

ACCOUNTING FOR BUSINESS

Course No.	: MGT 311	Full Marks:	100
Nature of the Course	: Concentration Area (ACCT)	Pass Marks:	35

Course Objectives

The objectives of the course is to provide the students with in depth knowledge of accounting required to handle accounting works in the various business situations independently.

The course further aims at providing knowledge required by the students for advance studies in accounting subjects.

Contents

Accounting for valuation of goodwill and shares **LH 9**

- Goodwill: Concept and need for valuation, Factor affecting the value of goodwill
- Methods of evaluating goodwill: Average profit method, super profit method, capitalization method, annuity method and accounting treatment
- Valuation of share: Concept and need, factors affecting the value of shares
- Methods of valuation of shares: Net assets method, yield method, earning capacity method.

Accounting for Partnership **LH 4**

- General concept of partnership business, partnership agreement, Status of partners in the absence of partnership deed.
- Accounting of partnership firm: Partner's capital a/c, fixed and fluctuating capital,
- Accounting treatment for partner's salary, interest on capital and drawing and commission to partners, Partner's loan account,
- Profit and loss appropriation account.

Admission of New Partner **LH 7**

- Concept and calculation of new profit sharing ratio and guarantee of profit, Revaluation of assets and liabilities
- Different methods of treatment of goodwill on admission of a new partners: Goodwill brought in by the new partners and retained in the business; goodwill brought in by the new partners but not retained in the business; value of goodwill raised and shown in firm's books of account; cash not brought in for goodwill by new partners but no goodwill to appear in the books ; share of goodwill brought in by partners but raised in the books of account; goodwill paid privately to old partners; share of profit acquired

by a new partner in a specific portion from a one or more partners and goodwill adjusted among them, Distribution of undistributed profit or losses, rearrangement of capital on the basis of new profit sharing ratio, opening balance sheet.

Retirement of Partner

LH 6

- Calculation of new profit sharing ratio
- Revaluation of assets and liabilities
- Different method of treatment of goodwill: goodwill raised and written off immediately, only the share of retiring partner's goodwill is brought into account and written off immediately, goodwill is raised only by the retiring partner's share; when goodwill is shown in the last balance sheet; adjustment for value raised, adjustment for value decreased, Adjustment for undistributed profits.
- Mode of payment of retiring partner's capital, balance sheet of a new partnership firm.

Death of a Partner

LH 5

- Calculation of new profit sharing ratio, Revaluation of assets and liabilities
- Different method of treatment of goodwill
- Adjustment for undistributed profit or losses
- Adjustment of capital after death
- Ascertainment of profit or loss at the time of death of a partner: past profit or average profit,
- Joint life policy: Concept, need and importance and accounting treatment at time of the death of a partner.
- Mode of payment of deceased partner's capital to his/her successor, Balance sheet after the death of a partners

Dissolution of a Firm

LH 12

- Concept, consequences of dissolution by agreement or deed (sec. 29), by written notice (Sec. 30), dissolution at any time (Sec. 31), dissolution after the expiry of time (Sec 32), dissolution at once (Sec. 33)
- Closing books of account and final settlement of accounts
- Settlement of accounts when all partners are insolvent,
- Piecemeal distribution

Amalgamation of a Firm and Conversion into a Limited Company

LH 8

- Absorption of a partnership firm by another partnership firm: determination of purchase price; closing of books of account of vender firm; opening entries in the purchasing firm and opening balance sheet.

- Sale of business to a limited company and accounting treatment in vendor firm, Apportionment of shares among the partners on the basis of final claim.

Accounting for failure of a company

LH 10

- Business failure: Concept and reason for failure, procedure of winding up with reference to Company Act. 2053.
- Liquidator's statement of account: amount realized from assets, from called up capital and from calls in arrears; payment or distribution of surplus: secured creditors, preferential creditors, unsecured creditors, debentures, shareholders-calls in advance, preference share, determination of parity in case of unequal calls, partly secured creditors.

Accounting for Consignment of goods

LH 12

- Concept of difference between consignment and sales.
- Account and proforma invoice
- Accounting for consignment transaction in the books of cosigner and consignee.
- Valuation of consignment stock considering expense borne by consignor only, borne by consigner and consignee.
- Treatment of abnormal loss and normal loss.
- Concept and treatment of interest in consignment transaction.

Accounting for Joint Ventures

LH 8

- Concept and characteristics, difference between joint venture and consignment, difference between joint venture and partnership, accounting records maintained by one co-ventures only each co-ventures, opening separate books of accounting for joint ventures (joint bank system)

Accounting for branch and department activity

LH 16

- Concept of branches and Department
- Types of Branch: Dependent and independent branches
- Dependent Branch: Concept and types, accounting records in the books of head office, Accounting records for dependent branch, Goods sent at cost price and market price
- Accounting records for independent branch in the books of head office and branch
- Accounting entries for incorporation branch transaction in the books of Head Office and Consolidated Balance Sheet.
- Accounting treatment for inter branch transactions and in transit items.
- Department: Accounting for department, Department trading and profit and loss account, Allocation of common expenses, inter department transfer

Accounting for package or container**LH 8**

- Concept and accounting techniques, empties trading account, reflecting beginning and ending container, accounting for refundable package, accounting for non refundable package.

Accounting for professions**LH 12**

- Concept and techniques in general account, accounts for professional men (medical practitioners, lawyers, chartered accountant etc.,) profit and loss account, income and expenditure account, receipt and payment account, balance sheet.

Accounting for Royalties**LH 10**

- Concept of royalty, minimum rent, short working and their account treatment in different cases in the books of leases and lesser, short working recouped, short working not recouped, accounting treatment for royalty for strike period.

Accounting for goods sold and purchased under Hire Purchase and Installment**LH 18**

- Concept and differences between, hire purchase and installment, calculation of interest, cash value and installment,
- Accounting entries in the books of vendor and hire purchaser,
- Accounting entries in the books of vender and buyer for installment (with or without opening interest suspense account)

Basic Books

1. Mukherjee, Amitbha and Hanif Mohammed: **Modern Accounting**, Tata McGraw Hill Publishing Co., New Delhi.
2. Pillai, R.S.N. and Bagavathi: **Advance Accountancy**, Konark Publishers Pvt. Ltd., Delhi

References

1. Agrawal, A.N.: **Higher Science of Accountancy**, Kitab Mahal, Allahabad
2. Battliboi, J.R.: **Advanced Accounting**, Standard Accountancy Publishing Pvt. Ltd., Bombay
3. Dangol, R.M. and Prajapati, Keshab: **Byabshayik Lekhabidhi**, Taleju Prakashana, Kathmandu
4. Shukla, Grewal and Gupta: **Advanced Accounts**, S.Chand and Co., New Delhi
5. Wagle K.N., **Byabashayik Lekha**, M.K. Publishers and Distributors, Kathmandu.

TAXATION IN NEPAL

Course No.	:MGT 312	Full Marks:	100
Nature of the Course	:Concentration Area (ACCT)	Pass Marks:	35

Course Objectives

The objectives of the course are to provide the students about knowledge of general principles and practices of tax laws in Nepal and develop in them basic skills required to work as tax officers or tax consultants in the private sector.

Contents

Conceptual Foundation

LH 3

- Meaning and objectives of tax
- Classification of taxes
- Canons of taxation

Taxation of Income in Nepal

LH 4

- Historical background of evolution of income tax in Nepal
- Features of Income Tax Act 2058
- Income tax act and its relation with other laws:
 - Constitution
 - Finance Act
 - Income Tax Rules
 - Provisional Tax Realization Act
 - Legal precedents established by court

Definition of Basic Terms

LH 5

Income:

- **Concepts, recurring and non-recurring, receipt and accrual, cash and in kinds, gross and net income**
- Income year and assessment year
- Other basic terms used in Income Tax Act.

Tax Accounting and Timing

LH 2

- Cash basis accounting
- Accrual basis accounting
- Bad debts and its recovery
- Long term contract

Special Provision	LH 2
<ul style="list-style-type: none"> • Natural Person • Entities • Retirement saving 	
Qualification, Allocation and Characterisation of Amounts	LH 2
<ul style="list-style-type: none"> • Qualification • Allocation • Characterisation 	
Classification and Status of an Assesse (Tax payer)	LH 2
<ul style="list-style-type: none"> ▪ Natural personal and entity ▪ Resident and non-resident ▪ Single and Couple 	
Exemptions and Concessions	LH 3
<ul style="list-style-type: none"> ▪ Tax-exempt organizations ▪ Exempted amounts to individual and couple ▪ Exemptions and concessions for business ▪ Other exemptions: including final deduction at source 	
Expenses Expressly Disallowed for Deduction	LH 2
<ul style="list-style-type: none"> ▪ Personal and domestic expenses ▪ Income tax paid under this Act, fines and penalties ▪ Expenses made for acquiring tax free income ▪ Cash payment in excess of Rs. 50,000 at a time ▪ Distribution of profits by an entity ▪ Expenses not relating to earning of income ▪ Capital expenditure and capital loss ▪ Other expenditures not allowed 	
Reductions allowed while Computing Taxable Income	LH 1
<ul style="list-style-type: none"> ▪ Contribution to recognised refinement fund. ▪ Contribution made to philanthropic works (Donation). 	

