

ST. JOSEPH'S COLLEGE OF COMMERCE
(AUTONOMOUS)
TEACHING LESSON PLAN
2018-2019 5th SEMESTER
BACHELOR OF BUSINESS ADMINISTRATION
COSTING FOR BUSINESS DECISIONS
M1 15 MC 50

LECTURE HOURS: 60

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

Sl. No	Module	No. of Lecture Hours	Methodology/ Instructional techniques	Evaluation/ learning confirmation
MODULE 1	Budgetary control <i>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.</i>	10		
1.	Budgetary Control –Need, Objectives and functions, Advantages and Limitations	1	Video,Lecture and Discussion	-
2.	Requirements of a good Budgeting System, Process of Budgetary Control, Classification	1	Lecture and Illustrations	Question and Answer

3.	Introduction to Cash Budget	1	Lecture and Illustrations	Question and Answer
4.	Cash Budget-problem solving	3	Lecture and Illustrations	Question and Answer
5.	Flexible Budget-Problem solving	3	Lecture and Illustrations	Question and Answer
6.	Group Activity/Presentation/Tests	1	Lecture	
MODULE 2	Marginal Costing <i>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.</i>	10		
1.	Meaning of Marginal Cost and Marginal Costing	1	Lecture and Illustrations	Question and Answer
2.	Distinction between Absorption Costing and Marginal Costing	1	Lecture	Question and Answer
3.	Cost Volume Profit Analysis	1	Lecture and Illustrations	Question and Answer
7.	Break Evan Analysis, Break Even Chart	2	Lecture and Illustrations	Question and Answer

5.	Profit Volume Ratio	1	Problems	Question and Answer
6.	Margin of Safety	1	Lecture and Illustrations	Question and Answer
7.	Limiting Factor	1	Lecture and Illustrations	Question and Answer
8.	Group Activity/ Presentations/Test	2	Group Activity/ Presentations	-
MODUL E 3	Tactical Decision Making <i>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</i>	15		
1.	Short and Long Term Decision Making, Parameters in Decision Making	1	Lecture	Question and Answer
2.	Quantitative and Qualitative Factors to be considered in Decision Making	1	Lecture and Problems	Question and Answer
3.	Fixation of Selling price	2	Lecture and Problems	Question and Answer
4.	Make or Buy Decision	1	Lecture and Problems/ CASE STUDY	Question and Answer

5.	Utilizing Spare Capacity	1	Lecture and Problems	Question and Answer
6.	Product Mix Decisions	3	Lecture and Problems	Question and Answer
7.	Adding or Dropping a Product Line	3	Lecture and Problems	Question and Answer
8.	Plant Shut Down Decisions	1	Lecture and Problems	Question and Answer
9.	Group Activity/ Presentations/Test	2	Group Activity/ Presentations	-
Module 4	Standard Costing <i>Meaning of Standard Costing – Advantages of Standard Costing</i> <i>– Steps involved in Standard Costing – Analysis of Variances</i> <i>– Material Variances – Labour Variances (Simple problems)–</i> <i>Overhead Variances</i>	10		
1	Meaning of Standard Costing – Advantages of Standard Costing	1	Lecture	Question and Answer
2	– Steps involved in Standard Costing – Analysis of Variances	1	Lecture	Question and Answer
3	Material Variances	3	Lecture and Problems	Question and Answer

4	Labour Variances	3	Lecture and Problems	Question and Answer
5	Overhead Variances (Concept only)	1	Lecture and Problems	Question and Answer
6	Group Activity/ Presentations/Test	1	Group Activity/ Presentations	
MODUL E 5	RELEVANT COSTING: <i>Relevant Costing - Analysis of Relevant Costs with other concepts - simple problems.</i>	7		
1.	Meaning and Concept of Relevant Costing	2	Lecture	Question and Answer
2.	Analysis of Relevant Costs with other Costs	4	Lecture and Problems	Question and Answer
3.	Group Activity/ Presentations/Test	1	Group Activity/ Presentations/ Test	
MODUL E 6	NEO CONCEPTS IN DECISION MAKING: <i>Activity Based Costing - Cost object - Cost Driver - Steps in</i> <i>Activity based Costing - Uses and Criticisms of Activity Based Costing- Emerging costing standards - Average revenue per user, cost per footfall, cost per cubic feet/sq meter, gross tonne per km, and industry wise applicability - Life Cycle Costing - Product</i>	8		

	<i>Life Cycle - Life cycle costs – Benefits of Life cycle Costing, Target Costing – Meaning – Process involved in Target Costing – Value engineering Review in Target Costing Kaizen Costing - Meaning – Relevance, Balance Score Card – Perspectives involved in Balance Score Card</i>			
1.	Activity Based Costing, Cost object, Cost driver	1	Lecture and Illustrations	Question and Answer
2.	Steps in Activity Based Costing, uses and criticisms	1	Lecture and Problems	Question and Answer
3	- Emerging costing standards – Average revenue per user, cost per footfall, cost per cubic feet/sq meter, gross tonne per km, and industry wise applicability	1	Lecture	
4	Life Cycle Costing, Product Life Cycle, Life Cycle Costs, Benefits of Life Cycle Costing	1	Lecture and Problems/CASE STUDY	Question and Answer
5.	Target Costing, Meaning, Process, Value Engineering Review	1	Lecture and Problems/CASE STUDY	Question and Answer
6.	Kaizen Costing, Meaning Relevance	1	Lecture and Problems/CASE STUDY	Question and Answer
7	Balance Score Card, Perspectives Involved	1	Lecture and Problems/CASE STUDY	Question and Answer
8.	Group Activity/ Presentations/Test	1	Group Activity/ Presentations/ Test	

Books for Reference

- ❖ Khan & Jain, Management Accounting, Mc. Graw Hill.
- ❖ M.N. Arora, Management Accounting, Himalaya Publishers
- ❖ I.M Pandey, Management Accounting, Vikas Publishers
- ❖ Homgren, Sundem, Stratton, Introduction to Management Accounting, Pearson Education
- ❖ S.N. Maheshwari, Management Accounting, Sulthan Chand & Sons.