

MKT 311: Fundamentals of Marketing

Credits: 3

Lecture Hours: 48

Course Objectives

This course aims to build students' understanding of the marketing process and principles and inculcate basic skills to analyze marketing decision situations.

Course Description

This foundation course on marketing deals on the operation of the marketing functions in a dynamic and competitive environment. It deals comprehensively on issues of emerging marketing practices and challenges. The course includes topics that help students to understand marketing process and environment, information systems and buyer behavior, segmentation, targeting, and positioning strategies, and strategies related to marketing mix variables.

Course Details

Unit 1: Introduction

LH 6

Meaning of marketing. Evolution of the marketing philosophies - Basic principles of the production, product, selling, marketing, and holistic marketing concepts. Meaning and tasks of marketing management. Marketing challenges of the 21st century and firms' responses to the challenges. Concept, relevance and practices of relationship marketing, green marketing, and e-marketing. Components of the marketing mix for products and services.

Unit 2: Marketing Environment

LH 4

Meaning and scope of marketing environment; Micro environment variables, and Macro environment variables; Reactive and proactive marketing. Marketing environment in Nepal.

Unit 3: Marketing Information System and Buyer Behavior

LH 4

Concept and relevance of information in marketing decisions. Components of the marketing information system. Marketing research areas and process.

Unit 4: Buyer Behavior

LH 6

Organizational buyer behavior – Buying process and influencing factors. Consumer behavior – buying process and influencing factors. Global consumer movements and consumer protection.

Unit 5: Segmentation, Targeting and Positioning Strategies

LH 4

Concept, process, requirements, and levels of market segmentation. Bases for segmenting consumer and organizational markets. Segment evaluation, analysis and selection. Concept and types of positioning; product positioning process.

Unit 6: Product Decisions

LH 8

Concept and levels of the product. Product classifications and marketing considerations. Product life cycle stages and strategies. New product development process. Branding strategies – branding objectives, types of brand, and concept of brand equity. Packaging: functions and levels of packaging; essentials of a good package. Product line and mix strategies. Service product strategies - service marketing concept, characteristics of services and marketing strategies; management of people, physical evidences, and process.

Unit 7: Pricing Decisions

LH 6

Concept of price and pricing. Importance of pricing for the firm and the economy. Internal and external price factors. Pricing approaches-cost-based, demand-based, value-based and competition-based approaches. New product pricing decisions. Price lining and price adjustment decisions. Initiating and responding to price changes.

Unit 8: Distribution Decisions**LH 4**

Concept and objectives of distribution. Channel functions and flows. Channel designs for consumer and industrial products. Channel selection factors. Channel conflicts and their resolution. Concept, nature and objectives of marketing logistics. Major logistics functions -transportation, warehousing, inventory management, order processing, and customer services decisions.

Unit 9: Promotion Decisions**LH 6**

Concept and objectives of promotion. Marketing communication process and systems. Promotion mix components. Promotion mix determination factors. Advertising: Nature and objectives. Nature and relevance of personal selling. Nature and objectives of sales promotions. Sales promotion tools and techniques. Nature, objectives and tools of public relations. Concept, relevance and methods of direct marketing.

Basic Texts

Kotler, Philip, Gary Armstrong, Prafulla Agnihotri and Ehsan ul Haque. *Principles of Marketing: South Asian Perspective*. Prentice Hall of India, New Delhi, India.

Baines, Paul, Chris Fill and Kelly Page. *Essentials of Marketing*. Oxford University Press, New Delhi, India.

References

Koirala, K.D. *Fundamentals of Marketing*, M.K. Publishers and Distributors, Kathmandu, Nepal.

Kamarulzaman, Yusniza and Nor Khalidah Abu. *Principles of Marketing*, Oxford University Press, New Delhi, India.

MGT 314: Legal Environment of Business

Credits: 3
Lecture Hours: 48

Course Objective

The thrust of this course is to introduce legal concepts and reasoning that the student can apply in a business context. This is much more than merely studying laws; this course is the study of how laws come to be and how they are applied in business. A special emphasis will be given to master “legal jargon” in order to better understand legal concepts and materials. The objective of the course is thus to provide students with a sound understanding of major laws affecting the operation of business enterprises in the context of Nepal.

Course Description

The course is broken up into three distinct sections. In the first part, the concept of legal environment, sources of business laws, and the format, structure and operating practicality of the court systems in Nepal will be discussed. The second part deals with contracts, sale of goods, agency, different forms (types) of doing business, areas of regulatory relationship, and arbitration laws. The final section is an overview of different types of laws, different areas of law, and issues relating to business ethics in Nepal.

Course Details

Unit 1: The Basics of Legal Environment and Court System

LH 7

Concept and importance of legal environment; Nature, types and sources of law; Meaning and sources of business law in Nepal; The court system - structure, powers, organization and jurisdiction of the court systems; Civil procedures in Nepal; Provisions of the Nepalese Constitution pertaining to business; Changing dimensions of legal environment in Nepal

Unit 2: Nepalese Contract Law

LH 11

Concept of contract; Valid, void and voidable contracts; Essentials of a valid contract; Offer and acceptance; Consideration; Free consent; Contingent contract; Performance of contract; Termination of contract; Breach of contract and remedies; Meaning of bailment and pledge; Rights and duties of bailor/bailee and pledger/pledge; Pledge by non-owner; Finder of lost goods; Discharge of liability; Contract of indemnity and guarantee; Rights and duties of surety.

Unit 3: Sale of Goods

LH 4

Meaning and feature of the contract of sale of goods; Types of goods; Conditions and warranties; Transfer of ownership; Unpaid seller; Suits of breach of the contract; Performance of the contract of sale of goods.

Unit 4: Agency and Business Organization

LH 11

Law of agency: Creation and modes of agency – Classification of Agents – Relation of Principal and Agent – Rights and duties of agents, sub-agents, principal, substitute agent; Relation of Principal with Third Party – Personal liability of Agent – Termination of Agency; Classification of companies; Formation and incorporation, registration, memorandum and articles of association, prospectus, shares and share capital, borrowing powers - debentures, board of directors and board meetings, minutes and resolution, auditing, dissolution, winding up, liquidation; Arbitration - powers of arbitrator, duties of arbitrator, revocation of arbitrator's authority.

Unit 5: Legal and Regularity Compliance

LH 15

Industrial Enterprises Act, Foreign Investment and Transfer of Technology Act, Financial Institutions Act, Insurance Act, Cyber Laws, Legal provisions relating to negotiable instruments, Employment and Labour Laws, Acts and regulations relating to Securities and Stock Exchange, Laws relating to Intellectual Property Rights, Right to Information Act; Consumer Protection Act; Environment Protection Regulations; Ethics essentials - business ethics issues in Nepal.

Reference Books

Wagle, Rishikesh and Pant, Kirti Bilas, *Legal Environment of Business in Nepal*, Ratna Pustak Bhandar.

Kalika, S. N. *Business Law*, Buddha Academic Enterprises Pvt. Ltd.

Pant, Prem R. *Business Environment in Nepal*, Buddha Publications.

Ashwathapa K, *Legal Environment of Business*, Himalaya Publication, Delhi

Albuquerque, Daniel, *Legal Aspects of Business*. New Delhi: Oxford University Press.

Nepal Acts and Regulations (collection in several volumes).

OPR 311: Introduction to Operations Management

Credits: 3

Lecture Hours: 48

Course Objective

This course aims to impart the basic knowledge, tools and techniques of operations management to students.

Course Description

Introduction to operations management. Operations strategy, Product and service design, Location decision and facility layout, linear programming , Aggregate planning , Inventory management and The quality system.

Course Details

Unit 1: Introduction

LH 6

Meaning ,definitions, and objectives; The transformation process; Differences between production and service operations; Scope of operations management; Operations and supporting functions; Role of the operations manager; Production system: Intermittent and continuous; Key issues for operations managers; Historical evolution of operations management; Productivity: concepts, types , factors affecting productivity; Productivity measurement, concept on green productivity; Supply chain management (concept only).

Unit 2: Operations Strategy

LH 3

Introduction to operations strategy; Operations strategy as a competitive weapon; Linkage between corporate, business and operations strategy; Components of operations strategy; Manufacturing strategies; Service strategies.

Unit 3: Product and Service Design

LH 5

Concept on product and service design; Product development process; Difference between product and service design; Emerging issues in product and service design; Value analysis, concurrent engineering and quality function deployment; Waiting line theory (Single channel only).

Unit 4: Locations decision and Facilities layout

LH 5

Reasons and Importance of location decisions; Factors affecting location decision of service, and manufacturing organizations; Techniques of location analysis: Qualitative and quantitative analysis; Concept on layout; Types of layout: Product layout , process layout , cellular layout , fixed position layout; Designing process layout.

Unit 5: Linear programming

LH 10

Introduction to linear programming; Graphical and simplex method; Introduction to duality and sensitivity analysis by using solver; Assignment model (only minimization case); Transportation model (Only minimization case: excluding loop formation).

Unit 6: Aggregate planning

LH 4

Concept on aggregate planning; Aggregate planning strategies; Planning options; Aggregate planning in services.

