

# **BHARATHIDASAN UNIVERSITY, TIRUCHIRAPPALLI -24**

(For the candidates admitted from the academic year 2016 – 2017 onwards)

## **MANAGEMENT ACCOUNTING**

### **Allied Paper I**

#### **ELEMENTS OF COST ACCOUNTING**

**Objective :** To enable students to understand the elements of costs and Cost Accounting

#### **Unit I**

Cost Accounting – Definition – Objectives and advantages – classification of costs – Cost Sheet.

#### **Unit II**

Material cost – Definition and types of materials Material control – need for material control – inventory levels ABC Analysis – store keeper – his functions. Codification – perpetual inventory system –Methods of valuing material issues – material requisition – material return note

#### **Unit III**

Labour cost – Labour turnover causes of labour turnover – effects of labour turnover – reduction of labour turnover – time and motion study – job evaluation & merit rating – methods of time keeping and time booking..

#### **Unit IV**

Remuneration & incentive – essential features of good wage system – system of wage payments – Time wage & Piece rate system – bonus systems

#### **Unit V**

Overheads – Collection – Classification Allocation and Apportionment of Costs.

#### **Books for Reference:**

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|-------------------|---|-------------------------------|
| 1. Jain & Narang  | : | Principles of Cost Accounting |
| 2. Nigem & Sharma | : | Principles of Cost Accounting |
| 3. Prasad N.K     | : | Cost Accounting               |
| 4. Iyengar S.P    | : | Cost Accounting               |

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## **Allied Paper II**

### **FUNDAMENTALS OF MANAGEMENT ACCOUNTING**

**Objective :** To enable the students to understand the application of various tools of Management Accounting

#### **Unit I**

Management Accounting Definition – Objectives, nature – scope Merits and Limitations – Differences between Management Accounting and Financial Accounting (Theory only)

#### **Unit II**

Ratio Analysis – Meaning – classification Liquidity – solvency – turnover ratios.

#### **Unit III**

Fund Flow Statement – meaning of Fund and Flow – Schedule of changes in working capital – Funds from operation statement sources and Applications.

#### **Unit IV**

Cash Flow Statement- Meaning – Cash from operation – Difference between Cash Flow and Fund Flow Statement –Preparation of Cash Flow Statement as per AS 3 (Direct and Indirect Method)

#### **Unit V**

Budget and Budgetary Control – Meaning – Advantages – Preparation of Sales, Production, Purchase, Cash and Flexible Budgets.

**Theory 20% Problem 80%**

#### **Books Recommended**

1. Management Accounting S.N Maheswari Sultan Chand & Sons Publication
2. Management Accounting R.Ramachandran and R. Srinivasan – Sriram Publication
3. Management Accounting R.S.N Pillai and V. Bhagavathi S.Chand & Co
4. Management Accounting T.S. Reddy and A. Murthy Margham Publications.

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## **Allied Paper III**

### **FUNDAMENTALS OF FINANCIAL MANAGEMENT**

**Objective :** To make the students to understand the various techniques of financial management.

#### **Unit I**

Financial Management – Meaning and scope – Objectives – Profit Maximisation, Wealth Maximisation – Functions – Financial Decisions – Types (Theory only)

#### **Unit II**

Time Value of money – Present value – Compound value.

#### **Unit III**

Leverage – Meaning, significance and types – operating leverage – financial leverage – combined leverage.

#### **Unit IV**

Working capital management – Determinants of working capital – forecasting of working capital requirements.

#### **Unit V**

Cash management – Motives of holding cash – cash planning – cash budget – (simple problems only)

**Theory 40 % Problems 60%**

#### **Text Books Recommended:**

1. Elements of Financial Management – S.N. Maheswari – Sultan Chand & Sons.
2. Financial Management – R. Ramachandran & R. Srinivasan – Sriram Publication
3. Financial Management – R.K. Sharma – Kalyani Publishers.
4. Financial Management – S.P Gupta Sahitya Bhavan Publication

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