

Tribhuvan University  
**Faculty of Management**  
**Office of the Dean**



**Course detail of**  
**BBM (Bachelor of Business Management) 7<sup>th</sup> Semester**

IT 204: E-commerce 3 Cr. hrs

MGT 239: Business Ethics and Corporate Governance 3 Cr. hrs

Elective Course I

..... 3 Cr. Hrs

➤ **Elective Course (Any One Course)**

ELE 221: Emerging Global Business Issues

ELE 223: Management of Foreign Trade

ELE 224: Organizational Development and Change

ELE 226: Event Management

Focus Area Courses (III & IV)

..... 6 Cr. Hrs

➤ **Focus Area: Bank Operations and Cooperative Management (Any Two Courses)**

BNK 214: Commercial Banking Operations

BNK 216: Treasury Management

BNK 219: Investment Banking

➤ **Focus Area: Sales and Marketing (Any Two Courses)**

MKM 210: Marketing Research

MKM 212: Branding

MKM 214: Sales Force Management

MKM 215: Industrial Marketing

- Focus Area: Insurance and Risk Management (Any Two Courses)
  - ISN 217: Global Trade and Marine Insurance
  - ISN 218: Micro Insurance
  - INS 220: Property Risk Management
  
- Focus Area: Entrepreneurship and Enterprise Development (Any Two Courses)
  - EED 214: Entrepreneurial Marketing
  - EED 218: Small Business Planning & Management
  - EED 222: Design Thinking & Entrepreneurial Skills Management
  
- Focus Area: Accounting (Any Two Courses)
  - ACS 202: Accounting for Banking
  - ACS 204: Budgeting
  - ACS 207: Accounting for Insurance

**April 2025**

# IT 204: E-Commerce

*Credits:3*  
*Lecture Hours:48*

## **Course Objective:**

The main objective of this course is to introduce different concepts of e-commerce including business models, security, payment systems, e-commerce marketing and advertisement, social networks, portals, auctions and B2B e-commerce.

## **Course Description:**

The course covers different concepts of e-commerce including features, types, business models, infrastructure, security and payment systems of e-commerce. This course also covers additional concepts such as e-commerce marketing and advertising, social networks, portals and auctions, and the concepts of B2B e-commerce.

## **Course Details**

### **Unit 1: Introduction**

**3 LHs**

Why E-commerce? Introduction to E-commerce; Unique Features of E-commerce; Types of E-commerce

### **Unit 2: E-commerce Business Models and Concepts**

**6 LHs**

E-commerce Business Models; B2C Business Models; B2B Business Models; How E-commerce Changes Business: Strategy, Structure, and Process

### **Unit 3: E-commerce Infrastructure: The Internet, The Web and The Mobile Platforms**

**6 LHs**

The Internet: Technology Background; Internet Infrastructure and Access; The Web; The Internet and Web: Features and Services; Mobile Apps

### **Unit 4: E-commerce Security and Payment Systems**

**7 LHs**

E-commerce Security Environment; Security Threats; Technology Solutions; Management Policies, Business Procedures, and Public Laws; E-commerce Payment Systems

### **Unit 5: E-commerce Marketing and Advertising Concepts**

**7 LHs**

Consumers Online: The Online Audience and Consumer Behavior; Digital Commerce Marketing and Advertising Strategies and Tools; Online Marketing Technologies; Understanding the Costs and Benefits of Online Marketing Communication

### **Unit 6: Social, Mobile, and Local Marketing**

**6 LHs**

Introduction to Social, Mobile, and Local Marketing; Social Marketing; Mobile Marketing; Local and Location-Based Marketing

### **Unit 7: Social Networks, Auctions, and Portals**

**6 LHs**

Social Networks and Online Communities; Online Auctions; E-commerce Portals

## **Unit 8: B2B E-commerce: Supply Chain Management and Collaborative Commerce 7 LHs**

Overview of B2B E-commerce; The Procurement Process and Supply Chains; Trends in Supply Chain Management and Collaborative Commerce; B2B E-commerce Marketplaces: The Selling Side of B2B; Private B2B Networks

### **Case Study:**

The case study includes studying and preparing a project report on any popular e-commerce web application including its products, features, payment systems etc. Students can also propose a new e-commerce web application for the organization they study during case study. The project can be done in groups with at most 3 members in each group.

### **Reference Books:**

1. E-commerce: Business, Technology, and Society, Kenneth C. Laudon and Carol Guercio Traver, 17<sup>th</sup> Edition, Pearson
2. Digital Business and E-commerce Management, Dave Chaffey, Tanya Hemphill David Edmundson-Bird, 7<sup>th</sup> Edition, Pearson

# **MGT 239: Business Ethics and Corporate Governance**

BBA / BBM 7<sup>th</sup> Semester

Credits: 3

Lecture Hours: 48

## **Course Objectives**

The main objective of this course is to provide students with a comprehensive understanding of the principles, theories, and practices of business ethics and corporate governance. It aims to develop their ability to identify and analyze ethical issues in business, make responsible decisions, and understand the role of governance in smooth functioning of business. The course also seeks to enhance students' awareness of ethical issues and responsible business practices, with a particular focus on both global standards and the Nepalese context.

## **Course Description**

This course explores the ethical dimensions of business decisions and the systems of corporate governance that promote ethical conduct, responsible practices, and system-driven approach within business organizations. It provides students with the tools to understand and apply ethical principles in business settings and introduces the structures and mechanisms through which corporations are directed and controlled. The course emphasizes both global perspectives and the Nepalese business context.

## **Learning Outcomes**

By the end of this course, students will be able to:

- Understand the fundamental principles and theories of business ethics, corporate governance, and corporate social responsibility.
- Analyze ethical issues in business and apply ethical theories to handle real-world business situations.
- Adopt appropriate mechanism for ensuring effective corporate governance.
- Apply the various business ethics and corporate governance related international standards.
- Examine the business ethics and corporate governance issues in the Nepalese context and suggest the way forward.

## **Course Details**

### **Unit 1: Introduction to Business Ethics and Corporate Governance**

**6 LHs**

Business Ethics – Concept of ethics; Concept of business ethics; Myths about business ethics; Causes and consequences of ethical problems in business; Major theories and frameworks governing business ethics; Corporate Governance – Concept of corporate governance; Essential elements of good corporate governance; Evolution of corporate governance; Similarities and differences between business ethics and corporate governance; Significance of business ethics and corporate governance.

### **Unit 2: Ethical Issues in Business**

**8 LHs**

Recognizing an ethical issue (ethical awareness); Foundational values for identifying ethical issues: Integrity, honesty, and fairness; Concept of ethical issues and dilemmas;

Emerging ethical issues and dilemmas in business; Ethical issues in functional areas of business: Ethical issues in marketing and sales; Ethical issues in finance; Ethical issues in informational technology; Environmental ethics; Whistle blowing; Making ethics work in organizations.

**Unit 3: Ethical Decision-Making** **5 LHs**

Concept of ethical decision making; Framework for ethical decision making in business: Ethical issue intensity; individual factors; organizational factors; opportunity; and business ethics intentions, behavior, and evaluations; Using the ethical decision-making model to improve ethical decisions; Normative considerations in ethical decision-making.

**Unit 4: Corporate Governance Theories and Models** **6 LHs**

Theories and philosophies of corporate governance: Agency theory, transaction cost economics, stewardship theory, stakeholder theory, and resource dependency theory; Corporate governance models: Anglo-American model, German model, Japanese model, Indian model, and the Asian family-based model.