Unit 7: Inventory Management**LH 4**

Concept and importance; Inventory costs; Dependent and independent demand; Inventory systems- continuous and periodical; Basic EOQ Model (with and without discount); ABC classification.

Unit 8: The Quality System**LH 8**

Introduction to quality; Historical evolution of Total Quality Management; Definitions of quality; Philosophy, principles and concepts of Total quality management. Costs of quality; Quality Control: Introduction, objectives, advantages; Statistical process control -Control charts- control charts for variable and attributes; JIT and Six Sigma; Quality Management System: ISO 9000 series; 7 tools for the quality.

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

Class Lecture = 45 hrs.

Tutorials = up to 15 hrs.

Assessment = 3 hrs.

Reference Books:

Adam and Ebert (2007), *Production and Operations Management*, Fifth Edition, New Delhi: Prentice-Hall of India Private Limited

Bajracharya P., Bajracharya S. and Maharjan B. (2007), *Production and Operations Management*, First Edition, Kathmandu: Quest Publication

Chase, Jacobs, Aquilano and Agrawal (2006), *Operations Management for Competitive advantage*, Eleventh Edition, New Delhi: Tata McGraw-Hill Publishing Company Limited

Dahlgaard Jens. J, Kristensen K and Kanji G.K. (2002), *Fundamentals of Total Quality Management Process analysis and improvement*, London and New York: Taylor and Francis

Gaither and Frazier (2002), *Operations Management*, Ninth Edition, Singapore: Thomson Asia Pte Ltd.

Krajewski and Ritzman (2002), *Operations Management*, Sixth Edition, Delhi: Pearson Education (Singapore) Pte.Ltd

Manandhar, K.D. and Shrestha, K.N. (2000) *Production and Operations Management*, Kathmandu: Valley Publishers

Regmi, Joshi, Chaudhary and Fago (2003), *Production and Operations Management*, Second Edition, Kathmandu: Buddha Academic Enterprises Pvt.Ltd.

Shrestha, S. and Silwal, D. (2000), *Production and Operations Management*, Kathmandu: Taleju Prakashan

Stevenson W.J. (2014). *Operations Management*, Twelfth Edition, New York: McGraw-Hill Education

Sthapit, Yadav, Tamang, Dhital and Adhikari, (2007), *Production and Operations Management*, Second Edition, Kathmandu: Asmita Books Publishers & Distributors

BNK 211: Banking Law

(focus area I)

Credits: 3

Lecture Hours: 48

Course Objectives

This Course provides an overview of the legislative provision of bank and financial institution, fundamental banking laws and regulation. This course familiarize with the basic concept of banking laws in local context as well as international market. It highlights major regulation and policies issued by Central bank to protect financial system.

Course Description

This course contains introduction of banking law, central bank and legal system, structure and formation of bank and financial institutions, major banking law, bank regulation and central bank policy for bank FIs, legal provision relating to negotiable instrument, bank and customer relationship, bank lending and securities, bank lending and securities, legal aspect of trade finance, legal Challenges in banking business.

Course Details

Unit 1: Introduction

LH 5

Meaning and concept of bank and financial institutions, Evolution of banking institutions and banking law in Nepal, Role of banking institutions for socio-economic development.

Unit 2: Central bank and Legal System

LH 5

Meaning and concept of central bank, establishment, Composition of BOD in Nepal Rastra Bank, Function and legal power of Nepal Rastra Bank, NRB relationship with government and other agencies.

Unit 3: Structure and formation of Bank and Financial Institutions

LH 5

Licensing Policy for bank and FIs, Capital requirement, Eligibility criteria and fit and proper test for potential promoter, Types of bank and FIs, Functions of bank and FIs as per BAFIA 2063, Composition of BOD, Roles and responsibilities of BOD.

Unit 4: Major Banking Law

LH 6

Nepal Rastra Bank Act 2058, Bank and Financial Institution Act (BAFIA) 2063, Banking Offense Act, 2064, Anti-Money laundering Act, Foreign Exchange Company Act

Unit 5: Bank Regulation and Central Bank Policy for Bank and FIs

LH 5

Concept, need and significance of regulation, Impact of deregulation, Major prudential regulation of central bank- Capital adequacy, Loan classification and provisioning, Corporate governance, Blacklisting.

Unit 6: Legal Provision Relating to Negotiable Instrument

LH 4

Cheque, Draft, bills of exchange, Promissory note, Validity and dishonored of cheque, Right and duties of various parties involved in instruments, Impact and legal action for miss using promissory note including cheque.

Unit 7: Bank and Customer Relationship**LH 5**

Legal nature of bank and customer relationship, trustee-beneficiary, agent-principal, debtor-creditor, special types of customer(individual, corporate, Government, NGO etc) account opening and closing procedure. Know Your Customer- KYC

Unit 8: Bank Lending and Securities**LH 6**

Procedure for bank lending, Credit policy guideline, Credit sanction limit and authority, Legal procedure for recall and recovery of banks loan, Meaning and definition of collateral and security, Legal features of collateral and security, Generally accepted security in Nepalese banking (land and building, goods and commodities, share and debenture, deposit certificate, personal guarantee promissory note, saving bond)

Unit 9: Legal aspect of Trade Finance:**LH 4**

Letter of credit, Guarantee, Basic features, Parties involved in various trade finance, Roles and responsibilities of parties.

Unit 10: Legal Challenges in Banking Business**LH 3**

Banking fraud, Cyber-crime, Innovative product, Anti-money laundering, Electronic banking, global access of banking services

Text and References

Gupta, S.N. **The Banking law on Theory and Practice**, Universal.

Peter. S. Rose (1999), **Commercial Bank management**, McGraw-Hill.

Regmi Resham Raj (2064), **Banking law of Nepal**, Lumbini Pustak, Kathmandu.

Padmalatha Suresh, Prof Justin Paul (2010), **Management of Banking and Financial Services**, Dorlingkindersley, India.

Indian Institute of Banking & Finance (2005), **General Bank Management**, Macmillan.

Nepal Rastra Bank Act 2058,

Bank and Financial institution Act 2063,

Banking Offense Act, 2064

Foreign Exchange Act

Negotiable Instrument Act

Antimony laundering Act, 2008

Company Act

Nepal Rastra Bank-(2015), **Unified Directives for Bank and financial institution**, NepalRastra Bank, Nepal.

NRB (2005), **Nepal Rastra Bank in Fifty Years**, Sajha Prakashan, Pulchowk, Lalitpur, Nepal

BNK 212: Wholesale and Retail Banking

(focus area II)

Credits: 3

Lecture Hours: 48

Course Objectives:

Familiarize the students with the knowledge related to banking business. Develop skill to acquire knowledge of wholesale and retail banking, make able to know lending principles and practices, various aspect of bank loan, their features, credit risk and other associated risk with wholesale and retail product of bank.

Course Description

This course contains introduction of wholesale and retail banking, wholesale banking, retail banking, corporate lending vs. consumer lending, credit process for corporate and consumer.

Course Details

Unit 1: Introduction

LH 5

Nature of banking business, Major functions of bank, Different types of Bank and FIs, Present status of banking business in Nepal.

Unit 2: Wholesale Banking

LH 8

Meaning and concept of wholesale banking, Characteristics, Target group of wholesale banking, corporate client, Individual client, Pros and cons of wholesale banking. Fund transfer facility, corporate salary account, Real time gross settlement Aid to trade, trade finance, corporate depositors- Insurance Company, investment trust, pension fund.

Unit 3: Retail Banking

LH 7

Meaning and concept of retail banking, characteristics, Target group, retail Loan product, Retail Deposit product, Opportunities and challenges of retail banking, Motivating factors for retail client, agency services, utility payments. Debit card, credit card and others retail services

Unit 4: Corporate lending Vs. Consumer Lending

LH 8

Meaning and concept, Characteristics, motivation factors, Selection of corporate client, product paper, Credit policy guideline, types of corporate lending- Working capital loan, term loan, mortgage loan, project loan, equity loan, consortium loan, bridge gap loan. Types of consumer loan- Home loan, auto loan, education loan.

Unit 5: Credit Process for Corporate and Consumer Lending

LH 9

Credit appraisal- 5 c's Model, SWOT analysis, Industrial analysis, Financial viability of proposed project, evaluation of risk in Product. Credit approval, Credit documentation and administration, Credit disbursement, credit monitoring and supervision, Collateral: Cash backed and assets backed

Unit 6: Marketing of Banking product and Services

LH 7

Marketing concept- Products and Services in Banks, define customer, Marketing mix: Product strategies- Pricing: objectives, factors, methods, strategies-Distribution channels-Promotion: Components, Factors, Strategies-Promotion mix integration-Marketing Information Systems.

Unit 7: Case study for assessing business loan and consumer loan

LH 4

References

Edward W. Reed (1964), *Commercial bank Management*, A Harper International student. London.

Peter. S. Rose (1999), *Commercial Bank management*, McGraw-Hill.

Thapa R.B and D. Rawal (2010), *Principles and practices of Nepalese Banking*, Buddha Academic Enterprises, Kathmandu, Nepal

BNK 214: Commercial Banking Operations

(focus area III)

Credits: 3

Lecture Hours: 48

Course Objectives:

This course provides an overview of the operating function and overall banking activities of bank and financial institutions. It helps to understand different risk associated in banking business.

