

**Far Western University**  
**Faculty of Management**  
**Master of Business Administration (MBA) Program**

**Course Details of Third Semester**  
**(Syllabus: MBA 3<sup>rd</sup> Semester)**



**Office of the Dean**  
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Far Western University  
Faculty of Management  
**Master of Business Administration (MBA) Program**  
**Semester-wise Course Cycle (Revised on 2023)**

Semesters	Course Code and Name of Courses	Credits	
<b>Semester I</b>	MGT 501: Managerial Communication	3	
	MGT 502: Emerging Concepts in Management	2	
	STT 512: Statistics for Management	3	
	ECO 522: Managerial Economics	2	
	MGT 532: Organizational Behaviour	2	
	MGT 535: Business, Society and Ethics	2	
	MKT 551: Marketing Management	2	
<b>Semester II</b>	ACC 511: Managerial Accounting and Control	3	
	ACC 512: Financial Reporting and Analysis	3	
	MGT 533: Human Resource Management	2	
	MGT 534: International Business	2	
	FIN 541: Financial Management	3	
	MIS 554: Management Information System	3	
<b>Semester III</b>	RES 631: Business Research Methods	2	
	MGT 632: Operations Management and Supply Chain	2	
	MIS 633: E-Business	2	
	ENT 634: Entrepreneurship	3	
	INT 635: Internship	2	
	<b>Concentration I (ONE subject from any one concentration area):</b>		
	<b>Concentration Area: Banking and Finance</b>		
	FIN 636: Financial Markets and Institutions	3	
	FIN 637: International Financial Management	3	
	<b>Concentration Area: Marketing</b>		
	MKT 636: Consumer Behaviour	3	
	MKT 637: Advertising and Sales Promotion	3	
	<b>Concentration Area: Accounting</b>		
	ACC 636: Corporate Accounting	3	
	ACC 637: Corporate Taxation	3	
	<b>Concentration Area: Human Resource Management</b>		
	HRM 636: Employment Relations	3	
	HRM 637: Human Resource Development	3	
	<b>Semester IV</b>	MGT 641: Strategic Management	3
		ENT 642: Business Plan for New Venture Development - Seminar	1
ACC 643: Taxation and Tax Planning - Workshop		1	
RES 649: Thesis		3	
<b>Concentration II (ONE subject from any one concentration area):</b>			
<b>Concentration Area: Banking and Finance</b>			
FIN 644: Investment Analysis and Portfolio Management		3	
FIN 645: Commercial Bank Management		3	
FIN 646: Marketing of Financial Services		3	
<b>Concentration Area: Marketing</b>			
MKT 644: Service Marketing		3	
MKT 645: Social Marketing		3	
MKT 646: Strategic Brand Management		3	
<b>Concentration Area: Accounting</b>			
ACC 644: Accounting Information System		3	
ACC 645: Advanced Management Accounting		3	
<b>Concentration Area: Human Resource Management</b>			
HRM 644: Performance Management		3	
HRM 645: Conflict Management and Negotiation		3	
<b>Concentration III (ONE seminar related to concentration area)</b>			
FIN 648: Seminar in Banking and Finance		3	
MKT 648: Seminar in Marketing		3	
ENT 648: Seminar in Accounting		3	
HRM 648: Seminar in Human Resource Management		3	

## RES 631: Business Research Methods

**Program/Semester:** MBA/Third Semester

**Course Title:** Business Research Methods

**Course Code:** RES 631

**Credit Hours:** 2

**Lecturer Hour:** 30

### Course Objectives

The objective of this course is to introduce students to various aspects of research methodology and aims to inculcate skills among students for enabling them to identify problems, design research framework and processes, collect relevant data and information and analyze them. This course equips students with abilities to conduct independent research and surveys.

### Course Description

This course examines processes of reviewing literature, identifying problem, defining research questions and objectives, develop hypothesis, design theoretical framework including various issues and challenges in the research process. The course also includes methodological details including designing approach and framework, defining data and information needs, defining population and designing sampling framework, identifying sources of data and information and methods of collecting them, processing data, and analyzing them. The course also includes methods of discussing results, deriving conclusions and implications and referencing adopting APA format and developing annexes necessary for studies.

### Learning Outcomes

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

- Define research and explain the feature of scientific research.
- Review relevant literature and construct theoretical framework.
- Design research approach, identify research problem and formulate research hypothesis.
- Apply sampling framework to determine sample size.
- Collect data, process them and analyse them using appropriate tools and techniques.
- Derive findings, discuss and interpret them and deduce conclusions and implications.
- Write references and bibliography using APA format and develop annexes.

