

**Veer Narmad South Gujarat University, Surat**  
**Syllabus for - Management Accounting**  
**S.Y.BBA SEMESTER-III Effective from June 2011**

- 1 INTRODUCTION OF MANAGEMENT ACCOUNTING 10%**
- Conceptual and Meaning of Management Accounting.
  - Advantages and Limitations of MA.
  - Difference between management accounting with financial accounting & cost accounting
  - Role of management accounting.
- 2 ANALYSIS & INTERPRETATION OF FINANCIAL STATEMENT 10%**
- Limitation of financial statements
  - Techniques of financial statement analysis: Comparative financial statement, Common size statement & Trend percentage, Ratio Analysis, Funds Flow Statement analysis.
- 3 RATIO ANALYSIS 15%**
- Meaning. Advantages & Limitation of ratio analysis
- Calculation & brief interpretation of
- ⇒ Liquidity & Solvency ratio : Current ratio, Liquid ratio, Acid Test Ratio, Proprietary ratio, Debt-Equity ratio, Capital-gearing ratio, Fixed assets to proprietary ratio, Long term funds to fixed asset ratio
  - ⇒ Profitability ratio : Gross profit ratio, Net profit ratio, return on capital employed ratio, Return on shareholder's fund, Operating ratio, Operating Profit Ratio.
  - ⇒ Efficiency ratio : Stock turn over ratio, Debtors ratio, Creditors ratio, Operating ratio
- 4 FUND FLOW STATEMENT 10%**
- Preparation of Statement showing changes in working capital Management
  - Preparation of Fund flow Statement. (Including additional information), Adjusted Profit and Loss Account.

**5 BUDGET AND BUDGETORY CONTROL** **10%**

- Meaning, Significance and Limitation of Budgetary Control
- Cash Budget, Flexible Budget and Zero based Budget.

**6 STANDARD COSTING AND VARIANCE ANALYSIS** **15%**

- Definition: Standard Costing and Variance
- Standard Costing V/s Budgetary Control
- Analysis of Variance, Computation of Variance: Material Cost Variance, Labour Variance, Overhead Variance.

**7 COST VOLUME PROFIT ANALYSIS** **15%**

- Meaning & significance of marginal costing
- Break even Analysis (example including one key factor)

**8 DECISION MAKING** **15%**

- Differential cost, relative cost, Alternative Cost, application of differential cost analysis through case study in the following decision making areas:
  1. Make or buy decision,
  2. Determination of Product Mix,
  3. Dropping a product line & expand or contract.

**BOOKS FOR REFERENCE:**

- "Accounting for Management" M. N. Arora, Himalaya Pub. House (2010)
- Management Accounting – R.S.N. Pillai, Bagavathi, S.Chand
- Cost and Management Accounting – S. N. Maheshwar Grewal
- Management Accounting – N. Vinayakan & G. B Gupta
- Management Accounting – Hingorani & Ramnathan
- Cost Accounting – Jawaharlal
- Cost Accounting – P. K. Bhar
- Cost Accounting – Jain & Narang
- Management Accounting – Khan & Jain
- Advance Management Accounting – K.Kishores