Course Description

This course contains an introduction to business of banking, risk in banking business, deposit mobilization, granting credit, cash operation, agency services, trade finance, foreign exchange service, treasury function and electronic banking services.

Course Details

Unit 1: An Introduction to the Business of Banking

LH 4

Meaning, Origin and necessity of bank and financial institutions, an overview of Nepalese financial system, Distinguish between banking and other business.

Unit 2: Risk in Banking Business

LH 5

Meaning and nature of financial risk, Types of major risk in banking business, Credit risk, Operational risk, Market risk, Liquidity risk, For-ex risk, Country risk, Risk identification, Risk measurement and Risk mitigation.

Unit 3: Deposit Mobilization

LH 7

Meaning and nature of bank's deposit, Types of deposit: Current, saving, Fixed call, Demand/notice Deposit product, Procedure of account opening, eligibility, Type and structure of charge, Know Your Customer, Client account maintenance, account closing, Card services: debit card, credit card, prepaid card, Deposit marketing and customer care services.

Unit 4: Granting Credit

LH 8

Concept and nature of bank credit, Types of credit: Term loan, Revolving loan, Corporate loan, Consumer loan, Credit process, Credit appraisal, Approval, Documentation, Disbursement, Credit monitoring and supervision, Credit recovery, Credit marketing, Credit administration, Security, Valuation, Loan classification and provisioning, Non- performing loan and performing loan, Credit risk and its management.

Unit 5: Cash Operation

LH 4

Cash management, Security of vault, Cash insurance, Cash counter, Roles and responsibilities of cashier, Clearing system, Electronic clearing, Internal and external fund transfer.

Unit 6: Agency Services

LH 3

Fund transfer, Remittance services, Utility payment services, Advisory services, Standing order from customer.

Unit 7: Trade Finance**LH 4**

Funded/non funded, letter of credit/ guarantee, advance payment types of L/C, major parties, roles and responsibilities of different parties, essential documents, risk associates.

Unit 8: Foreign Exchange Service.**LH 5**

Meaning and concept, convertible and non-convertible currency, exchange rate determination, FEDAN, composition, function and responsibilities, meaning of Nastro and Vostro accounts.

Unit9: Treasury Function**LH 4**

Introduction, scope of treasury, Back office, Front office back office, Asset liability management, Roles and responsibilities of (ALCO).

Unit 10: Electronic Banking Services**LH 4**

Meaning and concept of e-banking, Internet banking, Branch less banking, Tele/mobile banking, ABBS, ATM. Challenges from innovation.

References

Peter. S. Rose (1999), *Commercial Bank management*, McGraw-Hill.

Thapa R.B and Rawal D. (2010), *Principles and practices of Nepalese Banking*, Buddha Academic Enterprises, Kathmandu, Nepal

Commercial Bank Management, A Harper International Student. London.

Padmalatha Suresh, Prof Justin Paul (2010), *Management of Banking and Financial Services*, Dorling Kindersley, India.

Poudel N. P (2010), *Financial System and Investment Environment*, Ratna Pustak Bhandar, Kathmandu.

Pradhan, R.S. (2010), *Financial Management*, Buddha Academic Enterprises, Kathmandu, Nepal

BNK 216: Treasury Management

(focus area IV)

Credits: 3

Lecture Hours: 48

Course Objectives:

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

Course Description:

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

Course Details

Unit 1: Introduction

LH 4

Meaning of treasury, Scope of treasury management, Role and function of treasury department, Principles of treasury management.

Unit 2: Treasury Organization and Structure

LH 5

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

Unit 3: Sources of Fund

LH 4

Deposit: fixed and revolving, Interest bearing and Non-interest bearing, Capital or equity, Reserve and surplus, Borrowing- Short term vs. long term.

Unit 4: Uses of fund

LH 4

Loan and advances, Credit products and their features, interbank lending, maintaining reserve, Investment- Forex, Treasury bill, Govt. securities, share and debenture, maintaining liquidity.

Unit 5: Major Risk in Treasury Management

LH 3

Counterparty default risk, Sovereign risk, foreign currency risk, liquidity risk, Market risk, Equity risk, Commodity risk.

Unit 6: Pricing of the Product

LH 4

Deposit pricing-Cost plus margin deposit product, Market penetration, Conditional, Relationship, Upscale target pricing. Loan pricing, Base interest rate, Risk based pricing.

Unit 7: Assets Liability Management**LH 5**

Meaning and concept of asset liability management, maturity mismatch, interest sensitive assets and liability, interest rate risk, determination of interest rate, interest spread, Gap analysis, Assets liability management committee (ALCO), roles and responsibility of ALCO.

Unit 8: Derivative Instruments**LH 6**

Meaning and concept of derivatives product, Financial derivatives-futures, option, pull option, call option, swaps, interest swaps, Contact swaps Forward rate agreement, Credit derivatives-Securitization, credit default swaps, Risk associated with derivatives product.

Unit 9: Investment Portfolio and Liquidity Management**LH 7**

Concept investment portfolio, investment instrument, importance of portfolio, money market instrument-Treasury bills, open market operation, interbank transaction, commercial papers Capital market-share debenture and govt. bonds. Liquidity management, estimation of liquidity, managing mandatory requirement-CRR, SLR.

Unit 10: Treasury Management Function in Nepalese Banking Sector**LH 6**

Scope, Opportunities and challenges, Foreign Exchange Dealers Association of Nepal (FEDAN) Roles and responsibilities, Central bank's regulation regarding ALM and treasury.

References

Avadhani V.A. *treasury Management* in India, Himalayan Publishing house.

Edward W. Reed (1964), *Commercial bank Management*, A Harper International student. London.

Waston Alasdair, Aotringham,Ron. *Treasury Management: International Banking Operations*, London, institute of Bankers.

Peter. S. Rose (1999), *Commercial Bank management*, McGraw-Hill.

Thapa R.B and D. Rawal (2010), *Principles and practices of Nepalese Banking*, Buddha academic enterprises, Kathmandu, Nepal.

BNK 218: Micro Finance and Rural Banking

(focus area V)

Credits: 3

Lecture Hours: 48

Course Objectives:

Familiarize with the basic concept of microfinance, historical background, products designing, operational procedures, infrastructure development for micro finance, legal framework and prudential regulation with specific reference to the Nepalese context; Provide knowledge of micro finance practices in Nepal along with global development in microfinance sector, To make able to understand the role of rural microfinance in poverty reduction and give practical knowledge on microfinance practices.

Course Description

This course contains Introduction to Micro Finance, Approaches to Micro-finance, Micro Finance Institutions, Product of Micro Finance, Directed or Deprived Sector lending, Measuring the Performance of MFIs, Matter of MFIs.

Course Details

Unit 1: Introduction to Micro Finance

LH 5

Concept, Definition and principles of microfinance, Characteristics and importance of Microfinance, Historical Background, Role of microfinance for elevation of poverty, Linkages between main stream financial services & micro-finance

Unit 2: Approaches to Micro-finance

LH 6

Saving led and credit led, Practices and different models (Special reference to Nepal) Grameen replication, Co-operative, FINGO and Self Help Groups (SHG), Strengths and weaknesses of the various approaches, Social Banking VS Commercial Banking, Financial access Vs Financial inclusion.

Unit 3: Micro Finance Institutions

LH 5

Ownership and Legal Form of MFIs, Objectives of MFIs, The importance of institutions, Organizational structure, Governance, Types of financial institutions, Offering microfinance services, Capital structure Management structure, growth and transformation.

Unit 4: Product of Micro Finance

LH 8

Saving product- Concept of saving, saving mobilization, Types of saving, compulsory saving, voluntary saving, Non-financial services, Micro insurance, Pricing of saving product. Credit product: micro credit, individual credit, Character and cash-flow based lending, Micro enterprises loan, Working capital loan, agricultural loan, Loan against group guarantee, interest rate and services charges on micro credit,

Unit 5: Directed or Deprived Sector lending

LH 6

Meaning and concept, Directed lending- importance, Pros and cons views, Priority sector lending vs. deprived sector lending, NRB policies for DSL, Penalty in case of default in DSL, Direct lending Vs Indirect lending. Roles of DSL for increasing productivity.

Unit 6: Measuring the Performance of MFIs

LH 8

Analyzing financial statements, Financial performance ratios, efficiency and productivity; liquidity and capital adequacy; asset and liability management, Loan loss and provisioning, Benchmarking ,Rating MFIs, Social Performance Measurement and Impact performance evaluation of microfinance institutions in the framework of WOCCU model, CGAP model, and SEEP model

Unit 7: Matter of MFIs

LH 10

Viability, Efficiency, Sustainability, Self-reliance, Outreach Cooperation, coordination and co-financing with various donors agencies. The role of governments in microfinance; national microfinance policies, Subsidizing, The Role of Subsidies and Donors, Measuring subsidy dependence, Traditional microfinance donors and instruments, socially responsible investors Vs commercial investors: Equity vs. debt financing options, Microfinance investment funds vs Microfinance investment vehicles, Culture of labor division, Opportunities and challenges of MFIs in Nepal.

Reference

Christen R.P (2007). *Banking Services for the Poor: Managing for Financial Success*, Accion International, Washington DC

Joanna Ledgerwood. 2001. Microfinance Handbook: *An Institutional and Financial Perspective: Sustainable Banking with Poor*. Washington D.C: The World Bank.