### Course Contents

In line with the contemporary focus of the course, the following issues or topics have been included:

#### Course Contents

##### Unit 1: Foundations and Fundamentals of Research

LH 3

Meaning of research; nature and types of research; scientific research – concept and characteristics; scientific research process; approaches to research – quantitative and qualitative; business research – role and value of business research; types of business research; ethical concerns in research.

##### Unit 2: Literature Analysis and Theoretical Framework

LH 4

Concept, purpose and need for literature review; steps in the review process; sources of literature; literature search through the internet; theoretical and conceptual framework– concept and its role in research; research and theory – concept, construct, proposition and variables; reasoning - deduction and induction.

##### Unit 3: Research Problem, Hypothesis Formulation and Research Design

LH 5

Research problem – concept, steps and characteristics; research questions; hypothesis –

concept, importance and types; hypothesis formulation process; criteria of good hypothesis formulation; research design – concept, elements and types; exploratory, descriptive, developmental, correlational, causal-comparative and experimental research designs; qualitative research – concept, assumptions, features of qualitative research; criteria of good research design.

**Unit 4: Measurement, Scaling and Sampling Techniques** **LH 6**

Concept of measurement and scaling; scales of measurement – nominal, ordinal, interval and ratio; scale construction for attitude measurement; scales commonly used in business research; validity and reliability of measurement; sources of measurement problems; scales commonly used in business research; sampling – concept and process; population, sampling frame, sample bias; sampling distribution; probability and non-probability sampling; sample size determination; sampling and non-sampling errors.

**Unit 5: Data Collection and Analysis** **LH 6**

Concept, nature and types of data; questionnaire – types and components; pre-testing and administration; research interview–structured, semi-structured and unstructured; guidelines for interviewing; types of research interviews; computer-assisted interviewing; sources of qualitative data: observation and focus groups; e-research using internet, websites and e-mail surveys; data preparation – coding, classification and tabulation; organizing data for computer entry; quantitative data analysis; statistical analysis of data – descriptive and inferential statistics; statistical testing of hypothesis; qualitative data analysis – content analysis, narrative analysis and thematic analysis; analysis of data by using SPSS.

**Unit 6: Reporting Research** **LH 6**

Research proposal – concept, components and structure; research report writing - concept and process; types and phases of the research report; procedures for writing; style of writing; conventions of academic writing; layout of the research report; documenting sources; citations and references; APA references; essentials of good research reports.

**Prescribed Text Books:**

Cooper, D, R, & Schindler, P. M. *Business Research Methods*. New Delhi: Tata McGraw Hill,

Zikmund, W, G, *Business Research Methods*. New Delhi: Thomson.

Pant, Prem R. *Social Science Research and Thesis Writing*. Kathmandu: Buddha Publications.

**Suggested References:**

Kumar, R. *Research Methodology: Step-by-step Guide for Beginners*. New Delhi: Pearson Education.

Sekaran, U. and Bougie, R. *Research Methods for Business: A Skill Building Approach*. New Delhi: Wiley & Sons.

Maxwell, J. A. *Qualitative Research Design: An Interactive Approach*. New Delhi: Sage Publications.

Neuman, W.L. (2006). *Social Research Methods: Qualitative and Quantitative Approaches*. Boston: Pearson Education.



## MGT 632: Operations Management and Supply Chain

**Program/Semester:** MBA/Third Semester

**Course Title:** Operations Management and Supply Chain

**Course Code:** MGT 632

**Credit Hours:** 2

**Lecturer Hour:** 30

### Course Objectives

The course aims at equipping students with in-depth knowledge and skills in operations management and supply chains. The students will develop an understanding of manufacturing and operations functions. They will learn to design, plan, operate and control manufacturing, production and operations systems. The course requires the use of analytical techniques to develop critical thinking and to sharpen decision-making skills. The students will have the opportunities to apply what they are learning to practice problems.

### Course Description

This course introduces major concepts and tools used in the design and use of operations systems and supply chains in organizations. It introduces the discipline and the role the function plays in a value-creating organization. Emphasis is given both to familiarization of various production processes and service systems, and to quantitative analysis of problems/ issues arising in the management of operations. Topics include an introduction to operations and productivity, competitiveness, strategy and productivity, product and service design, capacity planning, process selection and facility layout, quality management, inventory management, lean operations, waiting time management and Supply Chain Operations and Performance Measurement.

