

<b>Course Title</b>	<b>Management Accounting</b>
<b>Course Code</b>	<b>BC512</b>
<b>Semester</b>	<b>V</b>
<b>Credits</b>	<b>4</b>

## **COURSE OBJECTIVES**

1. To introduce the scope and functions of management accounting and its role in business decision-making.
2. To explain the analysis and interpretation of financial statements using comparative, common-size, and trend techniques.
3. To develop competency in preparing and interpreting fund flow and cash flow statements.
4. To equip students with knowledge of budgeting and budgetary control in a management context.
5. To enable students to use ratio analysis as a tool for financial analysis and managerial decision-making.

## **Unit -I**

### **Introduction to Management Accounting**

Definition – Scope – Functions – Objectives – Role of Management Accountant – Distinction between Management Accounting and Cost Accounting- Distinction between Management Accounting and Financial Accounting.

## **Unit –II**

### **Financial Statement Analysis**

Meaning – Objectives – Types – Techniques: Comparative Statements – Common Size Statements – Trend Analysis – Limitations of Financial Statements.

## **Unit –III**

### **Fund Flow and Cash Flow Statements**

Meaning – Uses – Differences – Preparation of Fund Flow Statement – Cash Flow Statement as per AS-3 – Uses and Limitations.

## **Unit –IV**

### **Budgeting and Budgetary Control**

Meaning and Types of Budgets – Fixed vs Flexible Budgets – Preparation of Cash Budget, Production Budget, Sales Budget – Zero-Based Budgeting – Performance Budgeting.

## **Unit –V**

### **Ratio Analysis**

Meaning – Classification: Liquidity, Solvency, Profitability, and Activity Ratios – Calculation and Interpretation – Uses and Limitations of Ratio Analysis.

## **Course Outcomes**

1. Explain the role and scope of management accounting in business decision-making.
2. Analyze financial statements using comparative, common-size, and trend techniques.
3. Prepare and interpret fund flow and cash flow statements.
4. Develop various budgets and analyze variances for managerial planning.
5. Interpret and evaluate business performance using ratio analysis.

## **Textbooks**

1. Maheshwari, S. N., Maheshwari, Suneel K., & Maheshwari, Sharad K. (2025). Management accounting. Sultan Chand & Sons.

2. Khan, M. Y., & Jain, P. K. (2010). Management accounting. Tata McGraw Hill.
3. Reddy, T. S., & Reddy, Y. H. P. (2024). Accounting for managers. Margham Publications.
4. Kishore, R. M. (2025). Advanced management accounting. Taxmann.
5. Atkinson, A. A., Kaplan, R. S., Matsumura, E. M., & Young, S. M. (2014). Management accounting. Pearson Education.

### Reference Books

1. Pandey, I. M. (n.d.). Management accounting. Vikas Publishing.
2. Horngren, C. T., Sundem, G. L., & Stratton, W. O. (2021). Introduction to management accounting (16th ed.). Pearson.
3. Madegowda, J. (2017). Advanced management accounting
4. Tulsian, P. C. (2016). Financial accounting for B.Com. (Hons.). S. Chand Publishing.
5. Ramachandran, R., & Srinivasan, R. (2018). Management accounting. Sriram Publications.

### Web Resources

1. <http://www.accountingtools.com/articles/what-is-management-accounting.html>
2. <http://www.yourarticlelibrary.com/accounting/financial-statement-analysis/financial-statement-analysis-objectives-and-limitations/53344>
3. <http://www.accountlearning.com/fund-flow-and-cash-flow-statements-differences-uses/>
4. <http://www.businessmanagementideas.com/budgeting/budgetary-control/budgetary-control-techniques-advantages-limitations/5254>
5. <http://www.accountingnotes.net/financial-statement-analysis/ratio-analysis/ratio-analysis-formulas-uses-examples/21655>