

SEMESTER V
B.Com (Gen/Comp/IT/Hons/Prof)
COST ACCOUNTING-I
DSC
w.e.f 2019 -20 AY

SCHEME OF INSTRUCTION

Hours per Week	: 5
Credits	: 5
Instruction Mode	: Lecture
Course Code	: BC.07.101.12T

SCHEME OF EXAMINATION

Maximum Marks	: 100
Internal Assessment	: 40
External Examination	: 60
External Exam Duration	: 3 Hrs

Course Objective: This course aims to make students understand

1. To understand the need and importance of Cost Accounting
2. To learn the cost concept
3. To get an insight into the elements of cost

Course Outcomes: On Successful completion of the Course, Students will be able to:

CO 1: Appraise the differences between Financial Accounting and Cost Accounting Management Accounting, Pros and cons of Cost Accounting and learn the cost concepts, Methods and Techniques of costing.

CO 2: Construct and analyse the Cost Sheet.

CO 3: Select different methods of pricing for Issues of Materials.

CO 4: Design wage / remuneration payment methods and discuss various aspects relating to Labour cost.

CO 5: Compute problems relating to Allocation, Apportionment and Absorption of Overheads.

Unit-I: Introduction:

12 Hrs

Meaning, Definition, Objectives and scope of Cost Accounting – The link between Financial Accounting, Cost Accounting and Management Accounting – Code of Ethics-Cost Audit: Meaning And Objectives - Advantages and limitations of cost accounting. Cost concepts & classification- cost- costing- cost accountancy- cost centre and cost unit- methods of costing, techniques of costing.

Unit-II: Cost Sheet:

12 Hrs

Introduction – Meaning – Features - Importance-Proforma of Cost Sheet -Problems on Cost Sheet

Unit-III: Materials:

12 hrs

Materials: Introduction – Material Control- ABC Analysis-EOQ- Stock Levels-Bin Card-methods of pricing issues- FIFO, LIFO, Weighted average, base stock methods, choice of method (simple problems).

Unit – IV: Labour:

12 hrs

Labour: Introduction – Control of Labour Costs- Time Keeping & Time Booking- Idle Time-labour turnover- wage payment- Methods of Remuneration- Labour Incentives Schemes-Halsey & Rowan plans Taylor's and Merrick Differential piece rate systems.

Unit – V: Overheads:**12 hrs**

Overheads: Introduction, classification– Allocation and Apportionment of Overheads (primary distribution) - Apportionment of service Dept cost-repeated distribution and simultaneous equation method- Absorption of Overheads-Introduction-Meaning-Methods of Absorption of Manufacturing Overhead -Calculation of Machine Hour Rate.

Text Books

1. S.P. Jain and K.L. Narang, *Cost Accounting*, Kalyani Publishers, 2010
2. M.N. Aurora, *Cost Accounting*, Himalaya Publishers, 2010

Reference Books

1. S.P. Jain and K.L. Narang, *Cost Accounting*, Kalyani Publishers, 2010
2. M.N. Aurora, *Cost Accounting*, Himalaya Publishers, 2010
3. S.P. Iyengar *Cost Accounting*, SultanChand& Sons, New Delhi, 1980
4. Nigam & Sharma, *Cost Accounting Principles and Applications*, SultanChand& sons, 2002
5. S.N. Maheswari, *Principles of Management Accounting*, Sultan Chand & Sons, 2010