

**V. S. M. COLLEGE(A) : : RAMACHANDRAPURAM**  
**I MBA. (I Semester)– SYLLABUS**  
**Paper II: ACCOUNTING FOR MANAGEMENT**  
**w.e.f:2019–20 Admitted Batch**

**CODE::PG1914102**

**Hours : 75hrs. (4hrs per Week)**

**Number of Credits : 4**

**Max. Marks : 100 marks (75 marks SEE and 25 marks CIA)**

**TIME : 3hrs**

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**ACCOUNTING FOR MANAGEMENT**

**Objective:** to develop an insight of postulates, principles and techniques of accounting and utilization of financial and accounting information for planning, and decision-making

**Learning Outcomes**

1. Understand the nature and role of the four principal financial statements (i.e., the Income Statement, the Statement of Financial Position, the Statement of Cash Flows, and the Statement of Changes in Equity) ;
2. Develop an awareness and understanding of the accounting process and fundamental accounting principles that underpin the development of financial statements (e.g. accrual accounting vs. cash accounting, definition, recognition, measurement and disclosure of assets, liabilities, revenues, expenses; inventory valuation methods, provisions, depreciation; accounting for intangibles);
3. Ability to read interpret and analyses financial statements common business management decisions such as pricing and outsourcing decisions
4. Develop group work and communication skills

**Unit-I :** Accounting for Management –Nature and Scope – Management Process and Accounting – **Financial Accounting Vs Cost Accounting Vs Accounting for Management – Role of Account in Modern Organization**

**Unit – II:** Financial Accounting System – Generally Accepted Accounting Principles and Accounting Standards Governing Financial Statements – **Contents of Profit and Loss Account – Balance Sheet (Theory only)**

**Unit- III:** Elements of Cost – Cost Sheet Preparation – Absorption Vs Marginal Costing –**Cost – Volume – Profit Analysis – Cost Behavior – Breakeven Analysis – Contribution Approach – Profit Planning. (Cases)**

**Unit-IV:** Cost Concepts for Decision making – Decision Making Process – Decision Situations- Sales Volume Decisions – Pricing and Special Order Pricing – Make / Buy Decisions (Cases) – Product Decisions- Addition, Deletion and Alteration of Mix – Plant Shutdown Decision.

**Unit- V:** Budgeting – Types of Budgets – Financial Vs Operation Budgets – Short Term Vs Long Term Budgets – Construction of Cash Budget- Flexible Budget – Master Budget – Management Control and Budgeting – Performance Budgeting and Zero Based Budgeting-fundamentals of Tally ERP 9: start tally, create and alter a company-creating single group/multi groups, display, deleting groups-ledger : creating single ledger/multiple ledger

**(Case study is Compulsory)**

**Suggested Books:**

1. I. M. Pandey : Management Accounting VikasPublishingHouse.ND
2. Needles, Financial Accounting, Cengage, New Delhi
3. Jawaharlal, Accounting for Management, Himalaya,Mumbai
4. Hilton,Ramesh&Jayadev, Managerial Accounting, TMH, NewDelhi
5. B.Banerjee, Financial Policy & Management Accounting,PHI, NewDelhi
6. P Periasamy, A Text Book of Cost & Management Accounting, Himalaya,Mumbai
7. Horngren, C.T., Introduction of Management Accounting., Prentice Hall ofIndia.
8. Khan and Jain, Management Accounting, Tata Mc GrawHill ,Delhi.
9. Blocher, Chen, Cokins and Lin, Cost Management, A Strategic Emphasis, TMH,ND
10. Porwal, LS, Accounting Theory, TMH, NewDelhi