

Category I

BACHELOR OF MANAGEMENT STUDIES

[UG Programme for Bachelor in Management Studies (Honours) degree in three years]

DISCIPLINE SPECIFIC CORE COURSE -4 (DSC-4)– : COST AND MANAGEMENT ACCOUNTING

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Cost & Management Accounting (DSC-4)	4	3	1	0	Class XII Pass	Nil

Learning Objectives

The Learning Objectives of this course are as follows:

- The rapidly changing business environment requires managers to make informed decisions.
- This paper will equip the students with cost and management accounting concepts, techniques and practices which will help them in planning and controlling business operations and management decision making.

Learning Outcomes

The Learning Outcomes of this course are as follows:

- Understand and distinguish various types of costs in manufacturing and service organizations.
- Determine the costs of products and services.
- Identify relevant costs for decision making and undertake different analysis of various types of decisions.
- Prepare budgets and analyse variances from standard cost to identify areas in need of control.

SYLLABUS OF DSC-4

Unit 1: Nature, Scope of Management Accounting

(9 Hours)

Meaning, nature and scope of Cost Accounting and Management Accounting; Comparison between Cost Accounting & Management Accounting; Cost Control, Cost Reduction & Cost Management, Components of Total Cost & Preparation of Cost Sheet. Cost Ascertainment: Cost Unit and Cost Center. Overheads: Meaning, Cost Drivers, Accumulation, Allocation, Apportionment and Absorption.

Classification of Costs: Fixed, Variable, Mixed Cost; Product, and Period Costs; Direct and Indirect Costs; Relevant and Irrelevant Costs; Shut-down and Sunk Costs; Controllable, and Uncontrollable Costs; Avoidable, and Unavoidable Costs; Imputed / Hypothetical/Implicit Costs and Out-of-pocket Costs; Opportunity Costs; Expired, and Unexpired Costs.

Unit 2: Cost-Volume-Profit Analysis

(15 Hours)

Absorption Costing and Marginal costing, Contribution. Profit Volume Ratio, Break-even Analysis: Break-even Point, Composite Break-even Point, Cash Break-even Point, Margin of safety. Angle of Incidence.

Relevant Costs and Decision Making such as: Key Factor, Pricing, Product Profitability, Dropping a product line, Make or Buy, Export Order, Shut down vs. Continue operations.

Unit 3: Budgets and Budgetary Control

(9 Hours)

Meaning, Steps in Budgetary Control, Types of Budgets: Sales budget, Production Budget, Raw material consumption Budget, Raw Material Purchase Budget, Overhead Budgets, Cash Budget, and Master Budget. Fixed and Flexible Budgets, Zero based budgeting.

Unit 4: Standard Costing and Variance Analysis

(9 Hours)

Meaning of Standard Cost and Standard Costing, Advantages, Limitations and Applications; Material Cost Variance, Price and Usage Variance and Mix and yield Variance; Labor Cost Variance, Rate and Usage Variance, Idle time, Mix and Yield variance.

Unit 5: Contemporary Issues in Cost Accounting and Management Accounting (3 Week)

Introduction to the concept of Target Costing, Life Cycle Costing, Quality Costing, and Activity based Costing.

Practical component (if any) - NIL

Essential/Recommended Readings: Latest editions of the following to be used:

1. Horngren's Cost Accounting: A Managerial Emphasis. Pearson.
2. Arora, M.N. (2016) A Textbook of Cost and Management Accounting. Vikas Publishing House Pvt. Ltd.
3. Maheshwari, S.N. and Mittal, S.N. (2016) Cost Accounting: Theory and Problems. Shree Mahavir Book Depot.

Suggested Readings: Latest editions of the following to be used:

1. Arora, M.N. & Katyal Priyanka, Management Accounting: Theory, Problems & Solutions, Himalaya Publishing House
2. Lal, Jawahar. Advanced Management Accounting: Text, Problems & Cases, Sultan Chand & Company Ltd.

Note: Examination scheme and mode shall be as prescribed by the Examination Branch, University of Delhi, from time to time.

DISCIPLINE CORE COURSE – 5 (DSC-5): MICROECONOMICS

Credit distribution, Eligibility and Prerequisites of the Course

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Microeconomics (DSC 5)	4	3	1	0	CLASS XII PASS	NIL

Learning Objectives

The Learning Objectives of this course are as follows:

- To learn application of micro economic concepts and techniques in evaluating business decisions taken by firms.
- To explain how tools of standard price theory can be employed to formulate a decision problem, evaluate alternative courses of action and finally choose among alternatives.

