

PAPER 5 : MANAGEMENT ACCOUNTING

Full Marks : 100

Module A: Definition and Scope of Management Accounting

- The Place of Management Accounting/Shortcomings of The Traditional Methods of Credit Analysis
- Its Definition and Scope, Distinction Between Financial Accounting and Management Accounting – Role of Management Accountant – Analysis and Interpretation of Finance Statements.
- Planning Process
- Setting of Objectives

Module B: Costing and Pricing

- Methods of Costing – Classification of Costs – Implication of Costing for Bankers
- Objectives of Pricing – Common Misconceptions in Pricing – Cost, Volume, Profit Relationship – Break-Even Analysis – Limitations of Break-Even Analysis – Planning for Profit.

Module C: Budgeting and Expenditure

- Importance of Budgeting
- Objectives of Budgeting – Preparation of Budgets – Importance of Budgets to Bankers, Standard Costing Control Through Budgets.
- Method of Appraisal; Shortcomings of Appraisal Methods – Capital Budgeting – Its Importance to Lending Banker.

Module D: Planning for Liquidity

- Cash Flow Forecast – Objectives of Cash Flow – Preparing A Cash Flow Forecast/Using The Cash Flow/Cash Flow Forecast and Lending Banker.
- Statement of Sources and Application of Funds

Module E: Working Capital Management

- Factors Affecting Working Capital Requirements – Short Term Financial Forecasts – Assessment of Working Capital – Production and Operating Cycle – Inventory Management – Cash and Receivables Managements – Methods of Financing Working Capital – Different Forms of Bank Credit – Management Reports – Types of Information and its Relevance to Banks

Module F: Leasing and Hire Purchase

- Financing Against Lease Forms of Lease Financing – Economics of Leasing-Financing against Hire Purchase Agreements – Relative Merits of Leasing Finance and Hire Purchase Finance from Customer's and Lending Bank's Point of View

References

- 1 Bhattacharya, S. K. and John Deanden – Accounting for Management : Texts & Cases
Hingorani & Chawla. Management Accounting (Indian Institute of Bankers, Published by
Himalaya Publishing House, Mumbai, India).
- 2 Egginton, D. A. – Accounting for the Banker, (Longman).
- 3 Fisher, J. – Financial Analysis and Management Accounting for the Banker (The Institute
of Bankers in Scotland).
- 4 Kuchhal, S. C. – Financial Management – An Analytical & Conceptual Approach.
- 5 Khan, Md. Mainuddin – Advanced Accounting (Ideal Library Dhaka).
- 6 Pitcher, M. A. – Management Accounting for the Lending Bankers.