### Learning Outcomes

Successful completion of the course will empower the students to be able to improve just about any process in any area of the business. At the end of the course, the students will be able to:

- Appreciate the strategic role of Operations Management in creating and enhancing a firm's competitive advantages,
- Understand key concepts and issues of Operations Management in both manufacturing and service organizations,
- Analyse business processes in services and manufacturing for improvement,
- Identify the operational issues in the value-addition processes of a firm and
- Apply analytical skills and problem-solving tools to resolve the operational issues.

### Course Contents

#### Unit 1: Introduction to Operations Management and Supply Chain LH 4

Role of operations in an organization; service and manufacturing processes; concept and importance of operations management; operations management and decision making; historical evolution of operations management; supply chains: concept, objective and importance; decision phases and process view of supply chain management; comparing the functions of operations management and supply chain management.

#### Unit 2: Strategies for Product and Service Design LH 5

Concept of competitiveness; mission and operations strategies; implications of organization strategy for operations management; productivity for improvement; product design: concept of product design, idea generation, legal and ethical considerations, global product and service design, environmental factors, phases in product design and development, designing for production and service design.

**Unit 3: Managing Capacity, Process, Facility and Quality** **LH 8**

Capacity planning: defining and measuring capacity, concept of capacity planning, capacity decisions, forecasting capacity requirements, making or outsourcing decisions, constraint management, evaluating alternatives; process selection: concept, technology and process strategy; facility location: facility location decision and location selection techniques; facility layout: concept, designing product and process layouts; quality management: concept and evolution of quality management, quality standards, awards and certifications, total quality management, quality tools, inspection and statistical quality control.

**Unit 5: Inventory Management** **LH 4**

Inventory management: nature and importance of inventories, requirements for effective inventory management, inventory ordering policies, economic order quantities, reorder point, fixed order interval model, single period model.

**Unit 6: Lean Operations and Waiting Time Management** **LH 4**

Lean operations: concept, supporting goals, building blocks, lean tools, transitioning to a lean system; waiting time management: concept, managerial implications of waiting situations, goals of waiting time management, characteristics of waiting lines, measures of waiting line performance.

**Unit 7: Supply Chain Operations and Performance Measurement** **LH 5**

Supply chain operations: planning, sourcing, making and delivering; information systems that support the supply chain management; measuring the performance of supply chains: defining markets for measuring performance and framework for performance measurement (customer service, internal efficiency, demand flexibility and product development).

**Prescribed Text Books:**

Krajewski L. J. & Malhotra M. K. (2022). *Operations Management: Process and Supply Chains*, Pearson Education Inc.

Stevenson, W. *Operations Management: 9th Edition*, Tata McGraw Hill Education Private Limited.

**Suggested References:**

Gaither N. and Gaither F.: *Operations Management, 9th Edition*, Cengage Learning India Private Limited.

Hugos, Michael H. (2011). *Essentials of supply chain management*, John Wiley & Sons, Inc.





## MIS 633: E-Business

*Program/Semester: MBA/Third Semester*

*Course Title: E-Business*

*Course Code: MIS 633*

*Credit Hours: 2*

*Lecturer Hour: 30*

### Course Objectives

The course is designed to provide knowledge of online business, improvements and changes brought to society, also aims to provide knowledge about the strategies, and components necessary for the implementation of e-business and processes related to e-business. The objective of the course is to introduce the fundamental concepts of e-business and how they support management and operations in the modern business environment.

### Course Description

The spectrum of information technology tools used in business will be discussed along with selected applications. The roles of technology and e-Business across various business disciplines will be examined. topics will include the concept and nature of e-business and e-commerce, e-business infrastructure, e-business strategy, e-procurement management, e-contracting and e-marketing.

### Learning Output

Upon completion of this course, the student should be able to:

- Identify and explain the nature and variety of e-business and e-commerce models.
- Determine an appropriate e-business model and apply it to a specific business;
- Compare different components of e-business infrastructure and apply these components in managing e-business.
- Explain the key elements of e-business strategy and describe the processes of formulating e-business strategy.
- Explain the procedures of e-procurement management and e-contracting.
- Prepare an e-business marketing plan and evaluate how it addresses the target market's needs.

