

Tribhuvan University
Faculty of Management
Office of the Dean



Course detail of
BBM (Bachelor of Business Management) 8th Semester

MGT 240: Strategic Management 3 Cr. hrs

MGT 350: Internship **Or** PRJ 351: Project Report Writing 6 Cr. hrs

Elective Course II & III

..... 6 Cr. Hrs

➤ **Elective Course (Any Two Course)**

ELE 225: Budgeting and Financial Forecasting

ELE 227: Service Operations Management

ELE 228: Labor Relations Management

ELE 242: Negotiation Skills

ELE 243: Real estate Management

Focus Area Courses (V)

..... 3 Cr. Hrs

➤ **Focus Area: Bank Operations and Cooperative Management (Any One Course)**

BNK 212: Wholesale and Retail Banking

BNK 218: Micro Finance and Rural Banking

➤ **Focus Area: Sales and Marketing (Any One Course)**

MKM 204: Services Marketing

MKM 211: Internet Marketing

- Focus Area: Insurance and Risk Management (Any One Course)
 - ISN 214: Commercial Liability Risk Management
 - BNK 202: Financial Derivatives
- Focus Area: Entrepreneurship and Enterprise Development (Any One Course)
 - EED 219: Innovation and Technology Management
 - EED 221: Project Planning & Management
- Focus Area: Accounting (Any One Course)
 - ACS 205: Corporate Auditing
 - ACS 208: Accounting for Financial Analysis

November 2025

MGT 240: Strategic Management

Credits: 3
Lecture Hours: 48

Course Objectives:

The major objective of this course is to introduce the basic concepts and application of strategy and strategic management. It also aims to enhance the knowledge and approaches of strategic management. The course provides students with an in-depth understanding of fundamental concept and understanding of business strategy and strategic management.

Course Description:

This course contains Introduction to strategic management, environment analysis, strategy formulation, strategy implementation, and Strategic Evaluation and Control etc.

Learning Outcomes:

Upon successful completion of this course, the students will be able to;

- Develop basic understanding of business strategy
- Apply different dimensions of business strategy and strategic management
 - Understand the importance of environmental analysis for business strategy
- Able to know the issues and approaches of strategic management i.e formulation, implementation and evaluation

Learning Strategies:

The faculty member / course instructor strictly follows the following learning strategies while teaching to the student

- **Quizzes/ Surprise Test:** Quizzes to be taken individually without prior information. The quizzes are to be taken using objective questions covering the related text chapter materials.
- **Project & Live Projects:** The students should work in team for producing live project report as a part of experiential learning. They should go to the field, collect real time data and develop report. They also should present it in the class.
- **Case Analysis with presentation:** The students should submit analysis of the cases provided by the course instructor reflecting the text/ practice related problems, genesis of the problems. It may be presented in the class room.
- **Assignments:** The students tend to develop and deliver a presentation on contemporary issues that are worthy enough. Home assignment in preparation of term paper can be provided.

- **Term paper & Thematic Review:** The Course instructor/faculty should provide issues that are importantly raised in the society and ask students to review related articles and develop the theme as the part of term paper and ask them to present in the class.

Course Details:

Unit 1: Introduction

9 LHs

Concept and importance of strategic management; evolution of strategic management; elements of strategic management; strategic management process; need for strategy; levels of strategy; concept and features of strategic planning; concept of vision; mission and objectives; roles of information in strategic management.

Unit 2: Environment and Strategy Analysis

10 LHs

Concept of environment (internal and external); Techniques of external environment analysis: PESTLE analysis, ETOP, scenario planning, competitors analysis, Techniques of internal analysis: value chain analysis, comparative analysis (historical comparison, industry standards, benchmarking), strategic advantage profile (SAP) and financial analysis; SWOT analysis for strategies; environmental analysis for strategic management.

Unit 3: Strategy Formulation

12 LHs

Strategy formulation: concept and importance; Generating strategic options: corporate strategy, business strategy and functional strategy; Strategic alternatives at corporate level (stability strategy, growth strategy, retrenchment strategy, combination strategy); Strategic alternatives at business level (Porter's competitive strategy, strategic clock-oriented market based generic strategies); Strategies at functional level (marketing strategy, financial strategy, operation strategy, human resource management strategy and research and development strategy); Direction for strategy development (Consolidation, market penetration, product development, market development, diversification); Methods of strategy development (Internal development method, acquisition and merger method, joint development and strategic alliances method) ; Portfolio analysis for strategic choice (BCG matrix, GE Business Screen, Hofer's Matrix).

Unit 4: Strategy Implementation

10 LHs

Concept and meaning of strategy implementation; organizational structure and its types for strategy implementation (simple, functional, multidivisional, SBU, holding company, Project based, team based structure); process of strategy implementation; strategic leadership; requirements for strategy implementation: structure, resources and management system.

Unit 5: Strategic Evaluation and Control

7 LHs

Concept of strategic evaluation and control; strategic audit; strategic information system; difference between strategic and operational control; types of strategic control and evaluation; guidelines for proper control and evaluation; roles of information in strategic evaluation and control.

Suggested Readings:

Bhattacharya, S. C. Strategic Management; Concepts and Cases, Wheeler Publishing.

David, F. R. Strategic Management; Concept and Cases, Pearson Education Inc.

Henry, E. A. Understanding Strategic Management, Oxford.

Jauch, L. R. and Glueck, W. F. Business Policy and Strategic Management; Formulation, Implementation and Control, McGraw-Hill.

Kazmi, A. Business Policy and Strategic Management, Tata McGraw Hill.

Prasad, L. M. Business Policy and Strategic Management, Sultan Chand and Sons.

Wheelan, T. L. and Hunger, J. D. Strategic Management and Business Policy, Pearson Education Inc.

Chalise, M and Bhandari, D.R. Strategic Management, Asmita Publication, Kathmandu

ELE 227: Service Operations Management

BBM 8th Semester

Credits: 3

Lecture Hours: 48

Course Objectives

This course aims to provide students with an understanding of the analysis, decision-making, and implementation issues of managing the operational aspects of a service. There must be a strategy for providing service that matches the target market with the strengths of the Service Company. Furthermore, the operational decision-making must support the service strategy of the company.

Course Description

This course contains an introduction, Service Strategy, Managing Service Operations, Optimization and Processes, Productivity and Quality Improvement, and Resource Utilization.

Course Details

Unit 1: Introduction

9 LHs

Concept of services, types of services, differentiation between goods and services, critical factors of success, service management, service marketing environment, sources of service sector growth, challenges confronted by the service sector, the service product, new product development, product life cycle strategies, branding the service product, emerging service sectors in Nepal- banking, insurance.

Unit 2: Service Strategy

9 LHs

Concept, distinctive characteristics of service operations, classifying services for strategic insights, the strategic service vision, service design elements, competitive environment of services, competitive service strategies- overall cost leadership, differentiation, focus; winning customers in the marketplace.

