

ACC 313: Accounting For Decision Making

Credits: 3

Lecture Hours: 48

Course Objective

This course aims to provide the students with an understanding of cost concept and cost behavior and develop an ability to use cost information for planning and control decision along with concepts of capital budgeting

Course Description

This course provides overview of cost concept, role of cost and management accounting in decision making, budgetary control, marginal costing and, understanding of various tools of investment decision.

Course Details

Unit 1: Introduction

LH 4

Role of accounting in decision making. Financial decisions in firm. Cost Accounting Vs Management Accounting Vs Financial Accounting. Cost concepts, terms used in costing. Cost unit and Cost Centre. Costing Methods and Techniques.

Unit 2: Elements of Cost

LH 5

Different Elements of Cost. Classification of cost. Preparation of Cost Sheets. Absorption and Variable costing and reconciliation thereof.

Unit 3: Reconciliation of Cost and Financial Accounting

LH 5

Preparation of Reconciliation Statement based on Cost Sheet and Profit & loss Account.

Unit 4: Budgetary Control

LH 5

Meaning, Need, Objectives and Functions of budgetary control. Advantages and Limitations of budgetary control. Classification and Preparation of Cash and Flexible budget only.

Unit 5: Marginal Costing

LH 8

Meaning of Marginal Costing. Objective and advantages of Marginal cost. Contribution, PV Ratio, Break Even Analysis. Problems on Computation of BEP (Excluding Decision Making).

Unit 6: Costing Methods and Techniques

LH 5

Meaning, features, advantages and disadvantages of job costing, process costing and activity based costing.

Unit 7: Investment Decision

LH 8

Meaning and significance of Capital Budgeting. Capital Budgeting process. Project classification and Investment Criteria. Concept of present value, Payback method, ARR Method, Net Present Value, IRR Method, Profitability Index.

Unit 8: SKILL DEVELOPMENT

LH 8

Collection of management report and financial statements of any one organized institution (preferably manufacturing) and prepare cost sheet along with reconciliation between profit and loss account and cost sheet. Calculation of Contribution margin, PV ratio and Break Even Points. Draft an imaginary management report (General). Draft situation specific Management report.

Reference Books

1. Hilton, Ronald W: *Managerial Accounting*. Tata McGraw- Hill.
2. Horngren. Charles T.. Gary I. Sundem, and William O...Stratton: *Introduction to Management Accountancy*, Prentice- Hall of India
3. Bajracharya, Ojha, Goet, Sharma: *Management Accounting in Nepal*, Asmita Publishers, Kathmandu, 2005.
4. Dr. S.N. Maheshwari, *Elements of Management accounting*
5. MY Khan & PK Jain, *Management accounting*
6. Saxena and Vasistha, *Advanced cost Accounting*

FIN 312: Financial Management

Credits: 3
Lecture Hours: 48

Course Objectives:

The objective of the course is to provide the students with an understanding of the fundamental concepts and principles of financial management and impart skills for applying those concepts and principles in real business situations. The course also creates solid foundation for specialization in finance area.

Course Description:

This course provides students opportunity to understand fundamentals of financial management and their application in financial decisions in business. It begins with financial planning and forecasting of financial statements and provides additional materials on portfolio theory and pricing of capital assets. Then it moves on to capital investment and capital structure decisions the firms undertake. Finally, the course covers dividend decision and working capital management decisions of firms.

Course Details

- Unit 1: Financial Planning and Forecasting of Financial Statements:** **LH 6**
Overview of financial planning: strategic plans, operating plans, the financial plan, Sales forecast, The AFN Formula, The forecasted financial statement method, Forecasting financial requirements when the balance sheet ratios are subject to change.
- Unit 2: Portfolio Theory and Capital Asset Pricing Model:** **LH 6**
Efficient portfolios, choosing the optimal portfolio, Basic assumptions of capital asset pricing model, The capital market line and security market line, Calculation of beta coefficient.
- Unit 3: Basics of Capital Budgeting:** **LH 6**
Overview of capital budgeting, Net present value (NPV), Internal rate of return (IRR), Comparison of the NPV and IRR, Profitability index, Payback methods.
- Unit 4: Cash Flow Estimation:** **LH 6**
Estimating cash flows, Project analysis, Issues in project analysis: depreciation, adjusting for inflation.
- Unit 5: Basic Capital Structure Decisions:** **LH 6**
Capital structure issues, Business risk and financial risk, Operating and financial leverage, Breakeven analysis, Estimating optimal capital structure.
- Unit 6: Dividend:** **LH 6**
The level of distribution and firm value, Clientele effect, Information content, Implications for dividend stability, setting the target distribution level, distributions in the form of dividends, Factors influencing distributions, Overview of the distribution policy decision, Stock splits and stock dividends.

