

B. Com. (Hons.)
Semester-5
Management Accounting - 1
Course Code: DSC-C-ACC- 352
Credit Mark Distribution -04

Unit 1	<p>Introduction to Management Accounting</p> <ol style="list-style-type: none"> 1. Introduction 2. Limitations of Financial Accounting 3. Definition of Management Accounting 4. Characteristics of Management Accounting 5. Various Functions of Management 6. Scope of Management Accounting 7. Tools and Techniques of Management Accounting 8. Difference between Management Accounting and Financial Accounting 9. Difference between Management Accountancy and Cost Accounting 10. Management Accountant–His Status & Functions 11. Limitations of Management Accounting <p>Financial Statements Analysis and Interpretation</p> <ol style="list-style-type: none"> 1. Meaning of Financial Statements 2. Characteristics of Financial Statements 3. Nature of Financial Statements 4. Limitations of Financial Statements 5. Purposes of Preparing Financial Statements 6. Methods for Analysis of Financial Statements <ul style="list-style-type: none"> ➤ Comparative Statements ➤ Trend Percentages ➤ Common-size Statements 7. Practical Exercises 	25%
Unit 2	<p>Ratio Analysis</p> <ol style="list-style-type: none"> 1. Introduction 2. Accounting Ratios 3. Interpretation Through Ratios 4. Classification of Accounting Ratios <ul style="list-style-type: none"> (A) Traditional Classification (B) Functional Classification 5. Profitability Ratios 6. Liquidity Ratios 7. Leverage Ratios 8. Activity Ratios 9. Advantages of Ratio Analysis 10. Limitations of Ratio Analysis 11. Practical Exercises (Any five Ratios can be asked in Examinations) 	25%

Unit 3	Cash flow Statement 1. Introduction 2. Cash Flow Statement 3. Effect of Non-cash Items on Cash Flows 4. Cash Inflow and Outflow from Fixed Assets and Liabilities 5. Specimen of Cash Flow Statement 6. Difference between Cash Flow and Fund Flow Statement 7. Utility of Cash Flow Statement 8. Limitations of Cash Flow Analysis 9. IndAS - 7 Cash Flow Statements 10. Practical Exercises (Practical questions consisting of five adjustments can be asked in Examinations)	25%
Unit 4	Marginal Costing 1. Introduction 2. Definition 3. Characteristics of Marginal Costing 4. Marginal Costing and Absorption Costing 5. Assumptions of Marginal Costing 6. Advantages of Marginal Costing 7. Limitations of Marginal Costing 8. Profit-Volume Ratio, Break-Even Point and Margin of Safety 9. Key Factor 10. Utility of Break-Even Analysis 11. Assumptions and Limitations of Break Even Analysis 12. Practical Exercises	25%

Pre-requisite – Student should have primary understanding of the Financial Accounting.

Co-requisite- Student should take up theoretical and conceptual background of Management Accounting subject along with Accounting Basics.

Mode of Evaluation: Evaluation will be divided in two parts.

External: Semester End Examination will be conducted by the Gujarat University of 50 Marks.

Internal: Internal Evaluation will be decided by the College/Institutes/University Department as per the instruction given by the University from time to time.

Assessment Tools: Projects, Assignments, MCQ tests

Course Objectives:

By the end of this course, students will:

1. Understand the **fundamental concepts, nature, objectives and scope** of management accounting as a tool for managerial decision-making.
2. Learn how to **analyze and interpret financial statements**.
3. Develop the ability to use **accounting ratios** for assessing liquidity, profitability, efficiency and solvency of a business.
4. Gain a working knowledge of the **Cash Flow Statement** and its importance in financial planning and control.
5. Understand the **concepts and applications of marginal costing** and how it supports decision-making related to pricing, cost control and profitability analysis.
6. Strengthen problem-solving skills through practical application of financial data in **planning, control and business decision-making**.

Course Outcome

After successfully completing this course, students will be able to:

1. **Define and explain** the concepts and role of management accounting in modern business practices.
2. **Analyze financial statements** to derive meaningful conclusions for managerial use.
3. **Apply various ratios** to evaluate a firm's operational and financial performance.
4. **Prepare and interpret cash flow statements** as per IndAs-7 and use them in liquidity and fund management.
5. **Compute and apply marginal costing techniques** for decision-making on make or buy, product mix, break-even analysis, etc.
6. **Compare and contrast management accounting with financial and cost accounting**, understanding the scope and limitations of each.
7. **Evaluate financial information** and present reasoned conclusions and recommendations to management.
8. Develop the ability to **make informed managerial decisions** based on financial data, enhancing strategic and operational effectiveness.

FBLD (Flip Blended Learning Design Template)

- Any One Unit from the above syllabus can be discussed by the faculty through online mode.
- Online mode can be SWAYAM MOOC Course or any other suggested by the UGC or Gujarat University.

Taxonomy

MOOC Courses

On Accounting or any topics related to Management Accounting which is part of the above syllabus.

References

- Khan, M. Y., & Jain, P. K. (2021). *Management accounting* (7th ed.). McGraw-Hill Education.
- Maheshwari, S. N., & Maheshwari, S. K. (2020). *Management accounting: Principles and practice* (19th ed.). Sultan Chand & Sons.
- Horngren, C. T., Sundem, G. L., Stratton, W. O., Burgstahler, D., & Schatzberg, J. (2017). *Introduction to management accounting* (16th ed.). Pearson Education.
- Tulsian, P. C. (2021). *Financial and management accounting* (2nd ed.). S. Chand Publishing.
- Drury, C. (2018). *Management and cost accounting* (10th ed.). Cengage Learning.
- Lal, J. (2019). *Accounting ratios and financial statement analysis* (2nd ed.). Himalaya Publishing House.
- Ghosh, T. P. (2020). *Fundamentals of management accounting*. Taxmann Publications.
- Bhattacharyya, A. K. (2021). *Essentials of financial accounting and management accounting*. PHI Learning Pvt. Ltd.
- Institute of Chartered Accountants of India. (2023). *Study material on management accounting*. ICAI.
- Pandey, I. M. (2020). *Financial management* (11th ed.). Vikas Publishing House.