Unit 3: Managing Service Operations and Processes

11 LHs

Concept, managing demand and supply, customer' role in service delivery, types of supply relationships, managing service supply chains, managing through intermediaries, supply partnerships, service guarantees, service process matrix, service level agreement; managing facilitating goods- role of inventory in services, characteristics of inventory systems and relevant cost and inventory system; order quantity models- EOQ, ABCs of inventory control.

Unit 4: Productivity and Quality Improvement

11 LHs

Concept, service quality, model of service quality, customer value equation, stages in service firm competitiveness, making continuous improvement a competitive strategy, walk-through audit, quality and productivity, blueprint for service excellence, quality and productivity improvement process, quality tools for analysis and problem solving.

Unit 5: Resource Utilization

8 LHs

Concept, capacity management, operations planning and control, managing bottlenecks and queues, managing the capacity zone, improving the resource utilization, performance management and measurement, the purpose of measurement, a balance of measures, benchmarking.

Suggested Readings

Collier, D. A. (1987). *Service Management: Operating Decisions*. Prentice Hall.

Johnston, R., & Clark, G. (2008). *Service operations management: Improving service delivery*. Prentice Hall.

Schmenner, R. W. (1995). *Service Operations Management*. Prentice Hall.

ELE 228 Labour Relations Management

BBM 8th Semester

Credit hours: 3

Lecture hours: 48

Course Objectives

The major objectives of the course are to enable students to understand the fundamental principles, structures, and processes of labour relations; assess the evolution of industrial relations systems; analyze the roles of key actors in labour relations; evaluate labour laws, policies, and practices relevant to Nepalese organizations; apply collective bargaining and negotiation techniques in industrial settings; identify causes and resolution mechanisms for industrial conflicts and grievances.

Course Description

This course has been developed to provide an in-depth understanding of labour relations and their role in formulating and maintaining harmony between organizational management and employees. It concentrates on the dynamism in the industrial relations, labour laws, collective bargaining, trade unionism, and dispute resolution mechanisms in both Nepalese and global contexts. The course aims to outfit students with knowledge to analyze labor–management interactions, design effective employee relations strategies, and address ongoing issues in the labour market.

Course Outcomes

Upon successful completion of the course, the student will develop the following major domains:

- Cognitive domain: Students will be able to understand concepts and theories related to labour and industrial relations; explain the structure, functions, and dynamics of trade unions; identify the legal and institutional framework governing labour relations in Nepal; describe models of industrial relations and their relevance.
- Skill development: Students will be able to analyze labour disputes, collective bargaining processes, and negotiation outcomes; evaluate grievance handling and conflict resolution strategies in organizational settings; interpret and apply labour laws, policies, and collective agreements to practical cases.
- Practical and Strategic competence: Students will acquire sufficient abilities to formulate and implement labour relations policies that encourage mutual trust and productivity; recommend negotiation, arbitration, and conciliation strategies for industrial peace; apply industrial relations theories to real-world Nepalese business scenarios.
- Industry relevance: Students will be able to examine emerging labour relations issues in the Nepalese context; assess ethical, legal, and social accountabilities in managing

employee relations; and demonstrate awareness of international labour standards (ILO conventions) and their influence on the Nepalese labour market and labour practices.

Course Details

Unit 1: Introduction to Labour Relations Management

7 LHs

Concept, scope, and importance of labour relations; Evolution of labour relations in global and Nepalese contexts; Functions of labour relations; Actors in labour relations: management, employees, trade unions, and the government; Principles of good labour relations; Meaning and key aspects of labour relations management; Labour relations manager: Key roles and responsibilities.

Unit 2: Theoretical Framework of Industrial Relations

7 LHs

Unitary, pluralist, and radical perspectives of industrial relations; Systems approach to industrial relations (Dunlop Model); Human relations and sociological approaches; Strategic labour relations framework; Relevance of industrial relations theories in Nepal.

Unit 3: Trade Unionism and Employer Associations

6 LHs

Concept, role, and functions of trade unions; Growth and development of trade unions in Nepal; Trade union structures and federations in Nepal; Employers' associations and their roles; Issues and challenges in trade unionism in Nepal; Role of the ILO and global trade union movements.

Unit 4: Collective Bargaining and Negotiation

7 LHs

Concept, process, and significance of collective bargaining; Levels of collective bargaining; Concept, nature, and scope of collective bargaining agreements; Role of management and unions in bargaining; Meaning and significance of negotiation; Techniques and strategies of negotiation; Stages of negotiation; Behavioral and psychological aspects of negotiation; Bargaining power and negotiation ethics.

Unit 5: Industrial Conflict and Dispute Resolution

6 LHs

Nature and causes of industrial conflict; Forms and effects of industrial disputes; Conflict prevention and management strategies; Grievance handling procedures; Legal framework for industrial dispute resolution in Nepal; Role of arbitration, conciliation, and mediation

Unit 6: Labour Legislation and Institutional Framework in Nepal

8 LHs

Overview of major labour laws in Nepal (Labour Act 2017, Trade Union Act, Social Security Act, Bonus Act); Rights and obligations of employers and employees in labour relations; Government institutions and labour administration (Labour Office, Labour Court, Social Security Fund); Enforcement and compliance issues; Recent labour policy reforms in Nepal.

Unit 7: Emerging Issues in Labour Relations

7 LHs

Globalization and its impact on labour relations; Digitalization, automation, and changing employment relations; Contract labor, informal sector, and gig economy; Labour migration and remittance economy in Nepal; Corporate social responsibility (CSR) and decent work agenda; Industrial peace and productivity management.

Suggested Readings

Brandl, B., Larsson, B., Lehr, A., & Molina, O. (2024). *Employment Relations as Networks, Methods and Theory*. Routledge.

Budhwar, P., & Debrah, Y. A. (2019). *Human Resource Management in Developing Countries*. Routledge.

Farnham, D. (2020). *Employee Relations in Context (6th ed.)*. Kogan Page.

Gennard, J., & Judge, G. (2017). *Employee Relations*. Chartered Institute of Personnel and Development (CIPD).

Government of Nepal. (2017). *Labour Act, 2074 (2017) and Labour Rules, 2075 (2018)*. Ministry of Labour, Employment, and Social Security.

Zientara, P., Admska, J., & Bak, M. (2025). *Social sustainability and the employee labor, employment relations, and the hospitality industry*. Routledge

ELE 242: Negotiation Skills

BBM 8th Semester

Credit hours: 3

Lecture hours: 48

Course Objectives

This course aims to guide students in building a clear and practical understanding of negotiation, negotiation theories, strategies, and processes in both Nepalese and global contexts. It prepares them to apply negotiation skills in personal, organizational, and cross-cultural settings, enabling them to resolve conflicts constructively and build sustainable agreements.

Course Description

This course provides students with a solid foundation in negotiation principles and practices, focusing on both Nepalese and global contexts. It covers the concept, types, importance, and levels of negotiation, along with key theories, styles, and strategies. Students will gain practical insights into the negotiation process and tools such as anchoring, Best Alternative to a Negotiated Agreement (BANTA) and Zone of Possible Agreement (ZOPA), and concession-making. The course also highlights the role of communication, power, and timing, explores conflict resolution methods like mediation and arbitration, and examines ethical issues. Emphasis is given to cross-cultural negotiation, gender dynamics, and global challenges, preparing students to negotiate effectively in diverse professional settings.