### Course Contents

In line with the contemporary focus of the course, the following topics have been selected and each issue topic will be explored in relation to existing literature, its relevance and practices in the global context:

#### **Unit 1: Introduction to E-business and E-commerce**

**LH 6**

Concept, nature, and opportunity of e-business; the concept of e-commerce and online marketplace for e-commerce; the difference between e-business and e-commerce; business models for e-products and e-services; business adoption of digital technologies for e-business and e-commerce; e-business risks and barriers to business adoption; management responses to e-commerce and e-business.

#### **Unit 2: E-business Infrastructures**

**LH 5**

Components of e-business infrastructure, internet technology: concept, hosting of websites and e-business service; web technology: internet-access software applications, internet standards, and internet governance; managing e-business infrastructure: hardware system, software system, internet service, hosting providers and employees' access to internet and e-mail.

**Unit 3: E-business Strategy**

**LH 8**

Concept of e-business strategy, key elements of e-business strategy, strategic objectives, information systems strategy, strategies for implementation of e-business; strategy for the internal organisation of e-business activities: determining 'make-or-buy' decisions, choosing 'separate or integrated' form of organisation, managing conflicts between online and offline distribution channels.

**Unit 4: E-Procurement Management and E-contracting**

**LH 6**

Concept and objective of procurement, types of procurement, difference between purchase and procurement, benefit and risks of e-procurement, market solutions: sell-side, buy-side and marketplace; integration of product catalogue; e-contracting: concept of generic services - information, negotiation, archiving, enforcement, reconciliation; structure of a contract; digital signature.

**Unit 5: E-Marketing**

**LH 5**

Overview and significance of e-marketing, concept and development of Web 1.0 (past), Web 2.0 (present), and Web 3.0 (future) platforms of e-marketing, effects of e-business technologies on marketing strategy, e-marketing planning process, the e-marketing plan, the marketing mix, branding, online advertising, targeting online customers, interactive television and e-marketing.

**Project/practical work** – as per the project work/practical manual.

**Prescribed Text Books:**

Chaffey, D. (2009). *E-business and e-commerce management: strategy, implementation, and practice (4th ed)*. Pearson.

Combe, C. (2006). *Introduction to E-business Management and strategy*. Elsevier.

**Suggested References:**

Coupey, E. (2004). *Digital Business: Concepts and Strategies (2nd Edition)*. Prentice Hall.

Jelassi, T., Enders, A., & Martainez Laopez, F. J. (2014). *Strategies for e-business: creating value through electronic and mobile commerce; concept and cases (3rd ed)*. Pearson.

Laudon, Kenneth C., Laudon, Jane P. (2013). *Management information systems, 12<sup>th</sup> ed*. United Kingdom: Pearson Education Ltd.

McKie, S. 2001. *E-Business Best Practices: Leveraging Technology for Business Advantage*. John Wiley&Sons.

Strauss, J. & Raymond F. (2014). *E-Marketing (7th ed)*. Pearson.





## ENT 634: Entrepreneurship

**Program/Semester:** MBA/Third Semester

**Course Title:** Entrepreneurship

**Course Code:** ENT 634

**Credit Hours:** 3

**Lecturer Hour:** 45

### Course Objectives

The purpose of this course is to familiarize students with the different dimensions of new venture creation and growth. The course will be concerned with content and process as well as with formulation and implementation issues that relate to conceptualizing, developing and managing successful new ventures.

### Course Description

The course provides an introduction to fundamental concepts of creative and innovative managerial practices of successful entrepreneurship. It further reviews the significant economic and social contributions entrepreneurs provide to society, the intense lifestyle commitment, and the skills necessary for entrepreneurial success. The course thus provides an overview of the entrepreneurial process, creativity and innovation, strategic perspectives in entrepreneurship, international entrepreneurial opportunities, business plan preparation for new ventures, social and ethical perspectives of entrepreneurship and entrepreneurship development in Nepal.

### Learning Outcomes

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

- Explain the fundamentals of entrepreneurship,
- Explore the characteristics and skills of successful entrepreneurs,
- Appreciate entrepreneurial intentions,
- Develop and analyse entrepreneurial strategy,
- Explain the concepts, nature and process of creativity and innovation,
- Identify and analyse entrepreneurial opportunities,
- Understand legal issues relating to intellectual property rights, licensing, and contracts and
- Comprehend emerging issues of entrepreneurship in Nepal.

