



PROGRAM	Master of Business Administration
SEMESTER	2
COURSE TITLE	Costing for Managers
COURSE CODE	04MB0207
COURSE CREDITS	03
COURSE DURATION	42 Hrs (42 sessions of 60 minutes each)

COURSE OUTCOMES:

- ❖ Learn the utilization of techniques of costing while imparting managerial functions.
- ❖ To enhance the managerial decision making by utilizing various techniques of costing.
- ❖ Ability to decide whether to continue or discontinue of particular product or product line.
- ❖ Apply Standard costing techniques in managerial decision making.
- ❖ Assess the variance between actual and budgeted and make suitable adjustments in the future to have a control on operations of the firm.

COURSE CONTENTS:

Unit No	Unit / Subunit	Sessions
I	Introduction: Basic concepts; methods of costing, Techniques of costing, Cost ascertainment and cost estimation, Classifications of cost, Special costs for decision making, Cost centers, Cost Unit, Classification of cost	5
II	Marginal Costing: Cost Volume Profit Analysis; Break Even Analysis; Contribution Margin; P/V Ratio; Margin of Safety; BEP Graph – Limiting of Key Factor –A case study on BEP	8
III	Differential Cost Analysis: Determination of the most profitable levels of Production and price, introduction of new products or not; Changing product mix; Discontinuing a product to avoid the losses and increase profits-decision to drop product line; Acceptance Special orders or not, Make or Buy, Shutdown or Continue	10
IV	Standard Costing: Variance Analysis: Sales variance; Material variance; Labour variance and Overhead variances- Applications	9
V	Budgeting and budgetary control: Concept of budget, Concept of budgetary control, Objectives of budgetary control, Classification of budgets, Functional budgets, Cash budget, Master budget, Fixed and flexible budgets, budget reports, Zero base budgeting (ZBB), Performance budgeting.	10



EVALUATION:

The students will be evaluated on a continuous basis and broadly follow the scheme given below:

	Component	Weightage
A	Continuous Evaluation Component (Assignments / Quizzes / Class Participation etc.)	20% (C.E.C.)
B	Internal Assessment	30% (I.A.)
C	End-Semester Examination	50% (External Assessment)

SUGGESTED READINGS:

Text Books:

Sr. No	Author/s	Name of the Book	Publisher	Edition & Year
T-01	M. N. Arora	A Textbook on Cost and Management	Vikas Publication	Latest Edition
T-02	Ravi M kishore	Cost and Management Accounting	Taxmann	Latest

Reference Books:

Sr. No	Author/s	Name of the Book	Publisher	Edition & Year
R-01	Khan and Jain	Management Accounting	TMH	Latest
R-02	Charles T, Horngren, S M	Cost Accounting	Pearson	Latest
R-03	P C Tulsiyani	Cost Accounting	S Chand	Latest
R-04	V Rajshekhar & Lalitha	Cost Accounting	Pearson	Latest
R-05	Paresh Shah	Cost Accounting	Oxford	Latest