Course Details

Unit 1: Introduction to Negotiation

8 LHs

Concept, definition, and nature of negotiation; Types of negotiation; Importance of negotiation in business and management; Levels of negotiation: individual, group, organizational, community, national, and international; Core elements of negotiation: parties, issues, interests, and outcomes; Principles of effective negotiation; Roles of negotiation in peace building.

Unit 2: Theories, Styles, and Strategies of Negotiation

10 LHs

Workplace negotiation: Labor Union - Management Negotiation; Distributive vs. Integrative negotiation; Win-win vs. Win-lose approaches; Major theories of negotiation: game theory, behavioral, psychological, communication-based; Negotiation styles: competitive, collaborative, compromising, avoiding, accommodating; Strategic planning for negotiation in national and international contexts.

Unit 3: Negotiation Process and Tactics

12 LHs

Negotiation stages: preparation, opening, bargaining, closing, follow-up; Communication skills for negotiation: active listening, effective questioning, body language, persuasion; Common tactics for negotiation: anchoring, concessions, BATNA, ZOPA; Role of

power, information, time, and Artificial Intelligence (AI) in shaping outcomes of negotiation; Team and multi-party negotiations; Barriers in effective negotiations.

Unit 4: Conflict Resolution and Ethical Issues

8 LHs

Meaning, Nature, sources, and Types of conflict; Approaches to conflict resolution; Collective bargaining vs. Negotiation vs. Mediation vs. Arbitration; Ethics in negotiation: honesty, fairness, trust, deception; Psychological biases in negotiation.

Unit 5: Cross-Cultural and Global Negotiations

10 LHs

Cultural aspects of negotiation practices in Nepalese organizations: hierarchy, consensus, Collectivism, indirect communication; Nepalese and Western cross-cultural influences in negotiation; Gender and negotiation dynamics; Negotiating in multicultural teams; Global negotiation practices and challenges.

Suggested Readings

Adhikari, L. D. (2023). *Exploring the negotiation strategy of Nepal at the World Trade Organization*. *Prashasan: The Nepalese Journal of Public Administration*, 54(1), 113–124.

Fisher, R., Ury, W., & Patton, B. (2011). *Getting to yes: Negotiating agreement without giving in* (3rd ed.). Penguin Books.

Gates, S. (2022). *The negotiation book: Your definitive guide to successful negotiating* (3rd ed.). Wiley.

Kayastha, N., Paudel, U. R., & Mahapatra, S. (2024). *Managerial negotiation and conflict resolution on banking sector of Kathmandu Valley: Evidence from structural equation modelling*. *Quest Journal of Management and Social Sciences*, 6(2), 397–408. <https://doi.org/10.3126/qjmss.v6i2.69107>.

Kolb, D. M., & Williams, J. (2000). *Everyday negotiation: Navigating the hidden agendas in bargaining*. Jossey-Bass.

Lewicki, R. J., Saunders, D. M., & Barry, B. (2021). *Negotiation* (8th ed.). McGraw-Hill Education.

Salacuse, J. W. (2003). *The global negotiator: Making, managing and mending deals around the world in the twenty-first century*. Palgrave Macmillan.

Sharma, B. (2024, September 5). The ability to negotiate effectively is not just a skill but a necessity. *Nepal Live Today*. <https://www.nepallivetoday.com>

Shell, G. R. (2006). *Bargaining for advantage: Negotiation strategies for reasonable people* (2nd ed.). Penguin Books.

Voss, C., & Raz, T. (2016). *Never split the difference: Negotiating as if your life depended on it*. Harper Business.

ELE 243: Real Estate Management

BBM 8th Semester

Credit hours: 3
Lecture hours: 48

Course Objectives

The major objectives of the course are to enable students to understand the fundamental concepts, types, and dynamics of real estate and property management; examine the economic, legal, and regulatory frameworks governing real estate markets in Nepal; evaluate land use planning, urban development, and housing policies; apply valuation methods and investment analysis techniques in real estate decision-making; examine the roles of stakeholders especially developers, investors, financial institutions, and government in real estate markets; and formulate strategies for sustainable, ethical, and profitable real estate management.

Course Description

This course has been developed to provide an in-depth understanding of the theories, principles, and practices of real estate management with a focus on the Nepalese and global contexts. It covers the economic, financial, and legal aspects of real estate, highlighting valuation, investment, etc., emphasizing sustainability. The course aims to develop managerial, analytical, and decision-making skills for promoting and managing real estate assets, projects, and portfolios. Students will be familiar with how real estate markets operate, how properties are developed and financed, and how effective management contributes to national economic growth and urban development. By integrating theory and practice, the course will prepare students to examine and analyze real estate trends, explore investment opportunities, and apply innovative strategies for sustainable and ethical property management.

Course Details

Unit 1: Introduction to Real Estate Management

6 LHs

Meaning, nature, and scope of real estate management; Importance of real estate in the national economy; Types of real estate: residential, commercial, industrial, agricultural, and special-purpose properties; Real estate market dynamics and participants; Real estate life cycle and decision-making process.

Unit 2: Legal and Regulatory Framework in Real Estate

7 LHs

Land ownership and property rights in Nepal; Legal aspects of property transfer, registration, and documentation; Key real estate legislations: Land Act, Land Revenue Act, Urban Planning Act,

Apartment Ownership Act (Samyukta Awaas Swamitwa Sambandhi Ein), Town Development Act; National Building Codes; Role of Ministry of Urban Development, Land Revenue Office, Housing Development Authorities; Ethical and legal issues in real estate transactions.

Unit 3: Land Use Planning and Urban Development

6 LHs

Concept and significance of land use planning; Urbanization trends and challenges in Nepal; Master plans and zoning regulations; Real estate development process and stakeholders; Sustainable urban development and environmental concerns.

Unit 4: Real Estate Valuation and Appraisal

7 LHs

Concept and objectives of property valuation; Methods of valuation: cost, market comparison, income capitalization, residual, and development methods; Factors influencing property value; Valuation of land, buildings, and special properties; Role of professional valuers and surveyors; Report writing and ethical considerations in appraisal.

Unit 5: Real Estate Investment and Finance

6 LHs

Concept and scope of real estate investment; Risk and return in real estate investments; Sources of real estate finance: banks, microfinance, real estate funds, Real Estate Investment Trusts (REITs); Mortgage markets and instruments; Real estate project financing and feasibility analysis; Financial modeling and ROI assessment.

Unit 6: Property Management and Maintenance

5 LHs

Concept and objectives of property management; Facility management and maintenance planning; Lease management and tenant relations; Property marketing and customer service strategies; Technology in property management (PropTech, digital records, AI applications); Sustainability practices in property maintenance.

Unit 7: Real Estate Marketing and Project Management

6 LHs

Marketing mix in real estate; Market research and segmentation; Real estate branding and promotion; Project planning, scheduling, and implementation; Risk management and project evaluation; Case study: Real estate development in Nepal (housing projects, commercial complexes, or tourism properties).

