

EDITION

11th

Cost Accounting

S.P. Iyengar



Sultan Chand & Sons

Cost Accounting

Cost Accounting

(For B.Com., BBA, MBA & other Professional Courses)

S.P. IYENGAR

*Formerly Principal
S.S.M.R.V. College
Bengaluru*



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Author's Acknowledgement: The writing of a Textbook always involves creation of a huge debt towards innumerable authors and publications. We owe our gratitude to all of them. We acknowledge our indebtedness in extensive references after the annexures in the book. If, for any reason, any acknowledgement has been left out we may be excused. We assure to carry out correction in the subsequent edition, as and when it is known.

Preface

P

Preface to the Eleventh Edition

We have great pleasure in presenting the Eleventh Revised Edition of the book entitled, “Cost Accounting” to our esteemed readers.

Salient Features of the Revised Edition

The following new additions are worth noting in the present edition:

- Chapter (B-3-Materials Costing) – Goods and Services Tax (GST) on Purchase of materials with solved illustration.
- Chapter (B-7 Labour Cost Accounting) – Diagrammatical representation of “System of Wage Payment”.
- Chapter (C-1 Job Costing) – Comparison between Job Costing and Batch Costing.
- Chapter (C-6 Operating Cost) – (1) Costing of Information Technology and Information Technology Enabled Services (IT & ITES); (2) Costing of Insurance Company (with solved illustrations).
- Chapter (H-1 Budgetary Control) – Activity-Based Budgeting with solved illustration
- Chapter (H-4 Cost Control, Cost Reduction and Cost Management) (1) Target Costing (2) Value Analysis (3) Value Engineering (4) Value Chain Analysis (5) Business Process Reengineering (BPR).
- Appendix (A) – A new chapter on “Emerging Trends in Cost Accounting” has been added.
- Solved Question Papers of University of Madras (Year 2014 to 2018); Unsolved Question Papers of Madras University (2020-21), Osmania University (2019), Bangalore University (2019, 2022) and Saraswathi Narayana College, (April 2022) (Affiliated to Madurai Kamaraj University).

We acknowledge with gratitude the help received from scholars, friends and well-wishers at the various stages of preparation of this edition.

We sincerely hope that this revised edition would serve the needs of students and teachers much better. We welcome constructive suggestions from users of this book for its further improvement.

Editorial Board
Sultan Chand & Sons

To the Tenth Edition

Although the previous edition of this book was rewritten, the author has felt it necessary to make substantial changes in some of the major chapters of the book with a view to making it more useful to the users. The chapters that are again rewritten are:

- Marginal Costing,
- Cost-volume-profit Analysis,

- Managerial decision-making, and
- Standard Costing.

Besides these chapters which are wholly revised by presenting the contents more informatively and also more elaborately, minor changes have been made in the first chapter also on the basis of the nature of questions set at different University Examinations.

Apart from replacing all the theoretical questions and practical problems with the latest ones set at different Universities and professional bodies in India, the author has also increased their number. The book is made to contain nearly 875 theory questions and 791 unsolved problems with their answers. The number of solved illustrations is about 493.

It is earnestly hoped that this revised edition would serve the needs of students and teachers much better. While welcoming constructive suggestions from the users of this book for its further improvement, the author places on record his sincere thanks to M/s Sultan Chand & Sons, the publishers of this book for bringing out this, the tenth edition barely within two years of its reprint in 2002.

Bangalore

S.P. IYENGAR

Extracts from the Preface to the First Edition

This book, entitled “Cost Accounting”, lays particular emphasis on managerial uses of cost information. Although written mainly from the point of view of students taking up the university examinations to qualify themselves for a degree in Commerce, the book will be highly useful to those interested in the various professional examinations, too. The practising business manager will find the book to be a very useful guide in his attempt at making efficient and economical use of the relatively scarce resources.