Rama Bashyal. MICRO FINANCE. **Access to Finance for Nepal's Rural Poor**. Institute for Integrated Development Studies, IIDS. 2008.

SBP Micro- Finance Handbook. The World Bank 1997

Simkhada NR, Sharma N, Upreti T (2002) *Review for Micro-finance Services in the hills of Nepal*. Centre for Micro-Finance(CMF), Kathmandu, Nepal

Uprety, T.P. (2005), *Micro-finance in Nepal*, Impact, Opportunities and Challenges, Seminar Paper, Kathmandu, Nepal.

Suggested Reading

Various publication and article published from Nepal Rastra Bank.

EED 211: Entrepreneurship Development

(Entrepreneurship and Enterprise Development- focus area I)

Credits: 3

Lecture hours: 48

Course Objective

This course aims at familiarizing students with the significance of entrepreneurship development, the role and functions of entrepreneurship and entrepreneurs, the concept of women entrepreneurship, the factors affecting entrepreneurship development, and the need for institutional support in entrepreneurship development.

Course Description

This course contains introduction, women entrepreneurship, growth of entrepreneurship, entrepreneurship competency development, entrepreneurial venture creation, Legal Issues of Entrepreneurial Venture, Institutional Support to Entrepreneurship Development.

Course Details

Unit 1: Introduction

LH 7

Significance of entrepreneurship development; Role and importance of an entrepreneur in economic growth; Concepts of entrepreneurship, entrepreneur, and entrepreneurial venture; Types of entrepreneurship; Traits of an entrepreneur; Distinction among entrepreneur, entrepreneur and owner-manager; Functions of an entrepreneur; Small business vs. entrepreneurship; Entrepreneurial motivation

Unit 2: Women entrepreneurship

LH 5

Concept of women entrepreneurship; Women empowerment through entrepreneurship; Women entrepreneurship in Nepal; Problems of women entrepreneurship; Future challenges of women entrepreneurs and their success factors

Unit 3: Growth of Entrepreneurship

LH 5

The concept of socio-economic growth; Factors affecting entrepreneurial growth; Rural entrepreneurship – types, problems and factors affecting rural entrepreneurship; Tourism entrepreneurship – types, problems and factors affecting tourism entrepreneurship;

Unit 4: Entrepreneurship Competency Development (ECD)

LH 7

Concept of entrepreneurial competency; Need for Entrepreneurial competency development (ECD); Entrepreneurial competency development programs (ECDPs); Phases of ECDPs; Evaluation of ECDPs; Different institutions and agencies operating ECDPs in Nepal

Unit 5: Entrepreneurial Venture Creation

LH 7

Idea generation; Idea selection process; Feasibility study analysis; Preparing business plan – concept, significance and elements; Venture creation – venture project formulation, implementation and evaluation

Unit 6: Legal Issues of Entrepreneurial Venture

LH 4

Legal requirements for venture creation – legal structures, venture registration, PAN and VAT registration, obtaining intellectual property rights, contract laws, labor laws and environmental laws

Unit 7: Financing of Entrepreneurial Venture

LH 4

Need for financial planning; Sources of finance for entrepreneurial ventures – angel investors and venture capitalists; Types of financing – equity and debt; Sources of short-term loans for ventures

Unit 8: Institutional Support to Entrepreneurship Development

LH 8

Institutional support – concept and need; Financial support agencies – Rural Development Banks, micro finance institutions, commercial banks; micro enterprise development projects and programs; Logistic support agencies - government, specialized and consultancy agencies; Industrial estates

Basic Readings

Khanka, S.S. *Entrepreneurial Development*. New Delhi: S. Chand & Company

Reference Readings

Hisrich, R.D., Manimala, M. J., Peters, M.P. and Shepherd, D.A. *Entrepreneurship*, New Delhi: McGraw-Hill Education (India) Pvt. Ltd.

Aqrawal, G.R. *Entrepreneurship Development in Nepal*. Kathmandu: M.K. Publishers

Shrestha, P. *Entrepreneurship Development*. Kathmandu: Samjhana Publication Pvt. Ltd.

Joshi, Shyam, *Entrepreneurship Development* (Nepali). Kathmandu: Taleju Prakashan,

EED 212: Principles of Small Business Management

(Entrepreneurship and Enterprise Development-focus area II)

Credits: 3

Lecture Hours: 48

Course Objective

This course aims at familiarizing students with the economic significance of the small business sector, concept of small business management, and the basic principles of different aspects of small business management.

Course Description

This course contains introduction, options for going into business, business plan, legal issues, financing new and growing business, marketing, operations management, human resource issues.

Course Details

Unit 1: Introduction

LH 4

Economic significance of the small business sector; Concept of small business – generic definitions and national definition; Differences between small business and large business; advantages and disadvantages of operating a small business; Factors leading to success and failure of small business; Entrepreneur vs. business owner-manager; Small business vs. entrepreneurship.

Unit 2: Options for Going into Business

LH 3

Issues to consider before going into business – personal goals and abilities; Starting a new business – advantages of starting a business; Purchasing an existing business; Entering a franchise system – advantages and disadvantages; Comparison of options; Procedural steps when starting a business venture .

Unit 4: Business Plan

LH 4

Concept of business plan – advantages and disadvantages of planning; Elements of a business plan; Different types of plans – specificity, length and audience; The business planning process – setting preliminary goals, conducting initial research, confirming goals, conducting subsequent detailed research, writing business plan, critically assessing proposed plan, implementing and evaluating the plan.

Unit 5: Legal Issues

LH 6

Legal structures – sole proprietorship, partnership, company, cooperative and trust; Comparing legal structures; Business registration, PAN and VAT registration; obtaining intellectual property rights – procedures for obtaining such rights, contract law, income tax and property tax laws, labor laws and environmental laws.

Unit 6: Financing New and Growing Business

LH 4

Need for financial planning; Types of financing – debt and equity; Debt finance – bank overdraft, trade credit, Term loan and leasing; Equity finance – owner’s equity, family and friends, business angels, venture capital and publicly raised equity; Alternative sources of finance – debt factoring and discounting.

Unit 7: Marketing

LH 5

Concept of marketing; Role of market research; Conducting market research; Marketing process – goal setting and understanding the market; Marketing mix – product or service, promotion, price, placement, people, process and physical evidence; evaluation of marketing.

Unit 8: Operations Management**LH 6**

Operations as a management process; Physical site factors – premises, location and internal layout; Production process and work flow; Service blue printing – inventory and supply management, and operating equipment; Evaluating, improving and securing operational activities; Procedural systems and quality assurance; Risk management.

Unit 9: Human Resource Issues**LH 5**

Concept and functions of HRM; HRM as a business strategy; Acquisition of staff – employ or not employ, organization structure, job analysis, setting selection criteria, remuneration and rewards and recruitment sources; Employment contract; Maintenance - orientation and induction, and motivation mechanisms; Performance appraisal; Termination; Regulatory requirements.

Basic Readings

1. Schaper, M., Vallery, T. Weber, P. and Lewis, K. *Entrepreneurship and Small Business*. New Delhi: Wiley-India

Reference Readings

1. Hatten, S. T. *Small Business Management: Entrepreneurship and Beyond*. Ohio: South-Western Cengage Learning
2. Zimmerer, T. W., Scarborough, N.M. and Wilson, D. *Essentials of Entrepreneurship and Small Business Management*. New Delhi: Pearson Education

EED 213: Creativity and Innovation

(Entrepreneurship and Enterprise Development-focus areaIII)

Credits: 3

Lecture Hours: 48

Course Objective

This course aims at familiarizing students with the basics of creativity and innovation so that they can easily understand that both creativity and innovation involve some process by which one can learn how to be creative and innovative for organizational success.

Course Description

This course contains introduction, creativity, creative process, innovation, type, sources and principles of innovation, product innovation, process innovation, ice and other innovation, financial support for innovation.

Course Details

Unit 1: Introduction

LH 4

Concepts of creativity and innovation; Linking creativity, innovation and entrepreneurship; Creativity, critical thinking and creative thinking.

Unit 2: Creativity

LH 5

Role of creativity; Components of creativity; Creativity techniques – problem reversal, forced analogy, attribute listing, mind maps and brain storming; Factors influencing creativity – encouragement, autonomy, resources, pressures and mental blocks.

Unit 3: Creative Process

LH 8

Creativity as a process; Nature of creative process – knowledge accumulation, incubation, idea experience, and evaluation and implementation; Developing creativity – recognizing relationships, developing a functional perspective, using brains and eliminating muddling mind-sets; Creative climate.

Unit 4: Innovation

LH 5

Nature of innovation; Innovation and related terms invention, growth, creativity, design, exploitation, change, failure, entrepreneurship, customers, knowledge and society; Drivers of innovation – emerging technologies, competitor actions, new ideas from customers, strategic partners and employees, and emerging changes in the environment; Major myths of innovation.

