

MBA-I
SEMESTER - II
Cost and Management Accounting (CMA)

1. Objectives:

The course intends to equip students with the ability to apply cost concepts in managerial decision making. At the end of the course, they are expected to have learnt the methodology and techniques for application of cost and managerial accounting and information in the formation of policies and in the planning and control of the operations of the organization. The course covers the nature of managerial accounting; activity costing; marginal costing; standard costing, etc.

2. Course Duration

The course will have 40 sessions of 75 minutes duration.

3. Course Contents

Assignment of sessions to the modules of course is as follows:

Module No.	Modules/ Sub modules	Sessions	Marks (20% of 70)
I	Cost Management and Cost Estimation Cost and Management Accounting Overview Reading: Chapter 1 (PS), Chapter 1 (CT) Various Cost Concepts. Reading: Chapter 2 and 6 (PS), Chapter 2 (CT) Cost Estimation approaches, tools and techniques Reading: Chapter 5, (PS), Chapter 10 (CT) Cases: Apollo Community Hospital (PS) and Rajesh Xerox and Print (PS)	8	14
II	Cost allocation and Job/ batch Costing Cost Allocation, Activity Based and Target Costing Reading: Chapter 5 and 19 (PS), Chapter 15 (CT) Cases: Avon Company (PS) and National Bank (PS) Job and Batch Costing Reading: Chapter 7, (PS), Chapter 4 (CT) Introduction to the concept of operating costs	8	14
III	Costing Methods Operating Costing. Reading: Chapter 8 (PS) Chapter 4 (CT) Cases: Tasty Bread Manufacturing (PS) Dental Practice (PS) Process Costing and Joint and By product Costing. Reading: Chapter 10 (PS), Chapter 16 and 17 (CT) Cases: Lalwani Company (PS), Lilavati Company (PS)	8	14
IV	Management Applications Marginal (Variable) Costing and Absorption Costing Reading: Chapter 16 (PS), Chapter 9(CT). Case: Krishna Optics (PS) Marginal Costing and CVP Analysis. Reading: Chapter 16 (PS), Chapter 3 (CT). Case: Chain of Hotels (PS) Decision Involving Alternative Choices and Pricing Decisions Reading: Chapter 17, 18 (PS); Chapter 11, 12 (CT) Cases: Ajanta House (PS), Sawasthi – Make-or-Buy (PS); Jagdamba Caterers (PS)	8	14

V Planning, Control and Decision Making

8

14

Budgeting and Budgetary Control System

Reading: Chapter 12 (PS), Chapter 6,7 and 8 (CT).

Case: Angel Company (PS)

Standard Costing and Variance Analysis

Reading: Chapter 13 (PS), Chapter 7, 8, 14 (CT). Case: Priety Company (PS)

Contemporary Issues like Kaizen Costing, Target Costing, Life Cycle Costing, and Cost Audit and Cost Accounting Standards

Reading: Chapter 15, 19, and 21 (PS)

4. Teaching Pedagogy:

The course will use the following pedagogical tools:

- (a) Case discussion covering a cross section of decision situations.
- (b) Discussions on issues and techniques
- (c) Projects/ Assignments/ Quizzes/ Class participation etc

5. Evaluation:

The Participants will be evaluated on a continuous basis comprising of the following elements:

1	Projects/Assignments/Quizzes	Weightage 10% (Internal Assessment)
2	Mid-Semester Examination	Weightage 20% (Internal Assessment)
3	End-Semester Examination	Weightage 20% (External Assessment)

6. Text Books:

Sr. No.	Author/s	Name of the Book	Publisher	Edition and Year of Publication
T1	Paresh Shah	Management Accounting	Oxford University Press	PS
T2	Charles T. Hongren, S. M. Datar, and others	Cost Accounting	(Pearson) (13 th Edition) (CT)	6th Edition or later edition
T3	S. K. Bhattacharya and John Dearden Sounderpandian	Costing for Management	Vikas	Latest Edition

7. Reference Books:

Sr. No.	Author/s	Name of the Book	Publisher	Edition and Year of Publication
R1	Hilton, Maher, and Selto	Cost Management: Strategies for Business Decisions	TMH	Latest Edition
R2	Khan and Jain	Management Accounting”,	TMH	Latest Edition
R3	Ravi Kishore	Cost and Management Accounting	Taxmann	4 th or Later edition

R4	Hansen & Mowen	Cost and Management Accounting and Control	Thomson Publishers.	Latest Edition
R5	Pandikumar	Management Accounting	Excel Books	Latest Edition
R6	Robert Hilton, G Ramesh, M. Jayadev	Managerial Accountancy	Tata Mcgraw hill	Latest Edition
R7	Managerial Accountancy,	Bamber, Braun, Harrison	Pearson Education	Latest Edition
R8	M. N. Arora	Cost and Management Accounting; Theory and Problem	Excel Books	Latest Edition
R9	M. A. Sahaf	Management Accounting	Vikas	Latest Edition
R10	J. Madegowda	Management Accounting	Himalya	Latest Edition

8. List of Journals/Periodicals/ Magazines/ Newspapers: Indian Journal of Accounting; Cost and Accounts Journal

9. Session Plan:

Cost and Management Accounting (CMA)

Sessions	Topics
1 -2	Cost and Management Accounting Overview
3-5	Cost Concepts
6- 8	Cost Estimation Cases: Apollo Community Hospital (PS), Rajesh Xerox and Print (PS)
9-12	Cost Allocation, Activity Based and Target Costing Cases: Avon Company (PS), National Bank (PS)
13- 15	Job and Batch Costing
16-18	Operating Costing Cases: Tasty Bread Manufacturing (PS), Dental Practice (PS)
19- 22	Process Costing and Joint & By Product Costing Cases: Lalwani Company (PS) , Lilavati Company (PS)
23-24	Marginal (Variable) Costing and Absorption Costing Case: Krishna Optics (PS)
25-28	Marginal Costing and CVP Analysis Case: Chain of Hotels (PS)
29-31	Decision Involving Alternative Choices and Pricing Decisions Cases: Ajanta House (PS), Sawasthi – Make-or-Buy (PS); Jagdamba Caterers (PS)
32-34	Budgeting and Budgetary Control System Case: Angel Company (PS)
35-38	Standard Costing and Variance Analysis Case: Priety Company (PS)
39-40	Contemporary Issues like Kaizen Costing, Target Costing, Life Cycle Costing, and Cost Audit and Cost Accounting Standards

The Instructor/s (Faculty Member/s) will be required to guide the students regarding suggested readings from the Text(s) and references in items 6 and 7 mentioned above.