

Subject Code: 1MS1010602	Subject Title: Management Accounting
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1. Course Objectives:

This course helps in planning and formulation of future policies, helps in the interpretation of financial information, helps in controlling performance, helps in the solution of strategic business problems, helps in coordinating operations, helps in motivating employees, communicating up-to-date information, helps in evaluating the efficiency and effectiveness of policies.

2. Teaching Scheme (Hours per week):

Lecture (Hrs.)	Tutorial	Practical	Credit	Evaluation Scheme (Marks)				
				Theory		Practical		Total
				University Assessment	Continuous Assessment	University Assessment	Continuous Assessment	
4	-	-	4	70	30	-	-	100

3. Syllabus:

Module No.	Contents	Total Hours	Weight
1	<p>Introduction To Management Accounting: Meaning, Definition, Characteristics, Scope, and Functions of Management Accounting.</p> <p>Cost Volume Profit Analysis: Introduction, Objectives, Assumptions and Limitations of Cost-Volume-Profit Analysis, Marginal Costing and Absorption Costing Examples: Break-Even analysis, Profit Volume Ratio, Variable Cost Ratio, Margin of Safety, Desire Income Level</p>	12	25%
2	<p>Budgets and Budgetary Control: Introduction, Definitions, Characteristics, Objectives, Advantages and Limitations of Budget and Budgetary Control, Procedure for Budget Formulation, Zero Base Budget</p> <p>Examples: Sales Budget, Production Budget, Raw Material Requirement Budget, Purchase Budget, Flexible Budget</p>	12	25%

3	<p>Decision Making:</p> <p>Meaning of Marginal Costs, Relevant Costa, Differential Costs, Sunk Costs and Opportunity Cost</p> <p>Examples: Decision Making on Make or Buy, Lease or Buy, Determining the Optimum Product-Mix, Equipment Replacement, Acceptance of an Offer at a Lower Selling Price, Dropping a Product, Close Down Business Activities, Introducing New Product</p>	12	25%
4	<p>Responsibility Accounting: (Theory Only)</p> <p>Introduction, Definitions, Requirements, Essentials of Effectiveness, Advantages and Limitations of Responsibility Accounting, Types of Responsibility Centers, Transfer Price</p>	12	25%

4. Suggested Readings

Books:

1. Cost and Management Accounting: Principles & Practice by M. N. Arora, Vikas Publishing House
2. Cost and Management Accounting by Ravi M. Kishore, Taxman Publication
3. Cost and Management Accounting by Nigam and Sharma, Himalaya Publishing House Pvt. Ltd
4. Cost Accounting by J. Made Goda, Himalaya Publishing House
5. Problems And Solution In Adv Accounting, S. N. Maheshwari and S. K. Maheshwari, Vikas Publishing House