

Veer Narmad South Gujarat University

Second Year B.Com. - (External)

Advance Accounting and Auditing- 1 (Cost Accounting)

(Major/ Multi-disciplinary Course - Total Credits 4)

(Syllabus effective from Academic Year 2024-25 and onwards)

OBJECTIVES :

- (1) To make students understand the BASICS of cost accounting, thoroughly.
- (2) To help them understand computation of cost.
- (3) To familiarize the tools of Cost Accounting.
- (4) To make them understand usage of cost information in decision – making.
- (5) To provide a foundation for those students who pursue advanced courses in the university or professional courses.

OUT COMES :

- (1) Understanding the various concepts in relation to a manufacturing environment.
- (2) Ability to fix prices of product produced in an organization.
- (3) Enables the students to use the knowledge in decision making.
- (4) Explains the purposes of cost accounting
- (5) Prepare production cost statement and cost of goods sold statement

COURSE CONTENT :

UNIT	CONTENT	WEIGHTAGE
1	Introduction: Nature and scope of cost accounting, Cost concepts and classification, Method and techniques, Installation of costing system, Advantages and limitation of cost accounting	7.5%
2	Accounting for Material: Material control, Concept and techniques, Pricing of material issues, Treatment of material losses, Calculation of material turnover rate	7.5%
3	Accounting for labour: Labour cost control procedure, Labour turnover, Idle time and overtime, Methods of wage payment- time and piece rates - (Halsey Plan and Rowan Plan)	10%
4	Accounting for overheads: Classification and departmentalization: Absorption of overheads; Determination of overhead rates; Under and over absorption and its treatment including machine hour rate.	12.5%
5	Cost Ascertainment: Unit Costing	12.5%

6	Cost Ascertainment : (Elementary problems only) <ul style="list-style-type: none"> • Job Costing • Contract costing • Operating costing: [Transport Costing (Passenger and Goods Only)] • Process costing (excluding inter-process profits & equivalent units) 	7.5% 12.5% 10% 10%
7	Standard Costing (Elementary problems only) <ul style="list-style-type: none"> • Meaning, setting up of standards, • Variance (Computation of Variance Regarding Material & labour only - material cost variance, material price variance & material usage variance, labour cost variance, labour rate variance & labour efficiency variance only) 	10%
	Total	100%

Note: Practical problems shall not exceed 70% of total weightage.

REFERENCES :

1. Lall Nigam B.M. & Sharma G.L :Advanced Cost Accounting – Himalaya Publishing House
2. Man Mohan: Principles of Cost Accounting – Mayoor Paperbacks.
3. Khan M.Y. & Jain P.K: Cost Accounting – Tata McGraw-Hill Publishing Co.
4. Agarwal M.L: Cost Accounting – Principles and Practice – Sahitya Bhavan Publication
5. Pillai RSN & Bagavathi V: Cost Accounting – S. Chand & Co.
6. Prasad N.K: Cost Accounting
7. Jain & Narang: Cost Accounting & Practical Costing – Kalyani Publications.
8. Arora M.N: Cost Accounting – Himalaya Publishing House.
9. Khanna B.S, Pandey IM, Ahuja GK & Batra SCL: Practical Costing – S. Chand & Co.

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