Unit 5: Types, Sources and Principles of Innovation

LH 6

Types of innovation – invention, extension, duplication and synthesis; Sources of innovation – unexpected occurrences, incongruities, process needs, industry and market changes, demographic changes, perceptual changes and knowledge-based concepts; Principles of innovation – action orientation, simple and understandable product, process or service, humble and small start, try test and revise, learning from failure, rewarding heroic activity, and hard and continuous work.

Unit 6: Product Innovation

LH 4

Concept and nature; Product innovation – incremental improvements, additions to product families, next-general products and new core products; Design methods from product innovation – phase review, stage gate and product and cycle time excellence (PACE).

Unit 7: Process Innovation

LH 4

Concept and nature; Approaches to process innovation - just-in-time, total quality management, lean manufacturing, supply chain management and enterprise resource planning; Product and process innovation

Unit 8: Service and Other Innovation**LH 4**

Concept and nature; Types of service operations – quasi-manufacturing service, mixed service and pure service; Incremental and radical innovations; Other classifications – disruptive innovation.

Unit 9: Financial Support for Innovation**LH 5**

Need for financial support for innovation; Venture capital environment; Sources of venture capital – angel investors and venture capitalists; Government support of innovation; Non-government support of innovation.

Basic Books:

1. Kuratko, Donald F. and Hodgetts Richard M., *Entrepreneurship: Theory, Process and Practice*. New Delhi: Thompson Southwestern
2. O'Sullivan, David, *Applying Innovation*. New Delhi: SAGE Publications

Reference Books:

1. HBP, *Fostering Creativity*, Boston: Harvard Business Press
2. Afuah, Allan, *Innovation Management*, New Delhi: Oxford University Press
3. Conway, Steve and Steward, Fred, *Managing and Shaping Innovation*, New Delhi: Oxford University Press

EED 215: Micro-finance

(Entrepreneurship and Enterprise Development- focus area IV)

Credits 3
Lecture Hours: 48

Course Objective

The main purpose of this course is to acquaint students with the role and significance of micro-finance in the development of a poor country like Nepal. Besides, it also provides with the products and services and functions of micro-finance institutions operating in Nepal.

Course Description

This course contains introduction, micro-finance products and services, micro-finance in Nepal, micro-finance policy, legal and regulatory framework, wholesales lending micro-finance institutions, Risks in Micro-finance Institutions, Micro-finance and Development, Activities of Micro-finance Institutions in Nepal.

Course Details

Unit 1: Introduction

LH 5

Concept and nature of micro-finance; Evolution of micro-finance; Growth of micro-finance industry; Micro-finance and related terms micro credit, microcredit loans, sustainable microfinance, micro saving, micro finance institution (MFI), micro insurance, micro finance services, micro finance products, micro enterprise, microfinance clients and agriculture micro finance; Difference between micro-finance and micro credit

Unit 2: Micro-finance Products and Services

LH 3

Concept and nature of micro-finance products and services; types of micro-finance products – micro credits, micro savings, micro insurance, Pension and provident fund and payment transfers; Types of micro-finance services – financial intermediations, social intermediations and social services

Unit 3: Micro-finance in Nepal

LH 7

Evolution of micro-finance in Nepal; Micro-finance credit lending models – association model, community banking model, cooperative model, credit union model, rural joint liability group model, self-help group (SHG) model and village banking model; Micro-finance models in Nepal – cooperative model, small farmers cooperative model, rural development bank model, SHG or community-based organization (CBO) model and village bank model; National Micro-finance Policy, 2005

Unit 4: Micro-finance Policy, Legal and Regulatory Framework

LH 6

Micro-finance policy; MF regulatory authority and institutions – Nepal Rastra Bank (NRB), Department of Cooperatives (DoC), Laws and regulations – Nepal Rastra Bank Act, Bank and Financial Institutions Act, Cooperative Societies Act, Financial Intermediaries Act, NRB Directives for MFIs

Unit 5: Wholesale Lending Micro-finance Institutions

LH 7

Rural Self-reliance Fund (RSRF); Rural Micro-finance Development Centre Ltd. (RMDC); Small Farmers Development Bank Ltd. (SFDBL); Commercial Banks (CBs); The four-tier apparatus – tier I SHGs, tier II NGOs, tier III micro finance institutions (MFIs and Non Banking Finance Companies) and tier IV NBFCs and cooperatives

Unit 6: Risks in Micro-finance Institutions**LH 7**

Concept and nature of micro-finance risks, Risks in MFIs – functional, financial and external risks; Functional risks – mission drift, staff fraud, inefficient performance, inefficient tracking system of loans, overdependence on donors and staff turnover; Financial risks – interest rate risk and foreign exchange risk; External risks – calamities, market speculation, market competition, theft and government policies; Strategies for risks minimization – securitization, controlling internal frauds, developing effective MIS, efficient human resource management, disaster risk management, developing secured cash transportation, disbursement and collection system and hedging

Unit 7: Micro-finance and Development**LH 5**

Role of micro-finance in development; Women empowerment; Health; Micro entrepreneurs and enterprise development; Handicrafts and handloom and cottage industry development; Agri-industry and agriculture development; education development; Networking and linkage building

Unit 8: Activities of Micro-finance Institutions in Nepal**LH 6**

Overview of micro-finance institutions (MFIs) in Nepal; Major MFIs in Nepal and their programs – Agriculture Development Bank Ltd, commercial banks (NBL and RBB), Rural Micro-finance Development Center (RMDC), and Rural Development Banks; Micro-finance programs of major MFIs – Small Farmer Development Program (SFDP), SFDP's Institutional Development Program, Intensive Banking Program, Women Development Program, Saving and Credit Programs, Production Credit Program for Women, Women Awareness Program, Banking with the Poor and Cottage and Small Industry Development Program

Basic Books:

Shah, R. K., *Micro Finance in Nepal*, New Delhi: Serials Publications

Reference Books:

Baral, S.K. and Bihari, S.C. *Rural Marketing and Micro Finance: Text and Cases*, New Delhi: A.I.T.B.S. Publishers, India

The Banking with the Poor Network, *Micro Finance Industry Report Nepal*, Singapore: BWTP

Ledgerwood, Joanna (ed), *The New Micro Finance Handbook: A Financial Market System Perspective*, Washington D.C.: The World Bank

Shrestha, Shanker Man, *State of Micro Finance in Nepal*, Dhaka: Institute of Micro Finance

EED 217: Project Management

(Entrepreneurship and Enterprise Development- focus area V)

Credits: 3

Lecture Hours: 48

Course Objective

This course aims at familiarizing students with the significance of project management and its important aspects so that they can acquire the knowledge and skills of project management.

Course Description

This course contains introduction, project definition, time, cost and quality planning, plan analysis and risk management, project organization: structures and teams, control of projects, supply chain issues, Project Completion and Review,

Course Details

Unit 1: Introduction

LH 7

Concept of project and project management; Phases of project management; 7-S of project management; Project environment; Complexity of projects; Organizational strategy and projects; Project management as a strategic capability; Resource coordination; Project and organizational goals; Project and performance management

Unit 2: Project Definition

LH 3

Developing the project concept; Scope management; Project process; Work breakdown structure; Process mapping; Establishing check points

Unit: 3 Time, Cost and Quality Planning

LH 8

Time planning process; Gantt charts; Estimating; Activity-on-arrow (AoA) diagrams and CPM; Scheduling; Computer-assisted project planning; Fast-track projects; Cost planning process; Cost estimating techniques; Cost build-up; Cost management – budgets; Quality planning process; Quality conformance planning; Quality performance planning

Unit 4: Plan Analysis and Risk Management

LH 3

Analyzing time plans; Analyzing cost plans; Analyzing quality plans; Risk management; Risk quantification techniques

Unit 5: Project Organization: Structures and Teams

LH 8

Role of teams; The pure project management; Matrix management; Structure selection; Mixed organizational structures and coordination; Teamwork; Life-cycles of teams; Managing personalities in teams; Effective teamwork; Managing the team – running effective meetings and working with geographically remote people and groups

Unit 6: Control of Projects

LH 7

Control systems; Control of major constraints – quality, cost and time; Visual control; Last planner; Technical performance monitoring; Project management information management system (PMIS); Change control; Control of the work of development projects

Unit 7: Supply Chain Issues

LH 3

Concept of supply chain management; purchasing; Contracts; From buying to relationship management; Modern techniques in supply chain management

Unit 8: Project Completion and Review**LH 6**

Project completion and handover; Structuring improvement activities; Learning before doing – role of external knowledge; Learning by doing – role of audit and review; Conducting reviews; Justifying it all – evaluating cost of quality

Basic Reading:

1. Maylor, Harvey. *Project Management*. New Delhi: Pearson Education Ltd.

Other Readings:

2. Mantel, S.J. et al. *Project Management*. New Delhi: Wiley-India
3. Chandra, Prasanna. *Projects*. New Delhi: McGraw Hill Education
4. Choudhury, S. *Project Management*. New Delhi: McGraw Hill Education

INS 211: Introduction to Risk and Insurance

(Insurance and Risk Management - focus area I)

Credits: 3

Lecture Hours: 48

Course Objective

This course deals with the insurance and risk management. Also acquaints students with different type of risk involved in insurance business.

Course Description

This course contains: risk, insurance and risk, introduction to risk management, pooling arrangements and risk, the changing scope of risk management, risks of insurance companies, principles of insurance, type of insurance, laws of insurance, insurance market.