Capital and Revenue

LH 2

- Capital and revenue income
- Capital and revenue expenditure
- Capital and revenue loss

Heads and Sources of Income

LH 2

- Concept of heads of income
- Classification of heads of income:
 - Income from employment (remuneration)
 - Income from business profession, vocation
 - Income from investment
- Sources of Incomes: domestic and Foreign

Income from Employment (Remuneration)

LH 22

- Concept of Employment (Remuneration)
- Employer and employee relationship
- Employment and self employment
- Computation of Income from employment:
 - Incomes included under the head of employment (remuneration)
 - Pay, salary, wages, salary in lieu of leave, overtime pay, fees, commissions, prizes, gifts, bonus, and payment for other facilities including pension and perquisites
 - Allowances: dearness, personal, cost of living subsistence, rent, entertainment,
 - Transportation
 - Discharge or reimbursement of cost incurred by an individual or an associate of the individual for personal use
 - Payments made to an individual as per agreement under any conditions of the employment
 - Payments for redundancy or loss or termination of employment
 - Retirement contribution paid by the employer to a retirement fund in respect of employee, and retirement payments
 - Other payments made in respect of employment; Dashain Kharcha,
 - Tihar Kharcha, reimbursement of personal and family expenses.
 - Other amounts included under chapter 6 and 7 of tax laws
 - Compensation received from the insurance company

Valuation of perquisites:

- Vehicle provided for personal and official used
- Rent free accommodation for personal purpose

- Facilities provided by employer in the form of water, electricity telephone
- Bills directly paid by employer
- Services paid by employer

Other Incomes

- Income received from third party on behalf of employer
- Income received from person other than employer
- Interest paid on soft loans
- Reductions allowed while computing assessable (Net) income from employment (remuneration):
 - Contribution made to approved retirement fund:
 - Provident fund & pension fund
 - Citizen investment fund

Amounts excluded while computing Income from employment

(Remuneration):

- Payment received after final tax deduction at source (final withholdings)
Free meal or refreshment provided to all employees
- Reimbursement of cost incurred on discharge of official duty
- Payments in small amount

Income from Business and Profession:

LH 25

- Method of Computation net income from business, profession or vocation
 - Concept
 - Income included under the head of business. profession or vocation
 - Profit or gain from business, or profession and service fees
 - Disposal or sale of trading stock i.e. inventories
 - Net gain on disposal of business assets
 - Liabilities forgone
 - Gain on sale of depreciable assets used in business
 - Gift received from parties
 - Compensation received in restraint of business
 - Investment related income received from a person connected to business.
 - Incomes are to be included under chapter 6 and 7 of IT Act 2058.
 - (a) Income under chapter 6.
 - Unpaid amount of outstanding expenses
 - Gain on exchange rate
 - Bad debts recovered
 - (b) Income under chapter 7

- Compensation received against loss
- Interest on bank account
- Admissible expenses while computing net income from business and profession:
 - General deduction
 - Interest
 - Cost of trading stock including under and over valuation of stock
 - Repair and improvement cost
 - Pollution control cost
 - Research and development cost
 - Depreciation cost
 - Business losses

Income from Investments

LH 15

- Concept
- Computation of income from investment
- Incomes included under the head
 - Dividend, interest, natural resource payment, rent, royalty, gain from investment insurance, gain from an unapproved retirement fund retirement payment made by an approved retirement fund
 - Net gains from the disposal of the non-business chargeable assets of the investment
 - Net gain on the disposal of depreciable assets of the investment
 - Gift received from parties
 - Retirement contribution including those paid to a retirement fund excluded under the head employment
 - Compensation received in restraint of investment
 - Other amounts required to be included under chapter 6 and 7
 - Other incomes not included in any other head of incomes.
- Admissible expenses while computing net income from investment
 - General expenses
 - Interest
 - Depreciation
 - Investment loss

Computation of Net (Assessable) Income, Taxable Income and Assessment of Tax Liability

LH 5

- Statement of Total Income :
- Net (Assessable) income from employment
- Net (Assessable) income from business

- Net (Assessable) income from investment
- Reduction allowed while computing total income:
 - Contribution to recognised retirement fund
 - Donation / gifts to tax exempt organizations
- Assessment of Tax liability
 - For natural resident person
 - Exemptions – personal limit -, remote area, life insurance
 - Tax rate
 - Medical tax credit
- For non-natural person or entity

Income from disposal of Non-Business Chargeable Assets **LH 4**

- Assets included in NB chargeable assets
- Condition for disposal
- Computation of gain or losses

Set off Carry Forward of Losses **LH 4**

- Set off and carry forward of business losses
- Set off of investment losses

Assessment, Collection, Recovery and Refund of Tax **LH 7**

- Filing of returns
- Returns of income not required
- Extension of time to file return of income
- Assessment of tax
 - Self-assessment
 - Best judgment assessment (Jeopardy assessments)
 - Amended assessment
- Collections
 - Installment
 - withholding (TDS)
 - Presumptive
 - After assessment
 - Forced collection:
 - Charge over of assets
 - Action on seized (charged) Assets
 - Prohibition order for departure
 - Liability of the concerned officers of entities
 - Recovery of tax from receiver

- Recovery of tax from person owing money to tax debtor
- Recovery of tax from agent of non-resident
- Legal action against unpaid tax
- Tax concession (Remission)
- Refund and adjustment of tax paid in advance.

Tax Administration: Tax Authorities and Their Powers, Rights and Duties **LH 8**

- His Majesty's Government
- Director General
- Deputy director General
- Chief Tax Administrator
- Director
- Chief tax officer
- Tax officer and other officers
- Right and duties of assessment (Tax payer)
- Duties of other persons for tax deduction at source

Penalties and Appeal **LH 3**

House and Land Tax (Based on Local Self Governance Atc, 2055) **LH 10**

- Concept of house and land tax
- Origin of house and land tax in Nepal
- Classification of house and land
- Tax-exempt house and land
- Valuation of house and land
- Assessment of house and land tax
- Rights and duties of property holder
- Rights and duties of local governments relating to house and land tax
- Collection, realization and refund of house and land tax
- Penalties and appeal

Value Added Tax **LH 12**

- Concept of VAT
- Origin and evolution of value added tax
- Principles governing value added tax
- Specimen of value added income statement
- Method of computation of value added tax
- Role of value added tax
- Method of collection, realization and refund of VAT

- Method of keeping records of value added tax
- Comparative studies of sales tax, excise duties and value added tax

Basic Books:

1. Lekhi, R.K. (2004), **Public Finance**, Kalyani Publishers, New Delhi.
2. Sundharam, K.P.M. and Andley, K.K. (1998), **Public Finance: Theory and Practice**, S. Chand and Company Ltd., New Delhi.
3. **Income Tax Act, 2058 with amendments**
4. **Income Tax Rules, 2059 with amendments**
5. **Local Self Governance Act, 2056 with amendments**
6. **Local Self-Governance Rules, 2056 with amendments**
7. **Value Added Tax Act, 2052 with amendments**
8. **Value Added Tax Rules, 2053 with amendments**
9. **Finance Act**

References:

1. Amatya, S.K., Dr. Pokharel, B.B., Dahal R.K., **Taxation in Nepal**, M.K. Publishers and Distributors, Kathmandu
2. Kandel P.R., **Tax Laws and Tax Planning in Nepal**, Buddha Academic Publishers and Distributors Pvt. Ltd., Kathmandu.
3. Aryal, K.P. and Poudel S.P., **Nepal Ma Aaya Kar**, Bhundi Puran Prakashan, Kathmandu
4. Kandel P.R., **Nepal Ko Bartman Kar Byabastha**, Buddha Academic Publishers and Distributors Pvt. Ltd., Kathmandu
5. Mallik, Bidyadhar, **Nepal ko Adhunik Aaya Kar Pranali**, Smt. Anita Mallik, Kathmandu
6. Rai, I.M., and Banskota N.P., **Nepal Ko Kar Pranali**, Kumari Pustak Prakashan, Kathmandu.
7. Shrestha, K.M. Singh & Pandey K.C., **Aaya Kar Ain 2058 Ek Parichaya**, Smt. Ratneswori Shrestha, Kathmandu.
8. Singh, S.K. (2004), **Public Finance in Theory and Practice**, S. Chand and Company Ltd.; New Delhi.

