

# VEER NARMAD SOUTH GUJARAT UNIVERSITY

## Second Year B.Com.

### Cost Accounting

#### ( Optional Account Paper – I )

(Syllabus effective from Academic Year 2007-08 and onward)

#### Objective :

This course exposes the students to the basic concepts and the tools used in cost accounting.

Sr. No.	Course Inputs (As per UGC Model Curriculum)	Weightage
(A)	<b>Introduction</b> : Nature and scope of cost accounting; Cost concepts and classification; Method and techniques; Installation of costing system; Concept of cost audit, Definition and need for activity based costing - concept of ABC.	5%
(B)	<b>Accounting for Material</b> : Material control; Concept and techniques; Pricing of material issues; Treatment of material losses, Calculation of material turnover rate. Stock Register.	30%
(C)	<b>Accounting for Labour</b> : Labour cost control procedure; Labour turnover; Idle time and overtime; Methods of wage payment - time and piece rates; Incentives schemes.	
(D)	<b>Accounting for Overheads</b> : Classification and departmentalization: Absorption of overheads; Determination of overhead rates; Under and over absorption and its treatment including machine hour rate.	
(E)	<b>Cost Ascertainment</b> : Unit costing ( Advanced problems on Estimated cost statement) : Reconciliation between cost and financial statement; Job, batch and contract costing; Operating costing; Process costing (excluding inter-process profits & equivalent units) and joint and by-products. Standard Costing; Meaning, setting up of standards, Variance (Computation of material and labour Variances only) (Elementary)	65%
	<b>Note :</b> Questions on theory should not exceed 20% of the total marks of the paper.	

**Note :** Marks for Optional Account Paper I & II to be considered in a group

## **Suggested Readings :**

1. Arora M. N. : Cost Accounting - Principles and Practice; Vikas, New Delhi.
2. Jain S. P. and Narang K.L. : Cost Accounting : Kalyani, New Delhi.
3. Anthony Robert, Reece, etnal: Principles of Management Accounting : Richard D. Irwin Inc. Illinois.
4. Horngren. Charles, Foster and Datar: Cost Accounting - A Managerial Emphasis; Prentice Hall of India, New Delhi.
5. Khan M. Y. and Jain P. K. Management Accounting : Tata McGraw Hill.
6. Kalpan R. S. Atkinson A. A. : Advanced Management Accounting : Prentice Hall of India International.
7. Tulsian P. C. : Practical Costing ; Vikas, New Delhi.
8. Maheshwari S.N. : Advanced problems and Solution in Cost Accounting; Sultan Chand, New Delhi.
9. Rathanam, Cost Accountancy ; Himalaya Publishing House, Delhi.
10. Jawaharlal : Cost Accountancy ; Tata McGraw Hill, New Delhi.
11. Dr. N. K. Agrawal : Cost Accounting Text & Problem; Suchitra Prakashan.
12. Intal P. G : Practicals on Cost Account ; Atlantic Publication.
13. Gowda J. M. : Advanced Cost Accounting ; Himalaya Publishing House, New Delhi.
14. Nigam & Sharma : Advance Cost Accounting ; Himalaya Publishing House, New Delhi.
15. Khanna & Pandey : Practical Costing ; S. Chand & Co., Delhi.