

<b>Name of the Program:</b> Bachelor of Commerce (B.Com.) <b>Course Code:</b> B.Com. 4.2 <b>Name of the Course:</b> Costing Methods and Techniques		
<b>Course Credits</b>	<b>No. of Hours per Week</b>	<b>Total No. of Teaching Hours</b>
4 Credits	3+2 Hrs	56 Hrs
<b>Pedagogy:</b> Classroom lectures, Case studies, Group discussion & Seminar etc.,		
<b>Course Outcomes: On successful completion of the course, the Students will be able to</b> a) The method of costing applicable in different industries. b) Determination of cost by applying different methods of costing. c) Prepare flexible and cash budget with imaginary figures d) Analyse the processes involved in standard costing. e) Familiarize with the Activity Based Costing and its applications.		
<b>Syllabus:</b>		<b>Hours</b>
<b>Module No. 1: Job and Contract Costing</b>		<b>12</b>
<b>Job Costing:</b> Meaning, prerequisites, job costing procedure, Features, objectives, applications, advantages and disadvantages of Job costing, Job cost sheet- simple problems. <b>Contract Costing:</b> Meaning, features of contract costing, applications of contract costing, similarities and dissimilarities between job costing and contract costing, recording of contract costs, meaning of terms used in contract costing; treatment of profit on incomplete contracts- Problems.		
<b>Module No. 2: Process and Service Costing</b>		<b>12</b>
<b>Process costing:</b> Meaning, features and applications of Process Costing; comparison between Job Costing and Process Costing, advantages and disadvantages of process costing; treatment of process losses and gains in cost accounts; preparation of process accounts. <b>Service costing:</b> Introduction to service costing; Application of Service costing; Service costing v/s product costing; Cost units for different service sectors; Service cost statement; Determination of costs for different service sectors - Transport services, hospitals and educational institutions- problems on preparation of service cost statements for these service sectors.		
<b>Module No. 3: Activity Based Costing</b>		<b>10</b>
Introduction - Weakness of conventional costing system – concept of ABC – Characteristics of ABC - Kaplan and Cooper’s Approach – cost drivers and cost pools – allocation of overheads under ABC — Steps in the implementation of ABC – Benefits from adaptation of ABC system – difficulties faced by the industries in the successful implementation of ABC – Problems.		
<b>Module 4: Marginal Costing</b>		<b>12</b>
Meaning and Definition of marginal cost, marginal costing, features of marginal costing- terms used in marginal costing – P/V ratio, BEP, Margin of Safety, Angle of Incidence. Break Even Analysis assumptions and uses. Break Even Chart. (Theory). Problems on CVP analysis.		

<b>Module 5: Budgetary Control and Standard Costing</b>	<b>10</b>
<p><b>Budgetary Control</b> Introduction – Meaning &amp; Definition of Budget and Budgetary Control – Objectives of Budgetary Control – essential requirements of budgetary control – advantages and disadvantages of budgetary control – Types of budgets- Functional Budgets - Cash budget, sales budget, purchase budget and production budget. Fixed and Flexible budgets - Problems on Flexible budget and Cash budget only.</p> <p><b>Standard Costing</b> Introduction – Uses and limitations, variance analysis- Material variances, Labour variances and Overhead variances- problems on Material and Labour variances only.</p>	
<p><b>Skill Development Activities:</b></p> <ol style="list-style-type: none"> <li>1. Naming the appropriate method of costing with justification for each of the following Industries-Paper Mill, Printing, Sugar Mill, Rice Mill, Hospital, Oil Refinery, Pickle Manufacturing, KSRTC and Hotel.</li> <li>2. List out the modern costing tools in accounting field.</li> <li>3. Prepare flexible Budget and cash budget with imaginary figures</li> <li>4. Narrate the steps involved in standard costing. System.</li> <li>5. Prepare a report, which explains the conditions that are necessary for the successful implementation of a JIT manufacturing system.</li> <li>6. Explain ABC. Illustrate how ABC can be applied.</li> <li>7. Any other activities in addition to the above, which are relevant to the course.</li> </ol>	
<p><b>Text Books:</b></p> <ol style="list-style-type: none"> <li>1. John K Shank and Vijaya Govindarajan; Strategic Cost Management; FreePress Publication; New York</li> <li>2. S P Jain and K L Narang, Advanced Cost Accounting, Kalyani Publications,</li> <li>3. Robert S Kaplan and Anthony A Atkinson, Advanced Management Accounting, PHI, New Delhi.</li> <li>4. Shank and Govindrajan, Strategic Cost Management, Simon and Schuster, 36 New York.</li> <li>5. Lin Thomas, Cases and Readings in Strategic Cost Management, McGrawHill Publications, New York.</li> <li>6. Mariyappa B Methods and Techniques of Costing. HPH.</li> </ol> <p><b>Note: Latest edition of Text books may be used.</b></p>	