

# ACC 543 -2: Accounting for Managerial Decision

*Credits: 2*

*Lecture Hours: 32*

## **Course Objective:**

The course aims to provide students with in-depth knowledge of the concepts, tools and techniques of accounting for managerial decisions and impart them with skills of their practical applications for strategic planning, implementing and controlling, and regular decision making process. It helps students to understand and analyze accounting information for decision-making, planning, and control. Its covers cost management

## **Course Description**

It covers the fundamental concepts, tools and techniques of managerial accounting, cost reporting under income under managerial and absorption costing, cost-volume-profit analysis, profit planning and performance control. It also deals with technical and behavioral aspects of management accounting and controlling system.

## **Course Details:**

### **Unit 1: Concept of Management Accounting**

**LH 4**

Concept and objectives of managerial accounting, The changing role of managerial accounting in a global business environment, managerial vs. financial accounting, Controllership functions and responsibility, Major themes in Managerial Accounting

### **Unit 2: Cost Management and Reporting**

**LH 8**

Overview of cost concept and classification, Cost behavior and cost estimation, Cost reporting under traditional costing and activity based costing, Activity-base management, Reporting of net income under different situations for internal and external use, Reconciliation of net income

### **Unit 3: Cost -Volume-Profit-Analysis**

**LH 8**

Concept, Objectives, assumptions, limitation of cost-volume-profit-analysis, Application of cost-volume-profit for breakeven analysis and profit planning including multiple products with interpretation, CVP analysis under condition of constraints using Linear programming models for maximizing profit and minimizing cost, CVP analysis under condition of uncertainty

### **Unit 4: Profit Planning**

**LH 8**

Concepts, need, importance and objectives of budgeting, Budgeting for profit planning: preparation of master budgets for manufacturing and non-manufacturing firms. Assumptions and predictions underlying the master budget, Budget administration, International aspects of budgeting, budgeting product life-cycle costs, Behavior impact of budgets

## **Unit 5: Controlling and Performance**

**LH 4**

Concept of standard cost and standard costing, Preliminaries for installing standard costing system, Evaluation of standard costing: Advantages of standard costing and criticisms of standard costing in today's manufacturing environment, Computation and interpretation: Direct Material and Direct Labour variances, Concept of Flexible budgets, Overhead variances, Balance Score Card as a tool of measuring performance

### **Textbook**

Hilton, Ronald W. and Platt, Devid E. (2014). *Managerial Accounting: Creating Value in a Global Business Environment*. New Delhi: Tata McGraw Hill Education Pvt. Ltd.

Anthony, Robert N., Hawkins, David F., and Merchant, Kenneth A. (2012). *Accounting: Text and Cases*. New Delhi: Tata McGraw Hill Education Pvt. Ltd.

Horngren, Charles T., Sunden, Gary L., Stratton, William O. *Introduction to Management Accounting*. New Delhi: Prentice Hall of India Pvt. Ltd.

# FIN 582-2: Corporate Finance

*Credits: 2*  
*Lecture Hours: 32*

## **Course Objective**

This course aims to enable students to appreciate the significance of concepts, theories and practice of financial decision making in firms and to make them acquainted with analytical and problem solving skills for corporate financing decision. The course also aims to familiarize students with contemporary issues on corporate finance and enable them to critically analyze these issues.

## **Course Description**

The major topics covered in this course are: Capital structure decision – the basic, theory of capital structure, lease financing, Long-term debt and preferred stock financing, issuing securities to the public, short-term financing, managing financial risk.

## **Course details**

### **Unit 1: Corporate financing decisions and efficient capital markets: LH 4**

Financing decision and value creation, Efficient capital market and types of efficiency, Behavioral and empirical challenge to market efficiency, Implication for corporate finance.

### **Unit 2: Long-term financing: LH 2**

Common stock, Corporate long-term debt, Preferred stock, Pattern of financing, Recent trends in capital structure.

### **Unit 3: Capital structure: LH 8**

Capital structure and pie theory, Maximizing firm value versus shareholders interest, Financial leverage and firm value, Modigliani and Miller proposition, Taxes; Cost of financial distress, Agency costs, Reduction in cost of debt, Signaling, Agency cost of equity, The pecking order theory, Growth and debt-equity ratio, Personal tax, Establishing capital structure.

### **Unit 4: Issuing securities to the public LH 2**

The public issue, Alternative issue methods, The cash offer, The cost of new issues, Rights, Shelf registration, The private equity market.

### **Unit 5: Long-term debt: LH 4**

The public issue of bonds, Bond refunding, Bond ratings, Different types of bond, Direct placement versus public issue, Long-term bank loan.

**Unit 6: Leasing:****LH 6**

Types of leases, Accounting and leasing, Taxes, tax authority and leases, The cash flow of leasing, Debt capacity with corporate taxes, NPV analysis of the lease versus buy decision, Debt displacement and lease valuation, Reasons for leasing.