Course Details

Unit 1: Risk

LH 3

Meaning of Risk, Chance of Loss, Perils and Hazard, Basic Categories of Risk, Types of Pure Risk, Burden of Risk on Society, Methods of Handling Risk

Unit 2: Insurance and Risk

LH 6

Definition of Insurance, Basic Characteristics of Insurance, Requirements of an Insurable Risk, Two Applications: The Risks of Fire and Unemployment, Adverse selection and Insurance, Insurance and Gambling, Insurance and Hedging, Types of Insurance, Benefits of Insurance to Society, Cost of Insurance to Society.

Unit 3: Introduction to Risk Management

LH 6

Meaning of Risk Management, Objectives of Risk Management, Steps in the Risk Management Process, Identifying Risk Exposures, Analyzing the Risk exposures, Selecting the Appropriate Techniques for Treating the Risk Exposures, Implementing and Monitoring the Risk Management Program, Benefits of Risk Management, Personal Risk Management.

Unit 4: Pooling Arrangements and of Risk

LH 4

Risk Reduction through Pooling Independent Losses, Pooling Arrangements with Correlated Losses, Insurers as Managers of Risk Pooling Arrangements.

Unit 5: The Changing Scope of Risk Management

LH 5

The Changing Scope of Risk Management, Insurance Market Dynamics, Loss Forecasting, Financial Analysis in Risk Management Decision Making, Other Risk Management Tools

Unit 6: Risks of Insurance Companies

LH 5

Operational Risk, Underwriting Risk, Diversification of Underwriting Risk, Claim Risk, Investment Risk, Reinsurance Risk, Insolvency Risk

Unit 7: Principles of Insurance

LH 4

Principle of Indemnity, Principle of Insurable Interest, Principle of Subrogation, Principle of Utmost Good Faith, Principle of Proximate Cause, Principle of Contribution

Unit 8: Types of Insurance**LH 5**

Life Insurance: Whole Life Insurance, Endowment Life Insurance, Term Life Insurance, Annuity & Pension Plan, Other Types of Life Insurance, **Non Life Insurance:** Fire Insurance, Motor Insurance, Marine Insurance, Engineering Insurance, Aviation Insurance, Cattle and Crop Insurance and Miscellaneous Insurance

Unit 9: Laws of Insurance**LH 4**

Insurance Act, Insurance Regulation, Directives issued by Insurance Board

Unit 10: Insurance Market**LH 6**

Reinsurance Company, Insurance Company (Life and Non Life Insurance Company), Loss Assessors & Loss Adjustors, Third Party Administrator (TPA), Insurance Agents, Insurance Customers (Insured), Insurance Regulator

Reference Books:

Rejda, George E., (2011), *Principles of Risk Management and Insurance*;

10th Edition, Pearson Education Dorling Kindersley, (India) Pvt. Ltd., New Delhi

Harrington, Scot E. & Niehaus, Georgy R. (2004), *Risk Management and Insurance*, 2nd Edition, Tata McGraw Hill Education Private Ltd. , New Delhi

Kenneth Black, Jr. and Harold D. Skipper, Jr., (2000), *Life and Health Insurance* , 13th Edition, Pearson Education, Inc., Dorling Kindersley, (India) Pvt. Ltd., New Delhi

Mishra, M.N. & Mishra, S.B., (2011), *Insurance Principles and Practice*, 18th Edition, S. Chand and Company Ltd., New Delhi

(Beema Samiti), www.bsib.org.np

Chaul, A.S. and Murali, C.B., (2011), *Risk Management*, Revised Edition, Insurance Institute of India, Mumbai

INS 213: Commercial Property Risk Management

(Insurance and Risk Management- focus area II)

Credits: 3

Lecture Hours: 48

Course Objective

The main objective of this course is to acquaint students with concepts and practices of commercial property risk management.

Course Description

This course contains introduction to commercial property, commercial property risk, commercial property insurance, commercial property insurance policy wording, commercial property underwriting, and insurance market of commercial property.

Unit 1: Introduction to Commercial Property **LH 8**

Meaning of Commercial Property, Laws related to Commercial Property, Scope of Commercial Property

Unit 2: Commercial Property Risk **LH 8**

Commercial Property Risk, Commercial risk in Perspective of Insured and Insurer

Unit 3: Commercial Property Insurance **LH 8**

Proposal Form, ISO Commercial Property Program, Building and Personal Property Coverage Form, Causes of Loss Forms, Business Income Insurance, Other Commercial Property Coverage, Transportation Insurance

Unit 4: Commercial Property Insurance Policy Wording **LH 8**

Major Coverage, Condition, Exclusion, Endorsements, Schedule, Bill, Deductibles and Self Insured Retentions

Unit 5: Commercial Property Underwriting **LH 8**

Underwriting of Commercial Property, Ratemaking of Commercial Property Policy

Unit 6: Insurance Market of Commercial Property **LH 8**

Buyer of CPI Policy, Underwriter of CPI Policy, Premium, Reinsurance, Claim Status of CPI of the Industry

Reference Books:

Rejda, George E., (2011), *Principles of Risk Management and Insurance*;

10th Edition, Pearson Education Dorling Kindersley, (India) Pvt. Ltd., New Delhi

Harrington, Scot E. & Niehaus, Georgy R. (2004), *Risk Management and Insurance*, 2nd Edition, Tata McGraw Hill Education Private Ltd. , New Delhi

Mishra, M.N. & Mishra, S.B., (2011), *Insurance Principles and Practice*, 18th Edition, S. Chand and Company Ltd., New Delhi

(Beema Samiti), www.bsib.org.np

Chaul, A.S. and Murali, C.B., (2011), *Risk Management*, Revised Edition, Insurance Institute of India, Mumbai

INS 215: Life and Non Life Insurance

(Insurance and Risk Management-- focus area III)

Credits: 3

Lecture Hours: 48

Course Objective

The main objective of this course is familiarize students on life and non life insurance.

Course Description

This course is divided into two parts- life and non life insurance. The life insurance part contains introduction, whole life insurance, endowment life insurance, term life, and other types of insurance, group insurance where as the non life insurance part deals with introduction, fire insurance, motor insurance, marine insurance, engineering insurance, and miscellaneous insurance.

Course Details

Life Insurance

Unit 1: Introduction

LH5

Introduction to Life Insurance, History of Life Insurance, Scope of Life Insurance, Essentials of Life Insurance Contract, Mortality Table, Reserve and Investment of Fund, Surrender Value, Valuation and Surplus, Life Insurance Claim Process, Life Insurance Contractual Provision

Unit 2: Whole Life Insurance

LH4

Ordinary Whole Life Insurance, Anticipated Whole Life Insurance, Deferred Whole Life Insurance, Limited Payment Whole Life Insurance, Variations of Whole Life Insurance: Uses and Limitation of Whole Life Insurance, Coverage, Exclusion, Condition, Premium Calculation

Unit 3: Endowment Life Insurance

LH4

Ordinary Endowment Insurance, Anticipated Endowment Insurance, Deferred Endowment Insurance, Variation of Endowment Life Insurance, Popular Endowment Policies in Nepal, Coverage, Exclusion, Condition, Premium Calculation

Unit 4: Term Life

LH4

Yearly Renewable Term Insurance, 5 to 20 Year Term Insurance, Term to age 65, Decreasing Term, Reentry Term, Uses and Limitation of Term Insurance, Popular Endowment Policies in Nepal, Coverage, Exclusion, Condition, Premium Calculation

Unit 5: Other Types of Life Insurance

LH4

Modified Life Insurance, Preferred Risks, Second to Die Life Insurance, Juvenile Insurance, Saving Bank Life Insurance, Industrial Life Insurance, Group Life Insurance, Annuities

Unit 6: Group Insurance

LH4

Group Insurance, Group Life Insurance, Group Accident Insurance, Group Health Insurance

Non Life Insurance

Unit 1: Introduction

LH3

Introduction to Non Life Insurance, Types of Non Life Insurance, History of Non Life Insurance, Difference between Life and Non Life Insurance, Essential Elements of Non Life Insurance

Unit 2: Fire Insurance

LH4

History of Fire Insurance, Nature and Uses of Fire Insurance, Fire Insurance Contract, Kinds of Policies, Policy Conditions, Fire Tariff, Payment of Claim, Reinsurance

Unit 3: Motor Insurance

LH4

History of Motor Insurance, Nature and Uses of Motor Insurance, Kinds of Policies, Policy Conditions, Motor Tariff, Payment of Claim, Reinsurance, Own Damage Loss, Third Party Liability, Knock for Knock

Unit 4: Marine Insurance

LH4

History of Marine Insurance, Nature of Marine Insurance Contract, Marine Insurance Policy, Coverage, Policy Condition, Exception, Premium Calculation, Claim

Unit 5: Engineering Insurance

LH5

Contractors all Risk Insurance, Erection All Risk Insurance, Machinery Breakdown Insurance, Boiler Insurance, Coverage, Policy Condition, Exception, Pricing, Premium Calculation, Claim

Unit 6: Miscellaneous Insurance

LH3

Cash Insurance, Bankers Indemnity Insurance, Personal Accident Insurance, Burglary Insurance

Reference Books:

Rejda, George E., (2011), *Principles of Risk Management and Insurance*;

10th Edition, Pearson Education Dorling Kindersley, (India) Pvt. Ltd., New Delhi

Harrington, Scot E. & Niehaus, Georgy R. (2004), *Risk Management and Insurance*, 2nd Edition, Tata McGraw Hill Education Private Ltd. , New Delhi

Kenneth Black, Jr. and Harold D. Skipper, Jr., (2000), *Life and Health Insurance* , 13th Edition, Pearson Education, Inc., Dorling Kindersley, (India) Pvt. Ltd., New Delhi

Mishra, M.N. & Mishra, S.B., (2011), *Insurance Principles and Practice*, 18th Edition, S. Chand and Company Ltd., New Delhi

Beema Samiti, www.bsib.org.np

Kutty, Shashidharan K., (2008), *Meaning of Life Insurance*, 1st Edition, Prentice Hall of India, 2008, New Delhi

Chaul, A.S. and Murali, C.B., (2011), *Risk Management*, Revised Edition, Insurance Institute of India, Mumbai

Ganatrai, R.K. and Kumar Anant, (2011), *Marine Insurance*, Revised Edition, Insurance Institute of India, Mumbai

INS 218: Micro Insurance

(Insurance and Risk Management-IV)

Credits: 3
Lecture Hours: 48

Course Objectives

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

Course Description

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

Course Details

Unit 1: Introduction

LH5

Concept and characteristics of micro insurance, micro insurance vs. conventional Insurance, Benefits of micro insurance-Benefits for insured (Policyholders), Benefits for Intermediaries, and Benefits for Insurers and Social Benefits.

Unit 2: Micro insurance Environment

LH 8

Concept of micro insurance Environment, Components of micro insurance Environment, Micro level; Key players-policyholders, Insurers, Insurance Intermediaries; Meso level: Support Infrastructure-Reinsurers, Actuaries, Adjusters and Surveyors. Auditors, Market Research Institutes, IT Service Providers; Macro Level: Enabling Environment-Legislation, Regulation, Policy, Supervision.

Unit 3: Micro insurance Delivery Channels

LH 5

Concept and Important of Delivery Channels, Types of micro insurance Delivery Channels- Partner-agent Model, Full Service Model, Mutual or Community- based Model, Provider Model.

Unit 4: Micro insurance Underwriting and Claim

LH 8

Micro insurance Underwriting, Micro insurance Risk, Proposal Form, Schedule, Micro insurance Pricing, Micro insurance Claim Settlement Process, Challenges of Micro insurance Underwriting and Claim.

Unit 5: Micro insurance and Inclusion

LH 6

Poverty and Micro insurance, Role of Micro insurance in Financial Inclusion, Prospects of Micro insurance, SWOT analysis of Micro insurance

Unit 6: Micro insurance in Nepal

LH8

Status of Micro insurance in Nepal, Crop and Livestock Insurance, Micro Health Insurance, Micro Credit Insurance, Micro Personal Accident Insurance, Micro Endowment Life Insurance, Micro Term Insurance, Challenges of Micro insurance (from policyholders; Insurers; Delivery Channels and Regulators' perspective), Remedial measures, Potential Micro insurance Market in Nepal, Awareness Program.

Unit 7: Micro insurance Regulation in Nepal

LH8

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

Reference Material:

Beema Samiti, www.bsib.org.np

Beema Samiti, (2014), Microinsurance Directive, Kathmandu

Insurance Regulatory and Development Authority, India; www.irda.gov.in

Microinsurance Academy, www.microinsuranceacademy.org

INS 212: Insurance Broking and Bancassurance

(Insurance and Risk Management- focus area -V)

Credits: 3

Lecture Hours: 48

Course Objective

The main objective of this course is to acquaint students with the concepts and practices of insurance broking and Bancassurance. This course also deals with different laws and provisions of Bancassurance.

Course Description

This course contains: introduction to broking, broking practices, introduction to bancassurance, bancassurance model, bancassurance practice, prospects of bancassurance, legal provision of broking and bancassurance.

Course Details

Unit 1: Introduction to Broking

LH 8

Broking, History of Broking, Role of Insurance Broking, Concept of Insurance Brokers, Role of Insurance Brokers, Types of Insurance Brokers: Direct Broker, Reinsurance Broker and Composite Broker, Functions of Direct Broker, Functions of Indirect Broker, Functions of Reinsurance Broker, Functions of Composite Broker.

Unit 2: Broking Practices

LH 7

Cost reduction by Broking, Process of Broking, Steps of broking, Obstacles of broking practice, Legal Provision of Bancassurance.

Unit 3: Introduction to Bancassurance

LH 6

Evolution and Historical Development of Bancassurance Conceptual framework, Insurance Intermediaries, New Distribution Channel, Bancassurance: Concept and Characteristics, Need of Bancassurance.

Unit 4: Bancassurance Model

LH 8

Distribution Alliance, Joint Venture Between Insurance and Bank, Leveraged Life Distribution, Leveraged Bank Distribution, Advantage and Disadvantage of Bancassurance Model, Choosing the right partner in Bancassurance, Requisites for successful Bancassurance.

Unit 5: Bancassurance Practice

LH 8

Changes in the competitive Environment of Banks, Bancassurance Products, Bancassurance Process, Legal Provision of Bancassurance, Distribution Channels in Bancassurance in Nepal, Remuneration and Incentives, Training for Bancassurance.

Unit 6: Prospects of Bancassurance

LH 6

Prospects of Bancassurance in Nepal, Challenges of Bancassurance, Strength of Banks and Insurance Companies.

Unit 7: Legal Provision of Broking and Bancassurance

LH 5

ws of Reinsurance Broking, Code of Conduct of Broking, Laws of Broking, Laws of Bancassurance.

Reference

Rodrick Claws (1980), *A Textbook of Insurance Broking*, Woodhead Faulmers Ltd.
Bancassurance: *Convergence of Banking and Insurance*, (2015) Knowledge Series
www.irda.gov.in

MKT 211: Consumer Behavior

(focus area I: sales and Marketing)

Credits: 3

Lecture Hours: 48

Course Objective

The major objective of this course is to develop students' understanding of the buying process of consumer and identify the various factors that influence the buying process.

Course Description

Consumer behavior is the basic science of modern marketing. Consumer is also the focal point of modern marketing. The marketing process starts from consumer and ends at the consumer. In this course students are expected to learn the nature of consumer behavior; importance of understanding consumer behavior in marketing; consumers' buying decision process; influence of individual, group, social-class and cultural factors in consumer buying behavior.

Course Detail

Unit 1: Introduction to Consumer Behavior

LH 4

Meaning and nature of consumer behavior. Differences between consumer buying and organizational buying. Use of consumer behavior knowledge in marketing and public policy decisions. The consumer movement.

Unit 2: Consumer Decision Process

LH 4

Types of consumer decisions: purchase involvement levels and the decision process. Problem/need recognition by consumers. Types of consumer problems. Marketing strategy and problem recognition: problem identification and response.

Unit 3: Information Search and Evaluation

LH 5

Nature of information search: internal and external search, passive and active search. Types of information sought by consumers: evaluative criteria, alternatives available, alternative characteristics. Sources of consumer information. Information search in the Internet. Marketing strategy in information search.

Unit 4: Alternative Evaluation and Choice

LH 6

Consumers' choice: rational choice, affective choice, attribute-based choice, attitude-based choice. Evaluative criteria and its measurement. Consumer decision rules: conjunctive and disjunctive decision rules, lexicographic decision rule, compensatory decision rules. Marketing strategies in evaluation and choice.

Unit 5: Post-purchase Behavior

LH 6

Post-purchase dissonance: reasons and remedies. Product use and non-use. Product disposition: disposition methods and marketing strategies. Satisfaction and dissatisfaction. Consumer complain behavior. Satisfaction and brand loyalty.

Unit 6: Individual Factors Influencing Consumer Behavior

LH 8

Consumer motivation: nature and sources of consumer motivations. Consumer learning: nature and sources of consumer learning. Learning and consumer memory. Consumer perception: nature and process of perception. Personality: nature and types of consumer personality. Consumer personality and brand personality. Consumer attitudes: attitude components, attitude formation and change.

Unit 7: Group and Family Influences**LH 6**

Reference group influences: nature and degree of influences, marketing strategies based on reference group influences. Family influences: structure of household, family decision roles, family life cycle.

Unit 8: Social Class and Cultural Influences**LH 6**

Social class hierarchy and consumption behavior in Nepal. Cultural and subcultural influences: nature of culture, cultural dynamism, values, norms, myths. Cross cultural marketing.

Text and References

1. Del I. Hawkins, David L. Mothersbaugh, and Amit Mukerjee, Consumer Behavior (11th ed), McGraw Hill.
2. Leon G. Schiffman and Leslie Lazer Kanuk, **Consumer Behavior**, Prentice Hall of India.

MKT 212: Advertising and Public Relations

(Focus area- II : sales and Marketing)

Credits: 3

Lecture Hours: 48

Course Objective

The major objective of this course is to develop students' understanding and skill in development of communication strategy of a firm, particularly with advertising and public relations.

