

Cost and Works Accountancy – III
Cost Accounting-III

Semester: V	Subject Code: C 51715	Lectures: 60
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Objectives:

- To understand the need & importance of Cost Control.
- To acquaint students with the need and importance of marginal cost in managerial decision making.
- To get an insight into the different Types of Budgets.
- To introduce to Farm Costing.

Unit 1: Introduction to Cost Control and Management Information System in Costing (Theory)	06
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- Cost Control
 - Meaning and Definition of Cost Control
 - Methods of Cost Control
- MIS in Costing :
 - Meaning , objectives and Advantages
 - Procedure of MIS

Unit 2: Marginal costing and Cost Volume Profit Analysis	08
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- Meaning and Concepts: Fixed cost, Variable costs, Contribution, Profit-volume Ratio, Break-Even Point & Margin of Safety.
- Cost-Volume-Profit(or Break-Even chart) Analysis, Assumptions underlying Break-Even Chart, graph, Advantages and Limitations.
(Theory and Practical)

Unit 3: Application of Marginal Costing and Decision Making	10
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- Application of Marginal Costing Techniques-
 - Fixation of Selling Price
 - Make or Buy Decision
 - Maintaining a Desired level of profit
 - Selection of Suitable product mix
 - Key(limiting) factor
 - Effect of change in Selling price
 - Level of Activity Planning
 - Alternative Course of Action
 - Closing down or suspending activities
(Dealing with Risk & Uncertainty in Decision Making)

<ul style="list-style-type: none"> Differential Cost Analysis and Practical Application of Differential cost analysis. <p>(Theory and Practical Problems)</p>	
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Unit 4 : Budgetary control	14
<ul style="list-style-type: none"> Meaning, Definition and Concepts Objectives of Budgetary Control Procedure of Budgetary Control Essentials of Budgetary Control Types of budgets- Fixed and Flexible Functional Budgets-Sales, Production, Purchase, Cash Budget Advantages and Disadvantages of Budgetary Control Zero Base Budgeting <p>(Theory and Practical Problems)</p>	

Unit 5: Farm Costing	10
<ul style="list-style-type: none"> Meaning Features of Farm Costing Advantages & Limitations of Farm Costing <p>(Theory and Practical Problems)</p>	

Internal Assignments and Library Assignments

12 Hours

Recommended Text Books:

- Dr. Suhas Mahajan , Dr. Mahesh Kujarn –“*Cost & Works Accounting (Paper III)*” - Nirali Prakashan, Pune, 2015
- Prof. Subhash Jagtap, Prof. Dr. N.M. Nare, Prof. B.B. Pagar, “*Cost & Works Accounting*” (Paper III) K S Publication, 2006

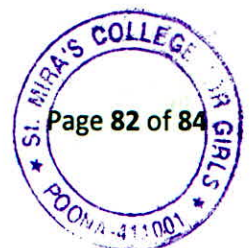
Reference Books:

- Jain SP & Narang K L. “*Cost Accounting -Principles & Practice*”, 18th Revised Ed, New Delhi, Kalyani Publishers, Ludhiana, 2005
- Murthy A,Gurusamy S “*Cost Accounting*” .2nd Edition,New Delhi, Tata McGraw-Hill Publishing Company Ltd., New Delhi, 2009
- Arora M.N. “*Cost Accounting – Principles & Practices*”, 11th Ed, New Delhi, Vikas Publishing House. 2010
- Lal Jawahar, “*Cost Accounting*”, 3rd Ed, New Delhi, (TMH) Tata McGraw-Hill, New Delhi, 2010

- Tulsian P. C. "*Cost Accounting*", New Delhi, Tata McGraw – Hill Publishing Company Ltd. 2007
- ACCA – Course book "*Performance Management*" BPP Learning Media
- M.C. Shukla, T.S. Grewal, "*Cost Accounting (Text and Problems)*", S.Chand & Co. Ltd.,New Delhi, 9th Edition, 2000
- T.R. Sikka, "*Fundamentals of Cost Accounting*", Viva Books, New Delhi, 7th Edition, 2012

Journal

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Cost and Works Accountancy – III
Cost Accounting-III

Semester: VI	Subject Code: C 61715	Lectures: 60
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Objectives:

- To understanding the need & importance of Standard Costing and Variance analysis.
- To acquaint students with the Cost Audit procedure and its statutory compliance.
- To introduce to Transfer Pricing.
- To study recent developments in Cost Accounting.

Unit 1: Standard Costing	04
<ul style="list-style-type: none"> • Definition and meaning of standard cost & standard Costing • Types of standards, Setting up of Standards • Difference between Standard Costing & Budgetary Control. • Advantages and Limitations of standard costing • Standard Costing and Total Quality Management & Just in Time (Theory only) 	

Unit 2: Variance Analysis	16
<ul style="list-style-type: none"> • Variance Analysis – Meaning and Types • Significance of Variance Analysis • Causes of Material, Labour and Overhead variances • Calculation of Material, Labour and Overhead variances (Theory and Practical Problems) 	

Unit 3 : Transfer Pricing	10
<ul style="list-style-type: none"> • Meaning and objectives of Inter Company Transfer Pricing • Methods of Transfer Pricing <ul style="list-style-type: none"> ○ Pricing based on Cost (Actual Cost, Cost Plus, Standard Cost, Marginal Cost) ○ Market price as transfer price ○ Negotiated pricing ○ Pricing based on Opportunity cost (Theory and Practical Problems) 	

Unit 4: Cost Accounting Record Rules and Cost Audit	06
<ul style="list-style-type: none"> • Cost Accounting Record rules(CARR) • Cost Audit - Meaning, Scope, objectives & advantages of Cost Audit • Cost auditor – Appointment, Rights and duties (Theory only) 	

Unit 5: Recent Developments in Cost Accounting	12
<ul style="list-style-type: none"> • Life Cycle Costing <ul style="list-style-type: none"> ○ Meaning and Stages of LCC ○ Benefits and Process of Life Cycle costing • Throughput Accounting <ul style="list-style-type: none"> ○ Steps to increase throughput ○ Reporting Under throughput accounting ○ Systematic changes required for acceptance of throughput Accounting <p>(Theory and Practical Problems)</p>	

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Recommended Text Books:

- ✓ 1. Dr. Suhas Mahajan , Dr. Mahesh Kujarni- *Cost & Works Accounting (Paper III) Nirali Prakashan, Pune, 2015*
2. Prof. Subhash Jagtap, Prof. Dr. N.M. Nare, Prof. B.B. Pagar, *Cost & Works Accounting (Paper III), K S Publication, 2006*

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- Arora M.N . "*Cost Accounting -Principles & Practice*" ,12th Ed, Vikas Publishing House, New Delhi, 2013
- Lal Jawahar, "*Cost Accounting*", 3rd Ed, New Delhi, (TMH) Tata McGraw-Hill,2010
- Tulsian P C. "*Cost Accounting*", New Delhi,Tata McGraw-Hill Publishing Company Ltd., New Delhi, 2007

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