The textual matter starts with the presentation of the basic concepts the understanding of which is so essential for a good background of the discipline. It then proceeds logically to a detailed discussion of the components for cost build-up, and later branches off to the managerial functions of planning, decision-making and control with a view to enlightening management on the usefulness of cost information in their day-to-day functioning amidst uncertainty and risk.

A sincere attempt has been made to present the textual matter in a non-technical, simple and lucid style within the comprehending capacity of a beginner.

From the point of view of students in particular, the book is examination-oriented in that it contains a large number of illustrations with notes appended thereto, to assist them to face the concerned examinations with confidence. Besides, exercises of the nature of theory questions and problems relating to the various university and other examining bodies have been given and these exercises are from the latest question papers. In the context of the latest trend of thought regarding the nature of questions set at the various examinations, considerable attention has been given to the objective-type questions, and an attempt in this direction has resulted in the framing and inclusion of 800 of such questions in Appendix 1 of the book. These questions have been arranged chapter-wise.

In preparing this book, I have utilized my 28 years' teaching experience, but yet I feel in all humility that there is no limit to knowledge which is like a vast ocean. Constructive suggestions are most welcome.

Jayanagar, Bangalore
1980

S.P. IYENGAR

Syllabus

S

Tamil Nadu State Council for Higher Education, Chennai-600005

B.Com., General

Third Year – Semester V; Core-IC: Cost Accounting-I

Unit-I: Introduction of Cost Accounting – Definition – Nature and Scope – Principles of Cost Accounting – Cost Accounting and Financial Accounting – Cost Accounting *vs.* Management Accounting – Installation of Costing System – Classification of Costs – Cost Centre – Profit Centre.

Unit-II: Cost Sheet and Methods of Costing – Preparation of Cost Sheet – Tenders & Quotations – Reconciliation of Cost and Financial Accounts – Unit Costing-Job Costing.

Unit-III: Material Costing – Material Control Meaning and Objectives – Purchase of Materials – EOQ – Stores Records – Reorder Levels – ABC Analysis – Issue of Materials – Methods of Issue – FIFO – LIFO – Base Stock Method – Specific Price Method – Simple and Weighted Average Method.

Unit-IV: Labour Costing – Direct Labour and Indirect Labour – Time-Keeping – Methods and Calculation of Wages Payments – Time Wages – Piece Wages – Incentives – Different Methods of Incentive Payments – Idle Time – Overtime – Labour Turnover – Meaning, Causes and Measurement.

Unit-V: Overheads Costing – Overheads – Definition – Classification – Allocation and Apportionment of Overheads – Basis of Apportionment – Primary and Secondary Distribution – Absorption of Overheads – Methods of Absorption – Preparation of Overheads Distribution Statement – Machine Hour Rate – Computation of Machine Hour Rate.

Third Year – Semester-VI; Core-XIII: Cost Accounting-II

Unit-I: Cost Accounting Standards – An Introduction to CAS – Purpose of CAS – Advantages of CAS – Difference between CAS and FAR Regulations – Different Degrees of CAS Coverage – Cost Accounting Standards – Responsibility Accounting and Divisional Performance Measurement.

Unit-II: Contract Costing – Definition – Features of Contract Costing – Calculation of Profit on Contracts – Cost Plus Contract – Contract Costing and Job Costing – A Comparison – Preparation of Contract Account.

Unit-III: Process Costing – Process Costing – Meaning – Features of Process Costing – Application of Process Costing – Fundamental Principles of Process Costing – Treatment of Loss and Gain : Normal and Abnormal Loss – Abnormal Gain – Joint Products, By-Products – Concept of Equivalent Production – Process Accounts – Process Losses and Gains.

Unit-IV: Operation Costing – Operation Costing – Meaning – Preparation of Operating Cost Sheet – Transport Costing – Power Supply Costing – Hospital Costing – Simple Problems.

Unit-V: Standard Costing – Definition – Objectives – Advantages – Standard Cost and Estimated Cost – Installation of Standard Costing – Variance Analysis – Material, Labour, Overhead, and Sales Variances – Calculation of Variance.