Digital transformation and smart technologies in real estate; Green buildings and sustainable housing; Real estate in the informal sector and rural housing challenges; Post-disaster housing reconstruction (Nepal context); Global real estate trends and implications for developing nations.

Suggested Readings

Ball, M., Lizieri, C., & MacGregor, B. D. (1999). *The Economics of Commercial Property Markets*. Routledge.

Brown, G., & Matysiak, G. (2020). *Real Estate Investment: A Capital Market Approach*. Routledge.

Brueggeman, W. B., & Fisher, J. D. (2021). *Real Estate Finance and Investments* (17th ed.). McGraw Hill.

Gopalan, S., & Venkataraman, R. (2018). *Real Estate Management: Principles and Practices*. PHI Learning.

Government of Nepal. (2017). *National Urban Development Strategy*. Ministry of Urban Development.

Gupta, S. (2021). *Property Valuation and Real Estate Economics*. Himalaya Publishing House.

Ling, D. C., & Archer, W. R. (2022). *Real Estate Principles: A Value Approach* (6th ed.). McGraw Hill.

Building Bylaws, 2072

Kathmandu Metropolitan City Development Act, 2075

Kathmandu Valley Development Authority Act, 1988 (2045 BS)

Land Act 2021 (1967)

Land Revenue Act, 2034 (1978)

Local Self Governance Act, 1998

Samyukta Awaas Swamitwa Sambandhi Ein, 2054

Town Development Act, 2045 BS (1988)

BNK 212: Wholesale and Retail Banking

Credits: 3

Lecture Hours: 48

Course Objectives

Familiarize the students with the knowledge related to banking business, develop skill to acquire knowledge of wholesale and retail banking, make able to know lending principles and practices, various aspect of bank loan, their features, credit risk and other associated risk with wholesale and retail products of bank.

Course Description

This course contains introduction of wholesale and retail banking, wholesale banking, retail banking, corporate lending vs. consumer lending, credit process for corporate and consumer.

Course Details

Unit 1: Introduction

6 LHs

Nature of banking business, Major functions of bank, Different types of FIs and bank, Structure and size of banking industry in Nepal.

Unit 2: Wholesale Banking

8 LHs

Meaning and concept of wholesale banking, Characteristics, Target group of wholesale banking: corporate client and Individual client, Pros and cons of wholesale banking, Corporate salary account, Real time gross settlement (RTGS) system, Trade finance, Corporate depositors: insurance company, investment trust, and pension fund.

Unit 3: Retail Banking

8 LHs

Meaning and concept of retail banking, Characteristics, Target group, Retail Loan product, Retail deposit product, Emerging issues in retail banking, Motivating factors for retail client, agency services, utility payments, Debit card, credit card and others retail services, modalities of funds transfer and clearing cheques.

Unit 4: Corporate lending Vs. Consumer Lending

8 LHs

Meaning and concept, Characteristics, Motivation factors, Selection of corporate client, Product paper, Credit policy guideline, types of corporate lending: Working capital loan, term loan, mortgage loan, project loan, equity loan, consortium loan, bridge gap loan. Types of consumer loan- Home loan, auto loan, education loan.

Unit 5: Credit Process for Corporate and Consumer Lending

10 LHs

Credit appraisal- 5 c's Model, SWOT analysis, Industrial analysis, Financial viability of proposed project, evaluation of risk in product. Credit approval, Credit documentation and administration,

Credit disbursement, Credit monitoring and supervision, Collateral: Cash backed and assets backed

Unit 6: Marketing of Banking Product and Services

8 LHs

Marketing concept- Products and Services in Banks, Marketing mix: Product strategies- Pricing: objectives, factors, methods, strategies-Distribution channels-Promotion: Components, Factors, Strategies-Promotion mix integration-Marketing Information Systems.

Suggested Readings:

Rose, P. S. and Hudgins, S. C. *Commercial Bank management*. New York: McGraw-Hill Irwin.

Suresh, P. and Paul, J. *Management of Banking and Financial Services*. Noida: Pearson India Education Services Pvt. Ltd.

Paudel, R. and others. *Commercial Bank Management*. Kathmandu: Asmita Books Publishers & Distributors(P) Ltd.

NRB Publications

BNK 218: Micro Finance and Rural Banking

Credit Hours: 3

Lecture Hours: 48

Course Objective

This course provides an overview of microfinance and rural banking and its significance in poverty reduction and economic development. It covers the history and evolution of microfinance and rural banking, different types of microfinance institutions, and their role in providing financial services to the poor. The main purpose of this course is to acquaint students with the role and significance of microfinance and rural banking in the development of a developing country like Nepal. Besides, it also provides with the products and services and functions of microfinance and rural banking institutions operating in Nepal.

Course Description: This course provides an understanding of the role, functions, and challenges of rural banking systems. It explores the importance of banking services in rural areas, the financial needs of rural populations, and the strategies to promote financial inclusion and rural development through banking. It also contains basic concept of microfinance and rural banking, microfinance and rural banking operations and models, microfinance and rural banking products and services, risk management in microfinance and rural banking, monitoring and evaluation of microfinance and rural banking, microfinance and rural banking policy, regulatory environment and emerging issues in microfinance and rural banking in Nepal

Unit 1: Basic Concept of Microfinance and Rural banking

6 LHs

Definition and characteristics of microfinance and rural banking; Differences between microcredit and microfinance; Evolution of microfinance at national and international levels; Perspectives and approaches to poverty; Microfinance and social entrepreneurship; Differences between social and business enterprises; Distinctions between microfinance and informal financing, and between microfinance and traditional banking; Microfinance management and its principles.

Unit 2: Microfinance Operations and Models

5 LHs

Approaches to microfinance and rural banking—welfare and institutional approaches; Microfinance models including Grameen replication, cooperatives, FINGOs, SHGs, target group programs, wholesale lending MFIs, and others; Purposes, features, strengths, and weaknesses of major models; Group lending and peer pressure; Issues such as adverse selection and moral hazard.

Unit 3: Product and Services

7 LHs

Nature of microfinance products and services; Types of products—microcredit, microsavings, microinsurance, pension and provident funds, and payment transfers; Financial intermediation, social intermediation, and social services; Delivery mechanisms; Product development processes; Pricing of microfinance products.

Unit 4: Risk management in Rural Banking

6 LHs

Nature and classification of microfinance risks; functional risks (mission drift, staff fraud, inefficiency, poor tracking systems, donor dependence, staff turnover); financial risks (interest rate risk, foreign exchange risk); external risks (disasters, competition, theft, regulatory changes); strategies for risk minimization including securitization, fraud control, MIS development, HR management, disaster risk management, secure cash handling, and hedging.

Unit 5: Regulatory Environment Microfinance and Rural Banking

8 LHs

National Microfinance Policy; regulatory authorities including Nepal Rastra Bank (NRB) and Department of Cooperatives (DoC); relevant laws and regulations—NRB Act, BAFIA, Cooperative Act, Financial Intermediaries Act; NRB directives for MFIs; PEARLS and CGAP monitoring models.

