

Subject Code: 1CM1010611

Subject Title: Management Accounting-2

Course Objective: To makes students familiar with concepts of management accounting and various accounting techniques used by the managers for decision making in business.

Teaching Scheme (Hours per week)				Evaluation Scheme (Marks)		
Lecture	Tutorial	Practical	Credit	University Assessment	Institutional Assessment	Total
3	0	0	3	70	30	100

Subject Contents

Sr. No	Topic	Total Hours	Weight (%)
1	<p>Cash budget and flexible budget:</p> <p>(A) Cash Budget: (1) Meaning of cash budget, (2) Advantages and limitation of cash budget, (3) Methods of preparing cash budget, (4) Practical examples of cash budget by receipts and payment methods only.</p> <p>(B) Flexible Budget: (1) Meaning of flexible budget, (2) Classification of cost on the basis of behavior, (3) Methods of constructing a flexible budget, (4) Utility of flexible budget and (5) Practical examples of preparation of flexible budget.</p>	9	25%
2	<p>Cash flow Statement:</p> <p>(1) Meaning of cash flow statement, (2) Classification of cash flows, (3) Accounting Standard-3 (AS-3), (4) Objectives and Uses of Cash Flow Statement, (5) Limitation of Cash Flow Analysis, Difference between Cash flow statement and Fund flow statement (7) Preparation of a Cash Flow Statement as per AS-3 (Practical Examples Direct and Indirect Method).</p>	9	25%
3	<p>Standard Costing-1(Material and Labour Variances):</p> <p>(1) Meaning of Standard, standard cost and standard costing, (2) Standard cost & estimated cost, (3) Standard costing and Budgetary control, (4) Applicability of standard costing, (5) Advantages and limitations of standard costing. (6) Examples based on Material Variance and Labour Variance:- Material Cost Variance, Material Price Variance, Material Usage Variance, Material Mix Variance, Material Sub-usage Variance, Labour Cost Variance, Labour Rate Variance, Labour Efficiency Variance, Labour Idle Time Variance, Labour Mix Variance, Revised Labour Efficiency Variance etc.</p>	9	25%
4	<p>Standard Costing – 2 (Overheads and Sales Variance):</p> <p>(1) Meaning of overhead, (2) Meaning of overhead variance, (3) Classification of overhead variances, (4) Practical examples of fixed overheads and variable overheads variances:- Fixed Overhead Cost Variance,</p>	9	25%

	<p>Fixed Overhead Expenditure Variance, Fixed Overhead Volume Variance, Fixed Overhead Efficiency Variance, Fixed Overhead Capacity Variance, Fixed Overhead Calendar Variance, Variable Overhead Cost Variance, Variable Overhead Efficiency Variance, Variable Overhead Expenditure Variance (6) Sales Variance meaning and useful terms, (7) Computation of sales variance on the basis of sales volume and price:- Total Sales Value Variance, Sales Price Variance, Sales Volume Variance, Sales Mix Variance, Sales Sub-Volume Variance.</p>		
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Reference Books:

1. Arora M.N., *A Textbook of Cost and Management Accounting*, (10th revised edition 2012) Vikas Publishing House Pvt. Ltd., New Delhi
2. Tulsian P.C., *Cost Accounting*, (3rd revised edition 2014), Sultan Chand Publishing, New Delhi
3. Maheshwari S.N. and Maheshwari S.K., *Corporate Accounting*, Vikas Publishing House Pvt. Ltd., New Delhi
4. Rana T.J. and others, *Advanced Accounting & Auditing (Management Accounting -2)*, Sudhir Prakashan Ahmedabad
5. Jawaharlal, *Management Accounting*, Himalaya Publishers, Mumbai.
6. Kishor Ravi M. "*Cost and Management Accounting*." Taxmann Publications Pvt. Ltd., New Delhi.
7. Maheswari, S.N., *Principles of Management Accounting*, Sultan Chand & Sons, New Delhi