AUDITING

Course No.	:MGT 313	Full Marks:	100
Nature of the Course	:Concentration Area (ACCT)	Pass Marks:	35

Course objectives

The objective of the course is to provide the students with the knowledge and skills required to conduct auditing by enabling them to handle internal audit and investigation works of different organizations and in various situations independently.

Contents

Conceptual Foundation

LH 10

- Nature and scope, Evolution of auditing practice in Nepal, objectives of audit,
- Detection and prevention of frauds and errors with practical dealings,
- Scope of audit, advantages of audit,
- Accounting , Auditing and Investigation

Planning an Audit

LH 10

- Audit programme, contents of audit programme, Techniques and preparation of audit programme,
- Audit note books, objectives, procedures and techniques of audit note book, 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,
- Tax audit, cash audit, cost audit, management audit, scope of work to be determined, instruction to the client, knowledge about business, preparation by the auditor; division of work, audit files, audit working papers.

Internal check and control

LH 8

- Concept, object, essential characteristics, advantages and disadvantages, internal check and internal audit, effects of internal control and internal audit (auditor's duties as regard internal check and internal control), test check and its use/adoption of distinctive ticks, routine checking, difference in balancing book, concept of test checks, advantage and limitations.
- Role of internal auditor
- Difference between statutory audit and internal audit

Vouching**LH 15**

- Concept, importance, objectives of vouching, vouching of cash transactions, vouching of payments, vouching of receipt, vouching of sales, credit and cash sales, internal checks as regard to cash sale, 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.

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.

Verification and valuation of asset and liabilities**LH 15**

- 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.

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: concept of reserve and provision, need for reserve and provision, types of reserve and provisions, Auditor's duty in connection with different provisions and reserves.

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.

Audit of a limited company**LH 15**

- 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 share capital, issue of shares at par, premium and discount, issue of share for other than cash, bonus share, calls in arrears and calls in advance, forfeiture and re-issue of forfeited shares, transfer and conversation 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, conversation of debentures into shares.

Audit report

LH 6

- Meaning of audit report, content of audit report,
- Types of audit report: statutory report, general report, qualified report, tax audit report

Audit of divisible profits and dividends

LH 10

- 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-operating profit and dividend,
- Dividend on preference shares: cumulative and non-cumulative preference shares, unclaimed dividend.

Liabilities of an auditor

LH 12

- Legal provision regarding liability of an auditor, auditor appointed by a private business concern, liability of a limited company auditor, civil liability, negligence and misfeasance criminal,
- Joint audit: meaning, liability of joint auditor and branch auditor, liability of an honorary auditor, auditor's liability to third party.

Different classes of audits

LH 8

- Audit of educational institutions, audit of charitable institutions and NGO's,
- 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.

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.

Government Audit in Nepal

LH 7

- Concept, objectives, nature and evolution, difference between government audit and commercial audit,
- Internal audit: concept, objectives and advantages,
- Misappropriation and procedure for regularization, roles 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.

Recent trends in auditing

LH 3

- Concept in management audit, concept of cost audit, audit of electronic data procedures tax audit (Only concept), Auditing Standard.

Basic Books:

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

References:

1. Tandon, B.N., **Practical Auditing**, S. Chand and Co., New Delhi
2. Amatya, S.K., Pandey D.L., and Luintel B.R., **Lekha Parichhyan**, Asia Publication, Kathmandu
3. Auditing Act, 2048 (with amendments)
4. Bigg, W.,W., **Practical Auditing (Revised)**, Allied Publishing Ltd, Bombay
5. Carwin, James, A. Neuwirth, P.D. and Levy, J.F., **Cashin's Handbook for Auditors**, McGraw Hill, International Edition
6. **Government Auditing Standard, Nepalese Journal of Government Auditing Year 14, No. 44, Office of the Auditor General**, Babar Mahal, Kathmandu.
7. Kumar R. and Sharma V., **Fundamental of Practical Auditing**, Prentice-Hall of India Pvt. Ltd., New Delhi
8. Lamichane B., **Auditing**, Neeru Lamichhane, Kathmandu
9. **Nepal Standards on Auditing, The Institute of Chartered Accountants of Nepal**, Kathmandu.
10. **गैर सरकारी संस्थाको लेखा परीक्षण निर्देशिका** – ICAN, Kathmandu

ACCOUNTING FOR FINANCIAL INSTITUTIONS

Course No.	:MGT 314	Full Marks:	100
Nature of the Course	:Concentration Area (ACCT)	Pass Marks:	35

Course objectives

The objectives of this course is to provide the students with the basic knowledge required to handle the accounting function of financial institutions such as banks and insurance companies.

The course further aims at providing knowledge required to analyze financial statements of banking and insurance companies.

Contents

Accounting for Banking Institution

LH 7

- Conceptual foundation, Nature of banking business,
- Types of Banks: Central bank: concept
- Commercial Bank: Concept, Scope, function and importance of commercial bank, legal provisions regarding Commercial Bank Act, guiding financial and accounting activities, provisions regarding authorized, issued, subscribed and called up and paid up capital
Provision regarding general reserve and margin deposit as prescribed by the Nepal Rastra Bank, provision regarding bad debts and reserve for doubtful debts, depreciation and depreciation reserve, loans and advance, capital adjustments,
- Development of bank: Agriculture Development Bank and Rural Development Bank, and other Development Bank of Nepal.
Provision regarding general reserve and margin deposit as prescribed by the Nepal Rastra Bank, provision regarding bad debts and reserve for doubtful debts,

Accounting for Deposit (Borrowing)

LH 7

- Concept of deposit and their need in commercial banking business.
Types of deposit and process of opening accounts, Current account deposit, saving account deposit, Time or fixed deposit, calls deposit, short term borrowing from other banks and Nepal Rastra Bank.
Original books of entry for deposits, Substitutes for vouchers – pay in slip and its meaning
Cheques: Meaning and types- bearer, general and special cross cheque
Ledgers for various deposit: current account, saving account, fixed account, calls deposit, short term deposits.

- Service charges – concepts and accounting procedures
- Cost of deposits – interest charges and accounting procedures
- Control procedures used for deposit: Periodic balancing of ledgers, Log book checking.

Accounting for Bills for collection and bills purchased

LH 6

- Bills for collection : Concept, types and necessity for banking business,
- Outward bills for collection (OBC): Concept and types - national and foreign, procedures used in bills for collection. Endorsement: meaning and accounting procedures, accounting records for OBC, Service charges for bills collection: concept and accounting procedures.
- Inward bills for collection (imports collection): Concept of inward bills for collection, documents required for IBC and its importance in banking business, accounting procedures for IBC, service charges and commission: concept and its accounting procedures.
- Bills purchased: Concept, liabilities of bank and third parties (towards bill and purchased)
Original books of entry for bills purchased voucher.
- Service charges and commission: Concept and accounting procedures
- Endorsement : meaning, types and procedures and accounting treatment
- Bills purchased ledger books.
- Debit not and required reversal entry, debit advice for uncollected bills or dishonored bills.
Concept of limit and procedures for limit passing
- NRB regulation regarding bills purchase

Accounting for guarantee and margin deposit

LH 6

- Concept and types of guarantee deposit
- Concept and types of guarantee: bid bond, performance bond, general bond specific bond
- Banker's liabilities and customers liabilities toward guarantee issuance.
- Margin deposit: concept process and evaluation
- Original books of entry: Contra vouchers.
- Guarantee ledger account
- Service charges and commission: concept and accounting treatment

Accounting for letter of credit, credit card and forward exchange contract

LH 8

- Letter of credit: Concept and types of Letter of Credit (Import and Export), validity period, Extension process and re-issuance, Accounting treatment

- Concept of credit card and its accounting treatment
- Margin deposit for letter of credit and credit card concept, process and evaluation
- Exchange fluctuation and forward exchange contract.
- Heading of foreign exchange risk.

Accounting for remittance

LH 5

- Meaning and services rendered by remittance, types of remittance
- Accounting for advice received and not received demand draft, books of original entry for advice received and not received, demand draft, telegraphic transfer and account transfer ledger for advice received and not received, demand draft, telegraphic transfer and account transfer, FAx transfer and other electronic transfer of fund.

Accounting for loan and advance (investment)

LH 15

- Concept and importance of investment
- Types of investment : Cash credit, overdraft, Term loan, Hire purchase, Project loan, Consortium loan.
- Secured loan: secured by gold and silver; secured by fixed deposit margin, priority sector loan, investment loan.
- Security method and procedures of valuation of securities.
- Evaluation of feasibility study for investment analysis
- Original book of entry and ledger account for different types of loan
- Service charges, interest and commission and their accounting treatment
- Interest suspense: concept and accounting treatment.
- Collection and recovery of loans, method applied and accounting treatment and classification of loan, loss provision as per the directives of Nepal Rastra Bank

Accounting for Leasing Companies

LH 6

- Concept of leasing
- Nature and importance of leasing
- Types of leasing
- Accounting Procedures

Accounting For Cash Transactions

LH 2

- Receiving cashiers counter cash book, paying cashier's counter cash book, general cash book.