### Course Contents

#### Unit 1: Introduction to Entrepreneurship

LH 8

Definition, nature, skills and types of entrepreneurs; entrepreneurial traits; function of an entrepreneur; entrepreneurial process; entrepreneurial schools of thought; individual entrepreneurial mind-set; common; entrepreneurial motivations; characteristics associated with entrepreneurs; entrepreneurial mind-set in the organizations; nature of corporate entrepreneurship; conceptualizing corporate entrepreneurial strategy; entrepreneurial intention; factors influencing entrepreneurial intention.

#### Unit 2: Creativity and Innovation

LH 7

Concept of creativity and innovation; opportunity identification; sources of new venture ideas; methods of generating ideas; entry strategies for new entry exploitation; risk reduction strategy; idea generation from trend analysis; principles of innovation, types and process of innovation; components of creativity; indicators of creativity; nature of creative process; role of creative thinking.

#### Unit 3: Strategic Perspectives in Entrepreneurship

LH 8

Introduction to strategic planning; nature of strategic planning; major components of a

strategic plan; an entrepreneurial strategy matrix model, product planning and development process; venture development stages; opportunity recognition; opportunity assessment plan, growth strategies; reasons of business failure; sources of information for start-up entrepreneurs in Nepal.

**Unit 4: International Entrepreneurial Opportunities**

**LH 5**

Domestic versus international entrepreneurship; entrepreneurial entry into international business; nature of international entrepreneurship; motivation to go global; foreign market entry strategies; barriers to international trade.

**Unit 5: Business Plan Preparation for New Venture**

**LH 5**

Planning as a part of business operation, introduction to business plan; concept, nature and process of business planning; key elements and evaluation criteria of a business plan; contents and structure of business plan; preparation of business plan.

**Unit 6: Social and Ethical Perspectives of Entrepreneurship**

**LH 5**

Concept of business ethics and social responsibility; ethical and social responsibility of entrepreneur; ethical practices and code of conduct; ethical considerations in corporate entrepreneurship; approaches to managerial ethics; introduction to social entrepreneurship; gender and environmental issues confronting entrepreneurs.

**Unit 7: Entrepreneurship in Nepal**

**LH 7**

Growth of entrepreneurship in Nepal; legal structures for entrepreneurial ventures; legal procedure for establishment of new ventures in Nepal; concept and nature of the intellectual property, patents, trademarks, licensing and copyrights (legal issues with reference to Nepalese laws); Entrepreneurial Competency Development (ECD) in Nepal; the importance of small business in Nepal and emerging entrepreneurial issues; women and minority entrepreneurship in Nepal.



**Prescribed Text Books:**

David H Holt (2011), *Entrepreneurship and new venture formation*, Prentice Hall India

Hisrich, R. D., Shepherd, D. A. & Peters, M. P. (2016). *Entrepreneurship*. McGraw-Hill Education.

**Suggested References:**

Arya, K. (2016). *Entrepreneurship: creating and leading an entrepreneurial organization*. Pearson.

Ramachandran, K. (2014). *Entrepreneurship development: Indian cases on change agents*. Tata McGraw Hill.

Robinson, P. J. (2017). *A guide for writing your business plan*. Independently published.



## ACC 636: Corporate Accounting

**Program/Semester:** MBA/Third Semester

**Course Title:** Corporate Accounting

**Course Code:** ACC 636

**Credit Hours:** 3

**Lecture Hours:** 45

**Nature:** Concentration

### Course Objectives

The objective of this course is to acquaint students with various concepts of corporate accounting, accounting treatments of share and debenture, valuation of share and goodwill and analyzing financial reports. The course further attempts to provide sound knowledge of new trends of accounting which helps students to understand the concept of business combinations and to prepare the consolidated financial statement.

### Course Description

This course contains various aspects of company accounts, shares and debentures, valuation of goodwill and shares, various aspects of company accounts, new trends in accounting and price level changes in accounting.

### Learning Outcomes:

By the end of the course students should be able to:

- Describe the concept of corporate accounting
- Understand the concept of share and debenture and their accounting treatment.
- Explain the financial statements of different types of business entities.
- Evaluate the various methods of valuation of goodwill and shares;
- Understand and apply the method of adjustment of amalgamation, absorption and reconstruction of a company.
- Understand the need and preparation of a consolidated balance sheet.
- Describe the various new trends developed in the field of corporate accounting.

