

DEPARTMENT OF COMMERCE				CLASS: I M.Com				
Sem	Course Type	Course Code	Course Title	Credits	Contact Hours/week	CIA	Ext	Total
II	Major Core	21P2KMC7	Advanced Management Accounting	4	6	25	75	100

Nature of Course			
Knowledge and Skill oriented	✓		Employability oriented
			Entrepreneurship oriented

### Course Objectives

- To understand the theoretical framework of management accounting and develop the skills for preparation, analysis and interpretation of financial statements
- To teach the mechanics of preparation of fund flow and cash flow statements
- To indulge in proficiency of marginal costing technique
- To acquaint the students in the application of standard costing and variance analysis for decision making
- To impart the knowledge on preparation of budgets by following control techniques.

Unit	Course Contents	Hours	K level	CLO
I	<p><b>Introduction to management accounting &amp; Analysis of financial statements</b>  Meaning, definition – nature and scope – functions – advantages and disadvantages - Management accounting Vs Financial Accounting – Management Accounting Vs Cost Accounting – tools and techniques management accounting.</p> <p>Analysis of Financial Statements – Nature - Analysis &amp; Interpretations of financial statements – Tools - Comparative Financial statements - Common size statements — Trend analysis. Ratio analysis – meaning – types - liquidity ratio– Profitability ratios – solvency ratio – activity ratio - Proprietary &amp; Yield ratios – Turnover ratios - DuPont analysis – Financial Reporting &amp; analysis</p>	18	Up to K2	CLO 1
II	<p><b>Funds flow statement and cash flow statement</b>  Funds Flow Analysis – Funds from Operation, Sources and Uses of Funds, Preparation of Schedule of Changes in Working Capital – Construction of Funds Flow Statement – Marginal Uses of fund flow analysis and its Limitations - Cash Flow Analysis – Uses and Limitations – Distinction between Funds Flow and Cash Flow - Cash from Operation – Preparation of Cash Flow Statement (AS 3)</p>	18	Up to K4	CLO 2

<b>III</b>	<p><b>Marginal Costing</b>  Meaning – ascertainment – break even analysis – margin of safety – application of marginal costing – key (or limiting) factors – make or buy decision – selection of a suitable product mix – effect of changes in sales price maintaining a desired level of profit – alternatives methods of production – diversification of products – alternative course of action level of activity planning.</p>	18	Up to K3	CLO 3
<b>IV</b>	<p><b>Standard Costing &amp; Variance analysis</b>  Standard Costing – Advantage and Limitations – Standard Hour – Standard cost card – Variance analysis – Relevance of standard cost for variance analysis – Significance of variance analysis – Computation of Material Variances – Labour Variances –Overhead Variances – Sales Variances – Accumulation &amp; Disposal of Variances</p>	18	Up to K4	CLO 4
<b>V</b>	<p><b>Budget and budgetary control</b>  Meaning – Nature and objectives – Establishing a system of Budgetary control - Advantages &amp; limitations – classification of Budgets - Preparation of sales budget , selling &amp; distribution cost budget, Production budget, purchases budget, Cash budget, Fixed and Flexible budgets –Master budget - Zero base budgeting.  Responsibility account – meaning – objectives – control ratios – responsibility centers – process – advantages – base budgeting management – reporting – meaning – types – requisites of report – steps for effective reporting.</p>	18	Up to K5	CLO 5

**Books for study:**

Reddy, T.S. &Dr.Hariprasad Reddy, Y, Management Accounting, MarghamPublications, Chennai

**Books for reference:**

1. Khan M Y & Jain P K (2014), Management Accounting, Tata McGraw Hill, New Delhi
2. MaheswariSN, (2014), Management Accounting, Sultan Chand & Sons, New Delhi
3. Murthy A and Gurusamy S, (2017), Management Accounting, Vijay Nicole Imprints, Chennai
4. Jain SP and Narang K.L, (2012), Cost Accounting, Kalyani Publishers, Mumbai
5. Murthy A and Gurusamy S, (2017), Cost Accounting, Vijay Nicole Imprints, Chennai
6. Martin S. Fridson, Fernando Alvarez, (2012), Financial Statement Analysis: A Practitioner's Guide, Wiley, New Delhi
7. Sharma and Shashi K. Gupta, Management Accounting, Kalyani Publishers
8. Reddy, T.S. &Dr.Hariprasad Reddy, Y, Management Accounting, Margham Publications, Chennai.

