

Far Western University
Faculty of Management
Master of Business Studies (MBS)Program

Course Details of Third Semester
(Syllabus: MBS 3rd Semester)



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Far Western University
Faculty of Management
Master of Business Studies (MBS) Program
Semester-wise Course Cycle (2021)

Semesters	Course Code	Name of course	Credit hours	
Semester I	MGT 511	Statistical Analysis for Business	3	
	MGT 512	Managerial Economics	3	
	MGT 513	Organizational Behavior	3	
	MGT 514	Business Communication	3	
	MGT 515	Management Accounting	3	
Semester II	MGT 521	Financial Management	3	
	MGT 522	Marketing Management	3	
	MGT 523	Entrepreneurship	3	
	MGT 524	Human Resource Management	3	
	MGT 525	Financial Accounting for Managerial Decisions & Control	3	
Semester III	MGT 531	Management Information System	3	
	MGT 532	Operations Management	3	
	MGT 535	Research Methods for Business	3	
		Specialization (any two)		
		Finance		
	FIN 564	Financial System in Nepal	3	
	FIN 565	Investment Analysis and Portfolio Management	3	
	FIN 566	Corporate Finance	3	
	FIN 567	Management of Cooperative and Micro Finance Institutions	3	
		Marketing		
	MKT 564	Consumer Behaviour	3	
	MKT 565	Advertisement & Sales Promotion	3	
	MKT 566	E-Marketing	3	
	MKT 567	Sales and Distribution Management	3	
		Accounting		
	ACC 564	Advanced Management Accounting	3	
	ACC 565	Accounting Information System	3	
	ACC 566	Corporate Tax Planning	3	
	ACC 567	Corporate Accounting	3	
		General Management		
	GMT 564	Quality Management	3	
	GMT 565	Operation and Process Management	3	
	GMT 566	Project Management	3	
	GMT 567	Supply Chain Management	3	
	Semester IV	MGT 541	Strategic Management	3
		MGT 542	Business Environment in Nepal	3
		MGT 543	Global Economy and International Business	3
		Specialization (any One)		
		Finance		
FIN 568		Financial Markets & Institutions	3	
FIN 569		Commercial Bank Management	3	
FIN 570		International Finance	3	
		Marketing		
MKT 568		Service Marketing	3	
MKT 569		Strategic Brand Management	3	
MKT 570		Fundamentals of Rural Marketing	3	
		Accounting		
ACC 568		Financial Reporting and Analysis	3	
ACC 569		Advanced Auditing	3	
ACC 570		Cost Management	3	
		General Management		
GMT 568		Recent Trends in Management	3	
GMT 569		Business Analysis and Decision Making	3	
GMT 570		Performance and Reward Management	3	
		Thesis		
MGT 546		Thesis	3	
		Total	60	

Management Information System

Program/Semester: MBS/Third Semester

Course Title: Management Information System

Course Code: MGT 531

Credit Hours: 3

Lecture Hours: 45

Course Objectives

The purpose of this course is to introduce the principles of information systems for managing data and information, enhancing management decision-making and applying information systems for managing the changing environment of business.

Course Description

In line with the objectives, this course deals with the introduction to computers, information technology infrastructures, data resource management and relational database management system, computer network and telecommunications in business, enterprise information systems and supporting decision making, e-business systems and e-commerce systems and security and ethical challenges in information systems.

Learning Outcomes

Upon successfully completing this course, a student will be able to do the following:

- Narrate the basic concepts and technologies used in the field of management of information systems.
- Explain and apply key enabling technology infrastructures.
- Explain applications such as the internet and telecommunications in solving organizational problems.
- Apply the understanding of data resource management and relational database management system work together to accomplish the information objectives of an organization.
- Compare the processes of enterprise information systems and supporting decision-making.
- Describe the role and implications of e-business systems and e-commerce systems.
- Outline the role of the ethical, social, and security issues of information systems.