Unit 6: Financial needs and challenges of rural Areas

6 LHs

Needs: Agriculture finance; Micro, small, and medium enterprises (MSMEs); Non-farm activities. Challenges of rural areas: Low financial literacy, lack of infrastructure, high transaction costs, risk management issues.

Unit 7: Rural Banking and Sustainable Development

5 LHs

Meaning and significance of sustainable development; Impact assessments; Contributions of rural banking to poverty reduction and women empowerment; Inclusive growth strategies; Alignment with UN Sustainable Development Goals (SDGs).

Unit 8: Emerging issues in microfinance and rural banking

5 LHs

Digitalization in microfinance and rural banking; Funding constraints in microfinance and rural banking; Microfinance and rural banking in climate resilience; Financial Inclusion; Client protection and financial literacy.

Suggested Readings:

Baral, S.K. and Bihari, S.C. *Rural Marketing and Micro Finance: Text and Cases*. New Delhi: A.I.T.B.S. Publishers, India

Ledgerwood, J. *The New Micro Finance Handbook: A Financial Market System perspective*. Washington D.C.: The World Bank

Shrestha, S. M. *State of Micro Finance in Nepal*. Dhaka: Institute of Micro Finance

Sharma, P.R. *Sustainability of Microfinance institution: opinion Survey*. Pokhara: TOLI,

Sharma, P.R. *Impact of Microfinance on Women Empoerment*. Pokhara: TOLI

The Banking with the Poor Network, Micro Finance Industry Report Nepal, Singapore: BWTP

Mishra, P. K. *Microfinance Management*. Bhubaneswar: CENGAGE.

Shah, R. K., *Micro Finance in Nepal*. New Delhi: Serials Publications

MKM 204: Services Marketing
BBM 8th Semester

Credit Hours: 3

Lecture Hours: 48

Course Objectives

The course aims to impart basic knowledge of services marketing, its marketing principles, and the integration of those principles with the real-time business environment. The course will help analyze the marketing situation and make the right decisions.

Course Description

This course covers the introduction of service marketing, which covers the concept, meaning, and characteristics of service marketing. It also incorporates major principles of quality functions of service marketing dynamics. It deals with issues of emerging service marketing practices. The topics included in the syllabus will help students to understand the service marketing process, environment, system, and strategies related to the service marketing mix variables.

Course Details

Unit 1: Introduction

12 LHs

Concept of Service and Service Marketing: Tangibility spectrum of service; Prospective of Service: Customer service; Service product; Service industry; Service business; Derived service; Supplementary service; Internal service; Service business; Characteristics of Service Compared to Goods; Characteristics of Services: their consequences and management response; Service Compared to Goods: based on product, production, distribution, inventory, sales, promotion, HR, organization, consumption, customer relations, and quality; Challenges of Service Marketing: Service stinks; Models in Service Marketing: The molecular model, The servuction model, Flower of service; Service Marketing Mix: Product, Place, Price, Promotion, People, Process, and Physical Evidence.

Unit 2: Buyer Behaviour and Relationship Marketing

4 LHs

Buyers Behaviour: Concept of buyer, customer, and consumer, and institutional buyer; Consumer Buying Decisions: Buyer decision-making process; Factors influencing buying behaviour; Relationship Marketing: Concept and benefits of relationship marketing; Process and ladder of relationship; Transactional selling and Relationship Marketing.

Unit 3: Consumers' Service Expectation and Perception

6 LHs

Consumer's Service Expectation: Concept, levels, and determining factors; Zone of tolerance; Perception / Service encounter: MOT; Types of encounters; Consumer Satisfaction: Concept, Determinants; Outcome of consumer satisfaction; Service failure: Customer response to service failure; Handling customer complaints; Service guarantee.

Unit 4: Service Quality and Relationship Marketing**8 LHs**

Service Quality: Concept; Dimensions of service quality; Approaches – Traditional approaches and contemporary approaches; The Service Quality Gap Model: The reasons for the gaps and management response to minimize the gap; Measurement of Service Quality: Concept and elements of measurement; Methods of measurement, SERVQUAL

Unit 5: Service Marketing Mix Strategies**14 LHs**

Service Product: Concept of service product; New service product development process; Service Blueprint; Service product life cycle and marketing strategies; Service Branding: Concept, Objectives, and Brand Equity; Service Pricing: Concept of service pricing, Objectives; Approaches to service pricing- Cost-based, Competition-based, Demand-based, and Value-based; Emerging service pricing strategies: Satisfaction-based pricing, relationship-based pricing, EDLP pricing, backward pricing, Yield management; Pricing Strategies: Discounting, Psychological pricing, Penetration pricing, Skimming pricing, Price farming, and Result-based pricing; Service Promotion: Concept of service promotion; Promotion mix for service and selection strategies; Service Distribution: Concept of service distribution; Methods of direct distribution; Service intermediaries; People: Concept of people in service; Role of service employees, consumers, and follow-up consumers; Service marketing triangle; Service Profit Chain; Physical Evidence: Concept and role of physical evidence; Servicecapes.

Unit 6: Emerging Service Sectors in Nepal**4 LHs**

Service Marketing in Nepal: Service marketing environment and challenges; Introduction of Service Sector in Nepal: Health sector, Banking sector, Insurance sector, Communication and Network sector; Tourism Sector: Importance and Prospects

Addendum: At least one case will be administered at the end of each chapter. The student will also complete a project and a few other assignments as specified by the faculty member.

Suggested Readings

Lovelock, C. H., & Wirtz, J. (2011). *Services marketing: People, technology, strategy*. Pearson Education.

Balaji, B. (2002). *Services marketing and management*. S. Chand & Company.

Palmer, A. (2011). *Principles of services marketing*. McGraw-Hill Education.

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

MKM 211: Internet Marketing

BBM 8th Semester

Credits: 3

Lecture Hours: 48

Course Objective

This course aims to introduce students to the world of online marketing and provide the skills to conduct business operations in the virtual world. This course aims to enhance students' skills in analyzing the e-marketing environment and designing e-marketing plans and strategies.

Course Description

The course will explore new technology adoption, shifting consumer attitudes to online experiences, and how to evaluate technologies for workplace, business, and personal consumption through a marketing lens. The emergence of the internet has opened new opportunities to design business models that deliver customer satisfaction. This course is designed for students to understand the perspectives of electronics so that they can develop a skill to undertake e-marketing as a business venture. This course includes issues such as the concept and development of e-marketing, e-marketing environment, e-marketing planning, Ethics in e-marketing, e-marketing strategy formulation, e-marketing mix management, and use of social media for marketing.

Course Details

Unit 1: Introduction

8 LHs

The e-marketing concept and development of Web 1.0 (past), Web 2.0 (present), and Web 3.0 (future) platforms. Strategic e-marketing, e-business models.

Unit 2: E-Marketing Environment

6 LHs

Building inclusive e-markets – global markets, emerging economies, importance of information technology. Market opportunity analysis. Influence of technology readiness. The digital divide.

Unit 3: E-Marketing Planning

6 LHs

The e-marketing planning process. Creating an e-marketing plan – the napkin plan and venture capital e-marketing plan. The critical steps of e-marketing planning.

