

# Course Outline

## MANAGEMENT ACCOUNTING

### *for PGCBM 21*

Course Instructor: *ram kumar kakani*



**XLRI** Jamshedpur  
*School of Business & Human Resources*

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**Contact:** Intercom – 3104; Email: kakani@xlri.ac.in; in person – On class/session days

#### **Course Objectives:**

The course provides necessary exposure to the students on the basics of management accounting. It is to inculcate a broad level of understanding of accounting principles & policies, accounting numbers and their interpretation among the PGCBM students. The emphasis would be on sound concepts and their managerial implications.

#### **Pedagogical Methods:**

The course is based on classes, cases, and project work. Active participation by students is an important feature of the course. A variety of quizzes, take home assignments, tests, and case studies are the main pedagogical instruments.

#### **Primary Teaching Book & Reading Material:**

*“Financial Accounting for Management”* by Ramachandran & Kakani, 3<sup>rd</sup> Edition, McGraw Hill Publications (Higher Education) [henceforth, referred as FAM 3e]

*And*

*“How to Analyze Financial statements”* by Ramachandran & Kakani, Finance Made Easy Series, Tata McGraw Hill Professional Publications [henceforth, referred as FME AFS]

**Other Suggested Readings:**

1. "How to Read a Balance Sheet" by Ramachandran & Kakani, Finance Made Easy Series, Tata McGraw Hill Professional Publications
  2. "How to Read a Profit & Loss Statement" by Ramachandran & Kakani, Finance Made Easy Series, Tata McGraw Hill Professional Publications [henceforth, referred as FME PLS]
  3. "How to Read a Cash Flow Statement" by Ramachandran & Kakani, Finance Made Easy Series, Tata McGraw Hill Professional Publications [henceforth, referred as FME CFS]
  4. 'Financial Accounting for Business Managers' by Asish K Bhattacharya
  5. 'Financial Accounting for Management' by Gupta
  6. 'Financial Accounting: A Managerial Perspective' by R. Narayanswamy
  7. 'Introduction to Financial Accounting' by Horngren, Sydem & Elliott
- Any other good (introductory) book on 'Financial Accounting' and 'Management Accounting'

**Study Material**

Students will be given a text book as part of the course material. It may be noted that the text book material should not be considered as exhaustive under any circumstances. Additional cases and notes could be distributed in the class from time to time (these will be usually taken from one of the references provided above). Should the students feel that they need more reading material (or detailed notes) for a particular topic – they can get in touch with me.

**Other Course Policies:**

Students are expected to have their own calculators during the class/examinations.

**Exams** → End-term exam will typically have cases/problems followed by questions. The end-term exam will be comprehensive meaning you will be responsible for all the material covered in the course.

**Class Participation** → I will sometimes randomly call on people to present their case/assignment solutions and at other times I will allow people to volunteer to present their homework solutions. Class participation marks will also be based on participation in class discussion, attendance, and being on time.

**Plagiarism/Cheating** → Students are requested to go through the students manual regarding the rules and regulations related to cases of copying & similar act. Cheating in examinations, quizzes or assignments will be dealt with severely. Please note that aiding and abetting your batch mates in such activities will also be given the same penalties. **NO** subsequent justifications/ arguments will be entertained.

**System of Evaluation**

Method of Evaluation	Marks
A) Class Attendance/ Participation	10
B) Take Home Assignment <sup>^</sup>	40
C) End-term Examination* <sup>^</sup>	50

<sup>^</sup> Please note that non-submission of take home assignment or not attending the end-term examination will lead to 'incomplete' grade being awarded

\* Please note that some questions will carry negative marks (for wrong answers)

**Grading Pattern**

<b>Range of Marks</b>	0-30	31-35	35-40	41-45	46-50	51-60	61-70	71-80	81-100
<b>Grades</b>	F	D	D +	C	C +	B	B +	A	A +

Note: Adjustments in the above could be made to meet the norms of the institute.

**TOPICS TO BE COVERED (TENTATIVE):**

<b>Session-wise Plan</b>	<b>Suggested Readings</b>
1. Introduction to Management Accounting (Case Discussion)	Chapter 1 of FAM 3e
2. Balance Sheet	FME BS Book
3. Balance Sheet (Case Discussion)	Chapter 2 of FAM 3e
4. Profit & Loss Account	Chapter 3 of FAM 3e FME PLS Book
5. Profit & Loss Account (incl. Case Discussion)	Chapter 3 of FAM 3e FME PLS Book
6. Accounts for Joint Stock Companies	Chapter 6 of FAM 3e
7. Financial Statement Analysis	Chapter 7 of FAM 3e
8. Financial Statement Analysis (Case Discussion)	FME AFS Book
9. Statement of Cash Flow	FME CFS Book Chapter 4 of FAM 3e
10. Statement of Cash Flow (Case Discussion)	Chapter 4 of FAM 3e

Note:

- ◆ Please note that the above sequence is tentative (and would be altered based on initial class experience).
- ◆ Prior reading of the suggested reading material would immensely help in the class discussion and assimilation process.
- ◆ PowerPoint presentations: Session-wise Pdf files would be e-mailed after the session.