**Unit 5: Corporate Governance Structures** **6 LHs**

The scope of corporate governance; Role of board of directors (BOD), auditors, management team, shareholders, government and regulators, and other stakeholders in corporate governance; Corporate governance failure cases (such as Enron) and lessons from them; Emerging trends in corporate governance.

**Unit 6: Business Ethics and Corporate Governance Codes and Standards** **7 LHs**

Code of ethics: Concept and importance; Contents of a code of ethics; Code of conducts in Nepal: FNCCI's business code of conduct, 2061 and NBI's business code of conduct concepts, 2070; Key corporate governance provisions in prevailing Nepalese Company Act and Nepal Rastra Bank's Unified Directives; and International standards related to business ethics and corporate governance: United Nation's Global Compact (UNGC), SA 8000, ILO standards, OECD principles of corporate governance, and ISO 37000.

**Unit 7: Framing Business Ethics from Corporate Responsibility Perspective** **6 LHs**

Law, business ethics, corporate governance, and corporate social responsibility: similarities and differences; Concept and importance of corporate social responsibility (CSR); Major theoretical perspectives on CSR – Friedman's shareholder theory, Freeman's stakeholder theory, Carroll's CSR pyramid; Elkington's triple bottom line approach, Porter and Kramer's creating shared value (CSV) approach; Legal provisions governing corporate social responsibility in Nepal.

**Unit 8: Business Ethics and Corporate Governance in Nepal** **4 LHs**

Business ethics issues in Nepal; Way forward for improving ethical business practices in Nepal; Corporate governance practices in Nepalese family-owned businesses, BFIs, and other business sectors; Issues and challenges of corporate governance in Nepal; Way forward for improving corporate governance practices in Nepal.

### **Suggested Readings:**

- Chapagain, B. R. (2018). *Business and society*. Kathmandu, Nepal: Ashmita Books Publishers & Distributors.
- Fernando, A. C. (2016). *Business ethics: An Indian perspective*. Chennai, India: Pearson.
- Ferrell, O. C., Fraedrich, J., & Ferrell, L. (2022). *Business ethics: Ethical decision making and cases* (13<sup>th</sup> ed.). Boston, USA: Cengage Learning.
- Tricker, B. (2015). *Corporate governance: Principles, policies, and practices* (3<sup>rd</sup> ed.). UK: Oxford University Press.

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# **BNK 214: Commercial Banking Operations**

**Credits: 3**

**Lecture Hours: 48**

## **Course Objectives**

This course provides an overview of commercial banking operations in general and Nepalese perspective. It also helps to understand different functions carried out by commercial banks and risks associated with banking industry.

## **Course Description**

This course contains an introduction to banking industry in Nepal, risks in banking business, deposit mobilization, bank credit management, cash operation, agency services, trade finance, bank and customer relationship and electronic banking services.

## **Course Details**

### **Unit 1: Introduction to Banking Industry in Nepal**

**6 LHs**

Meaning and necessity of bank and financial institutions; An overview of Nepalese financial system; Distinguish between banking and other business; Concept of commercial bank and commercial bank management; Historical development of commercial bank in Nepal; Functions of commercial banks; Regulatory authority of commercial banks in Nepal.

### **Unit 2: Risks in Banking Business**

**6 LHs**

Concept of risk; Types of risks by commercial bank: interest rate risk, market risk, credit risk, off-balance sheet risk, foreign exchange risk, country risk, technology risk, operational risk, market risk, liquidity risk, and insolvency risk ; Interest rate risk: refinancing risk and reinvestment risk, market value risk; Credit risk: causes of credit risk, firm-specific credit risk and systematic credit risk; and Technology risk and measures to be taken by Nepalese commercial banks to reduce the technology risk .

### **Unit 3: Deposit Mobilization**

**7 LHs**

Meaning and nature of bank's deposit; Types of deposit: demand deposit, saving deposit, time deposit, call deposit, and recurrent deposit; Procedure of account opening; Know Your Customer (KYC); Dormant account and procedures of making the dormant account active; Procedures of closing account; Card services: debit card, credit card, prepaid card; Deposit marketing and customer care services; Deposit insurance; and NRB directives on deposit mobilization.

### **Unit 4: Bank Credit Management**

**8 LHs**

Concept and nature of bank credit; Types of credit: term loan, revolving loan, corporate loan, consumer loan, trust receipt loan; Credit process; Credit monitoring and supervision; Credit recovery; Credit marketing; Credit administration; Collaterals and



margin: types and valuation; Loan classification and loan allowances, Credit risk and its management; Credit insurance; and NRB directives on loans.

#### **Unit 5: Cash Operation**

**4 LHs**

Cash management; Security of vault; Cash insurance; Cash counter; Roles and responsibilities of cashier; Clearing system; Electronic clearing; and Intra-bank and interbank fund transfer.

#### **Unit 6: Agency Services**

**4 LHs**

Fund transfer and remittance services; Utility payment services; Advisory services; Standing order from customer; and check and bill clearing services.

#### **Unit 7: Trade Finance**

**4 LHs**

Concept, Letter of credit: parties involved in L/C, types, procedures of opening L/C, roles and responsibilities of involved parties; Export financing: pre-shipment and post-shipment finance; and foreign currency loan.

#### **Unit 8: Bank and Customer Relationship**

**4 LHs**

Legal nature of bank customer relationship, trustee-beneficiary, agent principal, debtor – creditor; Special type of customer (Individual, Corporate, Government, NGO, INGO etc.); Anti-Money Laundering and Know Your Customer (KYC).

#### **Unit 9: Electronic Banking Services**

**5 LHs**

Meaning and concept of e-banking; Internet banking; Branchless banking; Mobile banking; ABBS; ATM; and Opportunities, threats and challenges in the use of financial technology (FinTech).

#### **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.

Thapa R. B. and Rawal, D. *Principles and practices of Nepalese Banking*. Kathmandu: Buddha Academic Enterprises

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

NRB Act , Rules and Regulation and Publication.

Bank and Financial Institution Act, and Company Act.

# **BNK 216: Treasury Management**

**Credits: 3**

**Lecture Hours: 48**

## **Course Objectives:**

To impart the theoretical and conceptual knowledge of the treasury management and potential risk involve in such transaction. It helps to understand different product and policies regarding treasury market in Nepal.

## **Course Description:**

This course consists of nine units- Introduction of Treasury Management, Treasury Organization and Structure, Sources of Fund, Uses of fund, Major Risk in Treasury Management, Pricing of the Product, Assets Liability Management, Investment Portfolio and Liquidity management and Treasury Management Function in Nepalese Banking Sector.

## **Course Details:**

### **Unit 1: Introduction**

**4 LHs**

Meaning and concept of treasury, Evolution of treasury management, Scope of treasury management, Principles of treasury management, Role and function of treasury department, and emerging trends in Treasury management.

### **Unit 2: Treasury Organization and Structure**

**5 LHs**

Organization and structure of treasury department, Concept and function of front office, Back office and mid office, Meaning of dealers, Dealers room, Roles and responsibilities of dealers.

### **Unit 3: Sources of Fund**

**4 LHs**

Meaning and concept of sources of funds; Deposit sources: Fixed and revolving, Interest bearing and non-interest bearing; Equity capital sources: Reserve and surplus; and Borrowing sources: Short term vs. long term.

### **Unit 4: Uses of fund**

**4 LHs**

Meaning and concept of uses of funds; Uses of funds: Loan and advances, Credit products and their features, Interbank lending, Maintaining reserve, Investment: Forex, Treasury bill, Govt. securities, share and debenture, maintaining liquidity.