Accounting for Control

LH 3

- General ledger: concept and needs, procedures of maintaining general ledgers.

- Daily Trail balance: Concept and needs, preparation and tools for control of general ledgers.
- Accounting Code and securities computerised system

Accounting for Agency Business

LH 6

- Concept and importance, maintenance of agency ledgers, recondition of agency business, exchange fluctuation and treatments, correspondence banking and relationship.

Branch Reconciliation

LH 4

- Concept and needs, method of reconciling branch balances, treatment in adjustment or outstanding items.

Preparation of final account of banking company

LH 16

- NRB Directive regarding the preparation of Financial Statement.

Accounting for insurance Business

LH 3

- Conceptual foundation: concept, nature and importance of insurance business, scope and types of insurance business.
- Re-insurance: Concept, Types: Treaty and Facultative Premium.
- Life insurance: Non life insurance or general insurance, marine insurance, fire insurance, miscellaneous insurance, difference between life and general insurance.
- Legal provision under the insurance company act, regarding life fund and general reserve.
- Nepal Insurance Board.

Accounting for life insurance

LH 8

- Life insurance: concept and nature
- Types of life insurance policies, individual, group, endowment
- Group term endowment policy; whole life policy, term insurance, anticipate endowment policy, child endowment policy.
- Accounting for premium: Concept and types of premium, general premium, reinsurance premium and default premium, original books of entry and ledgers for premium
- Life fund: Accounting for claims, Types of claims; claims by death, claims by maturity, surrender value
- Procedural requirements for treatment of claims; general payment and re-insurance payment
- Interest accrued – accounting treatment.

- Determination of profit – actuary valuation
- Reserve accounts of a life insurance business.

Accounting for general insurance

LH 10

- General insurance: concept and scope, Types of general insurance: Marine insurance, fire insurance, miscellaneous insurance
- Concept of proximity cause
- Principles of indemnity
- Over and under insurance
- Principles of utmost good faith
- Loss: Meaning and types: Total loss, partial loss, particular average, general average
- Claims of losses, Claims processing; Intimation, examination of validity, Ascertainment of risk coverage, determination of losses, settlement of claims, Accounting for settlement of claims
- Re-insurance: Premium: concept, premium income and its accounting treatment, Reinsurance charges and its accounting treatment
- Re-insurance with foreign insurance company and foreign exchange regulation.

Preparation of revenue account of miscellaneous insurance

LH 5

- Preparation of revenue account of fire insurance
- Preparation of revenue account of marine insurance
- Preparation of revenue account of miscellaneous insurance

Preparation of financial statement

LH 10

- Profit and loss account – nature and preparation
- Balance sheet: nature, purpose and its preparation
- Consolidated statement of all insurance.

Financial statement analysis for banking business

LH 10

- Financial statement of banking business and its importance
- Ratio analysis : Concept, importance and limitations
- Types of ratios:
 Asset quality ratios: loan losses to total loans, non performing loans to total loans, reserve to non performing loans, earning coverage to loan losses, increase in loan reserve to gross income.
 Liquidity Ratios: Cash and liquid securities to total assets, Inter bank and money market deposit and liabilities total asset

Earning ratios: Return on total assets, Return on total equity, Net interest margin as a percentage of average total asset and average earning asset, Interest income as a percentage of average commitments, Net interest income as a percentage of average total asset, Non interest expenses as percentage of total assets.

[Loanable funds = all equities + deposits (short and long term deposit) – margin deposit with Nepal Rastra Bank]

Capital adequacy ratios: Equity as a percentage of total assets, Equity as a percentage of risk assets, Liquidity and cash position

Marginal efficiency ratio

$$= \frac{\text{Total interest} - \text{interest from government securities}}{\text{Loanable fund}}$$

- *Dividend payout ratio*
- Ratios as prescribed by NRB

Cash flow analysis: *Concept and importance and preparation of Cash Flow Statement, Directive of NRB regarding Cash Flow Statement.*

- **Break even analysis under static underlying conditions:** No change in fixed cost, No change in variable cost, No change in loanable fund, Application under conditions
- Financial statement analysis for insurance business

Financial statement analysis for insurance

LH 8

- Financial statement of insurance business and its importance
- Ratio analysis: concept and importance, types of ratios (for general insurance business), current ratio, total debt equity ratio, total debt to total capital ratio, gross profit to total income, Net profit to total capital, Net profit to total, Net profit to owner's equity, Net profit to immovable properties, Expenses to total income, and claims to unexposed premium

Basic Books

1. Agrawal, A.N.: **Higher Science of Accountancy**, Kitab Mahal, Allahabad.
2. Battliboi, J.R.; **Advanced Accounting**, Standard Accountancy Publication Pvt. Ltd, Bombay.

References:

1. **Directive of Nepal Rastra Bank to Commercial Banks, Development Banks and Finance Companies.**
2. Format of, **Financial Statement**, Directives of Beema Samiti.
3. **Insurance Act.**
4. Kanoon Kitab Byabastha Samiti, **Bitta Company Act**, Kathmandu.
5. Shukla, Grawal and Gupta,; **Advanced Accountancy**, S,Chand and Co., New Delhi.

CORPORATE FINANCE

Course No.	: MGT 321	Full Marks:	100
Nature of the Course	: Concentration (Finance)	Pass Marks:	35

Course Objectives

The objective of the course is to enable the students to understand concepts, principles, and techniques of corporate finance and their application in real life situations. It specifically aims at imparting the students with necessary basic knowledge and skills required for making corporate finance decisions.

Contents

Introduction

LH 5

- Corporate finance and financial manager
- Overview of goals and functions of financial management
- Development of financial management
- Financial management and related disciplines
- The agency problem

The Financial Environment: Markets, Institutions and interest rates

LH 20

- The financial markets
- Financial institutions
- The stock market
- The cost of money
- Interest rate levels
- Determinants of market interest rates
- The term structure of interest rates
- Shape of yield curve
- Using the yield curve to estimate future interest rates
- Factors influencing interest rates

Financial Planning and Forecasting

LH 10

- Strategic plans
- Operating plans
- The financial plan
- Sales forecasts

- Financial statement forecasting:
- Percent of sales method
- Other techniques of forecasting financial statements

Capital Structure and Leverage

LH 20

- Business risk and financial risk
- Breakeven analysis
- Determining breakeven point
- Breakeven chart
- Limitations of breakeven analysis
- Operating leverage
- Degree of operating leverage
- Financial leverage
- Degree of financial leverage
- Combining operating and financial leverage
- Impact of financial leverage
- Factors affecting capital structure decisions
- Business practices

Strategic Financing Decisions

LH 25

- Common stock financing and the investment banking process:
- Balance sheet accounts and definitions
- Features of common stock
- Legal rights and privileges of common stock holders
- Advantages and disadvantages
- The market for common stock
- The investment banking process
- Long-term debt:
- Debt instruments
- Specific debt contract features
- Bond innovations
- Advantages and disadvantages
- Preferred stock:
- Nature of preferred stock
- Features of preferred stock
- Advantages and disadvantages

Dividend Policy

LH 10

- Overview of dividends

- Share repurchases
- Stock dividends
- Stock split
- Business practices

Derivatives and Risk Management

LH 20

- Reasons to manage risk
- Background on derivatives
- Options: Call and Put
- Forward contracts versus futures contracts
- Swaps
- Risk management
- Fundamentals of risk management
- Risk management approach

Multinational Corporate Finance

LH 20

- Multinational corporations
- Reasons for companies going global
- Multinational versus domestic financial management
- Exchange rates
- Direct and indirect quotations
- Cross rate
- International Monetary System:
- Fixed exchange rate system
- Trade deficit
- Devaluation
- Revaluation
- Floating exchange rates
- Pegged exchange rates
- Convertible currency
- Trading in foreign exchange rates:
- Spot rates and forward rates
- Interest rate parity
- Purchasing power parity
- Inflation, interest rates, and exchange rates

Basic Books

Brigham, Eugene F. and Joel F. Houston, *Fundamentals of Financial Management*,
Harcourt Asia Pte Ltd., Singapore.

Weston, J. Fred, Scott Besley, and and Brigham, Eugene F., ***Essentials of Managerial Finance***, Harcourt Brace College Publishers, New York.

References

Pradhan, Radhe Shyam, ***Financial Management***, Buddha Academic Enterprises, 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.

Pradhan, Surendra, ***Basics of Financial Management***, Educational Enterprises, Kathmandu.

Shrestha, Manohar K., ***Financial Management***, Tribhuvan University, Kathmandu.

K.C., Fatta Bahadur, ***Vyabasayik Bittashastra***, Sukunda Pustak Bhawan, Kathmandu.