Unit 4: Ethics in E-Marketing

4 LHs

Ethics and ethical codes. Self-regulation. Privacy. Digital property. Online governance, jurisdiction, and fraud. Emerging ethical and legal issues in E-marketing.

Unit 5: E-Marketing Strategy

6 LHs

Data-driven strategy. Marketing knowledge management. Technology-enabled approaches. Marketing databases and data warehouses.

Unit 6: E-Marketing Management

10 LHs

Product: the online offer and capitalizing on internet properties. Creating customer value online. Product benefits, attributes, branding, support services, and labeling. E-marketing enhanced product development strategies. Price: Internet based pricing strategies. Buyer

and seller views on price. Payment options. Pricing strategies. Distribution: Distribution channels and online intermediaries. Channel length and functions. Channel power. Promotion: E-marketing communications. IMC in e-marketing. Internet advertising trends. Marketing public relations (MPR). Role of sales promotions and direct marketing.

Unit 7: Social and Digital Media Marketing

8 LHs

Elements of social media – concept and types. Use of social media by businesses. Social media strategies. Digital media – concept, search engines, social media advertising, mobile advertising. Purchasing digital media.

Suggested Readings

Afuah, A., & Tucci, C. L. (2001). *Internet Business Models and Strategies: Text and Cases*. McGraw-Hill/Irwin.

Strauss, J., & Frost, R. (2001). *E-Marketing*. Prentice Hall of India.

INS 214: Commercial Liability Risk Management

Credits: 3

Lecture Hours: 48

Course Objective

The primary objective of this course is to familiarize students with the principles, tools, and practices of commercial liability risk management. It further aims to develop students' ability to analyze liability exposures faced by commercial enterprises and to evaluate suitable liability insurance solutions available in Nepal and internationally.

Course Description

This course covers fundamental concepts of commercial liability, types of liability risks, and mechanisms for managing commercial liability exposures through insurance. It includes detailed study of commercial general liability policies, specialized liability coverages, professional liability policies, and umbrella/excess liability contracts. The course also introduces emerging liability risks, alternative risk financing methods, and regulatory frameworks governing commercial liability insurance.

Unit 1: Introduction

6 LHs

Concept and importance of commercial liability; Nature and sources of commercial liability risk; Personal liability vs commercial liability; Structure of the commercial liability insurance market in Nepal; Role of insurers, reinsurers, brokers, and regulators in liability risk management.

Unit 2: Commercial Liability Risk

8 LHs

Legal foundations related to commercial liability (civil, contractual, tort, statutory liabilities); Scope and classification of commercial liability; Types of commercial liability exposures (premises, operations, product, completed operations, contractual, cyber, environmental, employment-related, etc.); Methods and tools for assessing and evaluating liability risks; Liability risk from the perspectives of the insured and the insurer; Trends in commercial liability claims in Nepal

Unit 3: Commercial Liability Insurance

10 LHs

General liability loss exposures; Commercial general liability policy; Employment related practices liability insurance; Workers compensation insurance; Commercial auto insurance; Aircraft insurance; Underwriting of commercial liability, Ratemaking of commercial liability policy; Claims handling and settlement procedures in liability insurance

Unit 4: Commercial Umbrella Policy and Professional Liability Insurance

10 LHs

Concept, features, and need of commercial umbrella/excess liability policies; Cyber liability insurance, Businessowners Policy (BOP) and its liability components; Professional liability

insurance: Doctors, Engineers & Architects, Accounts & auditors, Lawyer, and Directors & Officers Liability Insurance.

Unit 5: Emerging Issues in Commercial Liability Risk Management

6 LHs

Emerging global liability threats and trends; Cybersecurity and data privacy liability; Environmental and pollution liability; Product liability in the digital economy (AI, IoT, e-commerce); Social inflation and its impact on liability claims; Cross-border liability risks for multinational companies, Role of reinsurance in managing catastrophic liability losses.

Unit 6: Regulatory and Governance Framework in Nepalese Liability Insurance

8 LHs

Overview of Nepal Insurance Authority (NIA) regulations related to liability insurance; Compliance requirements for insurers offering liability products; Mandatory liability insurance requirements in Nepal (motor third-party, aviation, professional requirements, etc.); Corporate governance and ethical issues in liability risk management; Policy documentation, disclosure, and reporting requirements; Challenges in developing commercial liability markets in Nepal.

Suggested Readings

Rejda, G. E. *Principles of Risk Management and Insurance*. New Delhi: Pearson Education.

Vaughan, E. J. & Vaughan, T. M. *Fundamentals of Risk and Insurance*. New York: John Wiley & Sons.

Mishra, M. N. & Mishra, S. B. *Insurance Principles and Practices*. Delhi: S. Chand & Company Ltd.

Harrington, S.E. & Niehaus, G.R. *Risk management and insurance*. New Delhi: McGraw Hill Education (India) Pvt Ltd.

Gupta, P. K. *Insurance and Risk Management*. Mumbai: Himalaya Publishing House

Government of Nepal, Insurance Act, 1992 and Insurance Regulation, 1993.

Directives, guidelines, policies issued by Nepal Insurance Authority.

BNK 202: Financial Derivatives

Nature of course: Specialization

Credit hours: 3

Lecture hours: 48

Course Objective

This course aims to provide students with a foundation in the study of derivatives and their applications to risk management. More specifically, the course enables the students to understand the fundamental nature of derivatives, value options, forwards, and futures, and shows how they are used to achieve various hedging and speculating objectives.

Course Description

This course is designed to introduce students to the theoretical and practical aspects of financial futures, options, and other derivatives. This course introduces derivatives, the structure of options markets, the valuation of an option, the strategy of basic options, the structure of future markets, the valuation of forward and futures prices, swaps, and financial risk management.

Course Details

Unit 1: Introduction

5 LHs

Derivative markets and instruments; Core concepts in financial and derivative markets; Spot and derivative markets; Role of the derivative market; Criticism of derivative markets; Misuse of derivatives; Derivatives and ethics; and Career in derivative markets.

Unit 2: Structure of Options Markets

7 LHs

Development of options markets; Call and put options; Payoff and profit diagrams of stock transactions and options transactions; Over-the-counter options market; Exchange-listed options trading; Mechanisms of trading; Option quotation; Types of options; Transaction costs in options trading.

Unit 3: Valuation of Option

8 LHs

Principles of call option and put option pricing; One-period binomial model: valuation of call, valuation of put, hedge portfolio, arbitrage; Two-period Binomial model: valuation of call and put, American options, and dividend adjustment; The Black-Scholes-Merton model of option pricing with and without dividends; The effect of change in variables on option value.

Unit 4: Option Strategies

8 LHs

Call and stock: the covered call; Put and stocks: the protective put; Option combination: straddle, strangle, strip, and strap; Spread strategies: bull spread, bear spread, and butterfly spread; Synthetic instruments.

Unit 5: Structure of Future Market

5 LHs

Development of forward and future markets; Over-the-counter forward market; Organized future trading; Future traders; Mechanics of futures trading; Types of future contract; Transaction costs in forward and futures trading; and Regulation of futures and forward markets; Development of derivative market in Nepal; Regulation of derivative markets in Nepal; Current issues in derivative markets of Nepal.

