

**Subject Code: 508**

**Subject Name: Accounting Techniques for Decision Making**

**Unit I** **8**  
**Hours**

Interpretation of Financial Statements

- Comparative Statements
- Common Size Statements
- Trend Analysis
- Ratio Analysis
- Fund Flow Statements
- Cash Flow Statements

**Unit II**  
**8Hours**

Long Term Investment Decisions

- Nature, Meaning and Importance of Capital Budgeting
- Evaluation Techniques

**Unit III** **8**  
**Hours**

Working Capital Management and Computation

- Nature, Meaning and Importance of Working Capital
- Trade-off between Profitability and Risk
- Determining Financing Mix
- Determinants of Working Capital
- Computation of Working Capital

**Unit IV** **8**  
**Hours**

Current Asset Management

Cash Management

- Motives of holding cash
- Objectives of cash management
- Factors determining cash needs

Cash management strategies and techniques

Inventory Management	
Objectives and Techniques	
Receivable Management	
Objectives	
Credit policies	
Credit terms	
Collection policies	
<b>Unit V</b>	<b>4</b>
<b>Hours</b>	
Dividend Decision	
Dividend and Valuation	
Determinants of Dividend Policy	
<b>Unit VI</b>	<b>8</b>
<b>hours</b>	
Marginal Costing for Decision Making	
Sales – Contribution Analysis	
Break even Analysis	
Margin of Safety and Key Factor	
Application in Make or Buy, Accept or Reject an order	
<b>Activity Based Costing</b>	<b>8</b>
<b>hours</b>	
Nature and Scope	
Implementation of ABC	
Impact of ABC	
<b>Budgetary Control</b>	<b>8</b>
<b>Hours</b>	
Nature and Scope	
Types of Budgets	
Preparation of Budgets	