FOUNDATIONS OF FINANCIAL INSTITUTIONS AND MARKETS

Course No. :MGT 322 Full Marks: 100
Nature of the Course :Concentration (Finance) (Theory 75: Project work 25)
Pass Marks: 35

Course Objectives

The objective of the course is to enable the students to understand concepts, principles, and techniques of managing financial markets and institutions and their application in real life situations. It specifically aims at imparting the students with necessary knowledge and skills required for managing financial markets and institutions.

Contents

The Role of Financial Institutions and Markets **LH 10**

- Meaning and functions of Financial Markets
- An exchange economy without money
- Money and financial investment
- Financial markets and the transformation of the initial endowment
- Real investment and diminishing profits
- Real and financial investments
- Classification and Diversity of Financial Markets

Central Banking **LH 10**

- History of central banking system
- Organization of the central bank
- Monetary tools of the central bank
- Balance sheets of the central bank
- Money and the behavior of the central bank

The Money Market **LH 10**

- The valuation of debt instruments
- The money market
- International money market

The Bond Market **LH 15**

- The valuation of bonds
- The bond market in Nepal
- The corporate bond market
- The municipal bond market

- The mortgage market
- The bond contract
- International bond market

The Level and Structure of Interest Rates **LH 10**

- The level of interest rates
- The term structure of interest rates
- Bond portfolio maturity strategies

The Stock Market **LH 10**

- Common stock rights and responsibilities
- General organization of stock market
- The secondary market
- Trading procedures and practices
- The third and fourth markets
- The brokerage industry
- Transaction costs and portfolio management
- Market indexes
- Worldwide stock market

The Primary Market and investment Banking **LH 10**

- The primary market: size and scope
- The process of issuing securities
- Initial public offerings

Banks, Thrift Institutions, and Credit Unions **LH 10**

- The role of financial intermediaries
- Powers of depository institutions
- Comparison of activities: Banks, Thrifts, and Credit Unions

Commercial Banking: Operations of Commercial Banks **LH 10**

- Liquidity management
- Cash management
- The role of banks in delaying payments
- Loan losses

Management of Commercial Banks **LH 15**

- Financial statements as managerial tools
- Management of commercial bank profitability

- Analysis of variations
- Leverage, profitability, and risk

Asset and Liability Management of Commercial Banks

LH 15

- Security pricing principles
- Maturity and security prices
- The need for a summary measure
- Duration
- Some qualifications on duration
- The two sides of interest rate risk
- Portfolio immunization techniques
- The funding gap
- The finding gap and equity immunization

Investment Companies and Performance Evaluation

LH 10

- General features of investment companies
- Closed-end investment companies
- Mutual funds: growth and diversity
- Regulation and taxation of investment companies
- Mutual fund performance
- Methods of performance evaluation

Insurance Companies

LH 15

- How insurance companies benefit society
- Risk and return for insurance companies
- Types of insurance companies
- Life insurance companies
- Property and liability insurance companies

Basic Books:

Kolb, Robert and Rodriguez Ricardo J., **Financial Institutions and Markets**, Blackwell Publishers, Massachusetts.

Mishkin, Frederic S., **Financial Markets, Institutions, and Money**, Harper Collins College Publishers, New York.

References:

Shrestha, Manohar Krishna and Bhandari, Dipak Bahadur, **Financial Markets and Institutions**, Asmita Books Publishers, Kathmandu.

Madura, Jeff, **Financial Markets and Institutions**, West Publishing Corporation, St.Paul.

Fobozzi, Frank J., Franco Modigliani, Frank J. Jones and Michael G. Ferri, **Foundations of Financial Markets and Institutions**, Pearson Education, Delhi.

Bhole, L.M., **Financial Institutions and Markets**, Tata McGraw-Hill, New Delhi.

Hays, Samuel L., and Meerschuan, David M., **Managing Financial Institutions**, McGraw Hill Inc.

Shrestha, Manohar Krishna, **Finance Companies in Nepal**, Ratna Pustak Bhandar, Kathmandu.

Pradhan, Radhe Shyam, **Research in Nepalese Finance**, Buddha Academic Enterprises, Kathmandu.

FUNDAMENTALS OF INVESTMENT

Course No.	:MGT 323	Full Marks:	100
Nature of the Course	:Concentration (Finance)	Pass Marks:	35

Course Objectives

The objective of the course is to enable the students to understand concepts, principles, and techniques of investment and security analysis with respect to individual security and in a portfolio and their application in real life situations. It specifically aims at imparting the students with necessary knowledge and skills required for managing investments.

Contents

An overview of investment	LH 10
<ul style="list-style-type: none">• Concept of investment• Investment environment• Investment alternatives• The investment process	
Buying and selling securities	LH 10
<ul style="list-style-type: none">• Order size• Time limit• Types of orders• Margin accounts• Trading mechanism in Nepal	
Security markets	LH 15
<ul style="list-style-type: none">• Primary and secondary markets• Call and continuous markets• Major markets• Stock quotations• Information-motivated and liquidity-motivated traders• Clearing procedures• Commissions• Transaction costs• Regulations of security markets in Nepal• Guidelines to investors in Nepal	
Investment theory: The portfolio selection problem	LH 10
<ul style="list-style-type: none">• Concept of portfolio• Initial and terminal wealth	

- Nonsatiation and risk aversion
- Utility
- Indifference curves
- Measuring expected returns and risks for single asset and portfolios

Portfolio analysis

LH 15

- The efficient set theorem
- Concavity of the efficient set
- The market model
- Diversification
- Riskfree lending and borrowing

- Defining the riskfree asset
- Allowing for riskfree lending
- Allowing for riskfree borrowing
- Allowing for both riskfree borrowing and lending
- The security market line

Common stocks

LH 10

- Characteristics of common stocks
- The corporate form
- Cash dividends
- Stock dividends and stock splits
- Preemptive rights
- Ex ante and ex post values
- Common stock betas
- Growth versus value

Financial analysis of common stocks

LH 10

- Reasons for financial analysis
- Technical analysis
- Fundamental analysis
- Financial statement analysis

Dividend discount models

LH 15

- Capitalization of income method of valuation
- The zero-growth model
- The constant-growth model
- The multiple-growth model

- Valuation based on a finite holding period
- Models based on price-earnings ratios
- Sources of earnings growth
- Alpha and the security market line
- Dividend discount models and expected returns

Fixed-income securities

LH 10

- Concept
- Money market instruments
- Government securities
- Local government securities
- Corporate bonds
- Foreign bonds
- Euro bonds
- Preferred stock

Fundamentals of bond valuation

LH 15

- Yield-to-maturity
- Spot rates
- Discount factors
- Forward rates
- Forward rates and discount factors
- Compounding
- The bank discount method
- Yield curves

Bond analysis

LH 15

- Capitalization of income method
- Bond attributes
- Risk structure of interest rates
- Determinants of yield spreads
- Duration
- Immunization
- Active management
- Passive management
- Bond portfolio performance evaluation
- Bonds versus stocks

Other investments

LH 15

- Investment companies
- Net asset value
- Major types of investment companies
- Investment policies
- Mutual fund taxation
- Mutual fund performance
- Evaluating mutual funds
- Closed-end fund premiums and discounts
- Mutual funds in Nepal

Basic Books

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

Cheney, John M. and Moses Edward A., ***Fundamentals of Investment***, West Publishing Company, St. Paul.

References

Shrestha, Manohar K., Rajan B. Paudel, and Dipak B. Bhandari ***Fundamentals of Investments***, Buddha Academic Publishers & Distributors, Kathmandu.

Reilly, Frank K., ***Investment Analysis and Portfolio Management***, The Dryden Press, New York.

Bodie, Zvi, Alex Kane and Alan J. Marcus, ***Essentials of Investment***, Irwin McGraw-Hill, New York.

Gitman, Lawrence J., and Michael D. Joehnk, ***Fundamentals of Investing***, Harper Collins, USA.

Cowdell, Jane, ***Investment***, A.I.T.B.S. Publishers and Distributors, Delhi.

Manohar Krishna Shrestha, ***Shareholders' Democracy and Annual General Meeting Feedback***, Ratna Pustak Bhandar, Kathmandu.

BANKING AND INSURANCE

Course No. : MGT 324 Full Marks : 100
Nature of the Course : Concentration (Finance) Pass Marks : 35
(Theory 75: Project work 25)

Course Objectives

The objective of the course is to provide the students with an understanding of the fundamental concepts and principles of managing banks and insurance companies and familiarize their workings in real life situations.

