

<b>Program : B.Com. (Economics)</b>				<b>Semester : III</b>			
<b>Course : 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 appraise learners about the importance of Working Capital Management and estimation of working capital.</li> <li>6. To enumerate and prepare Financial Budgets (Cash Budget, Flexible Budget and Sales Budget) for Business forecasting.</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. Learner will formulate appropriate plan for meeting the requirement of working capital under different circumstances.</li> </ol>							

6. Learners will prepare Cash Budgets, Flexible Budget and Sales Budget for Business Forecasting and decision making.

**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> </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,</p>

	<ul style="list-style-type: none"> <li>• <b>Combined ratios:</b> Return on capital Employed (including long term borrowings), Return on Proprietors fund (Shareholder fund and Preference Capital), Return on Equity Capital, Dividend Payout Ratio, Retention Ratio, Debt Service Ratio, Interest coverage ratio, Earnings Per share</li> </ul>			Mc Graw Hill, 5th Edition (2023)
3	<b>Cash flow statement:</b> Preparation of cash flow statement (as per AS – 3) (Indirect Method)	Class lectures, case studies	15	
4	<b>Working capital:</b> Concept, Estimation of requirements in case of Trading & Manufacturing Organizations. <b>Budgetary Control:</b> Preparation of Cash Budget, Flexible Budget and Sales Budget	Class lectures, case studies	15	

Prepared by:

Approved by:

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(Concerned Faculty/HOD)

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