### **Unit 5: Major Risk in Treasury Management**

**5 LHs**

Meaning and concept of Treasury management risk, Various types of Treasury management risks: Counterparty default risk, Sovereign risk, Foreign currency risk, Liquidity risk, Market risk, Equity risk, Commodity risk, Derivatives and risk associated with derivative products (in brief)

### **Unit 6: Pricing of the Product**

**5 LHs**

Meaning and concept of product pricing, Deposit pricing techniques: Cost plus margin deposit product, Market penetration, Conditional, Relationship, Upscale target pricing. Loan pricing, Base interest rate, Risk based pricing.

### **Unit 7: Assets Liability Management**

**6 LHs**

Meaning and concept of asset liability management, Maturity mismatch, Interest sensitive assets

and liability, Interest rate risk, Determination of interest rate, Interest spread, Gap analysis, Assets  
liability management committee (ALCO), Roles and responsibility of ALCO.

#### **Unit 8: Investment Portfolio and Liquidity Management**

**8 LHs**

Meaning and Concept investment portfolio, investment instrument, importance of portfolio, money market instrument: Treasury bills, Open market operation, Interbank transaction, Commercial papers, Capital market instruments: Share, debenture and govt. bonds. Liquidity management, Estimation of liquidity, managing mandatory requirement: CRR, SLR.

#### **Unit 9: Treasury Management Function in Nepalese Banking Sector**

**7 LHs**

Treasury management practices in Nepalese banking sectors, Scope, Opportunities and challenges, Foreign Exchange Dealers Association of Nepal (FEDAN), Roles and responsibilities, Legal provisions and roles of Nepal Rastra Bank regarding ALM and treasury.

#### **Suggested Readings:**

Avadhani V.A. *Treasury Management in India*. New Delhi: Himalayan Publishing house.

Reed, E. W. *Commercial bank Management*. London: A Harper International Student.

Rose, P. S. *Commercial Bank management*. New York: McGraw-Hill.

Thapa, R. B. and Rawal, D. *Principles and practices of Nepalese Banking*. Kathmandu: Buddha academic enterprises.

NRB Publications

# **BNK 219: Investment Banking**

*Credits: 3*

*Lecture Hours: 48*

## **Course Objective**

Enable the students to understand the issues concerning with investment banking and be conversant with the financial investment and advisory services.

## **Course Description**

This course deals with the investment advisory services, investment companies and products, investments and investment attributes, mergers and acquisitions, underwriting of securities, mutual funds, venture capital, origination and execution of transactions, and legal provisions and regulatory framework relating to investment banking in Nepal. The course will consist of lectures, discussions, quiz, problem solving, and case study.

## **Course Details**

### **Unit 1: Introduction**

**9 LHs**

Meaning and Concept of Investment Banking, Investment Banking Services: Corporate Financing, Investment Advisory Services, Financial Sponsors, Merger & Acquisition (M&A), Valuation, Financial Strategy, Management of Capital Issues, Book Building, Private Equity, Debt Capital Markets Origination, Equity Capital Markets Origination, Represent Companies for Sale, Represent Companies Buying Other Companies, Manage a Diversified Portfolio of Business and Asset Classes, Making Prudent Use of Firm Capital, Investors' Education and Awareness in Nepal; Legal Provision and Investment Banking in Nepal.

### **Unit 2: Investments and Investment Attributes**

**7 LHs**

Concept of Savings, Investment, and Portfolio; Investment Strategies and Approaches: Speculation, Gambling, and Arbitrage Process; Investment Attributes: Risk, Return, Security, Marketability, Liquidity and Convenience; Investors Profile and Decision-Making Factors: Profile of Nepalese Investors, Factors Influencing Investment Decisions: Financial Positions, Tax Positions, and Risk Perception; Legal Framework of Securities Markets in Nepal

### **Unit 3: Investment Companies and Products**

**7 LHs**

Meaning and Concept of Investment Companies; Types of Investment Management Operations, Venture Capital and Other Funds: Venture Capital Funds, Buyout Funds, and Hedge Funds; Real Estate Investment Trusts; Investment Products: Shares, Bonds, Fixed Deposits, Hybrid Securities, Insurance Schemes, Currency, Commodities.

### **Unit 4: Mergers and Acquisitions**

**7 LHs**

Meaning and Concept of Merger & Acquisitions; Forms of Corporate Restructuring: Joint Ventures, Sell-Off and Spin-Off, Divestitures, Mergers; Types of Mergers; Economic Rationale for Different Types of Mergers, Motives behind Merger, Theories of Merger, Synergy of Merger and acquisitions, Internal and External Change Forces Contributing towards M&A Activities, Legal and Regulatory Provisions relating to Mergers and Acquisitions in Nepal.

**Unit 5: Underwriting of Securities****4 LHs**

Brief Overview of Underwriting Process; Methods of Underwriting: Bought Deal, Best Efforts, Underwriting Syndicate; Regulatory Procedures: Filing the Registration Statement, Preliminary Prospectus; Underwriting Risks, Regulatory Framework relating to Securities Underwriting

**Unit 6: Mutual Funds****4 LHs**

Meaning and Concept of Mutual Funds, Mutual Fund Share Pricing and Performance, Exchange Traded Funds, Technology and Mutual Funds, International Dimension, Mutual Fund Selection and Asset Allocation, Structure and Regulation of Mutual Funds in Nepal

**Unit 7: Venture Capital****4 LHs**

Concept, Characteristics, Growth, Differences between Venture Capital (VC) Financing and Conventional Financing, Stages of VC Financing Schemes, Scope of VC Financing in Nepal, Legal Aspects in VC Financing in Nepal

**Unit 8: Origination and Execution of Transactions****6 LHs**

Introduction of Origination and Execution, Research and Market Receptivity; Identifying Potential Investors and Develop Investor Marketing Materials, Create and Sell Securities to Institutional and Retail Clients, Negotiation/Structuring, Manage Money for Institutional and Retail Clients; Trading of Derivatives, Fixed Income, Foreign Exchange, Commodity and Equity Securities.

**Suggested Readings:**

Liaw, K T. *The Business of Investment Banking: A Comprehensive Overview*. New York: John Wiley & Sons, Inc.

Rosenbaum, J., and Pearl, J. *Investment Banking: Valuation, Leveraged Buyouts, and Mergers & Acquisitions*. New York: John Wiley & Sons, Inc.

Gaughan, P. A. *Mergers, Acquisitions, and Corporate Restructurings*. New York: John Wiley & Sons, Inc.

Puri, V. K. *Corporate Mergers and Acquisitions: Strategies, Regulations and Practices*. New Delhi: Jain Book Agency

Ditopatra Kanoon Sangarah, Securities Board of Nepal.

# Marketing Research

## *Course Objectives*

The basic objective of this course is to make students understand the basic techniques of identifying problems of marketing research and also apply the various tools in this regard.

