

B.COM. (HONS.): SEMESTER - IV	CORE – 8:	BCH420C1: COST ACCOUNTING
CREDITS : THEORY: 4; TUTORIAL: 2		MARKS: THEORY: 60; TUTORIAL: 30
		TOTAL MARKS: 90

COST ACCOUNTING

Objective: To acquaint the students with basic concepts used in cost accounting, various methods involved in cost ascertainment and cost accounting book keeping systems.

CONTENTS (THEORY):

Unit – 1 (Marks: 15)

Introduction

- (a) Meaning, objectives and advantages of cost accounting; Difference between cost accounting and financial accounting;
 (b) Cost concepts and cost, installation of a costing system; Elements of Cost; Role of a cost accountant in an organization.

Unit – 2 (Marks: 15)

Elements of Cost: Material and Labour

- a. Materials:** Material/inventory control techniques. Accounting and control of purchases, storage and issue of materials. Methods of pricing of materials issues — FIFO, LIFO, Simple Average, Weighted Average, Replacement, Standard Cost. Treatment of Material Losses.
b. Labour: Accounting and Control of labour cost. Time keeping and time booking. Concept and treatment of idle time, over time, labour turnover and fringe benefits.
c. Overheads: Classification, allocation, apportionment and absorption of overheads; Under and over-absorption.

Unit – 3 (Marks: 15)

Methods of Costing

Unit costing, Job costing, Contract costing

Unit – 4 (Marks: 15)

Process costing (process losses, valuation of work-in-progress, joint and by-products), Service costing (only transport); Reconciliation of cost and financial accounts.

TUTORIAL: Unit – 5 and Unit – 6 (Marks: 30)

Collection of Cost Data and preparation of Comparative Cost Sheet of two manufacturing units of a industry to be identified by concerned teacher. While comparing the data so collected each student will do the analysis stage-wise (Prime Cost, Works Cost, Cost of Production, Cost of Goods Sold, Cost of Sales and Profits) of select manufacturing units of an industry and offering suggestions and submit the report to the concerned teach for evaluation.

Suggested Reading:

Charles T. Horngren, Srikant M. Datar, Madhav V. Rajan , Cost Accounting: A Managerial Emphasis, Pearson Education.
JawaharLal, Cost Accounting. McGraw Hill Education
Nigam, B.M. Lall and I.C. Jain. Cost Accounting: Principles and Practice. PHI Learning
Rajiv Goel, Cost Accounting. International Book House
Singh, Surender. Cost Accounting, Scholar Tech Press, New Delhi.
Jain, S.P. and K.L. Narang. Cost Accounting: Principles and Methods. Kalyani Publishers
Arora, M.N. Cost Accounting - Principles and Practice. Vikas Publishing House, New Delhi.
Maheshwari, S.N. and S.N. Mittal. Cost Accounting: Theory and Problems. Shri Mahavir Book Depot, New Delhi.

Note: Latest edition of text books may be used