University of Madras

B.Com., (General) Degree Course
Year III; Semester-VI

Unit-I: Contract Costing (C-2) – Definition – Features of Contract Costing (C-2.1) – Cost plus Contract (C-2.2) – Contract Costing *vs.* Job Costing – Preparation of Contract Account.

Unit-II: Process Costing (C-3) – Features of Process Costing (C-3.3) – Process Loss – Normal and Abnormal Loss – Abnormal Gain – Joint Products (C-4.1; 4.12) – By Products – Concept of Equivalent Production – Process accounts – Process Losses and Gain (C-3.7; 3.19).

Unit-III: Operation Costing (C-7) – Operating Costing (C-6) – Meaning – Preparation of Operating Cost Sheet (C-6.7) – Transport Costing (C-6.5) – Power Supply Costing (C-6.20) – Hospital Costing – Simple Problems (C-6.24).

Unit-IV: Marginal Costing (G-1) – Meaning – Features – Absorption Costing (G-1.4) – Marginal Costing *vs.* Absorption Costing (G-1.11) – Contribution – PV Ratio (G-2.10) – Break-Even Point – Key Factor – Margin of Safety – Preparation of Marginal Cost Statement (G-2.10).

Unit-V: Standard Costing (H-3) – Definition – Objectives (H-3.8) – Advantages (H-3.77) – Standard Cost (H-3.2) and Estimated Cost (H-3.3) – Installation of Standard Costing – Variance Analysis (H-3.21) – Material (H-3.21) – Labour (H-3.32) Overhead (H-3.40), and Sales Variances (H-3.59) – Calculation of Variances (H-3.59).

Madurai Kamaraj University, Tamil Nadu

II Year, 2019-2020, III Semester
Syllabus for New Course for B.Com.

Unit-I: Introduction (A-1) – Definition of Cost (A-1.6) – Costing, Cost Accounting and Cost Accountancy (A-1.6; A-1.7) – Scope and Objectives – Advantages and Limitations – Cost (A-1.20) Accounting *vs.* Financial Accounting (A-1.23) and Cost Accounting *vs.* Management Accounting – Classification of Cost – Elements of Cost – Preparation of Cost Sheet (A-1.32; A-1.33).

Unit-II: Material (B-2) – Material Control – Purchase Procedure (B-1.10) – Different Levels of Stock of Materials (B-2.12) – FOG – Perpetual Inventory System (B-2.37) – ABC Analysis (B-2.32) – Inventory (B-2.41) Turnover Ratio – Bin Card – Stores Ledger (B-2.9) – Pricing of Material Issues (FIFO (B-3.13), LIFO (B-3.18), and Average (B-3.25) Methods – Labour (B-6) Labour Turnover – Methods of Remunerating Labour – Incentive Schemes (B-7.2).

Unit-III: Overheads (B-9) – Meaning – Classification – Primary and Secondary Distribution of Overheads (B-9.15, 9.16) – Absorption of Overheads (Simple Problem) (B-9.29).

Unit-IV: Methods of Costing (C-4) – Operating Costing (C-6.1) – Process (C-3.1) Costing (C-3.8) – Normal Loss (C-3.7) – Abnormal Loss and Abnormal Effectives – Process Accounts (Excluding Inter – Process Profit and Equivalent Production) – Simple Problems. Joint Product and By-Product (Theory only) (C-4.12).

Unit-V: Cost Centre (A-1.9) – Definition – Classification (A-1.9); Profit Centre (H-2.5): Meaning – Purpose – Profit centre *vs.* Cost Centre (H-2.5); Cost Unit (A-1.7): Meaning – Examples; Cost Control (H-4.1): Meaning – Elements – Cost Control Techniques (H-4.2); Cost Reduction (H-4.2): Meaning – Features – Fields Covered – Merits – Tools & Techniques – Cost Control *vs.* Cost Reduction (H-4.3); Cost Audit (E-2.1; E-2.2): Definition – Objectives – Advantages – Cost Audit (E-2.5) *vs.* Financial Audit (E-2.4).