Contents

Banking

An overview of banks and their services LH 5

- Meaning and nature of a bank
- The services banks offer the public
- Trends affecting banks

The impact of government policy and regulation on banking LH 5

- Banking regulation: significance of regulations, pros and cons
- Major Nepalese banking laws
- Impact of deregulation
- The central banking system: Its impact on banks with reference to Nepal
- Organizational structure of Nepalese central bank
- The principal tasks
- Factors affecting banks and their management decisions

The organization and structure of banks and their industry LH 5

- Organization chart for a typical bank
- The array of organizational structures in banking
- Banking efficiency
- Foreign bank penetration of domestic markets
- Impact of organization type and size on bank performance

The financial statements of a bank LH 10

- Evaluating a bank's performance
- The impact of bank size on performance
- Size, location, and regulatory bias in analyzing bank performance
- Using financial ratios and other analytical tools to track bank performance

Liquidity and reserve management strategies and policies **LH 10**

- The demand for and supply of bank liquidity
- Why banks face significant liquidity problems
- Strategies for liquidity managers
- Estimating a bank's liquidity needs
- Factors in choosing among the different sources of reserves

Managing deposit services and non-deposit investment products **LH 10**

- Types of deposits offered by banks
- Interest rates offered on different types of deposits
- Composition of bank deposits
- Basic lending
- Non-deposit investment products in banking

Bank lending: policies and procedures **LH 10**

- Types of loans made by banks
- Regulation of lending
- Steps in the lending process
- Credit analysis
- Sources of information about loan customers
- Parts of a typical loan agreement
- Loan review
- Handling problem loan situations

Insurance

Introduction to risk **LH 5**

- Risk in our society
- Meaning of risk
- Chance of loss
- Peril and hazard
- Basic categories of risk
- Types of pure risk
- Burden of risk on society
- Methods of handling risks

Insurance and risk **LH 5**

- Definition of insurance
- Basic characteristics of insurance
- Requirements of an insurable risk
- Applications: The risks of fire and unemployment

- Adverse selection and insurance
- Insurance and gambling compared
- Insurance and hedging compared
- Types of insurance
- Benefits of insurance to society
- Cost of insurance to society

Fire and Marine insurance

LH 10

- Meaning
- Scope
- Principles
- Importance
- Procedure
- Types

Legal principles in risk and insurance

LH 5

- Fundamental legal principles
- Principle of indemnity
- Principle of insurable interest
- Principle of subrogation
- Principle of utmost good faith
- Requirements of an insurance contract
- Distinct legal characteristics of insurance contracts
- Law and insurance agent

Commercial property insurance

LH 5

- Overview of commercial package policy
- Building and personal property coverage form
- Causes-of-loss forms
- Reporting forms
- Business income insurance
- Other commercial coverages
- Transportation insurance
- Business-owners policy

Life and health risks

LH 5

- Fundamentals of life insurance
- Premature death
- Financial impact of premature death on different types of families

- Amount of life insurance to own
- Methods for providing life insurance protection

Types of life insurance

LH 5

- Types of life insurance
- Variations of whole life insurance
- Other types of life insurance

Life insurance contractual provisions

LH 5

- Life insurance contractual provisions
- Dividend options
- Non-forfeiture options
- Settlement options
- Additional life insurance benefits

The insurance industry

LH 5

- Types of insurers and marketing systems
- Types of insurers
- Agents and brokers
- Types of marketing systems
- Reinsurance

Insurance Business in Nepal

LH 5

- Growth of insurance business
- Insurance Board
- Insurance companies

Basic Books

Rose, Peter S., **Commercial Bank Management**, Irwin McGraw Hill, New Delhi.

Rejda, George E., **Principles of Risk Management and Insurance**, Pearson Education, Delhi.

References

Johnson, Frank P. and Richard D. Johnson, **Commercial Bank Management**, The Dryden Press, New York.

Blac, Kenneth, Jr., and Harold D. Skipper, Jr., **Life and Health Insurance**, Pearson Education, Delhi.

Williams, Jr., Arthur C., Peter C. Young, and Michael L. Smith, **Risk Management and Insurance**, Irwin McGraw-Hill, New Delhi.

Koch, T.W. and S.S. MacDonald, **Bank Management**, The Dryden Press, New York.

Green, Mark R. and James S. Trieschmann, **Risk and Insurance**, South Western Publishing Company, USA.

Holyoake, Julia and Bill Weipers, **Insurance**, A.I.T.B.S. Publishers and Distributors, Delhi.

FUNDAMENTALS OF ADVERTISING

Course No. : MGT 331 Full Marks : 100
Nature of the Course : Concentration (Marketing) Pass Marks : 35

Course Objectives

This course aims at imparting knowledge to students to be able to analyze the functions of advertising business and develop basic skills in designing advertisements, planning media selection and advertising budgeting.

Contents

Introduction

LH 15

- Role of communication in marketing
- The communication process
- Barriers to effective communication
- Steps in developing effective communication

Advertising

LH 15

- Nature and objectives of advertising
- Evolution of advertising
- Forms of advertising by producers
resellers, government, social institutions and groups

Organization of Advertising Business

LH 15

- Role of the advertising manager
- Organization structure of advertising department
- Functions of the advertising department
- Functions of advertising agencies
- Functions of major departments within the advertising agency
- Selection of an advertising agency

Message Design and Advertising Appeals

LH 20

- Factors affecting message design
- Advertising appeals, concept and types of appeals,
essentials of a good appeal, appeals and buying motives, selling points.

Advertisement Construction

LH 20

- Visualization, meaning and process, qualities of a creative visualize

- Advertisement copy: objectives of a copy, types of advertisement copy
functions of headlines, sub-headings, slogans,
the body of advertisement
Essentials of good illustration, techniques of illustration,
Signature and identification marks.

Advertisement Layout

LH 20

- Meaning and functions of layout
- Principles of a good layout
- Artwork: meaning and kinds of artwork
- Typography: concept and principles of a good typography,
the printing processes
- Colour: concept and qualities, functions of colour, limitations of colour uses
- Special effects in advertising

Media Selection and Planning

LH 15

- Meaning and role of media research
- Forms of media: relative merits and demerits
of indoor, outdoor, direct and display advertising media
- Factors affecting media choice
- Media scheduling

Advertisement Budgeting

LH 15

- Concept of advertisement budgeting
- Items of expenses
- Advertisement budget procedures
- Factors affecting budget size
- Methods of establishing the advertisement appropriations

Advertising Effectiveness

LH 15

- Concept of advertisement effectiveness testing
- Areas to be tested
- Types of advertising evaluation: pre and post tests

Basic Books

1. Wester, Frederic, **Marketing Communication**, Ronald Press, New York.
2. Chunawala, S.A and Sethia, K.C., **Foundations of Advertising: Theory and Practice**,

Himalayan Publishing House, Bombay.

References

1. Santoki, C.N., **Advertising**, Kalyani Publishers, New Delhi.
2. Sandage, C.H., V. Fryburger, K. Rotzoll, **Advertising Theory and Practice**, All India Traveller Book Seller, Delhi
3. Kaul, Asha, **Business Communication**, Prentice Hall of India Pvt. Ltd., New Delhi.

DISTRIBUTION MANAGEMENT

Course No : MGT 332

Full Marks: 100

Nature of Course: Concentration (Marketing)

Pass Marks: 35

Course Objectives:

The course aims to develop knowledge and skills in students in the field of channel management.

Contents:

- | | |
|---|--------------|
| I. Introduction: | LH 10 |
| <ul style="list-style-type: none">- Concept and nature of distribution management- Distribution function in the marketing mix- Components of distribution management. | |
| II. Marketing Channels: | LH 25 |
| <ul style="list-style-type: none">- The emergence of marketing channels- Functions and flows in marketing channels- Channel objectives- Marketing channel structures- Factors influencing channel structures:<ul style="list-style-type: none">Channel outputs, postponement-Speculation, functional spin-off,technological, cultural, physical, social and political factors | |
| iii. Channel Planning: | LH 10 |
| <ul style="list-style-type: none">- Processes involved in designing channels- Channel coverage options. | |
| iv. Channel Management: | LH 25 |
| <ul style="list-style-type: none">- Channel coordination and cooperation- Channel power- Channel conflicts: causes and management- Channel leadership | |
| V. Channel Communication And Information Systems: | LH 25 |
| <ul style="list-style-type: none">- Basic elements of channel communications- Channel communication strategy | |

- Role of sales force in channel communication
- Channel flows and channel communication.

Vi. Physical Distribution Management: LH 25

- Concept and importance of physical distribution management
- The total system perspective of physical distribution management
- Return on investment and customer service focuses of physical distribution management.

Vii. Components Of Physical Distribution System: LH 30

- Transportation: transportation modes and their relative characteristics;
- Warehousing: number and location of warehouses
- Inventory management and control
- Material handling
- Order processing and information system flows.

Basic Book:

Stern, L.W. and El -Ansary **A Marketing Channels**, Prentice Hall of India, New Delhi.
 Donald, J. Bowersox / Cooper, M. Bixby / Douglas, M. Lambert / Donald, A. Taylor,
Management in Marketing Channels, International edition, McGraw
 Hill, Book Company.

