

**B. Com (Hons.) (Accounting and Taxation)**  
**CORE COURSE (CC)**  
**SEMESTER-VII**  
**(BCB44701T): MANAGEMENT ACCOUNTING**

**MAX. MARKS: 100**  
**EXTERNAL: 70**  
**INTERNAL: 30**  
**PASS: 40%**  
**Credits: 6**

**Objective:**

To impart the students, knowledge about the use of financial, cost and other data for the purpose of managerial planning, control and decision making.

CO 1	Understand thoroughly the conceptual framework of Management Accounting
CO 2	Apply comparative statements analysis, common-size statements analysis, and trend analysis, ratio analysis and cash flow analysis, to interpret financial data effectively.
CO 3	Develop the ability to apply marginal costing, budgetary control, and standard costing techniques effectively to analyze financial data, evaluate alternative courses of action, and make informed managerial decisions.
CO 4	Equipped to assess organizational performance using tools such as cost-volume-profit analysis, break-even analysis, and variance analysis, and implement budgetary control measures to monitor and control financial activities, ensuring alignment with organizational objectives.

**SECTION A**

**Block 1: Management Accounting**

Introduction to Management Accounting : Need and Importance of Management Accounting- Limitations of Management Accounting , Functions of Management Accountant .

**Block 2: Financial Statement Analysis**

Meaning of Financial Statement, Types of Financial Statements, Use and Importance of Financial Statements, Importance of Financial Statement Analysis, Comparative Statements Analysis, Common-Size Statements Analysis, Trend Analysis.

**Block 3: Ratio Analysis and Cash Flow Statement**

Ratio Analysis: Meaning, Use and Significance of Ratio Analysis, Limitations of Ratio Analysis, Classification of Ratio Analysis, Computation of Liquidity, Activity, Solvency and Profitability Ratios – Du-Pont Control Chart.

Cash Flow Analysis (AS3): Classification of Cash Flow, Format of Cash Flow Statement, Comparison Between Cash Flow and Funds Flow Statement, Uses and Significance of Cash Flow Statement, Limitations of Cash Flow Statement, Methods of Calculating Cash Flows from Operating Activities, The Direct Method and The Indirect Method.

## **SECTION B**

### **Block-4 Marginal Costing**

Marginal Costing: Definition of Marginal Cost and Marginal Costing, Marginal Costing Vs. Variable costing, Marginal Costing vs. Absorption costing, Contribution, Marginal Cost Equation, Profit/Volume Ratio, Cost-Volume-Profit Analysis, Break-Even Analysis ,Advantages and Limitations of Break-Even Chart, Margin of Safety, Managerial Applications of Marginal Costing -Advantages and Limitations of Marginal Costing.

### **Block 5 Budgetary Control**

Budgetary Control: Meaning of Budget- Meaning and Objectives of Budgetary Control, Advantages and Limitations of Budgetary Control, Classification and Types of Budgets, Fixed and Flexible Budgets.

### **Block 6 Standard Costing**

Meaning of Standard Cost and Standard Costing, Advantages and Limitations of Standard Costing.

#### **Suggested Readings:**

1. Jain,I.C. (2014), Management Accounting Vikas Pulicaiton House .
2. Arora M. N., Katyal.P.(2009), Management Accounting:Theory, Problems and Solutions Vikas Pulicaiton House
3. Banerjee, Bhabatosh. (2019) Financial Policy and Management Accounting. Prentice Hall of India.
4. Khan, M. Y., & Jain, P. K. (2010) Management Accounting. McGraw Hill.
5. Sharma, R. K. & Gupta, Shashi K.(2021) Management Accounting Principles & Practice: Kalyani Publishers.

#### **INSTRUCTIONS FOR THE PAPER SETTER/EXAMINER:**

1. The syllabus prescribed should be strictly adhered to.
2. The question paper will consist of three sections: A, B, and C. Sections A and B will have four questions from the respective sections of the syllabus and will carry 10 marks each. The candidates will attempt two questions from each section.

3. Section C will have fifteen short answer questions covering the entire syllabus. Each question will carry 3 marks. Candidates will attempt any ten questions from this section.
4. The examiner shall give a clear instruction to the candidates to attempt questions only at one place and only once. Second or subsequent attempts, unless the earlier ones have been crossed out, shall not be evaluated.
5. The duration of each paper will be three hours.

**INSTRUCTIONS FOR THE CANDIDATES:**

Candidates are required to attempt any two questions each from the sections A and B of the question paper and any ten short questions from Section C. They have to attempt questions only at one place and only once. Second or subsequent attempts, unless the earlier ones have been crossed out, shall not be evaluated.