Osmania University, Hyderabad

B.Com., Programme (CBCS) Syllabus (w.e.f. 2018-2019)

Paper (BC 503); Cost Accounting

Third Year (Semester V)

Unit-I: Introduction (A-1) – Cost Accounting (A-1.4): Definition – Features – Objectives – Scope – Advantages and Limitations (A-1.20) – Essentials of a Good Cost Accounting System – Difference between Cost Accounting (A-1.222; 1.23) and Financial Accounting – Cost Concepts – Cost Classification (A-1.6, 1.9).

Unit-II: Material (B-2) – Direct and Indirect Material Cost – Inventory Control Techniques – Stock Levels – EOQ – ABC (B-2.10; 2.12) (B-2.32) Analysis – JIT – VED – FSND – Issue of Materials to Production – Pricing Methods: FIFO (B-3.13) – (-3.18) LIFO with Base Stock and Simple and Weighted Average Methods (B-3.25; 3.26).

Unit-III: Labour and Overheads (B-6) – Labour: Direct and Indirect Cost (B-6.1) – Methods of Payment of Wages (only Incentive Plans): (B-7.7; 7.17; 7.18) Halsey, Rowan, Taylor Piece Rate and Merrick Multiple Piece Rate Methods (B-7.13). Overheads (B-9.3): Classification – Methods of Allocation – Apportionment (B-9.12) and Absorption of Overheads (B-9.30).

Unit-IV: Unit and Job Costing (C-5) – Unit Costing (C-5.1): Features – Cost Sheet – Tender and Estimated Cost Sheet. Job Costing (C-1.3): Features – Objectives – Procedure – Preparation of Job Cost Sheet (C-1.4).

Unit-V: Contract and Process Costing (C-2) – Contract Costing: Features – Advantages – Procedure of Contract Costing (C-2.2) – Guidelines to Assess Profit on Incomplete Contracts (C-2.5; 2.6).

Process Costing (C-3): Process Costing: Meaning – Features – Preparation of Process Account – Normal and Abnormal Losses (C-3.8).

Bangalore University

According to National Education Policy (NEP) – 2020

Bachelor of Commerce (B.Com.)

B.Com. 4.2, Semester IV, Cost Accounting

Module 1: Introduction to Cost Accounting – Introduction, Meaning and Definitions of Cost, Costing and Cost Accounting. Need and Objectives of Cost Accounting. Distinctions between Financial Accounting and Cost Accounting. Advantages and Limitations of Cost Accounting. Classification of Cost – Material Cost, Labour Cost and Overheads. Important terminologies, Cost Unit, Cost Center, Direct Cost, Indirect Cost, Prime Cost, Production Cost, Administration Cost, Selling and Distribution Cost, Fixed Cost, Variable Cost, Semi-variable Cost, Period Cost, Product Cost, Explicit Cost, Implicit Cost, Historical Cost, Current Cost, Future or Predetermined Cost, Opportunity Cost. Installation of Cost Accounting System – Features of good cost accounting system, Precautions for installing effective cost accounting system, Challenges in installing effective cost accounting system. Cost Sheet – Meaning, Objectives and Contents of Cost Sheet – Problems on preparation of Cost Sheet, Tenders & Quotations.