**Unit 7: Short-term financing:****LH 6**

Short-term vs. long-term financing: Trade credit, Accruals, Commercial paper, Bank loans, Inventory financing, Account receivable financing; Costs of sources of short-term financing.

**Textbooks and References****Basic textbooks:**

1. Ross, Stephen A, Westerfield, Randolph W., Jaffel, Jeffrey, and Kakani , Ram Kumar. *Corporate Finance*, New Delhi: McGraw Hill Education India.
2. Van Horne, James C. *Financial Management and Policy*, New Delhi: Prentice Hall of India.

**References:**

1. Brigham, Eugene F and Edhrhardt, Micheal C. *Financial Management: Theory and Practice*, New Delhi: Cengage Learning India
2. Brealey, Richard A, Myers, Stewart C., Allen, Franklin, and Pitabas Mohanty. *Principles of Corporate Finance*, New Delhi: McGraw-Hill Education India.
3. Annual reports and other publications of listed companies, Nepal Stock Exchange, Nepal Securities Board, Nepal Rastra Bank.  
Journals and magazines of international repute: Journal of Finance, *Financial Management*, Harvard Business Review, The Economists

# FIN 585-2 Ecommerce

**Credits: 2**

**Lecture Hours: 32**

## **Objective:**

This course aims to provide knowledge about e-business and electronic communications. At present all business organizations need good knowledge of e-business and electronic communications to enhance the competitiveness of an organization by deploying innovative information and communications technology throughout an organization and beyond, through links to partners and customers.

## **Course Description**

Introduction to e-business and e-commerce, E-commerce fundamentals, E-business infrastructure, E-environment, E-business strategy, Enterprise systems, E-procurement, E-marketing, Change management.

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

**LH 6**

- The impact of the electronic communications on traditional business
- Difference between e-commerce and e-business
- e-business opportunities
- business adoption of digital technologies for e-commerce and e-business
- e-business risks and barriers to business adoption
- management responses to e-commerce and e-business
- Environment for e business including e governance

### **Unit 2: E-commerce fundamentals**

**LH 4**

- introduction
- The e-commerce environment
- Location of trading in the marketplace
- Business models for e-commerce

### **Unit 3: E-business infrastructure**

**LH 4**

- Introduction
- E-business infrastructure components
- Internet technology
- Web technology
- Internet-access software applications
- Managing e-business infrastructure

### **Unit 4: E-business strategy**

**LH 3**

- Introduction
- E-business strategy

### **Unit 5: Enterprise Systems**

**LH 6**

- Introduction
- Problems of supply chain management
- Supply chain management
- Introduction
- Marketing applications of CRM
- E-CRM

**Unit 6: E-procurement****LH 3**

- Introduction
- E-procurement
- Drivers of e-procurement
- Focus on estimating e-procurement cost
- Risks and impacts of e-procurement
- Implementing e-procurement

**Unit 7: e-marketing****LH 3**

- Introduction
- E-marketing
- E-marketing planning
- Situation analysis
- Objective setting

**Unit 8: Change management****LH 3**

- Introduction
- The challenges of e-business transformation
- Different types of change in business
- Planning change

**Text Books**

Dave Chaffey, “*E-business and e-commerce management*”, Prentice Hall, fourth edition or above.

Ravi Kolkata, “*Frontiers of Ecommerce*”

Daniel Amor, “*The E-business (R) evolution*”, Pearson Education Asia,

Kenneth C. Laudon and Carol Guercio , “*E-commerce 2013*” (9th Edition)

Scott Bridgesm, “*Explosive Social Media Marketing*”

# FIN 587-2: Multinational Business Finance

*Credit s: 2*

*Lecture Hours: 32*

## **Course Objective**

The main purpose of this course is to provide an understanding of the conceptual framework essential for corporate financial decision-making in a multinational context.

## **Course Description**

The major topics that the course covers include global financial environment, foreign exchange risks, political risks, financial goals, international monetary environment and currency regimes, birth of a global currency. The other topics covered in the course are international financial institutions, development banks, balance of payments, foreign direct investment, country risk analysis, and multinational cash management, effect of taxation, cost of capital and capital structure of the multinational firm, multinational capital budgeting - application, interpretation and decision, foreign complexities, adjustment of exchange rates, inflation and taxation.

## **Course Details:**

### **Unit 1: Globalization and MNEs**

**LH 2**

Need for the study of multinational business finance; Concept and importance of globalization; Rise of multinational corporations; Process of Overseas Expansion/ Globalization Process; Difference between multinational and Domestic Financial Management

### **Unit 2: International Monetary System**

**LH 2**

History of international monetary system; Eurocurrencies; Contemporary currency regime; Fixed versus flexible exchange rates; Emerging markets and regime choices

### **Unit 3: International Business Transactions**

**LH 3**

Typical balance of payments transactions; Accounts of balance of payments; Capital and financial account; Balance of payments in total

### **Unit 4: Foreign Exchange Market and Foreign Exchange Rate Determination**

**LH 6**

Geographical extent of foreign exchange market; Functions of foreign exchange market; Market participants; Transactions in interbank market; Foreign exchange rates and quotations; Theory of foreign exchange rate determination; Asset market approach to forecasting; Disequilibrium; Exchange rates in emerging markets; Forecasting in Practice

### **Unit 5: Foreign Exchange Exposure**

**LH 7**

Transaction exposure; Operating exposure; Translation exposure .

