

CORE COURSE XIV - MANAGEMENT ACCOUNTING

Credit Allotted: 5

Max. Marks: 75

Objective : To make the students understand the techniques and tools of Management Accounting for decision making in business.

Unit I

Definition – scope – objectives – merits – limitations – Management accounting vs. Financial accounting – Management accounting vs. Cost accounting – Functions of financial controller – Financial statement analysis – Comparative statements – Common size statements – Trend percentages – Ratio Analysis – Types.

Unit II

Funds flow statements – Cash flow statements

Unit III

Marginal costing – Break even analysis – Application of marginal costing – Techniques in Decision making.

Unit IV

Budget and Budgetary control – Types of budgets – Control ratios – Standard costing – Material, Labour and overhead variances.

Unit V

Capital budgeting – Importance – various appraisal methods – Pay back – Discounted cash flow method – ARR Evaluation techniques – Capital rationing – Dealing with risk and uncertainty in capital budgeting.

Theory: 30 Marks; Problems: 45 Marks

Books for Reference :

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| 1. Management Accounting | - Manmohan and Goyal |
| 2. Management Accounting | - Khan and Jain. |
| 3. Management Accounting | - S.N. Maheswari. |
| 4. Management Accounting | - R. Ramachandran & R. Srinivasan |
| 5. Management Accounting | - Sharma & Gupta |