Reference:

Bowersax D.J., **Logistical Management**, Macmillan Publishers, USA.
 Christopher, Martin, **Logistic and Supply Chain Management**, Pitman Publishing,
 New Delhi. 2001

FUNDAMENTALS OF SELLING

Level	: MGT 333	Full Mark – 100
Nature of Course	: Concentration (MKT)	Pass Mark – 35

Course Objectives:

This course aims at familiarizing with and imparting knowledge about effective techniques of selling and developing practical skills in the selling job.

Contents:

- | | |
|---|---------------|
| I. Introduction: | LH-15 |
| - 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; | |
| - Qualifications for success in sales job; | |
| - Sales process. | |
| II. Communications In Sales Job: | LH- 10 |
| - Meaning and Process of communications; | |
| - Two-way communications: listening and questioning; | |
| - Verbal and non-verbal communications; | |
| - Transactional analysis. | |
| - Role of Communications in Selling Job. | |
| III. Buyer Behaviour And Buying Process: | LH-15 |
| - Meaning of buyer Behaviour; | |
| - Types of buyers; | |
| - Individual Buying process; | |
| - Factors affecting the buying decisions; | |
| - Organizational buying process; | |
| - Collecting information about buyers; | |
| - Customer care and satisfaction. | |
| IV. Essentials For Successful Selling: | LH-10 |
| - Knowledge about the organization; | |
| - Knowledge about organization's and competitors' products; | |
| - Knowledge about pricing: pricing terms, discounts and credit terms. | |

- V. Prospecting And Qualifying Potential Customers: LH-10**
- Meaning and importance of prospecting and prospects;
 - Characteristics of a good prospects;
 - Methods of prospecting;
 - Process of evaluating and qualifying prospects;
- VI. Sales Presentation And Dramatization: LH-20**
- Meaning and importance of sales presentation;
 - Planning the presentation;
 - Making appointments;
 - Preparing for the approach;
 - Models of sales approaches: stimulus-response approach, mental state approach, need-situation approach, and problem solution approach;
 - Types of sales presentation: standard memorized presentation, outlined presentation, and program presentation;
 - Dramatizing the sales presentation;
 - Power of dramatization;
 - Visual-aids in dramatization;
 - Techniques of dramatization.
- VII. Overcoming Objections: LH-10**
- Meaning and importance of overcoming objections;
 - Reasons for customers' objections;
 - Common objections of the customers;
 - Preparation for meeting objections;
 - Effective methods for handling objections.
- VIII. Closing The Sale: LH-10**
- Meaning of importance of closing the sale;
 - Difficulties in closing the sale;
 - Timing and opportunities for closing the sale;
 - Methods of closing sale effectively.
- IX. Building Future Sales And Customers Relations: LH-10**
- Developing goodwill;
 - Improving customer relations and service accounts;
 - Handling customer complaints.

X. Salesforce Management: LH-10

- Designing the sales force;
- Recruitment and selection of sales force;
- Training the sales force;
- Remunerating the sales force;
- Supervising the sales force;
- Motivating the sales force;
- Evaluation and control of sales force.

XI. Management Of Sales Territories: LH-15

- Meaning of sales territory;
- Need for sales territory;
- 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.

XII. International Sales: LH-15

- Introduction;
- Sales opportunities abroad;
- Difficulties in selling abroad;
- Major tools in international sales: Internet marketing, referral marketing, and direct marketing.

Basic Books:

Pederson, 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.

References:

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

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

Shook, Robert L., **How to be a Professional Salesperson**, Pustak Mahal, Delhi.

Shrestha, Kul Narsingh, **Fundamentals of Selling**, Nabin Prakashan, Kathmandu.

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.

Davar, R. S., Davar, S. R., and Davar, N. R., ***Salesmanship and Publicity***, Vikas Publishing Co., New Delhi.

FUNDAMENTALS OF SERVICES MARKETING

Course No. : MGT 334
Nature of the Course : Concentration (MKT)

Full Marks: 100
Pass Marks: 35

Course Objectives

This course aims at imparting fundamental knowledge to students with the marketing of services and service industries.

Contents

Introduction:

LH 25

- Meaning characteristics and classification of services
 - Contribution of service sector to the economy
 - Fundamental difference between goods and services
 - Emerging key services
 - Concept and importance of services marketing
 - Marketing mix for services
 - Evolution of services marketing.

The Service Encounter (Point of interaction):

LH 15

- Meaning, encounter in Consumer's perspective, a simple analysis of the interaction between a company and its customers, customer-producer boundary
- The role of other customers and third-party producers in the service encounter
- Service failure and recovery.

Models In Services Marketing:

LH 10

- The molecular model
- The servuctional model
- The industrial management model
- The market – focused management model.

Services Buying Process:

LH 10

- Factors involved in an individual's purchase decision
- A comparison between personal and organizational buyer behaviour;
- Market segmentation for service marketing
- Bases for market segmentation

Relationship Marketing: **LH 10**

- Meaning and concept of relationship marketing
- Components of transactional selling and relationship marketing
- Importance of relationship marketing
- Methods of developing buyer-seller relationships.

Marketing Information Systems: **LH 10**

- Need and sources of market information for services
- Components of marketing information system
- Marketing research process for services marketing.

Service Positioning And Targeting: **LH 20**

- Service positioning (competitors analysis, positioning criteria, positioning the service provider, repositioning)
- Developing the brand
- Developing the portfolio of services
- Product/Service life-cycle concept.

Service Quality: **LH 20**

- Concept, quality and customer satisfaction
- Service profit chain
- Researching service quality
- Setting quality standard.

The Pricing of Services: **LH 20**

- 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.

Promotion of Services: **LH 10**

- Guide lines for developing service communications
- Communication process
- Promotional approaches to service
- Ethics in service promotion.

Basic Books:

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

Woodruffe, Helen, ***Services Marketing***, Macmillan India Limited, Delhi, 1999.

References:

Lovelock, Christopher, ***Services Marketing***, Pearson Education Asia, 2003.

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

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, Valarie A. and Bitner, Mary Jo, ***Services Marketing***, Tata McGraw-Hill Publishing Co. Ltd., New Delhi, 2003.

FUNDAMENTALS OF ORGANIZATIONAL BEHAVIOUR

Course No. : MGT 341
Nature of Course : Concentration (MGMT)

Full Mark: 100
Pass Mark: 35

Course Objective:

The objective of this course is to familiarize the students with a comprehensive understanding of organizations, people and their relationships. The course also aims at developing skill in analyzing organizational related problems and issues.

Contents:

- 1. Introduction of Organizational Behaviors: LH 10**
Concept, Contributing disciplines and goals of organizational behavior; Challenges and opportunities for OB.
- 2. The Individual in the Organization: LH 20**
 - Foundations of Individual behavior.
 - Values: concept, types and formation of values.
 - Attitudes: concept, types, formation and change of attitude
 - Perception: concept and factors affecting perception,
 - Learning: concept ad process of learning
 - Personality: concept and determinants of personality.
- 3. Groups in Organization: LH 15**
 - Definition, classification, reasons for joining groups; Basic group concepts types; Roles, Norms, Cohesiveness, Size, Composition and Status,
 - Teams - concept, teams Vs groups, creating effective teams.
- 4. Management of Conflicts: LH 10**
 - Definition, Different views, types, process and managing conflicts:
 - Concept and approaches to negotiating skills, issues in negotiation, improving negotiation skills.
- 5. Leadership: LH 15**
 - Concept, functions and styles of leadership,
 - Theories of leadership: trait theories,
 - Behavioral: Theories

- Contingency theories: The Fielders model and Path Goal Theories.
- 6. Communication: LH 10**
- Definition, forms of organizational communication:
Formal small group networks, the Grapevine, Computer aided communication.
 - Barriers to effective communication and cross cultural communication.
- 7. Motivation: LH 8**
- Concept, Motivation techniques and programs: Management by objectives, Behavioral modification, Employees involvement program and variable pay program.
- 8. Foundation of Organization Structure: LH 20**
- Concept, types and objectives of organizations, Concept and elements of organization structure; common organization designs: the simple, the bureaucratic and the Matrix.
 - Emerging Options in structure: the team structure, the virtual organizations and the boundary less organizations.
 - Factors affecting organization structures.
- 9. Technology and Work Design: LH 20**
- Concept, Technology in the work place: Continuous improvement processes, process reengineering and mass customization. Organizational Behavior in an E-word: concept and uses of E-organization. Concept and theories of work design: job characteristics model and social information processing model.
- 10. Organizational Culture: LH 6**
- Concept, formation and learning of culture; managing cultural change.
- 11. Organizational Change and Development: LH 16**
- Forces for changes, managing planned change, two views of change: The Calm - Waters Simile and the "white water rapid's" simile. Resistance to Change; Managing change through organizational development: Sensitivity training, Survey feedback, Process Consultation, Team building and Inter-group development. Contemporary issues in organizational change: Work stress, stimulating innovation, and Knowledge management.

