

B.Com	Semester – V (Skill Enhancement Course- Elective)	Credits:4
Course:19A	Cost Control Techniques	Hrs/Wk:5

Learning Outcomes

Upon completion of the course the student will be able to

1. Differentiate cost control, cost reduction concepts and identify effective techniques.
2. Allocate over heads on the basis of Activity Based Costing.
3. Evaluate techniques of cost audit and rules for cost record.
4. Appraise the application of marginal costing techniques
To evaluate performances, fix selling price, make or buy decisions.

Syllabus:(Total75hrs (Teaching60, Training10, Others05includingIEetc.)

Unit1: Introduction-Nature and Scope Introduction: Meaning of Cost Control– Cost Control Techniques– Requisites of effective Cost Control System–Cost Reduction –meaning–essentials for an effective cost Reduction Program –Scopeofcostreduction-DifferencebetweenCostControlandCostReduction–Meaningofcostaudit – Types of Cost Audit– Auditing techniques.

Unit2: Activity Based Costing

Concept of ABC – Characteristics of ABC– Categories of ABC – Allocation of Overheads under ABC – Cost Reduction under ABC – advantages of implementing ABC –Application on overhead allocation on the basis of ABC-

Unit3: Cost Volume Profit Analysis (CVP Analysis)

Applications of Marginal Costing – profit planning – Evaluation of Performance-fixing selling price – Key Factor –Make or Buy decision – Accept or Reject - closing down or suspending activities–

Unit4: Standard Costing and Variance Analysis

Concept of Standard Cost and Standard Costing – Advantages and limitations – analysis of variances-importance of Variance Analysis - computation and application of variances relating to material and labour.

Unit5: Application of Modern Techniques

Kaizen Costing – Introduction – objectives – scope –Principles – 5 S (Sort, Set in Order, Shine, Standardize, and Sustain) in Kaizen Costing– Advantages and Disadvantages of Kaizen Costing. Learning Curve Analysis-concept and Application.

References

1. Cost and Management Accounting by S P Jain and K L Narang.
2. Cost Accounting by M.C. Shukla, T. S. Grewal & Dr M. P. Gupta, S. Chand and Company Private Limited, New Delhi
3. Cost Accounting: Principles & Practice Book by M. N. Arora,
4. Advanced Cost Accounting: S N Maheswari, S. Chandand Company Private Limited, New Delhi

Web Sources: Web sources suggested by the concerned teacher and college librarian

Including reading material.