GUJARAT TECHNOLOGICAL UNIVERSITY

Syllabus for Master of Business Administration, 2nd Semester
Subject Name: Management Accounting and Costing
Subject Code: 1529502

With effective from academic year 2020-21

1. **Learning Outcomes:**

Learning Outcome Component	Learning Outcome (Learner will be able to)
Business Environment and Domain Knowledge (BEDK)	• *Describe* the relationship between cost and management accounting in modern businesses. • *Explain* the three primary purposes of management accounting namely, inventory valuation, decision support and cost control.
Critical thinking, Business Analysis, Problem Solving and Innovative Solutions (CBPI)	• *Compare and contrast* job costing, process costing and activity costing for tracking business costs. • *Determine* optimal managerial decisions based on use of cost-volume-profit analysis.
Global Exposure and Cross-Cultural Understanding (GECCU)	• Understand and evaluate the costing decisions for international operations.
Social Responsiveness and Ethics (SRE)	• *Describe and explain* the ethical and social responsibilities of management and cost accountants in ensuring the integrity in financial decision making and disclosure.
Effective Communication (EC)	• *Propose and justify* a variety of managerial decisions based on analysis of data related to costing of a product or a service.
Leadership and Teamwork (LT)	• *Collaborate to identify, evaluate and utilize* relevant management accounting information in making various operational, investment, and pricing decisions innovatively.

LO – PO Mapping: Correlation Levels: 1 = Slight (Low); 2 = Moderate (Medium); 3 = Substantial (High), "- "= no correlation

Sub. Code:	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9
LO1: Describe the relationship between financial and management accounting in modern businesses.	3	2	-	2	-	2	-	2	3
LO2: Explain the three primary purposes of management accounting namely, inventory valuation, decision support and cost control.	3	2	-	2	-	2	-	2	3
LO3: Compare and contrast job costing, process costing, and activity costing for tracking business costs.	2	2	3	1	-	2	-	2	2

LO4: Determine optimal managerial decisions based on use of cost-volume-profit analysis.	3	1	3	-	2	1	1	1	1
LO5: Understand and evaluate the costing decisions for international operations.	3	1	1	-	3	1	-	1	1
LO6: Describe and explain the ethical and social responsibilities of management and cost accountants in ensuring the integrity of financial information.	1	1	-	2	1	2	3	1	1
LO7: Propose and justify a variety of managerial decisions based on analysis of data related to costing f a product or a service.	2	3	-	3	-	2	1	1	1
LO8: Collaborate to identify, evaluate and utilize relevant management accounting information in making various operational, investment, and pricing decisions	2	1	1	3	-	3	1	1	1

2. **Course Duration:** The course duration is of **40 sessions of 60 minutes each.**

3. **Course Contents:**

Module No:	Module Content	No. of Sessions	70 Marks (External Evaluation)
I	**Introduction to Management Accounting (Theory)** • Meaning, Objective and Scope of Management Accounting • Functions of Management Accounting • Difference between Cost Accounting and Management Accounting • Users of Management Accounting • Management Accounting in Service and Manufacturing Organizations • Role of Cost Account and Management Accountant in Decision Making	5	16

	Cost Concepts and Classification (Theory) • Meaning of Expenses v/s Cost • Deferred cost, Expired cost, Loss, Cost Incurrence and Cost Recognition • Different cost concepts and classification • Cost flows in Manufacturing, Merchandising & Service Organizations		
II	**Costing Methods (Theory and Numerical)** • Absorption Costing, Unit Costing (including Tender Costing), Activity Based Costing, Process Costing and Equivalent Production, Joint and By-product **Inventory Valuation (Theory and Numerical)** • FIFO, Weighted Average Method & LIFO (Preparation of stock register card only) **Inventory Management (Theory and Numerical)** • Techniques of fixing of minimum, maximum and reorder levels, Economic Order Quantity (EOQ), ABC Analysis	15	18
III	**Management Applications (Theory and Numerical)** • Marginal (variable) Costing and CVP Analysis • Relevant Information and Decision Making, Pricing Decision, Make or buy decision	10	18
IV	**Planning, Control and Decision Making: (Theory and Numerical)** • Budgeting & Budgetary Control Systems • Standard Costing & Variance Analysis **Contemporary Costing and Management Accounting Methods: (Theory)** • Concepts and Techniques of Strategic Management Accounting • Target Costing, Kaizen Costing, Life Cycle Costing, Learning Curve Theory • Brief Overview of Cost Accounting Standards	10	18
V	**Practical** Students should select Small & Medium Enterprise and Perform cost analysis of any product/Service of that company. Student has to prepare a report and give the presentation in the class. Understanding Various Product Segments and their Cost Capturing Green/Environmental Costing and Carbon Credit	---	(30 marks CEC)

4. Pedagogy:

- ICT enabled Classroom teaching
- Case study
- Practical / live assignment
- Interactive class room discussions

5. Evaluation:

Students shall be evaluated on the following components:

A	**Internal Evaluation**	**(Internal Assessment- 50 Marks)**
	• Continuous Evaluation Component	30 marks
	• Class Presence & Participation	10 marks
	• Quiz	10 marks
B	**Mid-Semester examination**	**(Internal Assessment-30 Marks)**
C	**End –Semester Examination**	**(External Assessment-70 Marks)**

6. Reference Books:

Note: Wherever the standard books are not available for the topic appropriate print and online resources, journals and books published by different authors may be prescribed.

No.	Author	Name of the Book	Publisher	Year of Publication / Edition
1	M.Y. Khan & P.K. Jain	Management Accounting	McGraw Hill	Latest
2	Ambrish Gupta	Financial Accounting for Management	Pearson	Latest
3	M. N. Arora	A Textbook of Cost and Management Accounting	Vikas	Latest
4	P. C. Tulsian	Cost Accounting	S Chand	Latest
5	S Gupta &Pankaj Kothari	Accounting for Managers	Frank Brothers	Latest
6	S. K. Bhattacharya, Dearden and John	Accounting for Management: Text and Cases	Vikas	Latest
7	Paresh Shah	Management Accounting	Oxford	Latest

7. **List of Journals / Periodicals / Magazines / Newspapers / Web resources, etc.**

1. The Chartered Accountant
2. The Management Accountant
3. The Chartered Secretary
4. Journal of Finance
5. Business India / Business Today / Business World
6. Business Standard/Economic Times/Financial Times/ Financial Express