

**ST. JOSEPH'S COLLEGE OF COMMERCE
(AUTONOMOUS)**



LESSON PLAN

2017-2018 EVEN SEMESTER

B.Com - BPM

C3 15MC 604

COSTING FOR BUSINESS DECISION

TEACHING LESSON PLAN- B.Com (BPM)

5th 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	10		
	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			
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	10		
	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.			
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

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/Qui z
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/Qui z/ 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 Kaizen Costing - Meaning – Relevance Balance Score Card – Perspectives involved in Balance Score Card	8		

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, Sunden, 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.