Module 2: Material Costing – Introduction, Meaning of Material Cost, Types of Materials – Direct Materials, Indirect Materials. Material Cost Control – Meaning, Objectives and Benefits. Scope of Material Cost Control – Procurement, Storage and Management of Issues. Make or Buy Decision, Purchase Process, Vendor Selection, Economic Order Quantity. Problems on EOQ. Documents – Bill of Materials, Material, Requisition Note, Purchase Requisition, Purchase Order, Goods Received Note, Bin Cards, Stores, Ledger, Material Return Note, Material Outward Return Note. Methods of Stores or Inventory Control – ABC Method, VED Method and FSN Method. Determination of Stock Levels – Re-order Level, Minimum Level, Maximum Level, Average Level and Danger Level, Problems on Stock Levels. Duties and Responsibilities of Stores Manager. Pricing of Material Issues – Specific Price Method, First-In-First-Out Method (FIFO), Last-In-Last-Out Method (LIFO), Highest-In-First-Out Method (HIFO), Simple Average Method, Weighted Average Method, Base Stock Method, Replacement Cost Method, Realizable

Price Method, Standard Price Method, Inflated Price Method. Problems under First-In-First-Out Method (*FIFO*), Last-In-Last-Out Method (*LIFO*), Simple Average Method and Weighted Average Method.

Module 3: Labour Costing – Introduction, Meaning of Labour Cost, Types of Labour – Direct Labour, Indirect Labour – Labour Cost Control – Meaning, Objectives and Benefits. Scope of Labour Cost Control Departments involved, Time Analysis or Work Study, Time Keeping and Time Booking, Payroll Procedure, Idle Time, Over Time, Labour Turnover, Wage and Incentive Systems – Simple Time Rate System, Straight Piece Rate System, Taylor’s Differential Piece Rate System, Merrick’s Differential Piece Rate System, Halsey System and Rowan System. Job Evaluation and Merit Rating, Labour Productivity. Problems on calculation of Labour Cost, Overtime Wages and Wage and Incentive Systems.

Module 4: Overhead Costing – Introduction, Meaning of Overhead, Classification of Overhead Factory Overhead, Administrative Overhead, Selling Overhead, Distribution Overhead, Research and Development Overhead. Accounting and Control of Overheads. Cost Allocation and Cost Apportionment. Methods of Cost Re-apportionment – Direct Method, Step-ladder Method, Repeated Distribution Method, Simultaneous Equation Method. Problems on Apportionment of production overheads and problems on Re-apportionment of production overheads under Direct Method and Simultaneous Method.

Module 5: Reconciliation of Financial and Cost Accounts – Introduction – Meaning of Reconciliation, Reasons for Differences in Profits under Financial and Cost Accounts; Procedure for Reconciliation – Ascertainment of Profits as per Financial Accounts and Cost Accounts and Reconciliation of Profits of both sets of Accounts – Preparation of Reconciliation Statement, Memorandum Reconciliation Account – Problems.

Bangalore University

(New Syllabus 2020-2021)

B.Com., Degree (Regular) (CBCS Semester Scheme)

5.2 Cost Management; (Semster-V)

Unit-1: Cost Control and Cost Reduction (H-4) – Meaning of Cost Control and Cost Reduction (H-4.2) – Area Covered by Cost Control and Cost Reduction (H-4.3) – Product Design (H-4.5), Target Costing – Value Analysis – Value Engineering – Value Chain Analysis, Business (H-4.8) Process Reengineering (H-4.8) (Theory only) Pareto Chart (B-2.34).

Unit-2: Marginal Costing (G-1) – Costing – Cost Classification under Absorption Costing – Meaning and Definition of Marginal Costing – Absorption Costing vs. Marginal Costing (G-1.11) – Need for Marginal Costing (G-1.8) – Arguments against and in favor of Marginal Costing – Marginal Cost Equation (G-2.5) – Uses and Limitations of Marginal Costing (G-1.21; G-1.22) – Break-even Analysis (G-2.6) – Problems on Break-even Analyses (G-2.23).

Unit-3: Standard Costing (H-3) – Historical Costing – Introduction – Meaning & Definition of Standard Cost and Standard Costing (H-3.2) – Advantages & Disadvantages of Standard Costing – Preliminaries in Establishing System of Standard Costing – Variance Analysis – Material Variance (H-3.21) – Labour Variance (H-3.32) and Overheads Variance (H-3.40) – Problems on Material Variance and Labour Variance (H-3.23; H-3.34).

