

MNG 103
FINANCIAL ACCOUNTING AND ANALYSIS
Credit- 4 : Class Hours - 40

Objectives:

1. To familiarize the students with accounting principles and acquaint them with accounting mechanisms, process and systems so as to develop their skills of preparing financial statements.
2. To develop their ability to read annual reports and develop their skills to interpret financial statements.
3. To familiarize the students with different financial accounting concepts affecting stakeholders

Module-I: Introduction to Accounting: Accounting as a language and need for Accounting, Basic Terminologies of Accounting. External and Internal users of Accounting Information, Accounting concepts and conventions, Accounting cycle, Accounting Equations, Nature of GAAP, Need for Accounting Standards, Limitations of Accounting, Ethical Issues in Accounting,

Module-II: Mechanics of Accounting: Introduction, Classification, Double Entry System, Preparing Journal, Subsidiary books, Ledger, preparation of Trial Balance. Preparation of Income statement and Balance Sheet, Depreciation Accounting

Module- III: Corporate Accounts: Share and Share Capital, Issue of Shares, Payment in installment, Buyback of shares, Debentures and Bonds. Understanding corporate Income statement and Balance Sheet as presented in the Annual Reports of companies. How to read a Balance Sheet.

Module-IV: Analysis and interpretation of Financing Statements:- Common size statement, Trend analysis, Ratio Analysis and Cash Flow Analysis as per AS – 3 (Revised).

Module – V: The concerned faculty shall have the liberty to define the course contents under this module and teach students accordingly. The faculty may pick up Annual Reports of at least 5 listed companies from different sectors and make groups to analyze the following aspects :

- Financial analysis as reported by Auditors and Directors' and Corporate Governance.
- Basic EPS and Diluted EPS as per AS – 20
- State of Affairs through Valuation Ratios and Dupont analysis.
- Consolidated statements of Cash Flows from the perspectives of lender, investor, Prospective employee and supplier to the company.
- Corporate disclosures in the Financial Statements and Annual Reports of past 5 years.
- Innovative Techniques of FSA

Reference Books

1. Financial Accounting - Gupta, Pearson
2. Financial Accounting and Analysis, Satpathy, Mohapatra and Patra, HPH
3. Financial Accounting for Management; Paresh Shah, Oxford
4. Financial Accounting A managerial Perspective-Bapat & Raitha, McGrawHill

5. Financial Accounting for Management, A.K.Bhattacharya, PHI
6. Financial Accounting by S.N Maheswari, Vikas Publications