

PROGRAMME: THREE-YEAR B COM
(General and Computer Applications)

Domain Subject: Commerce
Semester-wise Syllabus under CBCS
(w.e.f. 2020-21 Admitted Batch)

II-Year B.Com (Gen & CA)– Semester – IV
Course 4B : COST AND MANAGEMENT ACCOUNTING

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.

SYLLABUS:

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 Methods

Labour: Direct and Indirect Labour Cost – Methods of Payment of Wages- Incentive Schemes -Time Rate
Method, Piece Rate Method, Halsey, Rowan 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)

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REFERENCES:

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
- ◆ 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
- ◆ Examinations (Scheduled and surprise tests)

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