## *Course Contents*

### **1. Introduction**

**LH 8**

Meaning and nature of marketing research; Role of marketing research in strategic decision making; Types of marketing research; Scope of marketing research; Marketing research process: Factors affecting marketing research decisions; Limitations of marketing research; Ethics in marketing research

### **2. Defining the Research Problem**

**LH 8**

Problem identification; Components of a problem; Steps of problem identification; Problem formulation: Statement of the problem; Writing the research objectives. Formulation of hypothesis

### **3. Marketing Research Design & Sampling**

**LH 10**

Concept of research design; Characteristics of good research design; Components of research design; Types of research design: qualitative and quantitative. Sampling concept and terminologies; advantages of sampling; Types of sampling

### **4. Data Collection and Analysis**

**LH 10**

Secondary data, sources of secondary data; problem used in secondary data. Primary data: Observation, survey, experiment: Merits and demerits. Questionnaire and its development process; Methods of data analysis; Use of statistical analysis in marketing research; types of scale used in research

### **5. Reporting**

**LH 6**

Report writing; Types of reports; General guidelines for report writing; Format of a marketing research report

## **6. Applications of Marketing Research**

**LH 6**

Research for market segmentation; Product research; Advertising research; Sales and Distribution research; Attitude and psychographic research

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

### **Suggested Books:**

Beri, G. C. (2010). *Marketing Research*. New Delhi: Tata McGraw Hill Education Private Limited.

Body, H. W., Westfall, R., & Stasch, S. F. (1998). *Marketing Research: Text and Cases*. Illinois: Richard D Irwin Inc.

Easwaran, S., & Singh, S. J. (2012). *Marketing Research: Concepts Practices and Cases*. New Delhi: Oxford University Press.

Luck, D. J. (2007). *Marketing Research*. New Delhi: Prentice Hall of India Pvt. Ltd.

## MKM 212: Branding

Credit: 3

Lecture Hours: 48

### **Course Objectives**

The main purpose of this course is to provide a comprehensive and up-to-date treatment of the subjects of brand. The main goal of this course is to provide students with concepts and techniques to improve the long –term profitability of the brand management strategies and programs.

### **Course Description**

The course includes seven of the units comprising introduction to brand management, customer-based brand equity, establishing brand positioning, brand marketing programs, leveraging secondary brand associations, branding in the digital era and managing brands over time.

### **Course Details**

#### **Unit 1: Introduction**

**LH6**

Concept of brand and branding . Brand versus Product. Importance of brands to consumers and firms. Branding of different products. Brand hierarchy. Concept of brand management. Brand management process. Branding challenges and opportunities.

#### **Unit 2: Customer-Based Brand Equity**

**LH7**

Concept of customer-based brand equity(CBBE). Sources of brand equity: Brand awareness, brand image. Building a strong brand: The four steps of brand building- brand identity (Salience), brand meaning (performance, imagery), brand response (judgments, feelings), brand relationships (response)

#### **Unit 3: Establishing Brand Positioning**

**LH6**



Concept of brand positioning. Brand positioning process: Identifying target market, Understanding nature of competition, Establishing points-of-parity and points-of-differences associations. Updating positioning over time. Brand mantra.

#### **Unit 4: Brand Marketing Programs**

**LH13**

Concept of brand elements. Criteria for choosing brand elements. Options and tactics for brand elements: Brand names, URLs, Logos and Symbols, Characters, Slogans, Jingles, Packaging. Product Strategy: Perceived quality, Managing customer post-purchase. Pricing Strategy: Consumer price perceptions and setting prices. Channel Strategy: Indirect channels, direct channels. Promotion Strategy: Advertising, Sales promotion, Online marketing communications, Events and experiences. Public relations and publicity. Word-of-mouth. Integrated marketing communication program(IMC): Concept, Criteria for IMC programs.

#### **Unit 5: Leveraging Secondary Brand Associations**

**LH5**

Concept of secondary brand associations. Leveraging secondary brand associations: Companies, country of origin, channels of distribution, co-branding, licensing, endorsements, events, other third-party sources.

#### **Unit 6: Branding in the Digital Era**

**LH6**

Key issues for branding in the digital era. Brand engagement: Brand engagement pyramid, negative brand engagement. Digital communications: Company web sites, E-mail marketing. Overview of social media paid channels: Facebook, twitter, instagram, pinterest, video. Mobile marketing: Messaging services, In-App advertising, proximity systems marketing. Influencer marketing and social media celebrities. Content marketing.

#### **Unit 7: Managing Brands Over Time**

**LH5**

Brand extensions. Merits and demerits of brand extensions. Reinforcing brands. Revitalizing brands. Adjustments to the brand portfolio.

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

References:

Kevin Lane Keller. *Strategic Brand Management*. New Delhi: Pearson Education.

Jean Noel Kapferer. *Strategic Brand Management*. New Delhi: Kogan Page.

David A. Aakar. *Managing Brand Equity*. New York: Free Press.

# **INS 217: Global Trade and Marine Insurance**

*Credits: 3*

*Lecture Hours: 48*

## **Course Objective**

The main objective of this course is to acquaint students with concepts and practices of marine insurance. It also aims to analyze the major issues related to the global trade and marine insurance market.

## **Course Description**

This course contains introduction to marine insurance, cargo insurance, hull insurance, marine liability insurance, marine claim, and recoveries under subrogation, general average and salvage, inland marine insurance. Finally, it presents global trade and marine insurance market.

## **Course Details**

### **Unit 1: Introduction to Marine Insurance**

**6 LHs**

Concept and characteristics of marine insurance; Subject matter of marine insurance; Principles of marine insurance; Role of marine insurance in global trade, Scope of marine insurance: Oceanic and inland marine insurance.

### **Unit 2: Cargo Insurance**

**5 LHs**

The vessel; The voyage or transit; Nature of cargo; Packing; Insurance containers; Conditions of insurance.

### **Unit 3: Hull Insurance**

**6 LHs**

Policy documents; Peril covered; Pollution hazard; Duty of the assured; Collision liability, Sister ship; Termination; Port risk insurance; Institute fishing vessel clauses; Tariff for vessels; Sue and labor charges; Amount recoverable procedure.

### **Unit 4: Marine Liability Insurance**

**6 LHs**

Marine liability underwriting and coverage; Marine liability claim and settlement; Difference between general liability insurance and marine liability insurance.

### **Unit 5: Marine Claim**

**5 LHs**

Marine cargo claims; General average loss; Basic duties of the assured; Claim payable abroad.

**Unit 6: Recoveries under Subrogation****5 LHs**

Indian carriage of goods by Sea Act; Carriage of goods by Rail; Carriage of goods by road; Liability of Port Authority; Postal Authority; Customs; Guidelines and Directives.

**Unit 7: General Average and Salvage****5 LHs**

General background; Contributory interests and values; Amount made good; General average; Salvage.

**Unit 8: Inland Marine Insurance****5 LHs**

Concept, History, Tariff, Coverage, Condition, Policy Wording; Inland marine insurance in Nepal

**Unit 9: Global Trade and Marine Insurance Market****5 LHs**

Trade and transportation trade; Marine insurance market; Prospects of marine insurance; Major issues of marine insurance

**Suggested Readings**

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

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

Gurses, O. *Marine Insurance Law*. New York: Routledge

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

Government of Nepal, Insurance Act and Insurance Regulation.

Directives, guidelines, policies issued by Nepal Insurance Authority/ *Beema Samiti*.

# INS 218: Micro Insurance

**Credits: 3**  
**Lecture Hours: 48**

## Course Objectives

The main objective of this course is to acquaint students with various dimensions of micro insurance. This course also deals with the micro insurance regulation in Nepal.

## Course Description

This course contains an introduction to micro insurance, micro insurance environment, micro insurance delivery channels, micro insurance underwriting and claim, micro insurance inclusion, micro insurance in Nepal, micro insurance regulation in Nepal.

