

CORE COURSE –VIII – MANAGEMENT ACCOUNTING

UNIT I:

Definition – nature – scope – objectives – merits – limitations – differences between management accounting and financial accounting – financial statement analysis – comparative statements – common size statements – trend percentages.

UNIT II:

Fund flow statement – Cash flow statement as per Accounting Standard 3 – forecasting of working capital requirements.

UNIT III:

Marginal costing – CVP analysis – break even analysis – managerial applications. Ratio analysis – types – calculations of various ratios – construction of balance sheet.

UNIT IV:

Budget and Budgetary control – production, production cost, raw material cost, sales, cash, flexible budgets, standard costing – material and labour variance only.

UNIT V:

Capital Budgeting – importance – payback – discounted cash flow – net present value – profitability index – accounting rate of return.

Theory: 25% Problem: 75%

TEXT BOOKS RECOMMENDED:

1. Management accounting by Dr.R.Ramachandran and Dr.R.Srinivasan – sriram publication
2. Management accounting by S.N.Maheswari – Sultan Chand & sons.
3. Management Accounting by R.S.N.Pillai & V.Baghavathi – S.Chand & Co.
4. Theory and Problems of management accounting by Khan & Jain – TMH.
5. Management accounting by Hingorani & Ramanathan – S.Chand & Co.