Basic Books:

Robbins, Stephen P. - **Essentials of Organizational Behavior**, Pearson Education, Delhi, 2003.

Moorehead, G. and Griffin, R.W., **Organizational Behavior**, A.I.T.B.S., Publishers and Distributors, Delhi, 2000.

References:

Khanka S.S. - **Organizational Behavior, S. Chand and Company**, New Delhi 2002.

Agrawal, G.R. – **Organizational Behavior in Nepal**, M.K. Publishers, Kathmandu, 2003.

Adhikary, D.R. – **Organizational Behavior**, Buddha Academy, Kathmandu 2003.

K.C., Fatta Bahadur – **Organizational Behavior**, Sukunda Books, Kathmandu 2003.

Shrestha, Bishweswor Man, **Manav Acharan**, Buddha Academy, Ramshahpath, Naya Sanskaran

INTERNATIONAL BUSINESS

Course No.	: MGT 342	Full Marks	: 100
Nature of the Course	: Concentration (MGMT)	Pass Marks	: 35

Course Objectives

The objective of this course is to provide the students with the elementary knowledge on the business scenarios related to the international business environment and marketing. The course also aims to develop student's skills to analyze the international business phenomena.

Contents

- 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,
- 2. Global Economy and Regional Economic Integration: LH 22**
Structure of the global economy-matured market system, developing economic and other economic systems. Transitions in the economic systems.

Regional Economic Integration - Concept and purpose. Types of integration - preferential trading agreements, free trade area, customs union, common markets, and economic union. Benefits and costs of economic integration.
- 3. Globalization: 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.
- 4. Multi national Companies (MNCs): LH 8**
Definition, and characteristics of MNCs, criticisms of MNCs, conflict with host country.
- 5. 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, reasons for FDI, Strategies and techniques of FDI. Mergers and acquisitions. Strategic alliances-nature, benefits, scope of international strategic alliances.

6. International Business Environment: LH 35

Economic environment - concept, types of economic systems and structures. Competition, privatization and deregulation. Preliminary economic indicators. Process of analyzing economic environment.

Political Environment - concept, diversity, political instability and risk. Forms of political risks. Evaluation of political risks. Managing political risks.

Socio-cultural environment - concept, cultural diversity. Implications of cross-culture for IB. National differences in terms of ethics and social responsibility.

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.

7. Planning, Organization, and Control of IB: LH 23

Planning - the nature of planning, strategic plans, types of planning systems, gap analysis.

Organization structure for MNCs - functional structure, regional structure and product structure, span of control. Strategy and structure.

Control - nature, control systems. Headquarters - subsidiary relations. Appraising the performance of foreign subsidiaries.

8. 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.

Basic Books:

Roger Bennett, *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. Radebaugh, *International Business*, Pearson Education, New Delhi.

FUNDAMENTALS OF STRATEGIC MANAGEMENT

Course No.	: MGT 343	Full Marks	: 100
Nature of the Course	: Concentration (MGMT)	Pass Marks	: 35

Course Objectives

The basic objective of this course is to familiarize the students with the fundamental principles of strategic management and to enhance their knowledge for competitive advantage.

Contents

- 1. Introduction: LH 20**
Concept of corporate strategy, Levels of strategy, Strategic decisions, Strategic planning and strategic management, Importance of strategic management; Strategic plan: mission, objectives and strategies, Role of chief executives in strategic management.
- 2. Environmental Analysis and Diagnosis: LH 35**
Nature of environment, Concept of environmental scanning; Process of environment analysis and diagnosis; Remote environment: Demographic, economic, socio-cultural, political-legal, technological environment; operating environment: Competitors, customers, suppliers, creditors. Techniques of environmental analysis: PEST analysis, Environmental Threat and opportunity profile (ETOP), M.E. Porter's five forces model.
- 3. Environmental Forecasting: LH 10**
Importance, Sources of environmental information, Forecasting Techniques, Integration of forecast results into strategic management process.
- 4. Internal Analysis and Diagnosis: LH 30**
Concept and nature; Process of corporate appraisal; Analysis of resources and strengths and weaknesses: Marketing, human resource, production / operation, finance and accounting, research and development; Corporate resources: Concept of Strategic advantage and core competencies; Techniques of Internal Analysis: Functional area resource deployment matrix, Strategic advantage profile (SAP), SWOT analysis.
- 5. Strategic Options: LH 10**
Concept; Alternative strategies: Stability, growth, retrenchment and combination.

6. Strategic Analysis and Choice:

LH 15

Concept and process of strategic analysis; Quantitative and qualitative criteria; Techniques of strategy selection: BCG matrix, GEC's matrix.

7. Strategy Implementation and Control:

LH 30

Concept and process of strategy implementation, Operationalizing the strategy: Annual objectives, functional strategies, concise business policies; Institutionalizing the strategy: Organizational structure, leadership and organization culture; Resource planning; Strategy evaluation and control: concept, process and criteria; Concept and process of strategic change.

Basic Books:

- Jaunch, Lawrance, Gupta, Rajib. and Glueck, William, ***Business Policy and Strategic Management***, 6th Edition, Frank Bros and Co. Ltd., Delhi.
- Pearce, John A. and Robinson, Richard B., ***Strategic Management***, Third Edition, AITBS, Delhi, 1998.

References:

- Thompson, Arthur A. and Stickland A.J., ***Strategic Management***, Tata McGrawHill, New Delhi, 2003.
- Johansson, Gerry and Scholas Kevan, ***Exploring Corporate Strategy***, Sixth edition, Prentice Hall of India Pvt. Ltd., New Delhi, 2002.
- McCarthy, Minichiello and Curran, ***Business Policy and Strategy***, Richard Irwin Inc. and AITBS, Fourth Edition, Delhi, 2000.
- Kazmi, Azhar, ***Business Policy and Strategic Management***, Tata McGraw Hill, New Delhi, 2002.
- Agrawal, G.R., ***Business Policy and Strategic Management***, M.K. Publishers, Kathmandu, 2003
- K.C. Fatta Bahadur, ***Business Policy and Environment***, Navin Prakashan, Kathmandu, 2001.
- Pant, Prem R., ***Business Environment in Nepal***, Buddha Academic Enterprises, Kathmandu, 2004
- Shrestha, Amuda, ***Business Policy and Environment***, Buddha Academic Enterprises, Nepal, 2002.
- Gautam, Dhruva Kumar, ***Business Policy and Strategic Management***, Prativa Publication, Nepal, 2002.

MANAGEMENT OF INDUSTRIAL RELATIONS

Course No. : MGT 344

Full Mark : 100

Nature of Course : Concentration (MGMT)

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.

Contents

- 1. Introduction to Industrial Relations** **LH 8**
 - Concept,
 - The actors of industrial relations system and their roles

- 2. Trade Unionism and Employers' Association** **LH 12**
 - Concepts, Functions and objectives
 - Origin, growth and types of trade unionism and employers association in Nepal.

- 3. Prevention and Settlement of Industrial Disputes** **LH 32**
 - Concept and causes of disputes, typology of industrial disputes: Individual and collective disputes, interest and rights disputes.
 - Prevention of disputes: Code of conduct, handling employee grievances, Grievance machinery, maintaining discipline,
 - Settlement of disputes: Collective bargaining: concept and process
Conciliation and arbitration
Legal framework for settlement of industrial disputes resolution in Nepal.

- 4. Industrial Democracy and Participatory Management** **LH 10**
 - Concepts of Industrial Democracy and Participatory Management
 - Schemes for workers' participation in management
 - Workers' participation in management in Nepal: Legal provision and practices

- 5. Labour Legislation** **LH 20**
 - Concept

- Objectives of labour legislation
 - Labour legislation in Nepal:
Labour Act, Trade union Act and Bonus Act
- 6. Wage Determination** **LH 14**
- Concept of wages
 - Methods and criteria of wage determination
 - Minimum wages in Nepal
 - Wages and productivity
- 7. ILO and Nepal** **LH 15**
- Governing principles and objectives of ILO
 - Functions and activities of ILO
 - Structure of ILO
 - Labour standards
 - ILO's assistance to Nepal
- 8. Labour Welfare and Social Security** **LH 15**
- Concept and objectives of labour welfare
 - Types of labour welfare programs
 - Concept and Methods of social security
 - Labour welfare and social security in Nepal
- 9. Technology and Industrial Relations** **LH 14**
- Modernization of work processes
 - Effects of New Technology on Employment
 - Trade unions and technological change
 - Managing technological change
- 10. Industrial Relations Scenario in Nepal** **LH 10**
- Historical perspective and Current scenario
 - Emerging issues

Basic Books

- Monappa, Arun, **Industrial Relations**, Tata-McGraw Hill, New Delhi.
- Verma, Pramod, **Management of Industrial Relations**, Oxford and IBH, New Delhi.

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.