

**JYOTI NIVAS COLLEGE AUTONOMOUS  
SYLLABUS FOR 2019 BATCH AND THEREAFTER**

**Programme: Integrated B.Com. M.Com**

**Semester: IV**

**COST ACCOUNTING**

**Course Code: 19IC402**

**No. of Hours: 60**

**COURSE OBJECTIVES:**

- To familiarise students with cost concepts and elements of cost.
- to develop knowledge of cost ascertainment and cost accounting.
- to enable them to ascertain costs and hence fix prices.

**LEARNING OUTCOMES:**

- Understanding the various concepts in relation to a manufacturing environment.
- Ability to fix prices of product produced in an organization.
- Enables the students to use the knowledge in decision making

**UNIT 1:Nature& Scope of Cost Accounting:**

**14 HRS**

Meaning - Cost - Cost Accounting - Cost Accountancy – differences between Financial Accounting and Cost Accounting - Cost Concepts - Cost Centre -Cost Unit - Classification and Elements of Cost - Methods and techniques of Cost Accounting - Preparation of Cost Sheets - Tenders and Quotations

**UNIT 2:Materials**

**12 HRS**

Meaning of Material Control - Steps in Material control - Need - Objective of Material Control - Issue of materials - Methods of Pricing material issues FIFO, LIFO, Simple & Weighted Average Methods - Meaning only -Problems on FIFO and Weighted Average Methods only.

**UNIT 3:Labour Cost**

**08 HRS**

Meaning of labour Cost - Idle time - Over time - Methods of Remunerating Labour - Time rate and Piece rate systems - Halsey and Rowan Premium system, Taylor and Merricks Differential Piece Rate systems (Simple problems only).

**UNIT 4:Overheads**

**12HRS**

Classification of Overhead Cost - Allocation of Overhead Expenses -Apportionment of Overhead Expenses - Bases of Apportionment - Primary and Secondary distribution (Repeated and simultaneous equation methods only) Absorption of overhead-Meaning, methods. (Problems on Machine hour rate only)

**UNIT 5: Reconciliation of cost and financial accounts**

**06 HRS**

Meaning - Reasons for the differences - Preparation of reconciliation statement.

### **UNIT 6: Marginal Costing-**

**08 HRS**

meaning of marginal cost and marginal costing-CVP analysis-contribution, contribution/sales ratio (P/V ratio) BEP, margin of safety (problems excluding decision making)

### **SKILL DEVELOPMENT**

- Classification of costs incurred in the making of a product.
- Cost estimation for making of the proposed product
- Documentation relating to materials handling in a company.
- Documentation relating to labour in a company.
- Problems on the syllabus.

### **REFERENCES:**

1. SP. Jain & KL Narang, Cost And Management Accounting, Kalyani Publisher
2. PrabhuDev, Cost Accounting
3. Nigam, Theory and Techniques of Cost Accounting
4. MY Khan & PK Jain, Management Accounting, Tata McGraw Hill
5. B.M Lall Nigam & I.C. Jain, Cost Accounting Principles and Practices, Himalaya Publishing House.
6. Dr. S. N. Maheshwari, Elements of Management Accounting, Vikas Publishing House Pvt Ltd.
7. JawaharLal. Cost Accounting, Tata McGraw Hill
8. M.N. Arora, Cost Accounting, Himalaya Publishing House.
9. Edward J Blocher, Kung H Chen, Gary Cokins and Thomas W Lin, Cost Management – A strategic approach
10. Charles T Horngreen, SrikantDattar, George Foster, Cost Accounting- Managerial emphasis, Pearson Education, 12<sup>th</sup> edition.