Unit-4: Budgetary Control (H-1) – Introduction – Meaning & Definition of Budget (H-1.4) and Budgetary Control (H-1.6) – Essential Requirements of Budgetary Control – Advantages and Disadvantages of Budgetary Control – Meaning, Types of Functional Budgets – Flexible Budgets (H-1.38) – Cash Budgets (H-1.30) – Sales Budget (H-1.19) and Production Budget (H-1.21; H-1.22) – Problems on Flexible Budgets and Cash Budget (H-1.53).

Unit-5: Activity Based Costing (B-9) – Introduction (B-9.64) – Weakness of Conventional System (B-9.65) – Concept of ABC – Kaplan and Cooper’s Approach – Cost Drivers and Cost Pools – Allocation of Overheads under ABC – Characteristics of ABC – Steps in the Implementation of ABC – Benefits from Adaptation of ABC System (B-9.68) – Difficulties faced by the Industries in the Implementation of ABC – Problems on ABC (B-2.35).

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Madras University, Cost Accounting, April 2021	QP-56
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Bangalore University, March/April 2022	QP-68
Saraswathi Narayana College, (Affiliated to Madurai Kamaraj University), April 2022	QP-71

Snapshot of the Book

SS

	Solved Illustration	Objective Type Questions	Theoretical Questions	Practical Questions
Section A – Principles and Concepts				
A-1. Cost Concepts, Procedures, Methods and Techniques	10	140	92	–
Section B – Elements of Cost				
B-1. Materials – Purchase Control	–	41	19	–
B-2. Materials – Storage and Issue Control	28	92	68	37
B-3. Materials – Costing Receipts and Issues	28	55	14	47
B-4. Materials – Material Losses	–	35	15	3
B-5. Materials – Tools, Patterns, Designs, Blue-Prints and Packing Materials	–	–	4	–
B-6. Labour – Labour Cost Control	5	140	58	5
B-7. Labour – Labour Cost Accounting	55	119	31	60
B-8. Chargeable Expenses	–	–	5	–
B-9. Overheads – Manufacturing	49	174	69	76
B-10. Overheads – Administration, Selling and Distribution	4	113	11	3
Section C – Methods of Costing				
C-1. Job Costing	9	46	14	8
C-2. Contract Costing	23	66	29	44
C-3. Process Costing	35	80	28	81
C-4. Joint Product and By-Product Costing	18	71	13	18
C-5. Unit Costing	22	34	11	43
C-6. Operating Costing	22	55	10	39
C-7. Operation Costing	3	24	9	4
Section D – Cost Book Keeping				
D-1. Cost Book Keeping and Reconciliation of Cost and Financial Accounts	19	97	25	41
D-2. Integral Accounting	5	24	17	10
Section E – Miscellaneous				
E-1. Uniform Costing	–	57	14	–
E-2. Cost Audit	–	75	16	–
E-3. Mechanisation of Cost Accounting	–	77	10	–
Section F – Management Accounting				
F-1. Nature and Scope of Management Accounting	–	121	48	–
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Section H – Information for Planning and Control				
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H-2. Responsibility Accounting	3	39	15	–
H-3. Standard Costing	42	170	44	72
H-4. Cost Control and Cost Reduction	–	57	9	–
H-5. Management Reporting	–	43	15	–
Appendix – Emerging Trends in Cost Accounting University Question Papers				
Total	496	2,503	874	791

Fundamentals of Cost Accounting

Dr. S.N. Maheshwari

About the Book

The book is best suited for Integrated Professional Competence Examination of Institute of Chartered Accountants of India and other similar courses. The present book deals with Section A of the syllabus for the paper, “Cost Accounting and Financial Management” by the institute. It covers comprehensively the course content requirements of the students appearing in B.Com., B.B.A. (as per NEP) of all Indian Universities and other Professional Courses.