**Web resources:**

1. <https://icmai.in/upload/Students/Syllabus2016/Inter/Paper-10New.pdf>
2. [https://www.icai.org/post.html?post\\_id=16949](https://www.icai.org/post.html?post_id=16949)
3. [https://www.icsi.edu/media/webmodules/publications/FULL\\_BOOK\\_PP-CMA-2017-JULY\\_4.pdf](https://www.icsi.edu/media/webmodules/publications/FULL_BOOK_PP-CMA-2017-JULY_4.pdf)
4. <https://www.lpude.in/academics/online-study-material-for-management.php>

**Pedagogy:** Chalk & Talk, Exercise, Assignments, & PPTs

**Rationale for Nature of the Course:** Can be professionals in solving advanced problems in Advanced Management Accounting to pursue higher studies.

**Activities to be given**

1. Prepare comprehensive advanced problems on Management Accounting
2. Assignment on Variance Analysis and reporting with practical usage
3. Mini project on preparation of Business budgets considering all constraints.
4. Preparing the students to appear professional courses by giving Advanced Exercise and workout problems on relevant accounts

**Name of the Course Designer:** P. Jayalakshmi, , Assistant Professor.

**Lesson Plan**

<b>Unit</b>	<b>Course Content</b>	<b>Hours</b>	<b>Mode of Teaching</b>
<b>I</b>	<b>Introduction to management accounting &amp; Analysis of financial statements</b> Meaning, definition – nature and scope – functions – advantages and disadvantages - Management accounting Vs Financial Accounting – Management Accounting Vs Cost Accounting – tools and techniques management accounting. Analysis of Financial Statements – Nature - Analysis & Interpretations of financial statements – Tools - Comparative Financial statements - Common size statements — Trendanalysis.	9	Chalk & Talk, Exercise PPTs, Quiz
	Ratio analysis – meaning – types - liquidity ratio– Profitability ratios – solvency ratio –activity ratio - Proprietary & Yield ratios – Turnover ratios - DuPont analysis –Financial Reporting & analysis	9	
<b>II</b>	<b>Funds flow statement and cash flow statement</b> Funds Flow Analysis – Funds from Operation, Sources and Uses of Funds, Preparation of Schedule of Changes in Working Capital – Construction of Funds Flow Statement –Marginal Uses of fund flow analysis and its Limitations	9	Chalk & Talk, Exercise PPTs, Quiz Case lets
	Cash Flow Analysis – Uses and Limitations – Distinction between Funds Flow and Cash Flow - Cash from Operation – Preparation of Cash Flow Statement (AS 3)	9	

III	<b>Marginal Costing</b> Meaning – ascertainment – break even analysis – margin of safety – application of marginal costing – key (or limiting) factors – make or buy decision – selection of a suitable product mix	9	Chalk & Talk, Exercise PPTs, Case studies, Quiz,
	effect of changes in sales price maintaining a desired level of profit – alternatives methods of production – diversification of products – alternative course of action level of activity planning.	9	
IV	<b>Standard Costing &amp; Variance analysis</b> Standard Costing – Advantage and Limitations – Standard Hour – Standard cost card – Variance analysis – Relevance of standard cost for variance analysis	9	Chalk & Talk, Exercise PPTs, Quiz
	Significance of variance analysis – Computation of Material Variances – Labour Variances – Overhead Variances – Sales Variances – Accumulation & Disposal of Variances	9	
V	<b>Budget and budgetary control</b> Meaning – Nature and objectives – Establishing a system of Budgetary control - Advantages & limitations – classification of Budgets - Preparation of sales budget , selling & distribution cost budget, Production budget, purchases budget, Cash budget, Fixed and Flexible budgets –Master budget - Zero base budgeting.	9	Chalk & Talk, Quiz Assignment, Exercise
	Responsibility account – meaning – objectives – control ratios – responsibility centers – process – advantages – base budgeting management – reporting – meaning – types – requisites of report – steps for effective reporting.	9	

### Course Learning Outcomes

CLOs	After the completion of the course, the students must be able to:	K - Level
CLO 1	Explain the concepts of management accounting and application of the financial statements for decision making.	Up to K2
CLO 2	Analyze and prepare cash flow and fund flowstatements.	Up to K4
CLO 3	Apply marginal costing for business decision.	Up to K3
CLO 4	Classify and prepare standard costing and varianceanalysis	Up to K4
CLO 5	Interpret and prepare various budgets by usingcontrol techniques.	Up to K5

### Mapping of Course Learning Outcomes (CLOs) with Programme Outcomes (POs)

(CLOs)	Programme Outcomes (with Graduate Attributes)					
	PO 1 (Knowledge Base)	PO 2 (Problem Analysis & Investigation)	PO 3 (Communication Skills & Design)	PO 4 (Individual and Team Work)	PO 5 (Professionalism, Ethics and equity)	PO 6 (Life Long Learning)
CLO 1	3	2	2	2	3	3
CLO 2	3	2	2	2	3	3
CLO 3	3	2	2	2	3	3
CLO 4	3	3	2	2	2	3
CLO 5	3	3	2	2	2	3