Course Contents

Unit 1: Introduction to Computer Applications

LH 8

Concept of computer technology, definition of computer, characteristics, advantages and drawbacks of computers, business application of computers, evolution and generations of computers; anatomy of computers: major components (processor, memory, input/output, secondary storage) with brief overview; types of computers on the basis of model, operation, size and brand; data representation: binary number system, binary addition and subtraction, complements, arithmetic's with complements.

Unit 2: Information Technology Infrastructures

LH 6

Concept and components of IT infrastructure; computer hardware; computer systems; Computer systems and enterprise computing; computer peripherals: input, output and storage technologies; computer software: concept and types of software system, business application software, software alternatives, contemporary hardware and software trends; phases of system development life cycle: feasibility study, system analysis, system design, system specification, end user development and system implementation.

Unit 3: Database and Relational Database Management System

LH 7

Definition and terminologies, need of data management, data management approaches; file

management system: definition, limitations and benefits of file management systems; database management systems: database, DBMS, database systems, advantages and drawbacks, database languages, data models, ER diagram, concept of normalization; business intelligence and data: data warehouse, data mart, data mining, purpose of data mining, multidimensional data, OLAP; Database system architectures: centralized systems, client server systems, distributed database systems.

Unit 4: Computer Network and Telecommunications in Business **LH 6**

Network and telecommunication: definition, data vs signal, communication processors (Modem, Multiplexer, Front end Processors), types of networks, value added networks; communication channels: guided and unguided transmission media and their characteristics and applications; Networking components: Repeater, Amplifiers, Hub, Switch, Bridge, Router, LAN card, gateway; Network topologies: Bus, Ring, Star, Mesh, Tree and Hybrid Topology along with advantages and drawbacks; Network architectures: Peer to Peer, Client Server, Distributed; Protocols: OSI reference model, TCP/IP, application layer protocols (HTTP, FTP, Telnet, SMTP).

Unit 5: Information and Decision Supporting Systems **LH 5**

Concept of information systems and enterprise systems; types of information systems in the organisation: TPS, DSS, MIS and ESS, functional perspective of information systems; strategic uses of information systems; economic organisational and behavioural impacts; IT impact on decision making; leveraging technology in the value chain; Strategic information systems (SIS); developing IT strategies and IT solutions; outsourcing the IT functions.

Unit 6: E-business and E-commerce Systems **LH 7**

Concept of e-business and e-commerce, pure vs partial e-commerce, e-commerce application trends, unique features of e-commerce, e-marketing; types of e-commerce: business to business, business to consumer, consumer to business, consumer to consumer; revenue generation models in e-commerce: brokerage model, buyer aggregator model, advertising model, community model; mobile computing and commerce: mobile computing technology, mobile financial services, mobile shopping; electronic payment systems: e-cheque, e-cash, credit cards, smart cards; requirements of electronic payment systems.

Unit 7: Security and Ethical Challenges in Information Systems **LH 6**

Technology ethics, ethical guidelines, computer crimes (hacking, cyber theft, unauthorized access, software piracy, piracy of intellectual property, computer viruses and worms); privacy issues: privacy on the internet, computer matching, privacy laws, computer libel and censorship; other challenges: emplacement challenges, computer monitoring challenges, challenges in working conditions, challenges to individuality and health issues; tools for security management, internetwork security defences (encryption, firewalls, denial of service defences, e-mail monitoring, virus defences).

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

Prescribed textbooks:

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

O'Brien, J. A., & Marakas, G. M. (2006). *Management information systems.* Boston: McGraw-Hill Irwin.

Suggested reference:

R. Kelly Rainer, Efraim Turban & Richard E. P. (2006). *Introduction to information systems: supporting and transforming business.* John Wiley & Sons.

Operations Management

Program/Semester: MBS/Third Semester

Course Title: Operations Management

Course Code: MGT 532

Credit Hours: 3

Lecture Hours: 45

Course Objectives

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 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, JIT and lean operations and waiting time management. The topics are integrated using a systems model of the operations of an organization.

