



B Com	Semester: IV	Credits: 4
Course: 4B	COST AND MANAGEMENT ACCOUNTING	Hrs/Wk: 5

Learning Outcomes:

At the end of the course, the student will able to:

- Understand various costing methods and management techniques.
- Apply Cost and Management accounting methods for both manufacturing and service industry.
- Prepare cost sheet, quotations, and tenders to organization for different works.
- Analyze cost-volume-profit techniques to determine optimal managerial decisions.
- Compare and contrast the financial statements of firms and interpret the results.
- Prepare analysis of various special decisions, using relevant management techniques.

UNIT I:

Introduction: Cost Accounting: Definition – Features – Objectives – Functions – Scope – Advantages and Limitations - Management Accounting: Features – Objectives – Functions – Elements of Cost - Preparation of Cost Sheet (including problems)

UNIT II:

Material and Labour Cost: Techniques of Inventory Control – Valuation of Material Issues: FIFO - LIFO - Simple and Weighted Average Methods. Labour: Direct and Indirect Labour Cost – Methods of Payment of Wages- Incentive Schemes -Time Rate Method, Piece Rate Method, Halsey, Rowan Methods and Taylor Methods only(including problems)

UNIT III:

Job Costing and Batch Costing: Definition and Features of Job Costing – Economic Batch Quantity (EBQ) – Preparation of Job Cost Sheet – Problems on Job Cost Sheet and Batch Costing(including problems)

UNIT IV:

Financial Statement Analysis and Interpretation:Financial Statements - Features, Limitations. Need, Meaning, Objectives, and Process of Financial Statement Analysis- Comparative Analysis – Common Size Analysis and Trend Analysis (including problems)

UNIT V:

Marginal Costing: Meaning and Features of Marginal Costing – Contribution –Profit Volume Ratio- Break Even Point – Margin of Safety – Estimation of Profit and Estimation of Sales(including problems).

REFERENCES BOOKS:

1. S.P. Jain and K.L. Narang – Advanced Cost Accounting, Kalyani Publishers.
2. M.N. Arora – A test book of Cost Accounting, Vikas Publishing House Pvt. Ltd.
3. S.P. Iyengar – Cost Accounting, Sultan Chand & Sons.
4. Nigam & Sharma – Cost Accounting Principles and Applications, S.Chand& Sons.
5. S.N. Maheswari– Principles of Management Accounting, Sultan Chand & Sons.
6. I.M.Pandey – Management Accounting, Vikas Publishing House Pvt. Ltd.
7. Sharma & Shashi Gupta – Management Accounting, Kalyani Publishers.
8. Murthy & Guruswamy – Management Accounting, Tata McGraw Hill, New Delhi.
9. S.P. Gupta – Management Accounting, S. Chand Publishing, New Delhi.
10. Umamaheswara Rao and Ranganath, Cost Accounting, Kalyani Publishers.
11. Dr V Murali Krishna – Cost Accounting, Seven Hills International Publishers.

Suggested Co-Curricular Activities:

- Debate on methods of payments of wages.
- Seminars and Problem Solving Exercises .
- Seminar on need and importance of financial statement analysis.
- Graphs showing the breakeven point analysis.
- Identification of elements of cost in services sector by Visiting any service firm
- Cost estimation for the making of a proposed product.
- Listing of industries located in your area and methods of costing adopted by them.
- Collection of financial statements of any two organization for two years and prepare a common Size Statements. Collection of cost sheet and pro-forma of quotation.