

SYLLABUS

Panjab University, Chandigarh

Cost Management

Paper Code: BCM – 404
B.Com.–II, Semester–IV

Time Allowed: 3 Hours

Maximum Marks: 100
[Theory: 80 Marks
Internal Assessment: 20 Marks]

Objective: The objective of the paper is to acquaint the students with the various methods of cost determination and tools and techniques of cost control.

INSTRUCTIONS FOR THE PAPER SETTERS

Note: The question paper covering the entire course shall be divided into three sections:

Section A: This section will have 6 short answer questions from the entire syllabus. Students are required to attempt 4 questions from this section. Each question will carry 5 marks; the total weightage being 20 marks. **(20 Marks)**

Section B: This section will consist of essay type/numerical questions from Unit-I of the syllabus. The candidate will be required to attempt two questions out of four questions. Each question will carry 15 marks; the total weightage being 30 marks. **(30 Marks)**

Section C: This section will consist of essay type/numerical questions from Unit-II of the syllabus. The candidate will be required to attempt two questions out of four questions. Each question will carry 15 marks; the total weightage being 30 marks. **(30 Marks)**

Important Note: In all numerical papers the paper setter is required to set numerical question as follows:

Section A: Four numerical questions out of six questions.

Section B and C: Two numerical questions out of three questions.

UNIT-I

Cost Management: Need, Significance and Different Areas of Cost Management and Application.

Methods of Cost Determination: Job Costing, Batch Costing, Contract Costing, Uniform Costing and Inter Firm Costing, Process Costing (including joint and by-products).

Contemporary Concepts: Activity Based Costing, Target Costing, Life Cycle Costing, Value Chain Analysis.

UNIT-II

Techniques for Cost Control: Marginal Costing, Cost, Volume; Profit Analysis and Decision Making; Differential Costing and Absorption Costing.

Budgeting and Budgetary Control: Concepts, Objectives, Limitations, Types of Budgets, Zero Base Budgeting.

Standard Costing, Analysis of Variance.