



बिरसा मुंडा द्रायबल युनिवर्सिटी Birsa Munda Tribal University

राजपिपला, जि० नर्मदा Rajpipla, Dist. Narmda

Established by Tribal Development Department, Govt. of Gujarat

School of Commerce

B.Com. Programme

Subject Code & Name: BC03MDSC01 Cost Accounting – I

Teaching and Evaluation Scheme:

Teaching Scheme				Examination Scheme			
Credits				Component Weightage (%)			
				CCE		SEE	
L	T	P	Total	TH	PWE	TH	PWE
4	0	0	4	50	0	50	0

Programme Name	B.Com
Semester	III
Course Code	BC03MDSC01
Course Title	Cost Accounting – I
Course Content Type (Th./Pr.)	Theory
Course Credit	4
Sessions+ Lab. Per Week	4
Total Teaching/Lab. Hours	60 Hours
* 2 Laboratory = 1 Session	

Learning Objectives

1. To acquire the basic knowledge on cost accounting concepts, elements and classification of cost and overheads, levels of material control, purchase and stores control.
2. To understand the labour cost, control of idle time of labour, methods of calculation of labour turnover and classification of overheads.
3. To demonstrate calculation of overhead cost using different methods.
4. To develop understanding regarding cost unit and estimate cost sheet.

Prerequisites (if any)

Basic knowledge of accounting.

Learning Outcomes

After completion of the course, learners will be able to:

1. Understand concept and nature of cost and cost accounting;
2. Determine various types of cost of production;
3. Use and implementation of valuation of materials and material control techniques;
4. Compute labour cost, labour productivity, and labour turnover;
5. Demonstrate the allocation and apportionment of overheads.
6. Prepare cost sheet and estimated cost sheet of a product.





बिरसा मुंडा ट्रायबल युनिवर्सिटी Birsamunda Tribal University

राजपिपला, जि० नर्मदा Rajpipla, Dist. Narmda

Established by Tribal Development Department, Govt. of Gujarat

School of Commerce B.Com. Programme

Detailed Contents		
UNIT	TOPIC/SUB-TOPIC	TEACHING HOURS
I	<p>INTRODUCTION OF COST ACCOUNTING & MATERIAL COST</p> <p>(A) Concept and Nature of Cost Accounting: Concept of cost and costing, Importance and features of costing, Cost Element – meaning & classification, Concept of cost unit, cost center, meaning of ‘unit’ from the view point of producer, Establishment of an ideal cost accounting system</p> <p>(B) Material Cost: Material: Introduction, Meaning and Types, Material Control Techniques: Objectives and Importance Process of Material (Accounting and Control of Material Cost) Purchase of Materials, Receipt and Inspection of Goods, Store-Keeping (Including Practical Questions Relating to Calculate Levels of Material, Inventory Turnover Ratio) Examples and Theory</p>	15
II	<p>LABOUR COST</p> <ul style="list-style-type: none">➤ Introduction, meaning and classification of employee cost➤ Requisite of a good wage and incentive system➤ Concept and Treatment of Idle Time-Over Time and Fringe Benefits➤ Concept of employee productivity and cost Principles of determining Wage Rate, Employee turnover➤ Wage Systems:<ul style="list-style-type: none">➤ Essentials of Wage System➤ Traditional Wage Systems:<ol style="list-style-type: none">1. Time wage system2. Piece wage system <p>Incentive Wage Systems: (A) Individual Incentive Systems: Halsey Premium Plan (2) Rowan Premium Plan (3) Taylor’s different Wage Rate System (4) Merrick’s different Wage Rate System Examples and Theory</p>	15





बिरसा मुंडा ट्रायबल युनिवर्सिटी Birsā Munda Tribal University

राजपिपला, जि० नर्मदा Rajpipla, Dist. Narmda

Established by Tribal Development Department, Govt. of Gujarat

School of Commerce B.Com. Programme

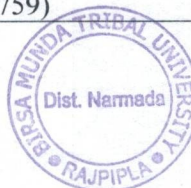
III	OVERHEADS <ul style="list-style-type: none">➤ Introduction, meaning and definition➤ General Principles for overheads➤ Meaning and Methods of cost absorption➤ Classification of Overheads (1) Functional 2) Element wise and Behavior wise)➤ Absorption [Recovery] of overheads (Including Examples)➤ Apportionment of Overheads over Various Departments➤ Re-Apportionment of Service Department Cost to Production Departments➤ Allocation of overheads (Excluding Practical Questions of Machine Hour Rate)➤ Treatment of Over-Absorption and Under-Absorption of Overheads Examples Only	15
IV	UNIT COSTING <ul style="list-style-type: none">➤ Introduction and Meaning➤ Elements of Cost➤ Cost sheet➤ Tender Price and Estimated Cost Sheet Examples Only	15

Text Book(s)

1. Cost Accounting-I – Sudhir Prakashan
2. Cost Accounting-II – Sudhir Prakashan

Reference Books

1. Arora, M.N. Cost Accounting – Principles and Practice, Vikas Publishing House, New Delhi
2. Banarjee, B. (2014). Cost Accounting – Theory and Practice. New Delhi: PHI Learning Pvt. Ltd.
3. Kishor, R. M. (2019). Taxman's Cost Accounting. New Delhi: Taxmann Publication Pvt. Ltd. Lal,
4. J., & Srivastava, S. (2013). Cost Accounting. New Delhi: McGraw Hill Publishing Co. Mowen,
5. M. M., & Hansen, D. R. (2005). Cost Management. Stanford: Thomson.
6. Jawahar Lal, Cost Accounting, McGraw Hill Education.
7. P.C. Tulsian, Practical Costing, Vikas Publishing House Pvt. Ltd.
8. M.Y. Khan, P.K. Jain, Theory and Problems in Cost Accounting, Tata McGraw Hill Publications.
9. Maheshwari, S.N. and S.N. Mittal, Cost Accounting: Theory and Problems, Shri Mahavir Book Depot, New Delhi.
10. Study Material of CA Course (New) Intermediate Level Paper 3: Cost and Management Accounting. (https://www.icaai.org/post.html?post_id=17759)





बिरसा मुंडा ट्रायबल युनिवर्सिटी Birsa Munda Tribal University

राजपिपला, जि० नर्मदा Rajpipla, Dist. Narmda

Established by Tribal Development Department, Govt. of Gujarat

School of Commerce B.Com. Programme

Web Resources

1. <https://archive.nptel.ac.in/courses/110/101/110101132/>
2. <https://elearn.nptel.ac.in/shop/nptel/cost-accounting/?v=c86ee0d9d7ed>

L:: Lecture, **T::** Tutorial, **P::** Practical

CCE:: Continuous and Comprehensive Evaluation

(CCE Theory includes Mid Semester Examination, Assignment, MCQ quizzes, Seminar, Reflective notes, class participation, case analysis and presentation, slip tests (announced/surprised), attendance etc. or any combination of these)

PWE:: Practical Work Examination

(PWE includes Laboratory practical work, project work, viva simulation exercise work etc.)

SEE:: Semester End Evaluation