Salient Features

- The book has been written in simple, straight and lucid style
- The book contains problems from different professional examinations conducted by different professional bodies
- The text matter has been accompanied with adequate illustrative material which makes the subject matter interesting and easily understandable.
- The book contains up-to-date previous examination Question Papers with Solutions.

Contents

Section A

- Cost Accounting : Meaning & Scope
- Basic Cost Concepts
- Material Cost Control
- Valuation of Materials
- Material Losses
- Labour Cost Control
- Labour Remuneration
- Direct Expenses
- Overheads: General
- Overheads: Distribution
- Single, Unit or Output Costing
- Job & Batch Costing
- Contract Costing
- Process Costing
- Operation Costing
- Operating or Service – Costing
- Non-Integral System of Accounting
- Integral System of Accounting
- Reconciliation of Cost and Financial Account

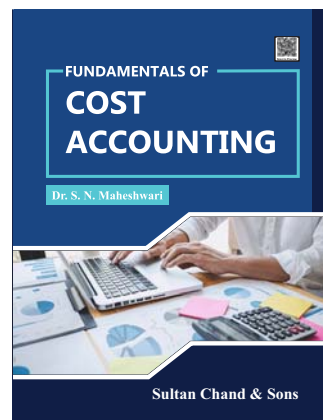
Section B

- Cost Control and Cost Reduction
- Uniform Costing & Inter-Firm Comparison
- Cost Records and Cost Audit
- Activity Based Costing

Section C

- Budgetary Control & Performance Measurement
- Standard Costing
- Variance Analysis
- Marginal Costing and Profit Planning
- Decisions Involving Alternative Choices

Emerging Trends in Cost Accounting
University Question Papers (2017-2022)



Principles of Management Accounting

Dr. S.N. Maheshwari

Dr Suneel K. Maheshwari • CA Sharad K. Maheshwari

About the Book

The book provides a comprehensive coverage of the course-content requirements of the students appearing the paper 'Management Accounting' at the B.Com., M.Com., BBA and MBA Examinations of different Indian Universities. The book has been divided into THREE Convenient Sections. Each Section covers a different aspect of 'Management Accounting' with the subject divided into chapters covering different topics in a systematic and concise manner.

The unique features of this book lie in its simplicity of style and systematic presentation of theory and graded practical illustrations which have made it user friendly mainly the students. The other main strengths of this book are: exhaustive text, plentiful illustrative examples and end-of-the-chapter exercises with answers.

Salient Features

- Updated position regarding, IFRSs and steps for their convergence in India.
- Certain new concepts viz., Target Costing, Kaizen Costing and Balanced Scorecard have been incorporated in Chapter 3 (Section A) and Appendix 1 of the book.
- Schedule III regarding presentation of financial statements as per the Companies Act, 2013 has been incorporated as an Appendix 5 to the book.

Contents

Section A: Fundamentals

- Management Accounting: Nature and Scope
- Financial Accounting Principles
- Basic Cost Concepts
- Activity Based Costing

Section B: Financial Analysis

- Financial Statements: Analysis and Interpretation
- Ratio Analysis
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Section C: Planning & Control

- Budgetary Control
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- Marginal Costing and Profit Planning

- Decisions Involving Alternative Choices
- Pricing Decisions & Divisional Performance
- Basics of Capital Budgeting
- Risk Analysis in Capital Budgeting
- Management Reporting

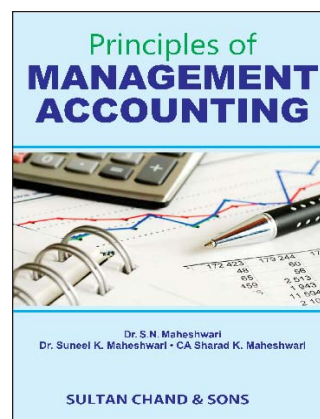
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- Appendix 2: Present Value of ₹ 1
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