

MANGALORE UNIVERSITY
Department Master of Commerce (HRD)
M.Com (HRD)

CRH453: ADVANCED COST ACCOUNTING

Workload: 3 hours Lecture and 2 hours Tutorial per week: Total 4 Credits

Objective: To provide the students with an in-depth knowledge of advanced approaches of Cost Accounting in order to enable them to apply costing methods and techniques so as to assist management in taking appropriate decisions

Course Out Comes:

1. Provides an understanding of the basic principles of advanced cost accounting and equips the students with the skills of application of cost accountings.

Unit -1: Inventory System: Turnover of Material: ABC Analysis; VED Analysis; JIT, Aims and Objectives of JIT, Methodology in Implementation of JIT, Impact of JIT on Production Price. JIT's Effect on Costing System. Material Requirement Planning (MRP-I), Aims, Methodology, Methods of Operations, Requirement for Implementation of MRP-I, MRP-I and Inventory Management. Zero Inventory system.

Unit -2: Process Costing: Comparison of Process Costing and Job Costing, Inter Process Profits, Work in Progress and Equivalent Production.

Unit -3: Marginal Costing and Break Even Analysis: – Calculation and Interpretation of a Break-Even Point and Margin of Safety-Marginal Costing and CVP Analysis – Preparation of Various Breaks Even Charts.

Unit -4: Standard Costing and variance analysis: – Concept of Standard Costs – Uses of Standard Product Costs- Fixation of Standard Costs – Material – Labour – Overhead, Profit and Sales Variances Leading to Decision Making and Reporting.

Unit -5: Managerial Decisions and Cost Accounting: Pricing, Accepting Special Offer, Profit Planning. Make or Buy Decision, Determining Key-Factor, Determining Sales- Mix, Determining Optimum Activity Level, Performance Evaluation, Alternatives Methods of Production, Cost Reduction & Cost Control.

References:-

- 1) B.S. Khanna, I.M. Pandey, G.K. Ahuja and M.N. Arora – Practical Costing, S.Chand and Company, Ltd., New Delhi.
- 2) Baneerjee, Cost Accounting-Theory & Practice, Prentice Hall of India, N. Delhi.
- 3) Dr. S.N. Maheswari – Advanced Cost Accounting, Sultan Chand and Sons, New Delhi.
- 4) Horngreen C.T.: Cost Accounting, Management Emphasis, Prentice Hall of India Pvt. Ltd, New Delhi.
- 5) Lal Jawahar.: Cost Accounting, Tata McGraw Hill, New Delhi.
- 6) N.K. Prasad: Principles and Practice of Cost Accounting, Book Syndicate Pvt. Ltd. Calcutta
- 7) Prof. Subhas Jagtap : Practice in Advanced. Costing and Management, Accounting Niraii Prakashan, Pune
- 8) R.S.N. Pillai and V. Bagavathi – Cost Accounting, S. Chand and Company Ltd. New Delhi.
- 9) Ravi M. Kishore : Advanced Cost Accounting and Cost Systems Taxmann, New Delhi.
- 10) Ravi M. Kishore : Student's Guide to Cost Accounting Taxmann, New Delhi
- 11) Reeve, James. M.: Readings and Issues in Cost Management, South western College Publishing, USA.
- 12) S.P. Iyengar, Cost Accounting – Sultan Chand & Sons New Delhi.
- 13) S.P. Jain & R.L. Narang – Advanced Cost Accounting, Kalyani Pubhshar, Ludhiana.