Unit 7: Working Capital Management:**LH 12**

The cash conversion cycle, Alternative net operating working capital policies, Cash management, The cash budget, Cash management techniques; Inventory, Receivable management, Alternative short-term financing policies, Short-term investments,

Textbooks

1. Brigham, E. F., & Ehrhardt, M. C. (2008). *Financial management: Theory and practice* (12thed). Delhi: Clengage Learning.
2. Ross, S. A., Westerfield, R. W., & Jordan, B. D. (2011). *Essentials of corporate finance* (7thed). New York: McGraw-Hill Irwin.

References

1. Brealey, R.A., Myers S.C., Alen, F., & Mohanty, P. (2012). *Principles of corporate finance* (10thed). New Delhi: McGraw-Hill Education (India).
2. Van Horne, J. C., & Wachowicz, J. R. (2009). *Fundamentals of financial management*, (13thed). New Delhi: PHI Learning.

MGT 313: Human Resource Management

Credits: 3
Lecture Hours: 48

Course Objectives

This course aims to develop student's understanding of the basic concepts, practices and approaches of human resource management.

Course Description

This course contains introduction, human resource planning, job analysis and design, recruitment and selection, training and development, performance appraisal, rewards management, Career development, employee grievances and disciplines, labour relations and labour Act of Nepal.

Course Details

Unit 1: Introduction

LH 6

Concept, characteristics, objectives, and components of HRM. HRM and Personal management, HRM environment (globalization, technological advances, nature of work, workforce diversity, and legal trends). Contemporary HR issues, challenges and responsibilities of HR manager.

Unit 2: Human Resource Planning

LH 7

Concept, characteristics, and importance. HRP process. Major HRP activities: assessment of current HR (HR inventory – management inventory and skills inventory, HR information system, and succession planning), HR demand and supply forecasting. Techniques of HR demand and supply forecasting.

Unit 3: Job Analysis and Design

LH 6

Job analysis: concept and terminology (task, job, position and occupation). Purpose and methods of collecting job analysis information. Job analysis Technique. Job description and job specification. Job design: concept, approaches and techniques (scientific management, Herzberg's model, job characteristics, socio-technical, and team).

Unit 4: Employee Recruitment and Selection

LH 5

Recruitment: concept and sources. Selection: concept, and importance. Selection Process. Selection tests and interviews: concept and types. Recruitment and selection practices in Nepalese organization.

Unit 5: Training and Development

LH 7

Concept and needs of HR training and development. Training needs assessment. HR training: objectives and methods (on-the-job and off-the-job). Evaluation of training program. Management development: concept, objectives, and methods (on-the-job and off-the-job). Career planning and development, Mentoring and counseling; Training and development practices in Nepalese organizations.

Unit 7: Performance Appraisal

LH 5

Concept, uses and methods (simple ranking, alternative ranking, paired comparison, forced distribution, critical incident, behaviorally anchored rating scale). Appraisal interview. MBO approach to appraisal. Problems in performance appraisal.

Unit 8: Rewards Management

LH 3

Concept and types (intrinsic and extrinsic, financial and non-financial). Qualities of effective rewards, Types of employee benefits, practices of pay determination in Nepal.

Unit 9: Employee Grievances and Disciplines**LH 3**

Employee grievances: concept and handling grievances. Employee discipline: concept, causes, and process of managing discipline. grievances handling practices in Nepalese organizations.

Unit 10: Labor Relations and Labour Regulations in Nepal**LH 6**

Labor relations: concept, objectives, and actors of labor relations. Reasons for joining trade unions. Trade unionism: concept, functions and types. Collective bargaining: concept and process, Labor disputes: causes and settlement provisions. Features and provisions of Labour Act.

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

References

Armstrong, M., *A Handbook of Human Resource Management*, NewDelhi: Aditya Books.

D.A. Decenzo and Robbins S.P., *Human Resources Management*, John Wiley and sons (Asia) Pte. Ltd. Singapore.

D.R. Adhikari, *Fundamentals of Human Resource Management*. Buddha Academic Publishers and Distributors Pvt. Ltd.

Cascio, W., *Managing Human Resources*, McGraw-Hill.

Labor Act of Nepal.

MGT 314: Taxation in Nepal

Credit: 3

Lecture Hours: 48

Course Objectives

This course aims to acquaint students with the basic knowledge of general principles, practices, and legal framework of income taxation in Nepal. It also views to develop the managerial skill and expertise in income tax and value added tax for both the organizations-government and private sectors.