## Course Details

### Unit 1: Introduction

**LH 4**

Micro Insurance: Concept and Features; Micro Insurance Benefits: For Insured (policyholders), Intermediaries, and Insurers; Social Benefits of Micro Insurance; Conventional Insurance Vs Micro Insurance.

### Unit 2: Micro Insurance Environment

**LH 10**

Micro Insurance Environment; Components of Micro Insurance Environment (Micro level); Micro Insurance Key Players - Policyholders, Insurers, Insurance Intermediaries; Meso level - Support Infrastructure, Reinsurers, Actuaries, Adjusters and Surveyors, Auditors, Researchers, Market Research Institutes, IT Service Providers; Macro Level - Enabling Environment, Legislation, Regulation, Policy, Supervision.

### Unit 3: Micro Insurance Delivery Channels

**LH 4**

Micro Insurance Delivery Channels-Concept and Importance, Types of Delivery Channels Partner-agent Model, Full-service Model, Mutual or Community-based Model, Provider Model.

### Unit 4: Micro Insurance Underwriting and Claim

**LH 6**

Micro insurance Underwriting; Micro Insurance Risk - Proposal Form - Scheduling – Pricing-Claim Settlement Process; Challenges of Micro Insurance Underwriting and Claim.

### Unit 5: Micro Insurance and Inclusion

**LH 8**

Micro Insurance and Poverty; Micro Insurance Role in Financial Inclusion, Micro Insurance SWOT Analysis; Micro Insurance an Innovative Tool for Risk and Disaster Management.

### Unit 6: Micro Insurance in Nepal

**LH 8**

Overview of Micro Insurance in Nepal; Micro Insurance Products: Household, Health, Person Accident, Cattle and Bird, Crop, Micro Term Insurance, Endowment Life; Challenges of Micro Insurance (from Policyholders; Insurers; Delivery Channels and Regulators' Perspective), Remedial Measures, Potential Micro Insurance Market in Nepal and the Way Forward.

### Unit 7: Micro Insurance Regulation in Nepal

**LH 8**

Provisions of Insurance Act and Insurance Regulation, Micro insurance Directive, 2071- Definition, Types of Micro Insurance Products, Delivery Channels, Claims Settlement, Management of Micro Insurance, Operations, Reporting, Monitoring and Supervision Mechanism; Social Protection.

## Text and References

Nepal Insurance Authority, *Microinsurance Directive*, Kathmandu  
Insurance Regulatory and Development Authority, India: [www.irda.gov.in](http://www.irda.gov.in)



# **INS 220: Property Risk Management**

***Credits: 3***

***Lecture Hours: 48***

## **Course Objective**

The main objective of this course is to acquaint students with concepts and practices of commercial property risk management. It also aims to analyze the major issues related to the insurance market of commercial properties.

## **Course Description**

This course contains concept of commercial property and commercial property risk, commercial property insurance, commercial property underwriting. Finally, it presents insurance market of commercial property.

## **Course Details**

### **Unit 1: Introduction**

**10 LHs**

Concept of commercial property; Types of commercial property; Significance of commercial property insurance; Scope of commercial property; Commercial property insurance; Laws related to commercial property.

### **Unit 2: Commercial Property Risk**

**8 LHs**

Commercial property risk: Concept and types; Managing commercial risk; Commercial risk in perspective of insured and insurer.

### **Unit 3: Commercial Property Insurance**

**15 LHs**

Proposal form; ISO commercial property program; Building and Personal property coverage  
Form; Causes of loss forms; Business income insurance; Other commercial property Coverage; Transportation insurance; Commercial property insurance policy wording: Major coverage, Condition, Exclusion, Endorsements, Schedule, Bill, Deductibles and Self Insured Retentions.

### **Unit 4: Commercial Property Underwriting**

**7 LHs**

Underwriting of commercial property; Ratemaking of commercial property policy.

### **Unit 5: Insurance Market of Commercial Property**

**8 LHs**

Buyer of CPI Policy, Underwriter of CPI Policy, Premium, Reinsurance, Claim Status of CPI  
of the Industry, Insurance market of commercial property 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 and Insurance Regulation.  
Directives, guidelines, policies issued by Nepal Insurance Authority/ *Beema Samiti*.



# **EED 214 Entrepreneurial Marketing**

*Credit: 3*

*Lecture Hours: 48*

## **Course Objectives:**

The major objectives of this course are to understand basic marketing concepts/strategies in an entrepreneurial context, and to apply these concepts in an entrepreneurial marketing plan. The course will help the students to become familiar with the concept of an entrepreneurial marketing.

## **Learning Outcomes:**

- Understand the entrepreneurial mindset and the role of marketing in entrepreneurship
- Explore the process of identifying and evaluating entrepreneurial marketing opportunities
- Develop skills in entrepreneurial marketing.
- Learn about the entrepreneurial marketing strategies
- Understand in communication strategies and market analytics
- Understand the issues of new product development and marketing plan for entrepreneurs

## **Learning strategies/Pedagogy:**

The following learning strategies should be used to deliver the course by the concerned faculty/Instructors

- Case analysis and discussion
- Term paper writing
- Preparation of marketing plan and strategies
- Presentation: Individual and group work
- Assignment and thematic presentation

## **Course Contents**

### **Unit 1: Marketing and Entrepreneurial Firms**

**8LHs**

Concept and characteristics of Entrepreneurial firms from a marketing perspective. Concept and Features of Entrepreneurial Marketing. Proactive orientation. Innovativeness. Focus on the Customer, Utilizing opportunity and Risk Management, Value Creation

### **Unit 2: Market Research, Segmentation, Targeting, Positioning and Pricing**

**10LHs**

Market Research: Concept and value of Market Research for an entrepreneurial firm. Segmentation, Targeting and Positioning. Entrepreneurial Branding. Considerations and Challenges in building a strong brand. Need for new product development. Types of new products. Pricing. Pricing for entrepreneurial firms. Price sensitivity. Pricing strategies.

**Unit 3: Distribution****5LHs**

Going directly to the customer. Going directly to the retailer: Using Sales Agents. Participate in established channel structure. Set up your own intermediaries. Deciding on the distribution channel and strategies

**Unit 4: Communication Strategies & Market Analytics****7LHs**

Communication strategies: concept and types. Creating a buzz. Myths of viral marketing. Types of promotional Campaigns. Planning a promotional campaign. Establishing criteria for advertising success. Role of electronic media and social media in advertising and promotion. Market analytics: concept and approaches

**Unit 5: New Product Development & Management****8LHs**

Marketing considerations in New Product Development. Stages of New Product Development: Idea Generation, Idea Screening, Concept Development & Testing, Business Analysis, Beta Testing and Market Testing, Technical implementation, Commercialization. New Product Pricing. Ansoff Matrix and Four Alternative Marketing Strategies. Market Penetration, Product Development, Market Development and Diversification

**Unit 6: Strategic Marketing and Marketing Plan****10LHs**

Strategic marketing: Concept and types. Value creation, brand equity and customer sustainability. Investigate competitor dynamics & detect competitor strengths & weaknesses. Improve decision making processes by better linking marketing tools & techniques. Marketing Warfare Strategies. Offensive marketing warfare strategies and Defensive marketing warfare strategies. Pre-emptive strike. Flanking attack, Sequential strategies and Leapfrog strategies. Marketing Plan: concept, components and preparing the marketing plan.