Learning outcomes

The Learning Outcomes of this course are as follows:

- Apply the knowledge of the mechanics of supply and demand to explain working of markets.
- Understand the choices made by a rational consumer.
- Explain relationships between production and costs.
- Define key characteristics and consequences of different forms of markets.

SYLLABUS OF DSC- 5

Unit 1: Demand, Supply and Market Equilibrium (9 Hours)

Individual demand, market demand, individual supply, market supply, market equilibrium; Elasticities of demand and supply; Price elasticity of demand, income elasticity of demand, cross price elasticity of demand, elasticity of supply.

Unit 2: Theory of Consumer Behaviour (12 Hours)

Cardinal utility theory; ordinal utility theory (indifference curves, budget line, consumer choice, price effect, substitution effect, income effect for normal, inferior and giffen goods).

Unit 3: Producer and Optimal Production Choice (12 Hours)

Optimizing behaviour in short run (product curves, law of diminishing margin productivity, stages of production); optimizing behaviour in long run (isoquants, isocost line, optimal combination of resources); traditional theory of cost (short run and long run); modern theory of cost.

Unit 4: Market Structures**(12 Hours)**

Perfect competition: basic features, short run equilibrium of firm/industry, long run equilibrium of firm/industry, monopoly: basic features, short run equilibrium, long run equilibrium, comparison with perfect competition, welfare cost of monopoly; price discrimination; monopolistic competition: basic features, demand and cost, short run equilibrium, long run equilibrium, excess capacity; oligopoly kinked demand curve model, dominant price leadership model.

Practical component (if any) - NIL

Essential/recommended readings

1. Dominick Salvatore (2009). Principles of Microeconomics (5th Edition). Oxford University Press
2. Pindyck, Rubinfeld and Mehta (2009). Micro Economics (7th Edition) Pearson.

Suggested Readings

1. Lipsey and Chrystal (2008). Economics. (11th Edition). Oxford University Press

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DISCIPLINE SPECIFIC CORE COURSE– 6 (DSC-6): PRINCIPLES OF MARKETING

Credit distribution, Eligibility and Pre-requisites of the Course

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Principles of Marketing (DSC 6)	4	3	1	0	CLASS XII PASS	NIL

Learning Objectives

The Learning Objectives of this course are as follows:

- This course aims to familiarize students with the marketing function in organizations.
- It will equip the students with understanding of the Marketing Mix elements and sensitise them to certain emerging issues in Marketing.

Learning outcomes

The Learning Outcomes of this course are as follows:

- Understand the concept of marketing and related concepts.

- An in-depth understanding to various elements marketing mix for effective functioning of an organization.
- Learn some of the tools and techniques of marketing with focus on Indian experiences, approaches and cases.

SYLLABUS OF DSC-6

Unit 1: Introduction

(12 Hours)

Nature, Scope and Importance of Marketing, Evolution of Marketing; Core marketing concepts; Company orientation – Production concept, Product concept, Selling concept, Marketing concept, Holistic marketing concept. Marketing Environment: Demographic, Economic, Political, Legal, Socio cultural, Technological environment (Indian context); Portfolio approach – Boston Consulting Group (BCG) matrix.

Unit 2: Segmentation, Targeting and Positioning

(12 Hours)

Concept; Levels of Market Segmentation, Basis for Segmenting Consumer Markets; Product decisions: Concept of Product Life Cycle (PLC), PLC marketing strategies, Product Classification, Product Line Decision, Product Mix Decision, Branding Decisions, Packaging & Labelling.

Unit 3: Pricing, Promotion and Marketing Channel Decisions

(15 Hours)

Pricing Decisions: Determinants of Price, Pricing Methods (Non-mathematical treatment), Adapting Price. Promotion Decisions: Factors determining promotion mix, Promotional Tools – Fundamentals of advertisement, Sales Promotion, Public Relations & Publicity and Personal Selling. Marketing Channel Decision: Channel functions, Channel Levels, Types of Intermediaries: Wholesalers and Retailers.

Unit 4: Marketing of Services

(6 Hours)

Unique characteristics of services, marketing strategies for service firms – 7Ps.

Practical component (if any) - NIL

Essential/recommended readings

1. Kotler, P., Armstrong, G., Agnihotri, P. Y., & UlHaq, E.: Principles of Marketing: A South Asian Perspective, Pearson.
2. Kotler, P. & Keller, K. L.: Marketing Management, Pearson. (15th Edition)

Suggested readings

1. Ramaswamy, V. S. & Namakumari, S.: Marketing Management: Global Perspective-Indian Context, Macmillan Publishers India Limited.

Note: Examination scheme and mode shall be as prescribed by the Examination Branch, University of Delhi, from time to time.