Course Description

This course includes conceptual values, norms and sources of taxation with emphasis on the Income Tax Act apply in the preparation of employment, business, and investment tax returns. The course bases on the current income tax system to provide students a core principle of inclusion and exclusion of income, and fundamental rules of deductible and non-deductible costs, expenses, and amounts. It also contributes an involvement of analysis and calculation of assessable income from employment, business, and investment perspectives. From this course, the student will also grasp the knowledge taxable income, offset of losses and tax liabilities under income taxation and the basic norms and methods of calculation of expenditure taxation.

Course Details

Unit 1: Theoretical foundation:

LH 2

Concepts, meaning, and objectives of taxation, Principles of taxation, Canons of taxation, Classification of taxes, Brief historical background of taxation in Nepal.

Unit 2: General background of income tax Act

LH 12

Income tax Act 2058 and its features, Income tax Act and its relation to other laws, Definition of key terms, Classification and status of a taxpayer: Individual and entity, Resident and non-resident person, Classification of income heads: Employment, Business and Investment including non-business taxable assets, Exempt amount of other concessions: Exempt amounts, Exempt entities, Business exemptions and concessions, Methods of tax accounting and timing. Couple, Medical tax credit, Retirement contribution, Taxation of retirement fund, Retirement payment, Taxation of dividends, Distribution by entities. Types of assessment: (a) Self-assessment, (b) Jeopardy assessment and (c) Amended assessment, Return of income and its types: (a) Annual tax return, and (b) Jeopardy return, Tax payment in installments. Concept of withholding, Withholding from employment, business, and investment, Types of withholding: Final and non-final withholding, Rights and duties of tax authorities, Rights and duties of taxpayers.

Unit 3: Deductions of costs and expenses

LH 3

Concept of deduction. Difference between costs and expenses. Deductions: (1) General deductions, and (2) Specific deductions: (a) Interest, (b) Cost of trading stock – including treatment of under and overvaluation of closing and opening stock, method of valuation of closing stock. (c) Repair and improvement costs, (d) Pollution control costs, (e) Research & development costs, (f) Depreciation, (g) Losses (as per section 20 & 59), (h) Bad debts.

- Unit 4: Non-deductible expenses or amounts** **LH 2**
Personal and domestic expenses, Capital expenses and capital loss, Income tax, Fines and Penalties, Expenses made for acquiring tax free income, Expenses not relating to earning of income, Cash payment in excess of Rs. 50,000 or more at once time, and Other not allowable expenses.
- Unit 5: Quantification, allocation, and characterization of amounts** **LH 2**
Quantification of amounts, Quantification in rupees, Indirect payments, Jointly owned investment, Characterization of compensation payments, Characterization of payments under annuities, installments sales, and finance leases, Transfer pricing and other arrangements between associates, Income splitting, General anti-avoidance rule,
- Unit 6: Business income and calculation of assessable income** **LH 8**
Concept, meaning, and features of business, Income inclusions while calculating profit and gains from business: Sales incomes, Net gain from disposal of business assets and liabilities, Effectively connected returns from capitals, and Other receipts or receivable in conducting the business: Business gift, Compensation, Indirect payment, Bad debts recovered remitted earlier, Difference of interest against soft loan, Amount derived from accounting system, Amount received from exchange rate, Average inclusions under long-term contract, Amount of accepting a restriction and others. Review of deductions for business income, Calculation of assessable income from business income.
- Unit 7: Employment income and calculation of assessable income** **LH 6**
Concept, meaning and features of employment, Distinction between employment and self employment, Inclusions (chargeable) from employment income: Cash incomes, Incomes in kinds payments, and Incomes regarding with condition, Redundancy, Loss or termination of employment, Retirement contributions, Payments including other incomes: Third party payment, Soft loan, Income received from other than employer in connection of the employment and similar types of employment incomes, Determination of grade and salary, Calculation of assessable income.
- Unit 8: Investment income and calculation of assessable income** **LH 3**
Concept, meaning and features of investment income, profit and gains from conducting the investment: Dividend, Interest, Rent, Royalties, Gain of investment insurance, Income of natural resources, Gain/interest of an unapproved retirement funds, Retirement payment and approved retirement fund, Net gain from the disposal of non-business chargeable assets, Amount received from changing an accounting method, Amount of devaluation of currency, Bad debts recovered remitted earlier, Gain/net gain from disposal of depreciable assets, Gift in connection to the investment, Amount received from accepting a restriction, Income of jointly owned investment, Compensation, Other amounts (if any). Review of deductions for investment income. Calculation of assessable income.
- Unit 9: Calculation of taxable income** **LH 2**
The concept of assessable income, Calculation of assessable income, Introduction of deductible items while calculating the taxable income: Contribution to retirement funds (in the case of an individual) and Donations. Calculation of taxable income.

