

SYLLABUS OF MANAGEMENT ACCOUNTANCY EXAMINATION

PART I

(For Associate and Fellow Members only)

Group I

Paper 1: Management Accountancy
(One Paper: Three hours: 100 marks)

Higher treatment of the topics covered in Advanced Financial Management and International Finance paper of the final Examination Syllabus.

Capital: Problems of capitalisation : requirement, sources, period and application; Capital Reserves for specific and general contingencies. Return on capital Depreciation policies. Insurance for safety to guard against a loss of property or income, and to comply with statutory obligations. Problems of the change of purchasing power of money on business finance.

Forecasting : Forecasting and its relation to regulation of capital for short, medium and long term periods, Relationship between sales, production and other functional budgets. Cash Forecasts.

Control: Comparisons of current and short-period costs with standard costs and examination of deviations. Periodical or ad hoc statements to examine progress or compliance with laid down plans. Relating figures to responsibilities. Measurements of productivity and efficiency. Relating business policy to national policy indicating social obligations of the individual undertaking.

Reporting: Presentation of annual accounts; Company Law requirements meaningful display of financial data. Financial and Cost Accounting analysis and reporting for managerial control.

Paper 2: Advanced Management Techniques
(One Paper: Three hours: 100 marks)

What Management is. Objectives and Functions of Management. Process and Organisation of Management.

Production Planning and Control: Objectives, planning; routing, scheduling, despatching, Progress Control; Inspection and Quality Control. Economic Batch Quantity. Tools, Jigs, Fixtures and Tool-room; Maintenance; Materials Management and Inventory Control; Standardisation, Simplification and Specialisation ; Interchangeability; Shipping; Job Estimating (for quotations) ; Internal Transportation; Research; Development and Design; Operational Research; Value Analysis and Value Engineering; Organisation and Methods. Latest techniques of taking managerial decision. Product-Pricing. Intra-Company transfers. Inter-firm comparison. Cost Reduction.

Group II

Paper 3: Industrial Relations and Personnel Management
(One Paper: Three hours: 100 marks)

Public Relations: Industrial laws and rules. Government departments. Local authorities, Chambers of Commerce, Trade Associations, Technical and professional bodies. Trade Unions, Public Relations Department. Interpretation of labour policies and programmes to employees and to the outside public. Maintenance of good relations with public organisation like newspapers, radio, Government agencies and consumer organisations.

Industrial psychology: Principle and Methods of Industrial Psychology. Individual differences in regard to general intelligence and smartness, intellectual and manual attainments and special aptitudes. Improvements effected by improved working conditions, character, personality and temperament. Psychology and technique of interview. Guidance in and selection of vocations. Psychological aspects of industrial education and training, work incentives and work study. Industrial accidents and accident proneness. Environment-physical mechanical and organisation. Fatigue, monotony and boredom; decreasing fatigue and occupational hazards. Psychology of the working group. The moral of the workmen. Factors constituting the moral; pay; security; personal interest in work; status in the industry ; treatment as a human being; importance attached to employee opinion. Beneficial leadership of persons in authority.

Employment of Personnel: Sources of Labour supply (from within the organisation as well as from outside sources). Procedure for employment; interview; recommendations; personnel investigation; tests and physical examination. Job specifications, terms of employment wage scales.

Labour Relations: Transfer, promotion, demotion, discharge, layoff and quit of staff. Labour - Management conflict, its evil effects and remedies. Wage Boards, Joint Councils, etc. Employer-Employee co-operation in (i) Scrap reduction; (ii) quality maintenance of products. Labour Turnover. Collective bargaining. Management and Labour Union. Security of the Union the Worker and the Employer. Labour absenteeism. Effects of labour legislations. Case Law developing through Industrial Appellate Tribunal Awards. Emphasis on Standing Order and Development Procedure. Employee Training - Apprenticeship training; ordinary training for jobs; tests for accident-proneness; Foreman's Manual ; Training for clerical staff.

Employee Counselling: Offering advice to an employee about his personal problems and difficulties, even apart from those relating to his employment. Safety-Causes and costs of accidents. Occupational diseases. Accident frequency rate. Safety programmes.

Health and Recreation: Sanitary measures; hygienic (baths, lavatories etc.) and medical service (first aid, hospitalisation, surgical benefits and other free medical services); recreation clubs and other games and sports arrangements. Health Insurance schemes.

Employee Services: Government life insurance; Canteen or Cafeteria ; Company's or Employees' Co-operative Stores; Retirement and Pension plans; Holidays with pay: Provident Funds and Gratuities; Housing Loans; Co-operative Credit Societies; Employee publications; Creches for children of women employees; Suggestive Systems; etc.

Method Study: Definition and objectives. Analysis of operations. Operation process chart recording steps of work. Analysis of Flow Process Chart. Improvements in factory layout and organisation. Step in motion analysis. Motion economy, Layout of work-place. Man and machine Chart Analysis. Factory tools and equipments. Elimination of waste. Studies in fatigue. Working conditions. Human problems relating to workmen and management.

Time Study: Definitions and objective. Organisation and personnel Equipment. The technique of making a study. Skill, efforts and working conditions. Securing Standard times. Computing

standard allowances, preparations of idle-time fatigue and working conditions. Standard data and their uses.

Wage Principles: Underlying principles of wage payments. Job evaluation; Merit Rating, time & piece work payments. Bonus Schemes. Utility and principles governing incentive schemes. Individual and group incentive schemes. Miscellaneous financial and non-financial incentives to improve output and efficiency.

**Paper 4: Marketing Organisation and methods
(One Paper: Three hours: 100 marks)**

Marketing Functions: Sales; Sales promotion including publicity and advertisement; Market Research; Sales Planning; Forecasting. Market Analysis and Method of Distribution; Price Policy.

Sales Budget: Formulation of sales policy and marketing activities. Sales promotion including advertising. Wholesale and retail sales and sales direct to consumers, sales planning and channel of distribution. Determination of selling price. Types of retail stores: Single unit, Multiple shops, Departmental Stores, Consumers; Co-operatives, House-to-House selling and mail order business. Sale of raw materials through produce exchanges. Village fairs. Market research.

Sales Organisation: United control under the Sales Manager filtering through operational and functional managers. Breakdown into areas and branches. Sales programmes and campaigns. Travelling salesmen and representatives. After sales-services. Training of salesmen and servicemen, Selling remuneration. Salary, Commission brokerage, bonus and other contributions besides actual travelling and other more direct selling expenses, public contacts.

Control of Sales: Maintenance of records of customers, travellers and territorial results. Statistics, correspondence and instruction to despatch department and factory. Co-ordination with other divisions of the enterprise; Purchase, Store-keeping, Design, Production and transportation. Comparison of achievements against targets. Export Promotion-Government Incentives, Export-Import policy-trade agreements.

**Paper 5: Economic Planning and Development
(One Paper – Three hours – 100 marks)**

Definition of Economic Planning: Objectives, limitations and essentials of planning; Communistic vs. Democratic Planning; Imperative and indicative planning; planning in backward areas. Different aspects of economic development; Economic consideration; Financial aspects; Source of finance.

Economic Planning and Development in India: Mixed Economy, Five Year plans and Industrial developments. Specific areas of economic and industrial development: Small-scale and large-scale industries; Nationalisation Appraisal of achievements; Problems of population explosion and economic growth; Food problem and food policy; Agricultural development ; Tariff Policy; Foreign Exchange Control; Foreign Private Investments; Foreign Trade Policy.