

<b>Name of the Program:</b> Bachelor of Commerce (B.Com.) <b>Course Code:</b> B.Com. 3.3 <b>Name of the Course:</b> Cost Accounting		
<b>Course Credits</b>	<b>No. of Hours per Week</b>	<b>Total No. of Teaching Hours</b>
<b>4 Credits</b>	<b>4 Hrs</b>	<b>60 Hrs</b>
<b>Pedagogy:</b> Classrooms lecture, Case studies, Tutorial classes, Group discussion, Seminar & field work etc.,		
<b>COURSE OBJECTIVES:</b> <ul style="list-style-type: none"> <li>• To make students understand the basics of cost accounting, thoroughly.</li> <li>• To help them understand computation of cost</li> <li>• To familiarize the tools of Cost Accounting</li> <li>• To make them understand usage of cost information in decision – making and</li> <li>• To provide a foundation for those students who pursue advanced courses in cost accounting at the university or professional courses.</li> </ul>		
<b>LEARNING OUTCOMES:</b> <ul style="list-style-type: none"> <li>• Understanding the various concepts of cost in relation to a manufacturing environment.</li> <li>• Ability to fix prices of a product produced in an organization</li> <li>• Enables the students to use the knowledge in decision making</li> </ul>		
<b>Syllabus:</b>		<b>Hours</b>
<b>Module No. 1: Introduction to Cost Accounting</b>		<b>16</b>
Introduction- Meaning and definition- Objectives, Importance and Uses of Cost Accounting, Difference between Cost Accounting and Financial Accounting; Various Elements of Cost and Classification of Cost; Cost object, Cost unit, Cost driver, cost centre; Cost reduction and Cost control; Methods and Techniques of Costing (Meanings Only); Use of IT in Cost Accounting; Limitations of Cost Accounting; Cost Sheet: Meaning and Cost heads in a Cost Sheet, Presentation of Cost Information in Cost Sheet . Problems on Cost Sheet, Tenders and Quotations.		
<b>Module No. 2: Material Cost</b>		<b>14</b>

Materials: Meaning, Importance and Types of Materials – Direct and Indirect Material  
 Materials material control. - Inventory control Technique of inventory control, problems on  
 level setting and EOQ. Procurement- Procedure for procurement of materials and  
 documentation involved in materials accounting – Material Storage: Duties of Store keeper,  
 pricing of material issues, preparation of Stores Ledger Account  
 – FIFO, LIFO, Simple Average Price and Weighted Average Price Methods – Problems.

**Module No. 3: Employee Cost**

**10**

Introduction – Employee Cost – types of labour cost -Labour Cost Control – time keeping  
 and time booking and Payroll Procedure -Preparation of Payroll: Idle Time Causes and  
 Treatment of Normal and Abnormal Idle time, Over Time Causes and Treatment -Labour  
 Turnover- Meaning, Reasons and Effects of Labour turnover. Methods of Wage Payment:  
 Time rate system and piece rate system, and the Incentive  
 schemes- Halsey plan, Rowan plan and Taylor differential piece rate system-problems.

**Module No. 4: Overheads Cost**

**14**

Introduction- Meaning and Classification of Overheads; Accounting and Control of  
 Manufacturing Overheads: Estimation and Collection, Cost Allocation, Apportionment, Re-  
 apportionment and Absorption of Manufacturing Overheads; Problems on Primary and  
 Secondary overheads distribution using Reciprocal Service Methods (Repeated Distribution  
 Method and Simultaneous Equation Method); Absorption of Overheads:  
 Meaning and Methods of Absorption of Overheads; Problems on Machine Hour Rate.

**Module No. 5: Reconciliation of Cost and Financial Accounts**

**6**

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 – Problems.

**Skill Developments Activities:**

1. Visit any Manufacturing entity; collect the method of inventory valuation adopted & procedure involved in procuring inventory.
2. Draw the format of five documents used for material accounting
3. Prepare dummy Payroll with imaginary figures.
4. Visit any large-scale organization, identify the techniques used for controlling administrative, Selling & distribution overheads.
5. Visit any manufacturing entity and collect the cost data and prepare the cost sheet.
6. Any other activities, which are relevant to the course.

**Text Books:**

1. Charles T. Horngren, Srikant M. Datar, Madhav V. Rajan, Cost Accounting: A Managerial Emphasis, Pearson Education.
2. Jawahar Lal, Cost Accounting., McGraw Hill Education
3. Madegowda J, Cost Accounting, HPH.
4. Rajiv Goel, Cost Accounting, International Book House
5. Jain, S.P. and K.L. Narang. Cost Accounting: Principles and Methods. Kalyani Publishers
6. Arora, M.N. Cost Accounting – Principles and Practice , Vikas PublishingHouse, New Delhi.
7. Maheshwari, S.N. and S.N. Mittal. Cost Accounting: Theory and Problems. Shri Mahavir Book Depot, New Delhi.
8. Iyengar, S.P. Cost Accounting, Sultan Chand & Sons
9. Mariyappa B Cost Accounting, HPH

**Note: Latest edition of text books may be used.**