Unit 10: Calculation of income tax liabilities**LH 4**

Concept of taxable income, taxable base, and tax liabilities, Introduction of deductible items while computing the taxable base and tax liabilities. The concept of loss, Offset of losses and duration of losses, Fundamental rules for offsetting, Offsetting of business and investment losses. Tax rates: Individual and Entities, Calculation of tax liabilities.

Unit 11: Value added tax**LH 4**

Concept, origin, and evolution of value added tax, Types of value added tax, Method of administering the value added tax, Comparison among sales tax, excise tax, and value added tax, Calculation of value added tax with examples.

Basic Reading Materials

Income Tax Act, 2058, (with latest amendment)

Income Tax Rules, 2059, (with latest amendment)

Value Added Tax Act, 2052 (with latest amendment)

Value Added Tax Rules, 2053 (with latest amendment)

Reference Books

Agrawal, Jagadish. *Income tax – Theory and practice*. Kathmandu: Buddha Academic Publishers & Distributors P. Ltd. (Latest edition).

Amatya, Surendra Keshar, Sapkota Prem Prasad and Thapa, Krishna Bahadur. *Taxation in Nepal: Income tax, property tax & value added tax*. Kathmandu: G-Seven Publication Pvt. Ltd. (Latest edition).

Bhatia, H. L. (2011). *Public finance*. New Delhi: Vikas Publishing House Pvt. Ltd.

Bhattarai, Ishwor and Koirala, Girija Prasad. *Taxation in Nepal with tax laws & tax planning*. Kathmandu: Asmita Books Publishers & Distributors (P.) Ltd. (Latest edition).

Dhakal, Kamal Deep; Panday, Vikram and Bhattarai, Rama Kanta. *Fundamentals of taxation in Nepal*. Kathmandu: M. K. Publishers & Distributors

Kandel, Puspa Raj. *Nepalko bartaman kar byabastha*. Kathmandu: Buddha Academic Publishers & Distributors P. Ltd. (Latest edition).

Khadka, Rup (2000). *The Nepalese tax system*. Kathmandu: Sajha Prakashan

Lekhi, R. K. (2004). *Public finance*. New Delhi: Kalyani Publisher.

Musgrave, R. A., & Musgrave, P. B. (2004). *Public finance in theory and practice*. New Delhi: Tata McGraw-Hill Publishing Company Limited.

RCH 311: Business Research Methods

Credits: 3

Lecture Hours: 48

Course Objectives

This course is an introduction on how to do business research with an emphasis on applied problem solving and report writing. The objective of this course is therefore to provide knowledge and understanding of basic principles of business research methods.

Course Description

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

Course Details

Unit 1: Introduction

LH 8

Meaning of research; Scientific research-features,; Types of research; The scientific research process; Approaches to research; Paradigm shifts-positivist vs. Interpretive philosophies; Management research-concept, nature, and value in business decision making; applying scientific thinking to management problems; Ethical concerns in research.

Unit 2: Literature searching and Theoretical Framework

LH 6

Concept, purposes and steps in literature survey; Literature search through the Internet; Theoretical framework ; Theory and research; Approaches-deduction and induction; Research problem; Research questions and hypothesis formulation.

Unit 3: Research Design

LH 5

Concept; Types-descriptive, developmental, case studies, causal-comparative, and experimental; Qualitative research-concept, assumptions and features.

Unit 4: Measurement, Scaling and Sampling

LH 7

Variables and their measurement; Nature of measurement; Scale construction for attitude measurement; Scales commonly used in business research; Validity and reliability of measurement; Sources of measurement problems; The sampling process; Types of samples -probability and non-probability sampling; Sampling and non-sampling errors.

Unit 5: Data Collection and Analysis

LH 12

Types of data and their sources-secondary data, advantages and disadvantages of using secondary data; Primary data-sources and methods; Questionnaires-design, components and principles of questionnaire writing; The research interviews-face-to-face and telephone interviews, computer assisted interviewing; Observation-concept and methods;

Data analysis – organizing and preparing data; Presenting data in tables, graphs and charts; Statistical techniques – descriptive and inferential statistics; Statistical testing of hypothesis; Methods of collecting and analyzing qualitative data.

Unit 6: Research Proposal and Report Writing

LH 10

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

Basic Books

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

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

Reference Books

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

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