3- Advance Application    2- Intermediate Level    1- Basic Level

### Mapping of Course Learning Outcomes (CLOs) with Programme Specific Outcomes (PSOs)

(CLOs)	Programme Specific Outcomes (with Graduate Attributes)					
	PSO 1 (Knowledge Base)	PSO 2 (Problem Analysis & Investigation)	PSO 3 (Communication Skills & Design)	PSO 4 (Individual and Team Work)	PSO 5 (Professionalism, Ethics and equity)	PSO 6 (Life Long Learning)
CLO 1	3	2	2	2	3	3
CLO 2	3	2	2	2	3	3
CLO 3	3	2	2	2	3	3
CLO 4	3	3	2	2	2	3
CLO 5	3	3	2	2	2	3

3- Advance Application    2- Intermediate Level    1- Basic Level

### Formative Examination- Blue Print

#### Articulation Mapping – K Levels with Course Learning Outcomes (CLOs)

CIA	CLOs	K- Level	Section A Short Answers		Section B (Either/or Choice)		Section C (Open Choice)	
			No.of Questions	K Level	No.of Questions	K Level	No.of Questions	K Level
I	CLO 1	Up to K2	3	K2, K2,K2	2	K2&K2	1	K2
	CLO 2	Up to K4	2	K3, K3	2	K4&K4	2	K3& K4
II	CLO 3	Up to K3	2	K2& K3	2	K3&K3	2	K2& K3
	CLO 4	Up to K4	3	K2, K2, K3	2	K4&K4	1	K4
No. of Questions to be asked			5		4		3	
No. of Questions to be answered			5		2		2	
Marks for each question			2		5		10	
<b>Total Marks for each section</b>			<b>10</b>		<b>10</b>		<b>20</b>	

**Distribution of Marks with K Levels CIA I & CIA II**

CIA	K Levels	Section A (Short Answer Questions)	Section B (Either/Or Choice)	Section C (Open Choice)	Total Marks	% of (Marks without choice)
I	K2	6	10	10	26	43.34
	K3	4	-	10	14	23.33
	K4	-	10	10	20	33.33
	<b>Marks</b>	<b>10</b>	<b>20</b>	<b>30</b>	<b>60</b>	<b>100</b>
II	K2	6		10	16	26.67
	K3	4	10	10	24	40
	K4	-	10	10	20	33.33
	<b>Marks</b>	<b>10</b>	<b>20</b>	<b>30</b>	<b>60</b>	<b>100</b>

CLO5 will be allotted for individual Assignment which carries five marks as part of CIA component.

**Summative Examination -Blue Print**

**Articulation Mapping – K Levels with Course Learning Outcomes (CLOs)**

S.No	CLOs	K- Level	Section A MCQs	Section B Short Answers	Section C (Either/or Choice)	Section D (Open Choice)
1	CLO 1	Up to K2	2 (K1&K1)	1 (K1)	2 (K1&K1)	1(K2)
2	CLO 2	Up to K4	2 (K2&K3)	1 (K2)	2 (K3&K3)	1(K4)
3	CLO 3	Up to K3	2 (K2&K3)	1 (K1)	2 (K2&K2)	1(K3)
4	CLO 4	Up to K4	2 (K3&K4)	1 (K2)	2 (K4&K4)	1(K4)
5	CLO 5	Up to K5	2 (K3&K4)	1 (K3)	2 (K4&K4)	1(K5)
No. of Questions to be asked			10	5	10	5
No. of Questions to be answered			10	5	5	3
Marks for each question			1	2	5	10
<b>Total Marks for each Section</b>			<b>10</b>	<b>10</b>	<b>25</b>	<b>30</b>

**Distribution of Marks with K Level for Summative Examination**

K Levels	Section A (Multiple Choice Questions)	Section B (Short Answer Questions)	Section C (Either/Or Choice)	Section D (Open Choice)	Total Marks	% of (Marks without choice)	Consolidated %
K1	2	4	10	-	<b>16</b>	13.33	<b>35</b>
K2	2	4	10	10	<b>26</b>	21.67	
K3	4	2	10	10	<b>26</b>	21.67	<b>21.67</b>
K4	2	-	20	20	<b>42</b>	35	<b>35</b>
K5	-	-	-	10	<b>10</b>	8.33	<b>8.33</b>
<b>Total</b>	<b>10</b>	<b>10</b>	<b>50</b>	<b>50</b>	<b>120</b>	<b>100</b>	<b>100</b>

NB: Higher level of performance of the students is to be assessed by attempting higher level of K levels.