### Course Details

#### Unit 1: Introduction

LH 3

Meaning, Importance and process of Corporate Accounting; Differences: Corporate Accounting vs. Financial Accounting; Role of a Corporate Accountant; Corporate social responsibility.

#### Unit 2: Shares and Debenture

LH 6

Issue, Forfeiture, and Re-issue of forfeited shares: concept and process of book building; Issue of rights and bonus shares, Buyback of shares; Issue and Redemption of preference shares; Issue and Redemption of Debentures.

#### Unit 3: Valuation of Goodwill and Shares

LH 5

Goodwill: concept and need for valuation of goodwill and shares, Factors affecting the value of goodwill and accounting treatment; Methods of valuing goodwill: average profit method, super profit method, capitalization method, annuity method; Valuation of shares: concept and need, Factors affecting value of shares; Methods of valuation of shares: net assets method, yield method, earning capacity method.

#### Unit 4: Various aspects of Company Accounts

LH 16

Company expansion through Amalgamation and Absorption: meaning and concept; Accounting treatment in the books of both Purchasing and Vendor Company; Preparation of Balance Sheet by Purchasing Company; Internal and external reconstruction: Meaning,

importance, need and accounting treatment & balance sheet after reconstruction; Expansion through Subsidiary companies and Holding Company: Concept of Holding and Subsidiary Company, preparation of Consolidated Balance Sheet by Holding Company after due consideration of: Pre-acquisition and post-acquisition profit, Minority Interest, Cost of Control/Goodwill or Capital Reserve, Elimination of common transactions, Treatment of contingent liabilities and unrealized profit, Revaluation of assets and liabilities, Dividend from Subsidiary Company and preference shares in subsidiaries; Corporate Liquidation: concept, and reasons for liquidation procedures of winding up as per Company Act; Statement of affairs and Liquidator's Final statement of Account.

**Unit 5: Analysis of Financial Reporting**

Corporate financial statement reporting: concept, requirements of financial statements, recent trends in financial reporting; Balance sheet: analyzing sole trading, companies and banking and financial institutions balance sheet; Analysis of Cash flow: concept, interpretation of cash from operating, financing and investing activities; development of useful ratios and their use for managerial decisions; Ratio analysis: concept, the application of accounting ratios for strategic analysis.

**Unit 6: New Trends in Accounting**

**LH 9**

Inflation account: Concept, Inflation and Deflation; Current Purchasing Power Accounting; Human Resource Accounting: Concept, objectives and benefits of HRA, Valuation of Human Resources; Social Accounting: Concept and approaches, Social responsibilities of business, Measurement of social cost benefit, Social Accounts and Balance Sheet; Environment Accounting: Concept, needs, scope, forms and elements of environment accounting; Forensic Accounting: Concept, functions, needs of forensic accounting, critical aspects to be followed while conducting forensic accounting; Sustainable Accounting: Concept, objectives and needs of sustainable accounting

**Prescribed Text Books:**

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

Monga, J.R., (2019). *Basic corporate Accounting*, Mayur paperbacks, New Delhi

**Suggested References:**

Shegal, A. (2011). *Fundamentals of Corporate Accounting*, Taxmann publications Pvt. Ltd.

Shukla, Grewal & Gupta, (2017). *Advanced Accounting*, S. Chand and Co., New Delhi

S.N. Maheshwari and S.K. Maheshwari, *Corporate Accounting*, Vikas Publication, New Delhi



## ACC 637: Corporate Taxation

*Program/Semester: MBA/Third Semester*

*Course Title: Corporate Tax Planning*

*Course Code: ACC 637*

*Credit Hours: 3*

*Lecture Hours: 45*

*Nature: Concentration*

### Course Objectives

This course aims to provide the students with the knowledge of tax laws and tax planning for decision-making and enable them to work as tax consultants in the corporate sector and tax officers in the government sector.

### Course Description

This course includes income tax, value added tax system, panel provision, tax administration and international tax. It also covers tax planning concept and its uses in Nepal.

### Learning Outcomes

By the end of the course students should be able to understand:

- About the basic concept of tax applied in Nepal;
- The skills in computations and adjustment of income tax, VAT, tax planning and administration for business decisions;
- About the tax information that can be used to formulate and implement strategy in an organizational;

### Course Details

#### Unit 1: Conceptual Foundation

LH 4

Concept and definition of tax, duty, charge and fee; direct tax and indirect tax, tax on capital (tax on land, land transfer, motor vehicle, house and land tax). income year and assessment year, withholding and final withholding payment, retirement fund, retirement contribution and retirement payment. Nepal accounting standard vs tax accounting, cash accounting vs accrual accounting. revenue mobilization in federal system.