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
- Apply analytical skills and problem-solving tools to resolve the operational issues

Course Contents

Unit 1: Introductions to Operations Management

LH 4

Concept of operations management, production of goods versus providing services, importance of operations management, operations management and decision making, historical evolution of operations management, key issues for today's business operations.

Unit 2: Competitiveness, Strategy and Productivity

LH 5

Concept of competitiveness, mission and strategies, operations strategy, implications of organization strategy for operations management, global operations, productivity: production vs productivity, measurement of output, types of productivity.

Unit 3: Product and Service Design

LH 5

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 4: Capacity Planning, Process Selection, Facility Location and Facility Layout

LH 10

Capacity planning: concept of capacity planning, capacity decisions, defining and measuring capacity, determinants of effective capacity, forecasting capacity requirements, forecasting techniques, challenges of planning service capacity, making or outsourcing, 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 layouts and designing process layouts.

Unit 5: Quality Management

LH 7

Concept and evolution of quality management, quality awards and certifications, total quality management, quality tools, inspection and statistical quality control.

Unit 6: Inventory Management

LH 6

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 7: Lean Operations and Waiting Time Management

LH 8

Lean Operations: concept, supporting goals, building blocks, lean tools, transitioning to a lean system, lean services and JIT; Waiting Time Management: concept, managerial implications of waiting situations, goals of waiting time management, characteristics of waiting lines, measures of waiting line performance, queuing model (single server, exponential service time).

Prescribed textbooks:

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

Suggested references:

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

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



Research Methods for Business

Program/Semester: MBS/Third Semester

Course Title: Research Methods for Business

Course Code: MGT 535

Credit Hours: 3

Lecture Hours: 45

Course Objectives

This course provides theoretical and practical preparation for business research. It aims to broaden and deepen the understanding of different research approaches and methodologies in order to prepare students for their own research projects. This course will enable students to select a research topic, conduct initial research to develop appropriate problem statements, research questions, and hypotheses so that an appropriate research method can be selected.

Course Description

The course gives an overview of the research process including research problem definition, research design, data collection, data analysis, writing of reports and ethical issues involved. This course is meant to be a foundation to the thesis project that the students are expected to do in their final semester of management studies.

Learning Outcomes

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

- Develop an understanding of the basic framework of research process;
- Generate research topics, formulate research questions and hypothesis;
- Conduct literature review; design research and identify possible errors;
- Assess measurement and scaling options to determine appropriate measures required to address specific research questions and apply proper sampling methods and procedures to business research;
- Understand and apply quantitative research in business research;
- Compare and contrast qualitative and quantitative research methods and the suitability of these methods for gathering data;
- Apply appropriate descriptive as well as inferential techniques to analyse quantitative data;
- Report, present, analyse and interpret qualitative data and
- Effectively communicate research in a written report and presentation.

Course Contents

Unit 1: Foundations and Fundamentals of Research

LH 5

Meaning of research; nature and types of research; scientific research – concept and characteristics; scientific research process; emerging paradigms in research - positivism vs interpretivism; approaches to research – quantitative and qualitative; business research – role and value of business research; types of business research; applying scientific thinking to business research; ethical concerns in research.

Unit 2: Literature Analysis and Theoretical Framework

LH 5

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 and Hypothesis Formulation

LH 4

Research problem – concept, steps and characteristics; research questions; hypothesis – concept, functions, importance and types; hypothesis formulation process; criteria of good hypothesis formulation.

Unit 4: Research Design

LH 5

Concept, elements and types; exploratory, descriptive, developmental, correlational, causal-comparative and experimental research designs; research design errors; qualitative research – concept, assumptions, features of qualitative research; types of qualitative research designs (grounded theory, ethnography, case study, phenomenology); criteria of good research design.

