

Program : <b>BMS</b>				Semester : III			
Course : <b>Accounting for Managerial Decisions</b>				Code :			
<b>Teaching Scheme</b>				<b>Evaluation Scheme</b>			
Lecture	Practical	Tutorial	Credits	Theory		Practical	
				Internal	External	Internal	External
60	Nil	Nil	04	40 Marks	60 Marks	Nil	Nil
<b>Internal Component</b>							
<b>Class Test</b>			<b>Assignment</b>			<b>Class Participation</b>	
20 Marks			20 marks			--	
<b>Learning Objectives</b>							
<ol style="list-style-type: none"> <li>1. To demonstrate, explain and analyze the various tools of financial analysis for Decision making.</li> <li>2. To analyze Financial Statements for decision- making using Common-size, Comparative and Trend Statements.</li> <li>3. To analyze and interpret the Financial Statements using various financial ratios.</li> <li>4. To prepare and interpret cash flow statements as per AS-3 for financial decision-making (Indirect Method).</li> <li>5. To enumerate and prepare Financial Budgets (Cash Budget, Flexible Budget and Sales Budget) for Business forecasting.</li> <li>6. To appraise learners about the importance of Working Capital Management and estimation of working capital.</li> <li>7. To appraise learners about the importance of Receivables Management and determine the feasible credit period allowed using various Credit Evaluation Methods.</li> </ol>							
<b>Learning Outcomes</b>							
<ol style="list-style-type: none"> <li>1. Learners will understand various tools of financial Analysis for Decision making.</li> <li>2. Learners will illustrate and interpret the Vertical format of financial statements, and also tools of financial analysis such as Trend Analysis, Comparative Analysis and Common Size Statement.</li> <li>3. Learners will analyze and interpret financial ratios and core concepts of business finance and its importance in managing a business.</li> <li>4. Learners will examine and interpret cash flow statements and thereby take the right financial decision.</li> <li>5. Learners will prepare Cash Budgets, Flexible Budget and Sales Budget for Business Forecasting and decision making.</li> <li>6. Learner will formulate appropriate plan for meeting the requirement of working capital under different circumstances.</li> </ol>							

7. Learners will interpret and estimate the feasible credit period to be allowed to Receivables to improve Business Profitability.

**Pedagogy**

1. Theoretical foundations and conceptual knowledge shall be imparted through lectures.
2. Practical problems shall be solved in the classroom.
3. Project/ Assignment work shall be given to learners on analysis and interpretation of financial statements of a corporate entity.
4. Case Studies shall be discussed in the classroom.

**Detailed Syllabus Plan**

Module	Module Content	Module wise Pedagogy Used	Duration of Module	Reference Books
1	<p><b>Analysis and Interpretation of Financial statements: (Non – IND AS)</b></p> <p>Vertical Form of Balance Sheet and Profit &amp; Loss A/c-Simple, Trend Analysis, Comparative Statement &amp; Common Size.</p>	Class lectures, case studies	15	<p>Financial Management, Khan &amp; Jain, Mc Graw Hill, 8<sup>th</sup> Edition (2018)</p> <p>Financial Management, Ravi Kishor, Taxmann, 8<sup>th</sup> Edition (2020)</p>
2	<p><b>Ratio analysis and Interpretation:</b> (based on vertical form of financial statements) including conventional and functional classification</p> <ul style="list-style-type: none"> <li>• <b>Balance sheet ratios:</b> Current ratio, Liquid Ratio, Stock Working capital ratio, Proprietary ratio, Debt Equity Ratio, Capital Gearing Ratio.</li> <li>• <b>Revenue statement ratios:</b> Gross profit ratio, Expenses ratio, Operating ratio, Net profit ratio, Net Operating Profit Ratio, Stock turnover Ratio, Debtors Turnover, Creditors Turnover Ratio</li> <li>• <b>Combined ratios:</b> Return on capital Employed (including long term borrowings), Return on Proprietors fund</li> </ul>	Class lectures, case studies	15	<p>Financial Statement Analysis, K R Subramanyam, Mc Graw Hill, 11<sup>th</sup> Edition (2020)</p> <p>Financial Management-Theory &amp; Practice, Prasanna Chandra, Mc Graw Hill, 11<sup>th</sup> Edition (2022)</p> <p>Financial Accounting for Management, N Ramachandran and Ram Kumar Kakani, Mc Graw Hill, 5<sup>th</sup> Edition (2023)</p>

	(Shareholder fund and Preference Capital), Return on Equity Capital, Dividend Payout Ratio, Retention Ratio, Debt Service Ratio, Interest coverage ratio, Earnings Per share			
3	<b>Cash flow statement:</b> Preparation of cash flow statement <b>Budgetary Control:</b> Preparation of Cash Budget, Flexible Budget and Sales Budget	Class lectures, case studies	15	
4	<b>Working capital:</b> Concept, Estimation of requirements in case of Trading & Manufacturing Organizations. <b>Receivables management:</b> Meaning & Importance, Credit Policy Variables, methods of Credit Evaluation (Traditional and Numerical- Credit Scoring), Practical sums for evaluation of credit period allowed.	Class lectures, case studies	15	

Prepared by:

Approved by:

Signature

Loveena Atwal  
(Concerned Faculty/HOD)

Signature  
(Principal)

**Total Marks allotted: 100 marks**

**a) Details of Continuous Assessment (CA)**

40% of the total marks per course.

Marks allotted for CA is **40 marks**.

Breakup of the 40 Marks is as follows:

<b>Continuous Assessment</b>	<b>Details</b>	<b>Marks</b>
<b>Component 1 (CA-1)</b>	Internal class test (online or offline) MCQs/Explain the concepts/Answer in brief/Case study or application-based questions.	<b>20 marks</b>
<b>Component 2 (CA-2)</b>	Presentations/Project Work/ Viva-Voce/ Assignments/ Group Discussions Etc.	<b>20 marks</b>

**b) Details of Semester End Examination (SEE)**

60% of the total marks per course.

Marks allotted for SEE is **60 Marks**.

Duration of examination will be **Two Hours**.

**QUESTION PAPER FORMAT**

All Questions are compulsory

<b>Q. No.</b>	<b>Particulars</b>	<b>Marks</b>
Q.1.	Answer the following	15
Q.2.	Answer the following	15
Q.3.	Answer the following	15
Q.4.	Answer the following	15

Q1, Q2, Q3, Q4 - All Compulsory Questions - 15 marks each

Each Question can be sub-divided into smaller denomination, if required.

Signature

(Program Chairperson & Vice Principal)

Signature

(Principal)