***Suggested Readings***

- Hisrich , R.D. , & Peters, M. (2012) Entrepreneurship, 9th Edition McGraw Hill Education
- Kotler , & Armstrong (2004) Principles of Marketing 10th Edition Pearson Education
- Holt, D. Entrepreneurship New Venture Creation 4th Edition PHI
- Drucker, P.F. (1993) Innovation and Entrepreneurship, Harper Business
- Crane, F.G. (2013) Marketing for Entrepreneurs, 2nd Edition, Sage Publications.
- Roy, R. (2012) Entrepreneurship, 2nd Edition Oxford University Press



# **EED218: Small Business Planning & Management**

*Credit: 3*  
*Lecture Hours: 48*

## **Course Objectives:**

This course is designed to provide BBM students with a comprehensive understanding of small business planning and creation, with family business and rural entrepreneurship in Nepal. It aims to equip students with the knowledge, skills, and mindset necessary to identify, evaluate, and pursue entrepreneurial opportunities in small business areas, as well as effectively manage small businesses.

## **Learning Outcomes:**

- Understand the entrepreneurial mindset and the role of entrepreneurs in society
- Explore the process of identifying and evaluating entrepreneurial opportunities in small business areas.
- Develop skills in small business planning, feasibility analysis, and venture creation.
- Learn about the legal and regulatory aspects of starting and managing a small business.
- Understand in developing the small business model.
- Understand the issues of family business and rural entrepreneurship as the part of small business.

## **Learning strategies/Pedagogy:**

The following learning strategies should be used to deliver the course by the concerned faculty/Instructors

- Case analysis and discussion
- Term paper writing
- Articles review & seminar paper
- Presentation: Individual and group work
- Assignment and thematic presentation

## **Course Details:**

### **Unit 1: Understanding Small Business**

**8 LHs**

Small business: concept, features and types of small business; small business and society; micro and macro enterprises; contribution of small business; factors affecting in managing small business; areas for concern to small business owner; opportunities for small business in Nepal.

### **Unit 2: Developing Creativity and Understanding Innovation in Small Business**

**6 LHs**

Innovation and Creativity: meaning and concept; Innovation and the Entrepreneur; Role of Creativity in small business; Financial Support for Innovation for Small Business in Nepal.

### **Unit 3: Business Idea, Opportunity Recognition and Evaluation**

**8 LHs**

Concept of new business idea for small business; Sources for business idea generation in small business; Identify entrepreneurial opportunities for small business; Market analysis

and feasibility assessment for small business; Opportunity recognition frameworks for small business.

**Unit 4: Small Business Planning and Creation**

**8 LHs**

Concept of small business plan; Outlines of small business plan; Small business model development: Canvas model and Lean canvas model for small business; Creating the small business; Writing a business plan for small business; Legal and regulatory requirements for startups relating to small business in Nepal

**Unit 5: Technology and Innovation in Small Businesses**

**8 LHs**

The role of technology in enhancing the competitiveness and efficiency of small business in Nepal; E-Commerce platforms for small business management in Nepal; Scaling small businesses through technology; Marketing strategies for small businesses through technology and innovation in Nepal

**Unit 6: Family Business and Rural Entrepreneurship in Nepal**

**10 LHs**

Meaning of family business; Types of family business; Family business in Nepal: A historical perspective, advantages and disadvantages of family business; Major challenges faced by family business in Nepal; Rural entrepreneurship: meaning, need and features; Problems of rural entrepreneurship in Nepal; Relationship between rural, entrepreneurship and family business as small businesses in Nepal.

**Suggest Reading Materials:**

- Small Business Management in the 21st Century, David Cadden, Quinnipiac University  
Sandra L. Lueder, Southern Connecticut State University, 2012
- Business Model Generation: A Handbook for Visionaries, Game Changers, and  
Challengers (The Strategyzer series) by Alexander Osterwalder and Yves Pigneur, July  
13, 2010, John Wiley and Sons, USA
- Entrepreneurial Development, S.S. Khanka, 2022, S. Chand, New Delhi
- Entrepreneurship: Successfully Launching New Ventures, Bruce R. Barringer and R.  
Duane Ireland, 2009, Pearson Education, London
- Articles and cases with national and international context

# **EED 222: Design Thinking and Entrepreneurial Skills Management**

*Credit: 3*  
*Lecture Hours: 48*

## **Course Objective**

This course intends to provide a foundational understanding of design thinking, entrepreneurship skills and management to cultivate an entrepreneurial mindset for launching and managing successful startups. This course contains an introduction to design thinking, design thinking process, creativity and innovation, entrepreneurship and design thinking, formulation of business plan and entrepreneurship management.

## **Learning Outcomes**

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

- Understand the principles and process of design thinking.
- Apply design thinking methodologies to identify and solve entrepreneurial challenges.
- Develop entrepreneurial skills such as opportunity recognition, business model development, and customer validation.
- Explore strategies for effective entrepreneurship management.

## **Learning strategies/Pedagogy:**

The following learning strategies should be used to deliver the course by the concerned faculty/Instructors

- Use of diagram and maps in designing thinking
- Design thinking workshop
- Case analysis and discussion
- Term paper writing
- Presentation: Individual and group work with assignment

## **Course Details**

### **Unit 1: Introduction to Design Thinking**

**6 LHs**

Meaning and definition of design thinking, features of design thinking, principles of design thinking, design thinking in the organizations, design thinking approach, design thinking resources

### **Unit 2: Design Thinking Process**

**12 LHs**

**Empathize Phase:** Understanding user needs and behaviors, Techniques for empathetic research, Case studies on empathizing with customers; **Define Phase:** Defining the problem statement, Ideation techniques for problem-solving, developing user personas; **Ideate Phase:** Generating and evaluating ideas, Brainstorming and mind mapping

techniques, Prototyping basics and rapid prototyping methods; **Prototype Phase:** Creating prototypes to test ideas, Testing and iterating prototypes, Minimum Viable Product (MVP) development; **Test Phase:** Conducting user testing and feedback sessions, Analyzing feedback and insights, Refining prototypes based on user feedback. Case studies and examples.

### **Unit 3: Design Thinking Tools and Methods**

**10 LHs**

Purposeful Use of Tools and Alignment with Process, visualization, journey mapping, value chain analysis, mind mapping, brain storming, concept development, assumption testing, rapid prototyping, customer co-creation, and learning launch,

### **Unit 4: Creativity and Innovation**

**6 LHs**

Concept of creativity, creativity process, creativity and its components, concept of innovation, types of innovation, commercialization of innovation, business idea, evaluation of ideas, finding gaps in the market place, implementing design thinking for innovative business ideas.

### **Unit 5: Entrepreneurship and Design Thinking**

**8 LHs**

The evolution of entrepreneurship, concept of entrepreneurship, entrepreneurial attributes and characteristics, opportunities and challenges of entrepreneurship, relationship between design thinking and entrepreneurship, Entrepreneurship skills: Opportunity recognition and assessment, Market research and analysis.

### **Unit 6: Entrepreneurial Skills Management**

**6 LHs**

Entrepreneurial skills: Concept and meaning; Types of entrepreneurial skills: Innovation and adaptation, Business management skills, team work and leadership skills, Communication and listening, customer services skills, Financial skills, Analytical and problems solving skills, Strategic thinking and planning skills, time management and prioritization, Risks management; Techniques of managing entrepreneurial skills

### **Suggested Readings:**

Khanka, S.S. *Entrepreneurial Development*. S. Chand Publishing, New Delhi.

Morris, M. H., Kuratko, D. F., & Covin, J. G. *Corporate entrepreneurship & innovation*. Cengage Learning.

Havinal, V. *Management and entrepreneurship*. New Age International.

