

**Accounting for Managerial Decisions**

**Max Marks: 100**  
**External Marks: 80**  
**Internal Marks: 20**  
**Time: 3 Hours**

**Note: There will be eight (8) questions in all. The first question is compulsory and consists of six (6) short-questions having four (4) marks each. Answer to these questions should not exceed 150 words. The candidate will be required to attempt any four questions out of remaining seven (7) questions and each question carries fourteen (14) marks each. Duration of each paper will be three (3) hours.**

Management Accounting: Meaning, objectives, nature, tools & techniques of management accounting; Installation of management accounting system; Role of management accountant. Management Information System and Reporting: Objectives, types and methods of reporting, reporting needs at different levels of management; Designing and installation of a reporting system.

Responsibility Accounting and Divisional Performance Measurement: Meaning, significance and fundamental aspects of responsibility accounting; Responsibility centres; Divisional performance evaluation: Measures of performance - Return on Investment vs. residual Income; Methods and Problem of transfer pricing.

Budgeting: Essentials of budgeting; Kinds of budgets; Budgetary control; Zero-base budgeting.

Standard Costing and Variance Analysis: Types of standards, Setting of standards and their revision; Variance analysis – Material, labour and overheads, control of variances.

Marginal Costing and Break-even Analysis: Concept, Marginal costing versus absorption costing, Preparation of income statements, Break-even analysis & Cost-Profit- volume analysis; Composite break-even-point, managerial applications of marginal costing.

Contemporary Issues in Management Accounting: Price level adjustment accounting; Value chain analysis; Activity-based costing; Quality costing; Target and life cycle costing.

**REFERENCES**

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- Decoster, Don T. and Elden L. Schafer: *Management Accounting: A Decision Emphasis*, John Wiley and Sons Inc., New York.
- Garrison, Ray H. and Eric W. Noreen: *Management Accounting*, Richard D. Irwin, Chicago.
- Hansen, Don R. and Maryanne M. Moreen: *Management Accounting*, South-Western College Publishing, Cincinnati. Ohio.
- Horngran, C.T., Gary L. Sundem, and William O. Stratton: *Introduction to Management Accounting*, Prentice Hall, Delhi.
- Horngren, Charles T., George Foster and Srikant M. Daliar: *Cost Accounting: A Managerial Emphasis*, Prentice Hall, Delhi.
- Jawahar Lal: *Managerial Accounting*: Himalaya Publishing House, Delhi.
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- Maher, Michael W., Cylde P. Stikney and ronal L. Weil: *Managerial Accounting: An Introduction to Concepts, Methods and uses*, Forth-Worth Harcourt Brace College Publishers.
- Pandey, I.M: *Management Accounting*, Vani Publication, Delhi
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