



**Course Title: Cost and Management Accounting**

**Course Code: ACCT205**

**Credit Units: 3**

**Course Level: UG**

L	T	P/S	SW/F W	TOTAL CREDIT UNITS
3	0	0	0	3

**Course Objectives:**

- The basic objective of the course is to equip the students with the understanding cost concepts & application of costing techniques.
- To prepare cost sheet and its in-depth understanding is the basic objective of the course.
- The course is designed so that the students are aware of decision making process pertinent to costs and its recovery.

**Pre-requisites:** Students of cost and management accounting should be aware of the basics of accounting.

**Student Learning Outcomes:**

- Students who complete this program will be able understand the use of management accounting for decision making
- By the end of the program students will able to prepare cost sheet and to understand the application in old or new products of the business Graduates of the program will able to differentiate between the various costing techniques and their pros & cons.
- Students who complete this program will be able to outline budgeting process and the estimation of variance at different levels

**Course Contents/Syllabus:**

	Weightage (%)
<b>Module 1:Introduction to Cost Accounting</b>	<b>20</b>
<b>Descriptors/Topics</b> Meaning, nature and scope of cost accounting. Differentiate cost accounting from management accounting and financial accounting. Cost concepts and numerical on preparation of cost sheet. Type of cost and role of cost in decision making.	

<b>Module 2: Methods of Costing &amp; Material Pricing</b>	<b>20</b>
<b>Descriptors/Topics</b> Introduction to various methods used in costing: job costing; batch costing, contract costing, single costing, process costing, services or operating costing. Methods of pricing materials. Actual cost method, First in First out method, Last in First out method, Weighted Average method (numerical), Highest in First out method, Replacement Cost method(no numerical)	
<b>Module 3: Overhead Allocation and Absorption</b>	<b>15</b>
<b>Descriptors/Topics</b> Introduction and classification of overheads. Accounting for factory overheads, accounting for the administration overheads. Definition and classification of Selling and Distribution overheads and numerical on the same. Introduction to Activity Based Costing.	
<b>Module 4: Marginal Costing and Cost Volume Profit Analysis</b>	<b>20</b>
<b>Descriptors/Topics</b> Marginal Costing – Fixed & variable cost, meaning & characteristics of marginal costing profit/volume ratio. Limiting or key factor, break-even analysis and calculation of sales for desired profit and numerical on the same.	
<b>Module 5: Budgetary Control</b>	<b>15</b>
<b>Descriptors/Topics</b> Concept of Budget. Budgeting and types of budget. Budgetary Control, objective of budgetary control, preparation of purchase budget, production budget, cash budget, fixed & flexible budgets and zero base budgeting.	
<b>Module 6: Variance Analysis</b>	<b>10</b>
<b>Descriptors/Topics</b> Concept of variance. Material Cost Variance, Material Price Variance and numerical on the same. Labor cost Variance, Labor Rate Variance and numerical on the same. Concept of overhead variance.	

**Pedagogy for Course Delivery:**

The course is covered by adopting a combination of lecture methods, class presentation by groups of students, self-study sessions. Group Assignment & Presentation to build their own analysis ability. Case studies will be taken up to illustrate real life situations. We will open the stage for two way communication and discussion.

**Assessment/ Examination Scheme:**

<b>Theory L/T (%)</b>	<b>LAB/Practical/Studioo</b>	<b>End Term Examination</b>
<b>100</b>	<b>N.A</b>	<b>70</b>

**Theory Assessment (L&T):**

<b>Continuous Assessment/Internal Assessment</b>				<b>End Term Examination</b>
<b>Components (Drop down)</b>	<b>CT</b>	<b>P</b>	<b>HA</b>	
<b>Weightage (%)</b>	10	10	5	70

**Text & References:****Text:**

- Jain S.P and K.L Narang .Cost Accounting,

**References:**

- Khan M Y and PK Jain. Management Accounting. Third Edition, Tata McGraw Hill
- Koplans Robert S and Anthony A Atkinson. Advanced Management Accounting. Third Edition, Prentice Hall.