#### Unit 2: Income Tax

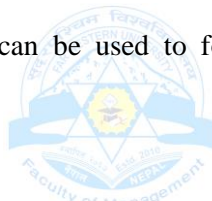
LH 14

Sources of income, tax exempted income, tax exempted institutions, tax rates, tax exemptions, tax rebates, treatment of provisions related to deductions and reductions, tax deduction at source and its treatment, computation of assessable income, taxable income and tax liability individual and business (business, profession, industry, export-import, information technology sector, Liquor, tobacco, financial sector) and investment, set off and carry forward of losses, capital gain tax, inter-source and inter-head adjustments-within country and outside country.

#### Unit 3: Indirect Tax

LH 6

Concept, features and principles of indirect tax; relation between value added tax, customs duty, excise duty and goods and service tax (GST), meaning and concepts of VAT, evolution of VAT, concepts of cascading effect and zero rating, methods of VAT, advantages of tax-credit method, taxable transactions, tax exempted transactions, VAT accounting, tax registration, tax collection, tax invoice, VAT refund, duties of businessmen and customers in VAT system.



**Unit 4: Revenue Administration and Return of Income**

**LH 5**

Structure of revenue administration in Nepal: ministry of finance, inland revenue department, revenue investigation department. method of tax collection and realization, rights and duties of tax authorities and assess, advance ruling, review and appeal under income tax and value added tax acts and rules.

Concept of return of income: returns of estimated income, returns of final income and self-tax assessment, extension of time to final return of income: return of income not required. revised tax assessment process, jeopardy tax assessment, tax collection, waiver and refund procedures of online final income return, E- TDS and monthly VAT statement (use www.ird.gov.np).

**Unit 5: Tax Planning**

**LH 12**

Tax planning: Concept, needs and objectives of tax planning to modern business corporations; Major differences among tax evasion, tax avoidance and tax planning; types of tax planning, scopes of short-range and long-range tax planning; concepts of tax management.

Tax planning for managerial decisions: Selection of business, forms of business incorporation, location of business unit, size of business, timing of future business activities; Tax planning for financial decisions; leasing or buying business assets, capital structure, retention or distribution or returns, merging of business units; planning for international taxation: taxation of non-resident (service providers) related to shipping, airlines, transport, and telecommunication, concepts of double tax avoidance agreements (DATA) and foreign tax credit.

**Unit 6: Penal Provision, Prize and Other Incentives**

**LH 4**

Concept of penalty and offence; Provision of interest for underestimating tax payable by installment and delay or fail to pay tax; Provision for fee charge for failure to maintain documentation or file statements or returns of income, for making false or misleading statements, For aiding or abetting or inducing another person to commit and offence; Provision for criminal offences for: failure to pay tax, making false or misleading statement, authorized and unauthorized person, aiding or abetting, failure to comply with Act. Provision of prize and other incentive.

**Prescribed Text Books:**

- Nepal Government. Budget Speech and Finance Act (Recent)
- Nepal Government. Double Taxation Avoidance Treaties with various countries
- Nepal Government. Income Tax Act 2058 with amendments. Kathmandu: Ministry of Law, Justice and Constituent Assembly
- Nepal Government. Income Tax Rules 2059 with amendments. Kathmandu: Ministry of Law, Justice and Constituent Assembly
- Nepal Government. Intergovernmental Fiscal Arrangement Act 2074 with amendments. Kathmandu: Ministry of Law, Justice and Constituent Assembly
- Nepal Government. Value Added Tax Act 2052 with amendments. Kathmandu: Ministry of Law, Justice and Constituent Assembly
- Nepal Government. Value Added Tax Rules 2053 with amendments. Kathmandu: Ministry of Law, Justice and Constituent Assembly

**Suggested References:**

- Khadka, R. VAT in Nepal. (New Edition), New Delhi: UBS Publisher Distributors Ltd.
- Prasad, B. Direct Taxes: Laws and Practice (Updated Edition). New Delhi: Vishwa Prakashan.
- Regmi, G. P. Corporate Taxation (Updated Edition). Kathmandu: KEC publication and Distribution.
- Singhaniya, V.K. Direct Taxes: Laws & Practice (Updated Edition). New Delhi: Taxman Publication.

