



JAGATPUR P.G COLLEGE

**AFFILIATED MAHATMA GANDHI KASHI
VIDIYAPITH, VARANASI**



M.COM 1st SEMESTER

**NAME OF PAPER: ACCOUNTING FOR MANAGERIAL
DECISIONS**

TOPIC: ROLES OF MANAGEMENT ACCOUNTING

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Manoj Kumar Rai

ROLE OF MANAGEMENT ACCOUNTING

- 1. Increase in operation Efficiency*
- 2. Helpful in Proper Planning*
- 3. Measurement Of Performance*
- 4. Maximising Profitability*
- 5. Helpful in Consumer Welfare*
- 6. Helping in Optimum Combination and Motivation*
- 7. Helpful in Safeguarding against Seasonal
Fluctuations and Trade Cycles*

LIMITATIONS OF MANAGEMENT ACCOUNTING

- 1. Based on Financial and Cost Accounts*
- 2. Lack of Knowledge of the Related Subjects*
- 3. No Substitute of Administration*
- 4. Lack of Objectivity*
- 5. Wide Scope*
- 6. Heavy Investment*
- 7. Psychological Resistance*
- 8. Delay in Decision*

CONVENTIONS OF MANAGEMENT ACCOUNTING

- 1. Designing and Compiling*
- 2. Principles of Exceptions*
- 3. Control at Source Accounting*
- 4. Revaluation Accounting*
- 5. Use of Rate of Return on Capital Employed*
- 6. Utility*
- 7. Integration*
- 8. Personal Contact*

PRACTICE QUESTION

- *1. What are the Objectives of management Accounting.*
- 2. What are the Function of management Accounting.*

REFERENCE

- *Dr. Kamna Dhawan*
- *Publication: Navyug Publications
(Second Edition)*

THANKYOU