



Course Syllabus
Gyanmanjari Institute of Commerce
Semester-3 (B.COM)

Subject: Management Accounting and Decision Making - BCOFA13309

Type of course: Major (Core)

Prerequisite: Foundational understanding of accounting principles, particularly in distinguishing between Financial Accounting and Management Accounting is required. Familiarity with basic tools and techniques utilized in Management Accounting, such as ratio analysis and interpretation of financial statements, is essential.

Rationale: By delving into the intricacies of Management Accounting, students gain insight into the fundamental principles governing financial decision-making within organizations. By understanding the nature and scope of Management Accounting, individuals can recognize its emergence as a response to the limitations of Financial Accounting and its distinct focus on internal management needs.

Teaching and Examination Scheme:

Teaching Scheme			Credits	Examination Marks			Total Marks
CI	T	P		C	SEE	CCE	
			MSE			ALA	
4	0	0	4	100	30	70	200

Legends: CI-Classroom Instructions; T – Tutorial; P - Practical; C – Credit; SEE – Semester End Evaluation; MSE- Mid Semester Examination; V – Viva; CCE-Continuous and Comprehensive Evaluation; ALA- Active Learning Activities.

4 Credits * 25 Marks = 100 Marks (each credit carries 25 Marks)

SEE 100 Marks will be converted into 50 Marks

CCE 100 Marks will be converted into 50 Marks

It is compulsory to pass in each individual component



Course Content:

Sr. No	Course content	Hrs.	% Weightage
1	<p>Introduction to Management Accounting</p> <ul style="list-style-type: none"> • Nature and Scope of Management Accounting • Limitations of Financial Accounting • Emergence of Management Accounting • Scope of Management Accounting • Limitations of Management Accounting • Financial Accounting Vs Management Accounting • Cost Accounting Vs Management Accounting • Tools of Management Accounting 	10	15
2	<p>Ratio Analysis and Interpretation (Based on Vertical Form of Financial statements)</p> <p>Meaning, Classification, Du Point Chart, Advantages and Limitations</p> <p>A. Balance Sheet Ratios:</p> <ul style="list-style-type: none"> (i) Current Ratio (ii) Liquid Ratio (iii) Proprietary Ratio (iv) Debt Equity Ratio (v) Capital Gearing Ratio (vi) Fixed Assets to Proprietary Ratio <p>B. Revenue Statement Ratio:</p> <ul style="list-style-type: none"> (i) Gross Profit Ratio (ii) Net Profit Ratio (iii) Operating Ratio (iv) Return on Capital Employed Ratio (v) Return on Equity 	20	35



3	<p>Analysis and Interpretation of Financial Statement:</p> <ul style="list-style-type: none"> • Introduction & Meaning • Concept and Role • Advantages and Limitations of Financial Statement Analysis • Techniques of Financial Statement Analysis: <ul style="list-style-type: none"> ▪ Comparative Financial Statement ▪ Common Size Statement ▪ Trend Percentage Method 	15	25
4	<p>Marginal costing & CVP Analysis</p> <ul style="list-style-type: none"> • Definition and Purpose of CVP Analysis • Importance of CVP Analysis in Managerial Decision-Making • CVP Analysis in Detail • Break-Even Analysis • Margin of Safety Analysis 	15	25

Continuous Assessment:

Sr. No	Active Learning Activities	Marks
1	<p>Report Writing:</p> <p>Students should prepare a report containing advanced technological tools of management accounting that are useful in decision making and have to upload it on GMIU web portal.</p>	10
2	<p>Poster Making:</p> <p>Students should prepare a poster including details of various financial ratios and have to upload it on GMIU web portal.</p>	10
3	<p>Case Studies on Financial Statement Analysis:</p> <p>Students should prepare a case study to analyze the financial statements using various techniques such as comparative financial statements, common-size statements, and trend percentage methods and have to upload it on GMIU web portal.</p>	10
4	<p>CVP Analysis Exercise:</p> <p>Using different hypothetical scenario students have to analyze how different factors of CVP affect the overall stability of the business and analysis should be uploaded by students on the GMIU web portal.</p>	10



	Scrutiny on Financial Ratios:	
5	Students are tasked with analyzing how the company's financial ratios affects the stock price of the company and they are required to submit a detailed report summarizing their findings and analysis through the GMIU web portal.	10
6	Correcting the Faults: Faculty will give the defective financial statements and students have to analyze and rectify discrepancies in a company's final accounts and redraft the correct balance sheet and upload it on GMIU web portal.	10
7	Attendance	10
Total		70

Suggested Specification table with Marks (Theory):100

Distribution of Theory Marks (Revised Bloom's Taxonomy)						
Level	Remembrance (R)	Understanding (U)	Application (A)	Analyze (N)	Evaluate (E)	Create (C)
Weightage	30%	30%	30%	10%	-	-

Note: This specification table shall be treated as a general guideline for students and teachers. The actual distribution of marks in the question paper may vary slightly from the above table.

Course Outcome:

After learning the course, the students should be able to:	
CO1	Understand the fundamental principles and scope of Management Accounting, including its emergence and distinctions from Financial Accounting and Cost Accounting.
CO2	Interpret financial statements through Ratio Analysis and Du Pont Chart, recognizing the significance of Balance Sheet and Revenue Statement ratios.
CO3	Evaluate the advantages and limitations of financial statement analysis techniques like Comparative Financial Statement, Common Size Statement, and Trend Percentage Method.
CO4	Apply Marginal Costing and Cost-Volume-Profit (CVP) Analysis to make informed managerial decisions, including break-even and margin of safety analysis.

Instructional Method:

The course delivery method will depend upon the requirement of content and the needs of students. The teacher, in addition to conventional teaching methods by black board, may also use any tools such as demonstration, role play, Quiz, brainstorming, MOOCs etc.

From the content 10% topics are suggested for flipped mode instruction.



Students will use supplementary resources such as online videos, NPTEL/SWAYAM videos, e-courses, Virtual Laboratory

The internal evaluation will be done on the basis of Active Learning Assignment

Practical/Viva examination will be conducted at the end of semester for evaluation of performance of students in the laboratory.

Reference Books:

1. M. Y. Khan, P. K. Jain, Management Accounting: Text, Problems and Cases, McGraw Hill Education
2. R.S.N. Pillai, Bhagavathi, Management Accounting, S. Chand
3. Dr. K L Gupta, Management Accounting, Sahitya Bhawan Publications
4. Prof. E. Gordon, Management Accounting, Himalaya Publishing House