### **Unit 6: Global Cost of Capital and Capital Structure**

**LH 4**

Weighted average cost of capital; Demand for foreign securities cost of capital for MNCs compared to domestic firms; Sourcing equity and debt globally

### **Unit 7: Multinational Capital Budgeting**

**LH 4**

Complexities of budgeting for a foreign project; Project vs. parent valuation; Illustrative Case

## **Unit 8: Multinational Working Capital Management**

**LH 4**

Operating Cycle; Repositioning Decisions and Constraints of Repositioning of Funds; Conduits for Moving Funds; International Dividends Remittances; Net Working Capital; International Cash Management

### **Basic Textbooks**

- David K. Eiteman, Arthur I. Stonehill and Michael H. Moffet, *Multinational Business Finance*, Pearson Education

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### **Reference Books:**

- Jeff Madura, *International Financial Management*, Thomson South-Western
- Allan C. Shapiro, *Multinational Financial Management*, Wiley

# RES 503-2: Operations Management

*Credits: 2*

*Lecture Hours: 32*

## **Course Objectives**

The course aims at equipping students with the in depth knowledge and skills in production management. It indicates abilities in the students to apply the acquired knowledge in facility and layout planning, managing procurement, designing and implementing aggregate plans and schedules and control quality, output and costs.

## **Course Description**

This course contains basic concepts and introduction, production planning and scheduling, materials management, management for quality, recent trends in operations management.

## **Course Details**

### **Unit 1: Basic Concepts and Introduction**

**6 LH**

Concepts, Functions, Production and Operations systems for manufacturing and service operation, Strategic roles of operations, facility location and layout planning: concept and approaches. Transportation and location: Concept of transportation problem, method for solving initial basic feasible solution, maximization case in transportation problem.

### **Unit 2: Production Planning and Scheduling**

**14 LH**

Concept, Basic approaches and methods, Aggregate planning for financial services organizations, Scheduling and controlling for financial services, Implementing aggregate plans and master schedules, Loading : Priority sequencing, Detailed scheduling, finite loading, Assignment: Introduction, objectives, types of assignment problem, methods of assignment solution, Expediting ; input output control, Optimized production technology (OPT). Linear programming for capacity decisions and planning: Concept, Properties of linear programming, Simplex method, Duality in linear programming, Applications including for financial planning and controlling.

### **Unit 3: Materials management**

**3 LH**

Planning for materials needs, Materials requirement planning system (MRP) and its application, advantages and limitations of MRP, Purchasing procedures, Material handling.

### **Unit 4: Management for Quality**

**6 LH**

Concept, Managing quality for products and services, methods of improving quality, Techniques of quality control, Zero defect production and services, Statistical Quality control for financial services: Concept, control charts and its types, control chart for variable, x-bar and R-chart, control charts for attributes for P-chart ; Acceptance Sampling; Operating characteristics curve, Construction of OC curve, ISO 9000.

### **Unit 5: Recent trends in Operations Management**

**3 LH**

Concept and type of productivity, overview of Japanese management: total quality management, KANBAN, KAIZEN.

**Basic Books :**

Adam, Everelte E. (Jr) and R.J Ebert, **Production and Operations Management**, New Delhi : Prentice Hall of India.

Panneer Selvam, R., **Production and Operations Management**, New Delhi : Prentice Hall of India.

Taha, Hamdy A., **Operations Research: An Introduction**, Pearson, New Delhi.

**Reference Books:**

Bedi, K, **Production and Operations Management**, New Delhi : Oxford.

Chary, S.N, **Production and Operations Management**, New Delhi : Tata Mc Graw Hill.

Bajracharya P., S.L. Bajracharya and B.R. Maharjan, **Production and Operations Management**, Kathmandu : Quest Publication.

Sthapit, A.B., R.P Yadav, G. Tamang, S. Dhital P. Adhikari, **Production and Operations Management**, Kathmandu : Asmita Books Publishers and Distributors.

Regmi L.K., P.R. Joshi, A.K Chaudhary, G. Fago, **Production and Operations Management**, Kathmandu : Buddha Academic Publishers and Distributors.

Srinivasan G., **Operations research: Principles and applications**, Prentice Hall of India, New Delhi.

Sharma A., **Operations research**, Himalaya Publishing House, New Delhi.

Sharma J K., **Operations research**, McMillan India Ltd., New Delhi.

Tiwary N K and S K Shandilya, **Operations research**, Prentice Hall of India, New Delhi.

Verma A P, **Operations Research**, S K Kataria and Sons.

Levin, Richard R, **Quantitative Techniques for Management**, McGraw Hill, Singapore.