

## B. Com III (Cost Accounting)

### \* Importance of Cost Accounting :-

- ① Helps during trade depression and trade competition.
- ② Facilitates the producer in price fixation apart from the demand, supply and other activities.
- ③ Cost Accounting records provide a reliable groundwork for estimates and tenders.
- ④ Assists in channeling the production on the right lines by bifurcating the profitable and non-profitable activities in the business.
- ⑤ Proper maintenance of cost records also help in eliminating wastage at every stage of production.
- ⑥ Costing enables easy comparison for different periods and various volumes of production.
- ⑦ Cost accounting helps in reducing costs in the long run as alternatives are easily available.