Unit 6: Pricing and Valuation of Forward and Future

5 LHs

Cost of carry principle; Pricing futures/forwards on investment assets, stock indices, foreign currencies, and commodities; Carry arbitrage when futures/forwards are mispriced.

Unit 7: Swaps**5 LHs**

Concept and nature; Features of swaps; Introduction, pricing, and valuation of interest rate swaps, currency swaps, and equity swaps.

Unit 8: Financial Risk Management**5 LHs**

Rationale for risk management; Hedging of equity risk and currency risk using options; Managing risk using forward and futures; Basis risk and imperfect hedge; Managing interest rate risk, currency risk, and portfolio risk by using swaps.

Suggested Readings

- Chance, D. M. & Brooks, R. (n.d). *An Introduction to Derivatives and Risk Management*. Cengage Learning India Pvt. Ltd.
- Hull, J. C., & Basu, S. (n.d.). *Options, Futures, and Other Derivatives*. Pearson Education Singapore Pvt. Ltd.
- Johnson, R. S. (n.d.). *Derivative Market and Analysis*. John Wiley & Sons.
- Kolb, R. W. & Verdahl, J. A. (n.d.). *Financial Derivatives: Pricing and Risk Management*. John Wiley & Sons.
- Parasuraman, N. R. (n.d.). *Fundamentals of Financial Derivatives*. Wiley India.
- Taylor, F. (n.d.). *Mastering Derivatives Markets: A Step-by-Step Guide to the Products, Applications and Risks*. Pearson India.

EED 219: Innovation and Technology Management

BBM 8th Semester

Credit hours: 3

Lecture hours: 48

Course Objectives

The major objectives of the course are to enable students to explore the nature and drivers of innovation and technology management; explain the scope of advancing innovation and technology in business competitiveness; identify various types of innovation and the innovation process; examine technology management frameworks and strategies for technological change; scrutinize factors facilitating innovative culture in organizations; apply innovation and technology management tools to real-world business scenarios; formulate innovative strategies that enhance business performance.

Course Description

This course explores the fundamental concepts, processes, and practices of innovation and technology management for the competitive business scenario. Students will learn to examine how innovation drives competitive advantages, productivity, and organizational transformation in the era of digital disruption. The course comprehends frameworks and tools for managing innovation strategically and teaches students to understand technology life cycles and implement the innovation process effectively. It emphasized integration of technology, creativity, and strategic thinking to foster sustainable innovation in products, services, and processes.

Course Outcomes

Upon successful completion of the course, the following outcomes are expected:

- Cognitive domain: Students will be able to define, understand, and differentiate different aspects of the course, such as concepts, types, processes, relationships, significance, and impact, covering all six levels of learning outcomes suggested by Bloom's taxonomy.
- Skill development: It will enhance critical, analytical, and creative thinking competencies, such as innovation opportunities and technology trends, applying innovation management tools, working collaboratively in groups to design and evaluate innovative business models or technology solutions, and communicating innovative concepts, project ideas, and strategic recommendations effectively.
- Application focus: The course enhances students' problem-solving, innovation project design, and entrepreneurial creativity, such as applying the innovation process,

formulating strategies for managing technological change and digital transformation, integrating innovation management frameworks into decision-making processes, and utilizing technology forecasting and portfolio management techniques to guide investment and R&D decisions.

- Industry relevance: The course will align students' understanding with modern business demands for innovative leadership and adaptive thinking such as relating theoretical innovation concepts to real-world business practices across industries, examining emerging technologies and their implications for business model innovation, assessing how innovation and technology management contribute to competitive advantage in a globalized economy, and evaluating ethical, social, and sustainability challenges associated with technology-driven innovation.

Course Details

Unit 1: Introduction to Innovation and Technology Management

8 LHs

Concept of innovation and technology; Evolution of innovation in management thought; Nature of innovation and technology; Creativity, invention, innovation, and diffusion; Drivers of innovation in business management; Exploring areas of innovation in business; Interplay between innovation, competitive advantage, and economic growth; Technology change for business transformation; Role of R&D and design thinking in innovation management; Innovation and entrepreneurship; Emerging issues and challenges in innovation and technology management.

Unit 2: Innovation Theories and Models

8 LHs

Types of innovation: product, process, service, business model, organizational, and social innovation; Schumpeterian theory of innovation and creative destruction; Diffusion of innovation (Rogers) and technology adoption models; Disruptive vs. sustaining innovation (Christensen); Strategic vs. Operational innovation; Radical vs. incremental innovation; Sustaining vs. disruptive innovation; Open innovation and innovation ecosystems; Innovation models: linear, chain-linked, and systems model.

Unit 3: Managing Innovation Process

7 LHs

Innovation strategy formulation for business strategy; Assessing the environment (PESTEL, SWOT); Stages of innovation: idea generation, selection, development, and implementation; Tools and techniques: brainstorming, Theory of Innovative Problem Solving (TRIZ), design thinking, agile management; Innovation life cycle and technology S-curve; Managerial role in innovation process management; Innovation project management and risk assessment.

Unit 4: Technology Management and Strategy**6 LHs**

Concept and scope of technology management; Strategy for technology management; Technology forecasting and assessment; Technology life cycle and adoption models; Technology acquisition and transfer strategies; Linking technology management with business strategy; Intellectual property (IP) for innovation protection.

Unit 5: Building Innovative Organizations**6 LHs**

Concept and dimensions of innovation-oriented organizational culture; Leadership for fostering creativity and innovation; Motivation, rewards, and team dynamics in innovative organizations; R&D Teams: managing knowledge and learning; Innovation networks, ecosystems, and strategic alliances.

Unit 6: Measuring and Rewarding Innovation Performance**7 LHs**

Measuring innovation performance (KPIs, innovation audits); Balance scorecard innovation performance audit; Measuring execution and outcomes of innovation; Measuring sustainable value creation; Barriers to effective innovation performance; Key considerations in designing incentive systems for innovation.

Unit 7: Contemporary Issues and Emerging Trends in Innovation and Technology Management**6 LHs**

Digital innovation and transformation; Disruptive technologies (AI, IoT, Blockchain, Robotics, 3D printing); Sustainable and frugal innovation; Innovation in developing economies; Global innovation networks and partnerships; Ethical, legal, and social aspects of technology change.

Suggested Readings

Desai, V. (2018). *Management of Technology and Innovation*. Himalaya Publishing House.

Narayana, P. S. (2020). *Innovation Management: Concepts and Applications in Indian Context*. Excel Books India.

Rao, V. S. P., & Narayana, P. S. (2019). *Management of Innovation and Technology*. Himalaya Publishing House.

Tidd, J., & Bessant, J. (2020). *Managing Innovation: Integrating Technological, Market and Organizational Change* (7th ed.). Wiley.

Trott, P. (2021). *Innovation Management and New Product Development* (7th ed.). Pearson Education.

Vasudha, S. & Narayanan, P. (2021). *Innovation and Technology Management*. Oxford University Press India.

