

**MBA –I**  
**Semester I**  
**Accounting for Managers (AFM)**

**1. Course Objective:**

The objective of the course is to acquaint the students with the language of Accounting and to develop in them the ability to evaluate and use accounting data as an aid to decision making. The main purpose is to assist the students in developing skills in problem solving and decision making in the financial area. Emphasis is laid on analysis and utilization of financial and accounting data for planning and control.

**2. Course Duration:**

The course duration is of 40 sessions of 75 minutes each.

**3. Course Contents:**

<b>Module No.</b>	<b>Modules/Sub-Modules</b>	<b>Session</b>	<b>Marks (20% of 70)</b>
<b>I</b>	<b>Fundamentals of Accounting</b> Basic understanding of accounting, Conceptual framework of financial statements Business transactions to trial balance, Trial balance to Balance sheet and profit and loss account for non corporate and corporate entities, , Generally Accepted Accounting Principles.	<b>8</b>	<b>14</b>
<b>II</b>	<b>Asset Valuation</b> Valuation of Tangible Fixed Assets, Depreciation on fixed assets, valuation of assets under finance lease and intangible assets, amortisation and asset impairment, Valuation of inventories, valuation of investments.	<b>8</b>	<b>14</b>
<b>III</b>	<b>Understanding Corporate financial statements</b> Corporate Balance sheet, corporate profit and loss account, Notes to the accounts and significant accounting policies, understanding and constructing corporate cash flow statement, other financial reports- Auditors report and Directors report, corporate governance report	<b>8</b>	<b>14</b>
<b>IV</b>	<b>Financial Statement Analysis</b> Financial Statement Analysis using the tool kit of Multi step Income statement, horizontal analysis, common size analysis, Trend analysis, Earning per share analysis, Ratio analysis, analysis of cash flow statement	<b>8</b>	<b>14</b>
<b>V</b>	<b>Contemporary issues in financial Accounting</b> Global financial reporting, GAAPs and IFRSs, IAS, Indian GAAP and US GAAP, Foreign currency accounting, Inflation Accounting, Human Resource Accounting, Environment accounting, Responsibility Accounting	<b>8</b>	<b>14</b>

#### 4. Teaching Methods:

The following pedagogical tools will be used to teach this course:

- (1) Lectures and Discussions
- (2) Assignments and Presentations
- (3) Case Analysis

#### 5. Evaluation:

The students will be evaluated on a continuous basis and broadly follow the scheme given below:

		Weightage
A	Assignments / Presentations/ Quizzes / Class Participation/ etc.	10% (Internal Assessment)
B	Mid-Semester Examination	20% (Internal Assessment)
C	End-Semester Examination	70% (External Assessment)

#### 6. Basic Text Books:

Sr. No.	Author/s	Name of the Book	Publisher	Edition and Year of Publication
T1	Ambrish Gupta	Financial Accounting for Management –: An Analytical Perspective	Pearson Education	3 <sup>rd</sup> Edition 2009
T2	S. K. Bhattacharya , John Dearden	Accounting for Management	Vikas Publishing House	Third revised Edition 2008
T3	Ashok Bannerjee	Financial Accounting – A Managerial Emphasis	Excel Books	Latest Edition

#### 7. Reference Books:

Sr. No.	Author/s	Name of the Book	Publisher	Edition and Year of Publication
R1	Paresh Shah	Basic Accounting for Management	<i>Oxford Higher Education, New Delhi 2008</i>	Latest Edition
R2	S N Maheshwari, S K Maheshwari	A Text Book of Accounting for Management	Vikas Publishing, New Delhi	Latest Edition

R3	N Ramchandran , Ram Kumar Kakani	Financial Accounting for Management	Tata Mc Graw Hill	2 <sup>nd</sup> Edition
R4	Robert N Anthony, David F Hawkins, Kenneth A Merchant	Accounting: Text and Case	The McGraw- Hill companies	12 <sup>th</sup> Edition 2007
R5	Harrison and Horngren	Financial Accounting	Pearson Education	6 <sup>th</sup> Edition 2008
R6	P C Tulsian	Financial Accounting	Pearson Education 2009	Latest Edition
R7	Pru Marriot, J R Edwards and H J Mellett	Introduction to Accounting	Sage South Asia Edition	3 <sup>rd</sup> Edition, 2007
R8	Stice and Stice	Financial Accounting- Reporting and Analysis	Cengage Learning	7 <sup>th</sup> Edition 2006
R9	Carl S. Warren, James M. Reeve, Jonathan E. Duchac	Financial Accounting: Concepts, Methods, and Applications	Cengage Learning, 2009	Latest Edition

#### 8. List of Journals/Periodicals/ Magazines/ Newspapers etc.

**The Students will have to refer to past issues of the following journals in order to get relevant topic/ information pertaining to the subject.**

1. The Chartered Accountant
2. The Management Accountant
3. The Chartered Secretary
4. Journal of Finance
5. Business India / Business Today / Business World
6. “Vikalpa” – Journal of Indian Institute of Management, Ahmedabad

## 9. Session Plan:

### Accounting for Managers (AFM)

Sessions	Topic
1	Business Transactions to trial balance
2-4	Trial Balance to Balance sheet and profit and loss Account
5-7	Conceptual framework of financial statements
8	Generally Accepted Accounting Principles.
9-10	Valuation of tangible fixed assets and depreciation
11-12	Valuation of assets under lease and intangible assets
13-14	Valuation of Inventories
15-16	Valuation of Investments
17-18	Corporate Balance sheet
19-20	Corporate Profit and loss account
21	Notes to the accounts and significant accounting policies
22-23	Understanding and constructing corporate cash flow statement
24	Auditors report, Directors report & Corporate governance Report
25	Quality of reporting: window dressing, creative financial practices and disclosure issues
26-27	Financial Statement Analysis : Multi-step, horizontal, vertical, and trend analysis, Inter-firm comparison – group performance
28-30	Financial Statement Analysis : Ratio analysis
31-32	Financial Statement Analysis : Cash flow analysis
33	Innovative techniques of financial statement analysis
34-35	Global financial reporting
36	Foreign exchange accounting
37-38	Inflation accounting
39	Human resource accounting
40	Environment Accounting, Responsibility accounting

The Instructor/s (Faculty Member/s) will be required to guide the students regarding suggested readings from the Text(s) and references in items 6 and 7 mentioned above.