of capital components
- Component cost of debt
- Component cost of preferred stock
- Component cost of equity
- Weighted average cost of capital
- Factors affecting weighted average cost of capital

The basics of capital budgeting**LH 15**

- Importance of capital budgeting
- Ranking investment proposals
- The payback rule
- Discounted cash payback
- Accounting rate of return
- Net present value
- Internal rate of return
- Further issues in capital budgeting:
- Normal and non-normal cash flows
- NPV profiles
- Crossover rate
- Modified internal rate of return
- Profitability index
- Merits and demerits of different methods

Working capital management**LH 10**

- Concept of working capital
- Types of working capital
- Importance of working capital management
- Factors affecting working capital
- Cash conversion or working capital cash flow cycle

Cash management**LH 10**

- Significance of cash management
- Motives for holding cash
- Advantages of adequate cash
- Functions of cash management
- Cash management techniques
- Managing collections
- Concentration banking
- Lock box system
- Control of disbursement

Receivables management**LH 10**

- Purpose and significance receivables management
- Elements of credit policy
- Credit standard
- Credit terms
- Control of receivables
- Aging schedule of receivables

Inventory management**LH 10**

- Significance of inventory management
- Types of Inventories, Objectives of Inventories
- Tabulation, graphic and formula methods
- Reorder point and safety stock
- Determinants of inventories
- Inventory control system

Dividend policy**LH 5**

- Dividend payment
- Dividend procedure
- Factors influencing dividend policy
- Types of dividend payout schemes

Basic Books

- Weston, J. Fred, Scott Besley, and Brigham, Eugene F., **Essentials of Managerial Finance**, Harcourt Brace College Publishers, New York.
- Brigham, Eugene F. and Joel F. Houston, **Fundamentals of Financial Management**, Harcourt Asia Pvt. Ltd. Singapore.

Reference Books

- Pradhan, Radhe Shyam, **Financial Management**, Buddha Academic Enterprises, Kathmandu.
- Pradhan, Surendra, **Basics of Financial Management**, Book Palace, Kathmandu.
- Van Horne, James C. and Wachowicz, John M. Jr, **Fundamentals of Financial Management**, Pearson Education, Delhi.
- Ross, Stephen A., Randolph W. Westerfield, and Bradford D. Jordan, **Fundamentals of Corporate Finance**, McGraw-Hill/Irwin, Boston.
- Brealey, Richard A., Stewart C. Myers, and Alan J. Marcus, **Fundamentals of Corporate Finance**, McGraw-Hill/Irwin, New York.
- Shrestha, Manohar K., **Financial Management**, Tribhuvan University, Kathmandu.
- Adhikari, Nanda Kumar, **Financial Management**, Sukunda Publication, Kathmandu.
- Shrestha, Manohar K., **Readings in Financial Management**, Buddha Academic Enterprises, Kathmandu.
- Joshi, Shyam and Dongol, Ratna Man. **Business Finance**, Taleju Prakashan.

FOUNDATIONS OF HUMAN RESOURCE MANAGEMENT

Course No. : MGT 216
Nature of Course: Core (MGMT)

Full Mark: 100
Pass Mark: 35

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.

Contents

- 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.

- 2. Human Resource Planning: LH 20**
 - 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.

- 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.

- 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.

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.

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.

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.

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.

9. Employees Discipline: LH 7

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

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.

Basic Books:

- 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.

References:

- Aswathappa K. *Human Resource and Personnel Management: Text and Cases*, Tata McGraw Hill, Delhi - 2002.
- 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.
- K.C., Fatta Bahadur – *Human Resource Management*, Sukunda Books, Kathmandu, 2003
- Shrestha, Amuda, - *Human Resource Management*, Educational Publishers, Kathmandu, 2004
- Labour Act and Labour Rules of Nepal.**
- Shrestha, Kul Narsingha, *Human Resource Management*, Nabin Prakashan, Kathmandu, 2004