ACS 205: Corporate Auditing
BBM 8th Semester

Credit hours: 3

Lecture hours: 48

Course Objectives

This course is designed to impart knowledge on the conceptual aspects of auditing focused on corporate organizations. The objectives of this course are to gain an understanding of the relevant audit procedures and techniques in a corporate organization. Similarly, this subject makes students capable of assessing internal control systems by identifying audit risk and helps them able to perform audit work effectively and efficiently by identifying various types of audit.

Course Description

This course contains a general course on Auditing necessary for corporate organizations. It consists of a conceptual foundation, internal checks and control, vouching, audit of impersonal ledgers, verification and valuation of assets and liabilities, audit of a limited company, audit of divisible profits and dividends, audit report, audit programs and procedures of different classes of audits, and investigation of the Organization.

Course Details

Unit 1: Introduction

4 LHs

Meaning, objectives, nature and scope of auditing; Evolution of auditing practices; Advantages and limitations of audit; Prevention and detection of error with practical dealings (rectification of error); Qualities of an auditor; Bookkeeping, accounting and auditing, auditing and investigation; Terms of audit engagement.

Unit 2: Planning an Audit and Types of Audit

6 LHs

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

Unit 3: Internal Check and Control

6 LHs

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

Unit 4: Vouching

6 LHs

Concept, importance, objectives of vouching; Vouching of cash transactions, vouching of payments, vouching of receipts, vouching of sales, credit and cash sales; Internal checks as regard to cash sales, cash discount allowed and return; Credit sales, review of internal check system as regard to credit sales, sales on approval basis, sales under hire purchases

system, goods on consignment, goods sent on package and containers, return; Vouching of purchase, cash purchase, internal check as regard to cash purchase, discount received and return, credit purchase, internal check as regard to credit purchase, discount received and return.

Unit 5: Audit of Impersonal Ledgers

2 LHs

Capital expenditure, revenue expenditure and deferred expenditure; Outstanding expenses and income; repairs and renewals; Prepaid expenses, contingent liabilities and asset.

Unit 6: Verification and Valuation of Asset and Liabilities

6 LHs

Concept, importance; Distinction between verification and vouching, verification and valuation of assets, vouching and valuation, methods of valuation; Valuation of fixed assets, current assets and wasting assets; Auditor's position as regards to verification and valuation of assets, Verification of liabilities, capital loans and long-term loans, trade creditors, outstanding liabilities for expenses, bills payable, contingent liabilities; Confirmation and verification, concept of fair value measurement.

Unit 7: Audit of Limited Company

6 LHs

Nature of company audit: preliminaries before company audit, statutory audit, audit of preliminary expenses, audit of statutory general meetings, review of memorandum of association and articles of association;

Audit of shares capital, issue of shares at par, premium and discount, issue of share for other than cash, bonus share, calls in arrear and calls in advance, forfeiture and re-issue of forfeited shares, transfer and conversion of shares, alternation of share capital; Audit of underwriting commission, transfer fees, brokerage and commission;

Audit of debentures: Debentures issued at par, discount and premium, redemption of debentures, regular redemption and redemption at par, premium and discount, redemption through purchase in open market, conversion of debentures into shares.

Unit 8: Audit Report

4 LHs

Meaning of audit report, content of audit report; Types of audit report: statutory report, general report, qualified report, tax audit report; Evaluation of audit evidence, adequacy and appropriate of audit evidence.

Unit 9: Audit Programs and Procedures of different Classes of Audits

4 LHs

Audit of educational institutions, co-operative societies, charitable institutions, NGO's and local government bodies; Performance audit: Concept, Objectives and distinction between financial and performance auditing.

Unit 10: Investigation

4 LHs

Concept of investigation, difference between investigation and audit, causes for investigation and methods of investigation, identification of objectives of investigation; Formulation of program, 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.

Suggested Readings

Gupta & Kamal, *Contemporary Auditing*, New Delhi: Tata McGraw-Hill
Ramaswamy, M.S., *Auditing*, New Delhi: S. Chand and Co.
Saxena, R.G., *Principles of Auditing*, Bombay: Himalayan Publishing House.
B.N. Tandon., *Practical Auditing*, New Delhi: S. Chand and Co.
Company Act, 2063 with amendments, Auditing Standards Board of Nepal.

ACS 208: Accounting for Financial Analysis

BBM 8th Semester

*Credit hours: 3
Lecture hours: 48*

Course Objectives

The objectives of this course are to provide in-depth knowledge of financial analysis tools and techniques in planning and decision-making processes.

Course Description

This course aims to provide exposure to financial analysis. It helps to analyze different financial aspects for making decisions. It covers income under marginal costing, CVP analysis, and investment analysis. It also deals with behavioral aspects of cost and the interpretation of financial statement analysis.

Course Details

Unit 1: Introduction 2 LHs

Financial analysis: concept, objectives, importance, and types of financial analysis

Unit 2: Cost Management and Reporting 6 LHs

Cost concept and classification; Segregation of semi-variable cost using two point method and regression method; Measurement of correlation, coefficient of determination, testing of significance with 't' value; Reporting based on marginal costing.

Unit 3: Cost Volume Profit Analysis 8 LHs

Application of cost-volume-profit for breakeven analysis and profit planning including multiple products with interpretation; CVP analysis under the condition of uncertainty; Cost-volume-profit analysis under resource constraints: Allocation of single resource constraint, Allocation of multiple resource constraints using linear programming model

Unit 4: Interpretation of Financial Statement 15 LHs

Concept and interpretation of: Statement of Profit and Loss account, Statement of Financial Position, Statement of Cash Flow Statement and different financial indicators i.e. liquidity (current ratio and quick ratio), leverage (debt to total capital ratio, interest coverage ratio and debt coverage ratio), efficiency (receivable turnover ratio including collection period, payable turnover ratio including payable period, total assets turnover ratio), profitability (income/sales per employee, operating profit ratio, net profit increase rate, net profit ratio, employee expenses to total operating expenses ratio, return on equity, return on total assets and return on common shareholders equity) and earning evaluation ratios (EPS, DPS, BVPS and price-earnings ratio) for evaluating the financial performance of the business.

Unit 5: Investment Analysis 10 LHs

Concept and need of capital budgeting; Investment analysis techniques: discounted PBP, NPV, PI and IRR; Economic analysis of project: cost benefits analysis; Risk analysis in capital budgeting: sensitivity, standard deviation, scenario analysis, probability distribution approach

Unit 6: Financial Measures of Performance

7 LHs

Return on Investment (ROI), Residual Income (RI) and Economic Value Added (EVA): concept, objectives, importance, calculation and interpretation of ROI, RI, and EVA; Differences between RI and EVA; Differences between ROI and ROA

Suggested Readings

Hilton, R.W., Ramesh, G., & Madugula, J. (2008). *Managerial Accounting*, Tata McGraw-Hill Education Pvt. Ltd.

Lal, J. (2003). *Advance Management Accounting*, S. Chand and Company Ltd.

Kaplan, R.S. & Atkinson, A. A. (2005). *Advance Management Accounting*, Prentice Hall of India.