Unit 5: Measurement, Scaling and Sampling Techniques

LH 10

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; statistical terms in sampling - statistic, parameter; sampling distribution; probability and non-probability sampling; probability sampling: (simple random sampling; stratified random sampling; systematic random sampling; cluster random sampling; multi-stage sampling), non-probability sampling: (convenience sampling; judgment sampling; quota sampling; snowball sampling), sample size determination; sampling and non-sampling errors.

Unit 6: Data Collection and Analysis

LH 8

Data and its types; nature of data – primary and secondary; sources of secondary and primary data; questionnaire – principles, design, types and components; pre-testing and administration; research interview – structured, semi-structured and unstructured; principles and guidelines for interviewing; types of research interviews; computer-assisted interviewing; sources of qualitative data; observation – concept and methods; focus groups; e-research using internet and websites; 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.

Unit 7: Reporting Research

LH 8

Research proposal – concept and functions; types of research proposals; components and structure of research proposals; 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 method of citation; APA references; essentials of good research reports.

Prescribed textbooks:

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*. New Delhi: Wiley & Sons.

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

Bryman, A. & Bell, E. *Business Research Methods*. New Delhi: Oxford University Press.



Accounting Information System

Program/Semester: MBS/Third Semester

Course Title: Accounting Information System

Course Code: ACC 565

Credit Hours: 3

Lecture Hours: 45

Nature: Specialization

Course Objectives

The objectives of this course are to provide students extensive knowledge of Accounting Information System (AIS) and make them able to apply the understanding through the use of an accounting system in the business process.

Course Description

This course aims to provide an exposure on Accounting Information System. It focuses on identifying the information needs to the decision makers and developing appropriate business process control in the design of accounting information systems. It further emphasizes on applying REA Data Model in the control process. It covers conceptual foundation of AIS, data analytics, control and audit of AIS, AIS applications and the system development process.

Learning Outcomes

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

- The basic activities performed in the major business cycles
- What data are needed to plan, evaluate and control the business activities
- How to design an AIS to provide the information to make right decisions
- The fundamental concepts of database technology & data modelling effect on an AIS

Course Contents

Unit 1: Conceptual Foundation of Accounting Information System

LH 7

Introduction to accounting information systems; Information needs; Transaction processing: The data processing cycle; Enterprise resource planning systems; Systems documentation techniques: Data flow diagram, flow charts, business process diagram

Unit 2: Data Analytics

LH 4

Introduction; Database system; Relational databases; Data analytics in accounting; transforming data; Data analysis and presentation

Unit 3: Control and Audit of Accounting Information System

LH 18

Introduction; AIS threats and fraud; Preventing and detecting frauds and abuse; Computer fraud and abuse techniques: Computer attacks and abuse, social engineering, malware; Control and AIS: Control concepts and frameworks; internal environment; Objective setting and event identification, risk assessment and response; Control activities; Information, communication & monitoring; Controls for information security: Concepts, targeted attacks; Preventive controls; Detective control; Corrective controls; Confidentiality and privacy controls; Processing integrity and

availability controls; Auditing computer based information systems

Unit 4: Accounting Information Systems Applications

LH 5

Introduction; The revenue cycle: Sales to cash collections; The expenditure cycle: Purchasing to cash disbursements; The production cycle; The human resources management and payroll cycle; General ledger and reporting system

Unit 5: The Resource, Events and Agents (REA) Data Model

LH 6

Introduction to REA model; Developing an REA diagram; Integrating REA diagrams across cycles; Rules for combining REA diagrams; Implementing an REA model in a relational database; Using REA diagrams to retrieve information from a database

Unit 6: The System Development Process

LH 5

Introduction; Systems analysis; AIS development strategies; Systems design, Implementation and operation

Prescribed textbook:

Romney, M. B. & Steinbart, P. J. (2015). *Accounting Information Systems*. 13th Ed. Delhi: Pearson.

Suggested reference:

Savage, A.A., Brannock, D. & Foksinska, A. (2022). *Accounting Information Systems: Connecting Careers, Systems, and Analytics*. Wiley.



