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| **Program: B.Com(Management and Finance)** | | | | | **Semester : I** | | |
| **Course : Managerial Decision Making** | | | | | **Code :** | | |
| **Suggested Lectures per week** | | | | | **02** | | |
| **Teaching Scheme** | | | | | **Evaluation Scheme** | | |
| **Lecture** | **Practical** | **Tutorial** | **Credits** | | **Theory** | | |
| **Internal**  **20 Marks** | | **External**  **30 Marks** |
| **30** | **Nil** | **Nil** | **02** | |
|  | | | | | | | |
| **Internal Component** | | | | | | | |
| **Class Test (Duration 20 Mins)** | | | | **Projects / Assignments/Presentation** | | **Class Participation** | |
| **10 Marks** | | | | **10 Marks** | | **---** | |
|  | | | | | | | |
| **Learning Objectives:**  **1:** To Illustrate statement Of Budget for Every Types of Budgetary Control System Approach  variances.  **2:** To Differentiate Between Variances for Material Labour & Overhead.  **3:** To explain the meaning of Marginal costing, CVP analysis, Break even point, Margin of safety, Angle of Incidence. | | | | | | | |
| **Course Outcomes:**  After completion of the course, learners would be able to:  **CO1:** Prepare different types of budgets and analyse and compute variances related to material, labour and overheads.  **CO2:** Apply the concepts of marginal costing and CVP analysis in making short term managerial decisions,  **CO3:** Apply Concepts of Resource allocation in case of Limiting Resource. | | | | | | | |
| **Pedagogy : Classroom learning , Presentation, Theory Notes, Practical Sums, Assignments, Case Study** | | | | | | | |
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| **MODULES AT GLANCE** | | |
| **MODULE** | **Topics** | **No. of Lectures** |
| **Module 1** | Budgetary Control | 10 |
| **Module 2** | Standard Costing | 10 |
| **Module 3** | Marginal Costing and CVP Analysis | 10 |
| **Module 4** | **TOTAL** | 30 |
| **DETAILED SYLLABUS** | | |
| **Module 1** | **Budgetary Control**   1. Meaning of Budget, Essentials of Budget, Budget Manual, Budget setting process, Preparation of Budget and monitoring procedures. 2. The use of budget in planning and control 3. Flexible budget, Preparation of Functional budget for operating and non- operating functions, Cash budget, Master budget, 4. Introduction to Principal/ Key budget factor, 5. e) Zero Based Budgeting (ZBB), Performance budget, Control ratios and Budget variances. | 10 |
| **Module 2** | **Standard Costing**   1. Setting up of Standards, Types of Standards, Standard Costing as method of performance measurement. 2. Calculation and Reconciliation of Cost Variances-   -Material Cost Variance, employee Cost Variance, Variable Overheads Variance and Fixed Overhead | 10 |
| **Module 3** | **Marginal Costing and CVP Analysis**   1. Basic concepts of marginal costing, Contribution margin, Break-even analysis, Break –even and profit volume charts, Contribution to sales ratio, Margin of Safety, Angle of Incidence, Cost-Volume-Profit Analysis (CVP), Multi- product break- even analysis, Consideration of Limiting factor (key factor), 2. Determination of Cost of a product/ service under marginal costing method, determination of cost of finished goods, work-in-progress, 3. Comparison of Marginal costing with absorption costing method- Reconciliation of profit under the both methods, 4. Short term decision making using the above concepts (basic / fundamental level). | 10 |

### Essential Reading:

1. Padhuka’s Cost Accounting and Financial Management- A Practical Guide by CA B Saravana Prasath.
2. Study Material for Cost and Management Accounting by ICAI

Supplementary Reading:

* 1. Cost Accounting by P C Tulsian- the Mc Graw Hill Companies

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| **Evaluation Scheme** | |  |
| **Internal Continuous Assessment (ICA)**  **(weightage)** | **Term End Examinations (TEE)**  **(weightage)** |  |
| **20** | **30** | **50** |

1. **Details of ICA-**

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| --- | --- | --- |
| **Continuous Assessment** | **Details** | **Marks** |
| **Component 1 (ICA-1)** | Internal Class test | 10 |
| **Component 2 (ICA-2)** | Projects /Assignments/Presentations/Seminar | 10 |

1. In ICA 1- 2 test of 10 marks, Average of the 2 tests

**B. Details of Semester End Examination** Duration of examination- **One** hour

Total Marks: 30

Paper Pattern:

Total Three questions will be asked

Q. 1 is compulsory.

Solve any one from remaining TWO questions.

Each Question carries 15 Marks each.

Note: If required 15 marks questions can be sub-divided as per the length/ level of difficulty of the question.

Prepared by Approved by Faculty/HOD, Principal