Ingle, B. R. *Design thinking for entrepreneurs and small businesses: Putting the power of design to work*. Berkeley: Apress.

McKeever, M. P. (2018). *How to write a business plan*. Nolo.

# ACS 202: Accounting for Banking

*Nature of course: Core*

*Full Marks: 100*

*LHs: 48*

*Pass Marks: 50*

## **Course Objectives**

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

## **Course Description**

This course contains conceptual foundation of different banking activities. It also comprises banking rules and regulation, accounting for deposit, guarantee, letter of credit, remittance, credit and treasury management etc. Similarly, it focuses on new banking technologies, BASEL, anti-money laundering, financial statement and its analysis.

## **Contents**

### **Unit 1: Introduction**

**4 LHs**

Concept of bank account; Accounting assumptions, principles and conventions; Evolution of banking industry, Development of banking industry in Nepal; Banks: Meaning, nature, objectives, importance and functions of banks; Types of Banks: Central Bank, Commercial Banks, Development Banks, Financial Institutions, Micro Finance Institutions and Co-operative Banks; Opportunities and Challenges of Nepalese Banking Sector; Legal provisions under Banking and Financial Institutions Act (BAFIA), 2063; Unified directives issued by Nepal Rastra Bank; Concept and importance of GAAP, Nepalese Accounting Standards (NAS), International Accounting Standards (IAS), Nepal Financial Reporting Standard (NFRS) and International Financial Reporting Standard (IFRS), Relative aspects of NAS, IAS, NFRS and IFRS

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

**3 LHs**

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

### **Unit 3: Accounting for Guarantee and Margin Deposit**

**3 LHs**



Guarantee: Concept, needs and types of guarantee: Bid bond, Performance bond, Advance payment guarantee, Counter guarantee, Financial guarantee, Standby letter of credit, Bonded warehouse guarantee; Accounting treatment of guarantee issue (voucher and ledger); Margin deposit: concept, process and evaluation; Service charges and accounting treatment

**Unit 4: Letter of Credit (LC)**

**3 LHs**

Letter of credit: concept, needs and types of LC; Parties involved in LC; Documents in LC; Trade finance; International Chambers of Commerce and Universal Custom and Practices (UCP) for documenting credit; NRB regulations for LC; Accounting treatment

**Unit 5: Accounting for Remittance**

**3 LHs**

Remittance: concept, importance and types; Services rendered by remittance; Parties involved in remittance; Demand draft, accounting for advice received and un-received demand draft; Account payee draft; Books of original entry for advice received and un-received; Telegraphic transfer and mail transfer; Branch reconciliation

**Unit 6: Accounting for Credit and Advances**

**3 LHs**

Credit: Concepts, importance and types: Cash credit, Overdraft, Secured loan, Micro credit, and other loans: auto, home, credit card, education and social; Evaluation of feasibility study; Industry risk analysis and Business risk analysis (using six C's of credit); Accounting treatment of different types of credit; Loan processing charges, interest and commission and their accounting treatment; Collection and recovery of loans method applied and accounting treatment; Credit risk management; Credit creation

**Unit 7: Accounting for Treasury Management**

**3 LHs**

Concept of treasury management; Dimensions of treasury management; Market risk management; Liquidity management; Investment portfolio management; Foreign exchange risk management; Assets liability management; Maintenance of agency ledger (NOSTRO and VOSTRO)

**Unit 8: Banking Technology Products**

**2 LHs**

Banking software; Card operation; Tele banking; Mobile banking; Internet banking and e banking; SWIFT (society for worldwide interbank financial telecommunication); Branch less banking

**Unit 9: Concept of BASEL Framework:**

**2 LHs**

Concept and importance; Principles of capital measurement and capital standard

**Unit 10: Anti Money Laundering (AML)**

**2 LHs**

Concept, importance and AML Act; Know your customers (KYC)

**Unit11: Preparation of Financial Statements under NFRS**

**12 LHs**

Bank reconciliation: concept, needs and preparation of BRS  
Trail balance: concept, needs and preparation; Transaction list verification and operational procedures; Statement of profit and loss and other comprehensive income (Income statement); Statement of financial position/balance sheet; Statement of cash flow statement; Statement of changes in equity; Disclosures required for Financial Statement

## **Unit 12: Financial Statements Analysis**

**8 LHs**

Concepts and importance; Ratio Analysis: concept, importance and limitations; Types of ratios: Profitability ratios: Net interest income growth (NII growth), Operating profit growth; Shareholder ratios: Return on equity, Return on assets, Earning per share, Price earnings ratio, Market price per share; Liquidity ratios: Net liquid assets, Net liquidity ratios, Statutory liquidity ratio (SLR), Cash reserve ratio (CRR); Activity ratios: Cost of fund, Base rate, Credit deposit ratio; Staff efficiency (per employee income, per employee business i.e. deposit plus loan); Gearing and Financial ratios: Total borrowing to shareholder fund, Total assets growth, Net worth growth; Cash Flow ratios: Interest coverage ratio, Debt coverage ratio; Assets Quality ratios: Non-performing loans to total loans, Loan loss reserves to gross loan; Earnings ratios: Net interest margin; Capital Adequacy ratios: Capital fund as a percentage of risk weighted assets

### **Suggested Readings:**

Accounting Manual of banks

Bank and Financial Institutions Act, 2063

Circulars issued by NRB (Banks and Financial Institution Regulation department and Foreign Exchange Management Department)

Indian Institute of Banking and Finance, (2008), *Accounting and Finance for Bankers*,  
Macmillan India Ltd. Chennai India

International Chamber of Commerce and the UCPDC 600

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

Negotiable Instrument Act, 2034

Nepal Rastra Bank Act, 2058

Unified Directives issued by NRB

Upadhyay, J. P. (2018), *Accounting for Banking*, Ashmita Publication

# ACS 204: Budgeting

*Nature of course: Core*

*Full Marks: 100*

*LHs: 48*

*Pass Marks: 50*

## **Course Objectives:**

This course aims to provide the budgeting systems and their applications, practical and conceptual issues of general budgeting and profit planning position and performance appraisal of business enterprises including financial institutions. It also aims to provide important information to the managers for budgeting purpose and how the organizations are able to generate profit and reduction of costs.

## **Course Description**

This course contains conceptual and theoretical foundation of budgeting: profit planning and control. It also comprises the functional budgets i.e. sales plan, production plan, purchase plan, overhead budget, labour cost budget, cost volume profit analysis, zero based budgeting and flexible budgeting under different levels of activities.

## **Course Details**

### **Unit 1: Conceptual Foundation**

**3 LHs**

Concept and purpose of budgeting and profit planning and control, essentials of profit planning, Profit planning and control process, Behavioral implications of a PPC program, Application of profit planning and control in manufacturing and non-manufacturing organizations.

### **Unit 2: Planning and Control of Sales**

**4 LHs**

Concept and purpose of sales planning, Factors consideration in sales planning, Sales budgeting vs. sales forecasting, Long range and short range sales plan, Development of comprehensive sales plan, Components of comprehensive sales plan, Planning sales in a non-manufacturing and manufacturing company.

### **Unit 3: Production Planning and Control of Manufacturing Concern**

**4 LHs**

Concept and purpose of production planning, Area of production planning, Responsibility for production planning, Factors consideration in production planning, Production budget, Production policies, Computation of inventory.