Advanced Management Accounting

Program/Semester: MBS/Third Semester

Course Title: Advanced Management Accounting

Course Code: ACC 564

Credit Hours: 3

Lecture Hours: 45

Nature: Specialization

Course Description

This course is designed to focus on the identification and application of advanced management accounting techniques for decision-making in a specific area. This course also enables the students to identify the deviation during performance measurement of cost centers, revenue and profit centers for taking remedial action of the management.

Course Objectives

The objective of this course is to provide the students with an in-depth knowledge of management accounting, to enable them to (i) apply management accounting techniques for analyzing the information, and presenting it to management for decision-making and control purposes, and (ii) formulate strategic plans for achieving efficiency and effectiveness in the operation of business.

Learning Outcomes:

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

- Obtain detailed knowledge on the area of modern concepts of Management Accounting.
- Comprehend the purpose of forecasting, planning and budgeting.
- Identify steps in budget preparation and get acquainted with the different types of budgets.
- Comprehend capital investment decisions and calculate NPV and IRR and discounted payback period.
- Prioritize projects that are mutually exclusive, of unequal lives and subject to capital rationing.
- Apply the throughput and backflush accounting and environmental costing for better decision-making.
- Forecast cash flow based on financial statements.
- Apply the tools of management accounting in managing and controlling accounts receivables and payables.

Contents

Unit 1: Introduction to Management Accounting

LH 5

Meaning and importance of Management Accounting- tools of Management Accounting (descriptive, analytical, diagnostic, and predictive) – skills required for management accountants- strategic role of management accountants- functions of management accountants.

Unit 2: Developments in the Business Environment

LH 8

The impact of changing environment on management accounting; total quality management (TQM); activity-based costing, activity-based management and activity-based budgeting; target costing, life cycle costing, value chain analysis, cost control and cost reduction, computer-aided manufacturing, just in time (JIT), manufacturing resources planning (MRP I & II), synchronous manufacturing, business process re-engineering, theory of constraints.

Unit 3: Forecasting and Budgeting Techniques

LH 12

Budgeting: need of budgets, framework for budgeting, steps in budget preparation, interpretation of master budget for manufacturing and non-manufacturing concerns, monitoring procedures, fixed and flexible budgets, preparation of projected profit and loss account and balance sheet.

Unit 4: Project Appraisal Methods

LH 6

Capital investment decisions: the process of investment decision making, payback method, post audit, discounted cash flow (DCF) techniques of investment appraisal: discounted payback, the net present value method, the internal rate of return method, NPV and IRR comparison.

Additional aspects of investment decision-making: mutually exclusive projects with unequal lives, asset replacement, project abandonment, capital rationing, sensitivity analysis, probability analysis and long-term decisions.

Unit 5: Modern Costing Techniques

LH 4

Concept of Throughput and Backflush Accounting; the theory of constraints (TOC), Throughput Accounting, Environmental costing: the importance of environmental costs, environmental footprints, types of cost, environmental cost accounting.

Unit 6: Managing Short-Term Finance

LH 6

Cash flow forecasts: cash flows and profit, purpose of cash forecasts, cash budgets in receipts and payments format, cleared funds cash forecasts, cash forecasts based on financial statements.

Cash management: need for cash management, budgeting for borrowings, overdrafts, loans, trade payables as a source of finance, export finance, cash surpluses, cash investments: concept of bank and building society accounts, marketable securities: prices and interest rates, other types of investment.

Unit 7: Receivables & Payables Management

LH 4

Concept of credit control, total credit, the credit cycle, payments terms and settlement discounts, maintaining information on receivables, collecting debts, credit insurance, factoring and invoice discounting, managing payables.

Prescribed textbooks:

Atkinson, A. A., & Kaplan, R. S. (2005). *Advanced Management Accounting* (3rd ed.). Prentice Hall of India, New Delhi.

Lal, J. (2003). *Advanced Management Accounting* (1st ed.). New Delhi: Pearson Education Pvt. Ltd.

