TM103: Financial & Managerial Accounting

Course Information

Particular	Details
Course Code	TM103
Course Title	Financial & Managerial Accounting
Programme	MBA (Technology Management)
Category	Foundation/Core
Credits	4
L–T–P	3–1–0
Contact Hours	60
Semester	I
Prerequisite	Basic Mathematical Skills

Course Description

This course provides an understanding of financial accounting, cost accounting, and managerial accounting principles required for managerial decision-making in technology-based organizations. It emphasizes financial statement preparation and analysis, cost determination, budgeting, performance evaluation, and strategic financial decision-making using accounting information.

Course Objectives

Upon successful completion of the course, students will be able to:

1. Understand accounting principles, concepts, and standards used in business organizations.
2. Prepare and interpret financial statements for managerial decision-making.
3. Apply cost and managerial accounting tools for planning and control.
4. Analyse financial performance using accounting ratios and budgeting techniques.
5. Utilize accounting information for strategic decisions in technology-driven organizations.

Course Outcomes (COs)

After successful completion of the course, the students will be able to:

CO	Course Outcome	Bloom's Level
CO1	Explain the concepts, principles, accounting standards, and accounting cycle used in financial reporting.	K2 (Understand)
CO2	Prepare financial statements and analyse business transactions using accounting principles.	K3 (Apply)
CO3	Apply cost accounting techniques, budgeting, and cost-volume-profit analysis for managerial decisions.	K3 (Apply)
CO4	Analyse financial performance using ratio analysis, cash flow statements, and management accounting tools.	K4 (Analyse)
CO5	Evaluate investment, pricing, and operational decisions using accounting information and performance measures.	K5 (Evaluate)
CO6	Develop accounting-based managerial solutions for planning, control, and strategic decision-making in technology organizations.	K6 (Create)

Course Contents

Unit I: Introduction to Financial Accounting

Nature and Scope of Accounting, Accounting Concepts and Conventions, Generally Accepted Accounting Principles (GAAP), Indian Accounting Standards (Ind AS), Accounting Equation, Double Entry System, Journal, Ledger, Trial Balance, Rectification of Errors.

Tutorials: Recording Business Transactions, Preparation of Trial Balance

Unit II: Financial Statements and Financial Reporting

Preparation of Final Accounts, Trading Account, Profit & Loss Account, Balance Sheet, Adjusting Entries, Depreciation, Inventory Valuation, Cash Flow Statement, Introduction to Corporate Financial Reporting, Financial Reporting for Technology Companies.

Tutorials: Preparation of Financial Statements, Cash Flow Statement Practice

Unit III: Cost Accounting and Cost Analysis

Cost Concepts, Cost Classification, Cost Sheet Preparation, Material Cost, Labour Cost, Overheads, Activity-Based Costing (ABC), Marginal Costing, Cost-Volume-Profit Analysis, Break-even Analysis.

Tutorials: Cost Sheet Preparation, CVP Analysis

Unit IV: Managerial Accounting

Nature and Scope of Managerial Accounting, Budgeting, Budgetary Control, Standard Costing, Variance Analysis, Responsibility Accounting, Performance Measurement, Transfer Pricing, Decision Making under Uncertainty.

Tutorials: Budget Preparation, Variance Analysis

Unit V: Financial Statement Analysis and Strategic Accounting

Ratio Analysis, Fund Flow Analysis, Cash Flow Analysis, Working Capital Analysis, Financial Performance Evaluation, Balanced Scorecard, Accounting Information Systems, Sustainability Reporting, ESG Reporting, Accounting for Digital and Technology Businesses

Tutorials: Financial Ratio Analysis, Annual Report Analysis of Technology Companies

Suggested Text Books

1. **Grewal, T. S. (2023).** *Introduction to Accountancy* (14th Edition). **S. Chand Publishing**.
2. **Maheshwari, S. N., Maheshwari, S. K. & Maheshwari, Sharad K. (2022).** *Financial Accounting* (6th Edition). **Vikas Publishing House**.
3. **Khan, M. Y. & Jain, P. K. (2018).** *Management Accounting: Text, Problems and Cases* (8th Edition). **McGraw-Hill Education**.
4. **Lal, Jawahar & Srivastava, Seema (2021).** *Cost Accounting* (6th Edition). **McGraw-Hill Education**.

Reference Books

1. **Horngren, Charles T., Datar, Srikant M. & Rajan, Madhav V. (2021).** *Cost Accounting: A Managerial Emphasis* (17th Edition). **Pearson Education**.
2. **Narayanaswamy, R. (2022).** *Financial Accounting: A Managerial Perspective* (8th Edition). **PHI Learning**.
3. **Anthony, Robert N., Hawkins, David F. & Merchant, Kenneth A. (2019).** *Accounting: Text and Cases* (14th Edition). **McGraw-Hill Education**.
4. **Garrison, Ray H., Noreen, Eric W. & Brewer, Peter C. (2021).** *Managerial Accounting* (17th Edition). **McGraw-Hill Education**.
5. **Bhattacharya, Ashish K. (2020).** *Essentials of Financial Accounting / Management Accounting* (Relevant Edition). **PHI Learning**.

Course Articulation Matrix

COs	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9	PO10	PO11	PO12
CO1	3	2	–	–	–	–	–	–	–	–	2	–
CO2	3	3	2	2	2	–	–	–	–	2	–	–
CO3	3	3	3	2	3	2	–	–	–	2	–	–
CO4	3	3	3	3	3	2	2	–	–	2	2	–
CO5	2	3	3	3	3	3	2	2	2	3	2	2
CO6	3	3	3	3	2	2	2	2	2	3	3	3