### **Unit 4: Planning and Control of Materials Purchase & Usage**

**4 LHs**

Concept and purposes, Raw material consumption budget, Raw materials purchase budget, Material control, Essentials of material control, Material inventory policy, Performance report

**Unit 5: Planning and Control of Non-Manufacturing Organization** **4 LHs**

Concept and purpose, Merchandise budget, Planning inventory levels, Mark-ups and cost multipliers used in retail companies, Open-to-buy planning.

**Unit 6: Planning and Control of Direct Labour** **4 LHs**

Meaning and objectives, Process of direct labour planning, Sources of standard labour hour, Direct labour cost budget, Control of direct labour cost, Performance report.

**Unit 7: Planning and Controlling Overhead Cost** **6 LHs**

Meaning and types of costs, Cost behaviors, Controllable and non-controllable expenses, Cost reduction and cost control, Planning and controlling of manufacturing expenses, Planning of distribution (selling) expenses, Planning administrative expenses, Preparation of overhead cost budget.

**Unit 8: Planning and Control of Cash** **6 LHs**

Concept and objectives of cash planning, Approaches to develop cash budgeting/planning, Techniques and methods for improving cash position, Control of cash positions.

**Unit 9: Completion of Profit Plan** **8 LHs**

Concept, Planned cost of goods manufactured, Planned cost of goods sold, Planned cash collection and disbursement, Planned Income Statement, Planned Balance Sheet, Zero base budgeting: Meaning and importance of Zero base budgeting (ZBB)

**Unit 10: Use of Cost Volume Profit Analysis in Profit Planning** **5 LHs**

Concept and objectives of cost volume profit analysis; Concept, application and assumptions break even analysis, Special problems in cost volume profit analysis, Economic characteristic of breakeven analysis, Calculation of BEP of single and multiple products.

**Suggested Readings**

Welsch, G. A., Ronald, W. H., & Paul, N. G., (2013), *Budgeting: Profit Planning and Control*, New Delhi: Prentice Hall of India.

Horngren, C. S., Sundem. G. L., Stratton, W.O., Burgstahler & Schatzberg, J., (2019). *Introduction to Management Accounting*, New Delhi: Pearson.

Garrison, R. H., Brewer, P. C., & Noreen, E. W. (2017). *Managerial Accounting*, McGraw-Hill

Companies, Inc.

# ACS 207: Accounting for Insurance Business

*Nature of course: Core*

*Full Marks: 100*

*LHs: 48*

*Pass Marks: 50*

## **Course Objectives**

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

## **Course Description**

This course contains introduction, accounting for premium, accounting for reinsurance, accounting for claim, accounting for management expenses, accounting for treasury management, concept of actuarial valuation, use of technology in insurance sector, product design and development, internal control and compliance, accounting for control, preparation of financial statements and analysis thereon.

## **Course Details**

### **Unit 1: Introduction**

**3 LHs**

Concept of insurance, Types of Insurance: life insurance, general insurance, reinsurance and micro insurance; Regulatory body (Nepal Insurance Authority); Evolution of insurance industry, development of insurance industry in Nepal; Meaning, nature, objectives, importance and functions of insurance; Opportunities and challenges of Insurance Sector in Nepal;

### **Unit 2: Nepal Insurance Authority**

**3 LHs**

Function, duties and power of the insurance authority, role of insurance authority in development of insurance sector in Nepal; Licensing of insurance business, reinsurance business, agency, brokers and surveyors

### **Unit 3: Product Design and Development**

**8 LHs**

Designing of life insurance products: Term insurance, term insurance with return of premium, Unit linked insurance plans, Endowment plans, Money back policy, Whole life insurance, Group life insurance, child insurance plans, Retirement plans.

Non-life Insurance products: Motor insurance, Health insurance, Marine insurance, Aviation insurance, Engineering insurance, Property insurance, Travel insurance, Miscellaneous insurance, crop and cattle insurance;

Approval procedures, role of actuary; Marketing strategies, Agency management, Appointment procedures of surveyors. Agent commission and surveyors fee and accounting treatment thereon.

#### **Unit 4: Basic Accounting Concepts**

**4 LHs**

Basic accounting principles, assumptions and conventions, accounting rules and classifications of accounts, procedures, functions and users of accounting; double entry system of book keeping, journal, ledger and trial balance.

#### **Unit 5: Non-Life Insurance Business**

**6 LHs**

Terms and techniques used in insurance, their computation and accounting: Underwriting results, premium register, written premium, earned premium, unearned premium, gross premium, net premium, , co-insurance, reserving in general insurance, technical reserves, unexpired risk reserves, claim register, claim and claim handling costs, intimated claim, gross claim, claim recovery, net claim, outstanding claim, incurred claim, incurred but not reported claim, reinsurance premium ceded and accepted, acquisition cost, deferred acquisition cost, net commission agent commission, reinsurance commission and profit commission service charge(regulation fee) to Insurance Authority allocation of management expense, investment and other income, catastrophic premium etc.,

#### **Unit 6: Life Insurance Business**

**6 LHs**

Terms and techniques used in life their computation and accounting: Life Insurance fund, policy register, Types of premium from determination perspective: Gross premium vs. Net premium, office premium/level premium, Types of premium from accounting perspective: First premium, renewal premium, first year premium, single premium, collection of deposit and advance premium, agents commission and incentive commission, medical examination fee, Concept of claim procedures , claim register, Accounting for claim: Maturity claim , partial maturity claim, surrender claim , death claim, paid up value, annuity payments, netting of claims, Bonus paid to policyholder, tax treatment as final withholding tax, accounting for claim receivable from Reinsurance and claim paid to other insurance company.

Accounting treatment of outstanding claim (including IBNR and IBNER). Accounting process for loan against policies, allocation of management expense, investment and other income, catastrophic premium etc., service charge (regulation fee) to Insurance Authority, reserving in life insurance.

**Unit 7: Accounting for Reinsurance****5 LHs**

Concept and importance; various types of reinsurance arrangements: facultative reinsurance and treaty reinsurance, Advantages and disadvantages of reinsurance, reinsurance regulation in Nepal, Characteristics of reinsurance accounting, reinsurance accounting system, Catastrophic reinsurance, Bordeaux. Accounting treatment of premium ceded and accepted, reinsurance claim receivable and payable and final settlement made thereon, reinsurance commission and profit commission, impact of foreign exchange thereon.

**Unit 8: Internal Control mechanism****3 LHs**

Reconciliation of transactions with banks, reinsurer and other parties; Preparation of bank reconciliation statement for the transaction with bank. Audit committee, Compliance Department, Authority Internal Audit , Statutory Audit and Tax Audit.

**Unit 9: Preparation of Financial Statements****6 LHs**

Regulations on insurance accounting, concept and importance; Statement of profit and loss and other comprehensive income (Income statement); Statement of Revenue account, Statement of financial position/balance sheet; Statement of cash flow statement; Statement of changes in equity, summary of significant accounting policies and notes to account.

**Unit 10: Financial Statements Analysis****4 LHs**

Concepts and importance; Ratio analysis: concept, importance and limitations; Different ratio analysis tools (liquidity, solvency, efficiency and profitability) and their interpretation

**Suggested Readings:**

Guria, R. C., Chakraborty A. K., . Sekar A.R & Pani B. (2010) *General Insurance Accounts Preparation And Regulation Of Investment*, Insurance Institute of India .

Gupta, R.L. & Radhaswamy, M. (2008) *Advanced Accounting*, New Delhi: S. Chand and Sons. Life Insurance Finance, Insurance Institute of India G- Block, Plot No. C-46, Bandra Kurla Complex, Bandra (E), Mumbai – 400 051