Suggested references:

Atkinson, A. A., Kaplan, R. S., Matsumura, E.M., Young, S.M & Kumar, G. A. (2012). *Management Accounting* (6th ed.). New Delhi: Pearson Education Pvt. Ltd.

Garison R.H., Noreen, E.W. and Brewer, P.C. (2015). *Managerial Accounting* (15th ed.). New York: McGraw Hill Education.

Hilton, R.W., Ramesh, G., & Madugula, J (2011). *Managerial Accounting*. New Delhi: Tata Mc Graw Hill Education Pvt. Ltd.



Corporate Accounting

Program/Semester: MBS/Third Semester

Course Title: Corporate Accounting

Course Code: ACC 567

Credit Hours: 3

Lecture Hours: 45

Nature: Specialization

Course Objectives

The objective of this course is to provide students' knowledge of accounting principles, standards and their application to develop ability and skills in corporate world. On completion of this course, the students will be able to gain knowledge of corporate accounting. The course further attempts to provide sound knowledge of new trends of accounting. It helps them 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:

- Know the concept of various types of shares and debentures;
- Evaluate the various methods of valuation of goodwill and shares;
- Apply the method of adjustment of amalgamation, absorption and reconstruction of a company.
- Understand the need and preparation of a consolidated balance sheet.

Course Details

Unit 1: Introduction

LH 3

Corporate accounting: concept, objectives, importance and limitations, steps involved in corporate accounting; Corporate financial reporting: requirements of corporate reporting, recent trends in financial reporting; Corporate social responsibility.

Unit 2: Shares and Debenture

LH 5

Share capital: concept, importance, types (equity and preference), differences between equity and preference shares; Book building, DEMAT shares and employee shares; Concept of share premium, share discount, bonus shares, right shares and underwriting; Redemption and conversion of preference shares.

Debentures: concept, importance and types of debentures; concept of debenture premium and debenture discount, redemption and conversion of debentures; Differences between shares and debentures. Bonds: concept and importance of bonds; Differences between bonds and debentures.

Unit 3: Valuation of Goodwill and Shares

LH 5

Goodwill: concept, features 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 14

Company expansion through Amalgamation and Absorption: meaning and concept; Purchase consideration: concept and determination; 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; Liquidator's Final statement of Account: meaning, contents and preparation showing amount realized from assets realized.

Unit 5: Price Level Changes

LH 9

Concept of Price Level Change: Inflation and Deflation; Current Purchasing Power Accounting: Concept and preparation of financial statements after Price Level Adjustments; Current Cost Accounting: Concept and determination: Current Replacement Cost, Net Realizable Value of Assets, Depreciation Adjustment, Holding Gains, Inventory Adjustment, Cost of Sales Adjustment, Monetary Working Capital Adjustment, Gearing Adjustment, Current Cost Reserve: Preparation of Current Cost Profit and Loss Account, Current Cost Balance Sheet.

Unit 6: New Trends in Accounting

LH 9

Human Resource Accounting: Concept, objectives and benefits of HRA, Valuation of Human Resources: Historical Cost Approach, Replacement Cost Approach, Opportunity Cost, Standard Cost Approach, Present Value Approach.

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, detection techniques used in forensic accounting, critical aspects to be followed while conducting forensic accounting.

Sustainable Accounting: Concept, objectives and needs of sustainable accounting

Balanced Scorecard (BSC): Concept, objectives, benefits and different perspectives of BSC.

Management Control System (MCS): Concept, objectives and importance of MCS; different mechanisms of MCS; Factors affecting MCS.

Prescribed textbook:

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



Corporate Tax Planning

Program/Semester: MBS/Third Semester

Course Title: Corporate Tax Planning

Course Code: ACC 566

Credit Hours: 3

Lecture Hours: 45

Nature: Specialization

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 about 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 of 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 4

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 10

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.

Unit 6: International Aspects of Taxation LH 3

Introduction of 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 7: 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 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.

Lekhi, R.K. Public Finance. (New Edition), New Delhi: Kalyani Publishers

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.