Course Description

Developing effective communication has become the focal activity in a marketing firm. Marketers need to develop powerful messages about the products and services, and select appropriate appeals and execution framework to reach the target audience in order to establish their brands in consumers mind set. In this course students are expected to learn the nature of marketing communication and communication process; marketing communication strategy; nature and role of advertising; creative issues in advertising; the structure of the advertising business; and public relations strategy.

Course Details

Unit 1: Introduction to Marketing

LH 7

Meaning, elements, structure, and role of marketing communication. Theories of marketing communication: hierarchy of effects of communication, information processing theories, communication and attitude formation and change. Key communication terminologies. Miscommunication issues.

Unit 2: Marketing Communication Strategy

LH 6

Marketing communication mix. Integrated marketing communication. Formulation of marketing communication strategy. Marketing communication barriers. Communication budgeting issues and methods. Promotion campaign planning and management.

Unit 3: Advertising

LH 6

Meaning, elements, objectives and role of advertising. Evolution of advertising. Types of advertising. Social, ethical and legal issues of advertising. Theories of advertising: how advertising influences consumer behavior, advertising and information processing, and advertising objectives and effectiveness theory.

Unit 4: Advertisement Development

LH 7

Creative process and methods. Visualization process and visualizer qualities. Message design: message theme, models, considerations. Message strategies: cognitive, affective, conative, and brand strategies. Advertising appeals: rational, emotional, sex and other ad appeals. Essentials of a good appeal. Execution frameworks. Use of color in advertising.

Unit 5: Print Advertisement

LH 6

Print advertising media: types of media and media choice. Copywriting for print media: types of ad copies. Ad copy objectives and requisites of a good copy. Print copy development process. Print copy elements: choice of headline, sub-heads, body copy, slogan and signature. Layout: functions, qualities of a good layout, layout principles.

Unit 6: Active Media Advertisement

LH 7

Television advertising: nature, pros and cons. TVC development: script writing, story board, air-time buying and other considerations. Radio advertising: nature, pros and cons. Producing radio advertisements. Emerging advertisements: internet advertising and ambient advertising. Product placement strategies.

Unit 7: Public Relations Management**LH 9**

PR concept and dynamism. PR objectives. Traditional and modern PR methods. PR Strategy and tactics. Organization needs hierarchy and PR. Internal and external PR. International PR. Word of mouth PR. Corporate identity, corporate image, corporate advertising and PR. Corporate sponsorship and cause-related marketing.

Text and References

1. William Wells, John Burnet, and Sandra Moriarty, *Adverting Principles and Practice* (8th ed.), Prentice Hall of India.
2. Jaishri Jethwaney and Shruti Jain, Advertising *Management*, Oxford University Press.
3. K.D.Koirala, *Marketing Communications*, Buddha Publications.

MKT 213: Creative Selling

(Focus area-III : sales and Marketing)

Credits: 3

Lecture Hours: 48

Course Objective

This course aims to develop students' understanding in the various dimensions of the sales job and develop their skills in successful selling.

Course Description

Selling is the end result of marketing. Business organizations are involved in selling of products and services. Social organizations sell social products and ideas. It is also the most growing field and becoming more challenging in the present context. Selling jobs today need more creativity and a variety of skills. This course mainly deals in inculcating selling skills in the students specializing in the marketing area. The course includes nature and challenges of the sales job, necessary traits of a salesperson, tactical selling skills, self management skills, and strategic selling skills.

Course Detail

Unit 1: Introduction

LH 7

Meaning of selling. Nature of the sales job. Selling's role in marketing and society. Duties and responsibilities of a salesperson: Direct, indirect, and non-selling activities. Types of sales job: retail, trade, industrial, and missionary selling. Traits of a salesperson.

Unit 2: Knowledge for Successful Selling

LH 7

Company knowledge. Product knowledge. Competitive products. Pricing and discount policies. The sales process of indoor sales and outdoor sales. Personality Traits of Salesperson: Empathy and focus. Ego-drive. Optimism. Attitude towards responsibility.

Unit 3: Tactical Selling Skills

LH 10

Influencing: authority, reciprocity, rapport, reason, consistency. Prospecting: Methods of prospecting and qualifying customers. Successful prospecting. Conversation planning. Cold calling. Client Meetings: Rapport building, questioning, making presentations, handling objections, and closing sales.

Unit 4: Presentation and Negotiation Skills

LH 12

Planning presentations: Importance of planning. Pre-call information gathering. Setting targets. Developing presentation plan. Making appointments. Making approach. Making presentations: S-R approach, mental state approach, need stimulation approach, and problem solution approach. Types of sales presentations: Standard memorized presentation, outlined presentation, program presentation. Dramatizing the sales presentation. Negotiation skills: Resolving conflicts.

Unit 5: Self-Management Skills

LH 5

Attitude maintenance. Handling emotions. Setting goals. Time management. Stress management. Professionalism in sales job.

Unit 6: Strategic Selling Skills**LH 7**

Territory planning: the planning pyramid. Planning for profit. Strategic territory planning. Account planning and management. Business creation method. Sales reporting.

Text and References

1. Carlton A. Pederson, Milburn D. Wright, and Barton A. Weitz, *Selling Principles and Methods*, Irwin.
2. David J. Batchelor and Arthur H. Horn, *Skills for Sales Success*, Macmillan India.

MKT 216: Supply Chain and Channel Management

(Focus area-IV : sales and Marketing)

Credits: 3

Lecture Hours: 48

Course Objective

This course aims to develop students' understanding in the area of supply chain management and channel management with a view to develop their skills in management of supply chain functions and effective management of marketing channels.

Course Description

The supply chain management (SCM) has been recognized today as the most critical aspect in a business organization's capability to create and deliver value to customers. Similarly, marketing channels are equally important in the value delivery process. This course deals on the role and importance of SCM, SCM structure, supply chain drivers, strategic decisions in supply chain, distribution channel functions and flows, and designing customer-oriented marketing channels.

Course Detail

Unit 1: Introduction

LH 8

Supply chain concepts. Macro process of supply chain. Supply chain decision hierarchy. Supply chain structure: determining factors. Forms of supply chain: push-based, cost-efficient, cost-centric, pull-based, agile supply chain systems.

Unit 2: Supply Chain Drivers

LH 8

Supply chain performance drivers: facilities management, inventory management, transportation, information, sourcing, and pricing. Trade offs in designing supply chain drivers: demand and supply conditions, negotiating powers, innovations, resource-based strategy, technology, and government policies.

Unit 3: Strategic Decisions in Supply Chain Management

LH 5

SCM decisions and its linkages to firm's strategies. Third party logistics in supply chain. Fourth party logistics

Unit 4: Channel Management

LH 6

Nature and importance of marketing channels. Key channel functions. Value enhancement through channels. Channel management decision areas.

Unit 5: Designing Customer-oriented Marketing Channels

LH 8

Understanding customer requirements. Conceiving the channel flows. Linking service output to channel flows. Channel cost analysis. Ideal channel decision. Channel design considerations.

Unit 6: Channel Information System (CIS)

LH 6

Nature and forms of CIS. Motives and challenges in CIS. CIS components. Steps in designing a CIS.

Unit 7: Managing Channel Member Behavior

LH 7

Channel dynamics. Channel relationships, control, power, and positioning. Channel influence strategies. Channel conflicts: causes and resolution.

Text and References

1. N. Chandrasekaran, *Supply Chain Management*, Oxford University Press.
2. Tapan K Panda and Sunil Sahadev, *Sales and Distribution Management*, Oxford University Press.

MKT 218: Rural Marketing:

(Focus area V: sales and Marketing)

Course Objective

This course aims to develop students' understanding in the area of rural marketing and develop their skills in designing marketing strategy for the rural market.

Course Description

Rural marketing involves marketing to villages. Four-fifth of Nepalese live in villages. Remittances from foreign employment has given unprecedented purchasing power to the villagers. Thus rural marketing, although neglected for a very long period of time, has growing significance in the country. Recognizing the importance of this area this course has been designed. This course includes the relevance of rural marketing, characteristics of the rural market, rural market segmentation, rural marketing strategy, and agricultural marketing.

Course Detail

Unit 1: Introduction

LH 15

Rural marketing concept. Rural marketing system. Rural marketing environment in Nepal. Challenges in rural marketing. Rural marketing mix: availability, affordability, acceptability, and awareness. Rural buyer behavior: nature and characteristics. Rural buying considerations. Problems and constraints in rural marketing. Segmentation of the rural market.

Unit 2: Rural Marketing Strategy

LH 20

Rural product development process. Services marketing in rural areas. Product modifications for the rural market. Brand strategies. Packaging strategies in rural market. Rural distribution systems. Rural channel strategy: major challenges. Rural logistics. Rural price factors. of demand. New product pricing strategies. Promotion in rural markets: media, promotion objectives, message content, advertising appeals.

Unit 3: Agricultural Marketing

LH 13

Agricultural marketing characteristics. Nature of agricultural products. Agricultural marketing environment in Nepal. Agricultural marketing process. Agricultural cooperatives and marketing. Sales transaction modalities. Managing logistics.

Text and References

1. Richard M. Hill, Ralph S. Alexander and James S. Cross, *Industrial Marketing*, AITBS Publishers.
2. P.K.Ghosh, *Industrial Marketing*, Oxford University Press.