

ST. JOSEPH'S COLLEGE OF COMMERCE
(AUTONOMOUS)



LESSON PLAN

2018-2019 EVEN SEMESTER

B.Com - BPM

C3 15MC 604

COSTING FOR BUSINESS DECISION

TEACHING LESSON PLAN- B.Com (BPM)

6th Semester

SUBJECT: C3 15MC 604: COSTING FOR BUSINESS DECISION

LESSON PLAN PREPARATION HOURLY WISE

Lecture hours: 60

Objective: To emphasize on application of theoretical knowledge and help managers in decision making.

| Sl. No | UNIT & OBJECTIVES | No. of Lecture Hours | Methodology/ Instr uctional techniques | Evaluation/ learning confirmation |
|-----------------|---|----------------------|--|-----------------------------------|
| Module 1 | Budgetary Control Meaning - Budget - Budgetary control and Budgeting - Need- Objectives and Functions - Advantages and Limitations - Requirements of a good Budgeting system - Process involved in Preliminaries for operation of Budgetary Control - Classification - Preparation of cash and flexible budget only | 10 | | |
| 1. | Meaning - Budget - Budgetary control and Budgeting - Need- Objectives and Functions - Advantages and Limitations - Requirements of a good Budgeting system - Process involved in Preliminaries for operation of Budgetary Control - Classification | 3 | Lecture | Question and Answer |
| 2. | Preparation of cash and flexible budget only | 7 | Problems and solution | Surprise tests/assignment |
| Module 2 | Marginal Costing Meaning of Marginal Cost - Meaning of Marginal Costing - Distinction between Absorption Costing and Marginal Costing - Cost Volume Profit Analysis - Break even Analysis - Break even Chart - Profit Volume Ratio - Margin of Safety - Limiting Factor. | 10 | | |
| 1. | Meaning of Marginal Cost - Meaning of Marginal Costing - Distinction between Absorption Costing and Marginal Costing | 2 | Lecture | Question and Answer |
| 2. | Cost Volume Profit Analysis - Break even Analysis - Break even Chart - Profit Volume Ratio - Margin of Safety - Limiting Factor. | 8 | Problems and solutions | Test and Assignment |



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| Module 3 | Tactical Decision Making Short Term and Long Term Decision Making – Parameters in Decision Making – Quantitative and Qualitative Factors to be considered – Fixation of selling price – Make or Buy Decision – Utilizing spare capacity – Product Mix Decision- Adding or Dropping a Product Line – Plant Shut Down Decisions | 15 | | |
| 1 | Short Term and Long Term Decision Making – Parameters in Decision Making – Quantitative and Qualitative Factors to be considered – Fixation of selling price | 5 | Lecture/ Problems and Solution | Assignment/ Tests |
| 2 | Make or Buy Decision – Utilizing spare capacity – Product Mix Decision- Adding or Dropping a Product Line – Plant Shut Down Decisions | 10 | Lecture/ Problems and Solution | Assignment/ Tests |
| Module 4 | Standard Costing Meaning of Standard Costing- advantages of Standard Costing-Steps involved in Standard Costing- Analysis of Variances- Material Variance, Labor Variance(simple problems)- Overhead Variance (Concept only) | 10 | | |
| 1 | Meaning of Standard Costing- advantages of Standard Costing-Steps involved in Standard Costing | 2 | Lecture | Question and Answer/Quiz |
| 2 | Analysis of Variances- Material Variance, Labor Variance(simple problems)- Overhead Variance (Concept only) | 8 | Lecture/ Problems and Solutions | Assignment/ Tests |
| Module 5 | Relevant Theory Relevant Costing - Analysis of Relevant Costs with other concepts-simple problems | 7 | | |
| 1 | Relevant Costing - Analysis of Relevant Costs with other concepts-simple problems | 7 | Lecture/ Problems and Solution | Question and Answer/Quiz/ Assignment/ Tests |
| Module 6 | Neo Concepts in Decision Making Activity Based Costing – Cost object – Cost Driver – Steps in Activity based Costing – Uses and Criticisms of Activity Based Costing Life Cycle Costing – Product Life Cycle – Life cycle costs – Benefits of Life Cycle Costing Target Costing – Meaning – Process involved in Target Costing – Value engineering Review in Target Costing | 8 | | |

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| | Kaizen Costing - Meaning – Relevance Balance Score Card – Perspectives involved in Balance Score Card | | | |
| 1 | Activity Based Costing – Cost object – Cost Driver – Steps in Activity based Costing – Uses and Criticisms of Activity Based Costing | 2 | Lecture | Question and Answer/Quiz |
| 2 | Life Cycle Costing – Product Life Cycle – Life cycle costs – Benefits of Life Cycle Costing | 1 | Lecture | Question and Answer/Quiz |
| 3 | Target Costing – Meaning – Process involved in Target Costing – Value engineering Review in Target Costing | 2 | Lecture | Question and Answer/Quiz |
| 4 | Kaizen Costing - Meaning – Relevance | 1 | Lecture | Question and Answer/Quiz |
| 5 | Balance Score Card – Perspectives involved in Balance Score Card | 2 | Lecture | Question and Answer/Quiz |

Books for Reference:

- v TMTM Khan & Jain, *Management Accounting*, Mc. Graw Hill
- v TMTM I.M Pandey, *Management Accounting*, Vikas Publishers
- v TMTM Homgren, Sundem, Stratton, *Introduction to Management Accounting*, Pearson
- v TMTM Education
- v TMTM S.N. Maheshwari, *Management Accounting*, Sulthan Chand & Sons
- v TMTM M.N. Arora, *Management Accounting*, Himalaya Publishers. relating to computation of income of individual assessee only.