

SREENIVASA INSTITUTE of TECHNOLOGY and MANAGEMENT STUDIES

I MCA - II Semester

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16MBA128

ACCOUNTING AND FINANCIAL MANAGEMENT

Course Objectives:

- To Learn Accounting procedure
- To know financial position of a company
- To find out various sources of finance
- To take investment decision on projects

Syllabus:

UNIT I: Accounting process

Definition, principles: Concepts and conventions –Accounting process-Double entry system-classification of accounts- Debit and credit rules of various accounts-Journal-Ledger-Trial Balance – preparation of final Accounts(sole proprietorship)

UNIT II : Ratio Analysis

Meaning, nature, uses and significance of Ratios classification of Ratios- Profitability Ratios-Liquidity Ratios-Activity Ratios-Solvency Ratios

UNIT III : Introduction to Finance Management

Capitalization - Meaning, need, types, capital structure and financial structure.

Sources of Finance: Short term finance and long term finance.

UNIT IV : Capital Budgeting Techniques

Meaning, Need of capital Budgeting. Traditional Methods - payback period method, Accounting Rate of Return Method.

Discounted cash flow methods- Net present value method, internal rate of return method, profitability index method (simple problems)

UNIT V : Break Even Analysis and its Application

Contribution, p/v Ration, c-v-p Analysis-uses and significancy, BEP chart, Margin of safety. Make a Buy Decision, problem of key or limiting factor, selection of suitable product mix, Effects of charges in selling price, variable cost.

Course Outcomes:

- It gives accounting knowledge to maintain various books of accounts.
- It enables the students to examine financial wealth of a company.
- It gives guideline to the company about how to procure finance from various sources of finance.
- It gives idea to the investor to invest on particular project which gives benefits in future.

TEXT BOOKS:

1. Financial Accounting and Policy, R.M.Srivastava, e/3, 2007, Himalaya Publishing House Pvt. Ltd. Mumbai.
2. Accounting for Management, T.Vijay Kumar, e/1, 2010, Tata McGraw Hill Education Pvt. Ltd. New Delhi.

REFERENCE BOOKS:

1. Financial Accounting, N.Ramachandran and Rama Kumar Kakani, e/2, 2009, Tata McGraw Hill Education Pvt. Ltd. New Delhi.
2. Financial Management, I.M.Pandey, e/10, 2012, Vikas Publishing House Pvt. Ltd. Noida.
3. Financial Management Principles and Practice, e/1, 2009, Himalaya Publishing House Pvt. Ltd. Mumbai.
4. Financial Accounting, S.N.Maheswari, e/5, 2009, Sultan Chand and Sons Educational Publishers, New Delhi.
5. Cost and Management Accounting, e/1, 2007-08, Himalaya Publishing House Pvt. Ltd. Mumbai
Financial Accounting, Tulsian, S Chand, 2009.

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