



Semester: IV	
Course Name: Cost Accounting	
Course Type: Major	Course Code: C2BMS2341
Credit: 5	Full Marks: 100

LEARNING OBJECTIVES:

To acquaint students with the importance of Cost Accounting and know the methods in which cost of various products and services is computed

LEARNING OUTCOMES:

After successfully completing this course, students will have the knowledge and skills to

- Understand the role and importance of cost accounting
- Know the various types of costs
- Determine the costs of products and services using various methods.

DETAILED SYLLABUS:

Unit 1: Introduction (2L)

Meaning, Scope, Objectives and Importance of Cost Accounting; Comparison of Cost Accounting with Financial Accounting.

Unit 2: Cost Concepts and Classification of Costs (4L)

Concepts of Cost, Costing, Cost Accounting, Cost Object, Cost Unit, Cost Centre, Cost Control and Cost Reduction; Classification of Costs on various bases.

Unit 3: Accounting for Materials (10L)

Materials purchase procedure, determination of material purchase costs.

Storage of materials-- need for storage, receipt, issue and transfer of materials, storage record, accounting for materials cost.

Materials control-- Just-in-Time Purchase; various stock levels, Economic Ordering Quantity and ABC Analysis; Periodic Inventory, Perpetual Inventory, Physical verification; Discrepancies in stock and their treatment. Methods of Pricing Material Issues

Unit 4: Accounting for Employee / Labour cost (10L)

System of Wage Payment and Incentives -- Piece Rate, Differential Piece Rate, Time Rate, and Halsey Premium scheme, Rowan Premium Scheme;

Idle Time (causes and treatment in Cost Accounting), Overtime (its effect and treatment in Cost Accounting), Labour Turnover (Causes, impact and methods of calculating labour turnover).

Unit 5: Accounting for Overheads**(8L)**

Collection, Classification, Apportionment, Absorption/ Recovery of Overheads under both Traditional System and Activity Based Costing System

Unit 6: Cost Statement**(6L)**

Preparation of Cost Statement

Unit 7: Methods of Costing**(10L)**

Job, Batch, Contract Costing; Process Costing; Operating Costing (only Transport) -- Concepts and numerical problems (including Treatment of Normal and Abnormal Loss of Materials)

SUGGESTED TEXT BOOKS/ READING MATERIALS:

1. C.T. Horngren, Gary L. Sundem, Jeff O. Schatzberg, and Dave Burgstahler: Introduction to Management Accounting, Pearson
2. M.N. Arora: A Textbook of Cost and Management Accounting, Vikas Publishing House Pvt. Ltd.
3. M.Y. Khan, and P.K. Jain, Management Accounting: Text Problems and Cases, McGraw Hill Education (India) Pvt. Ltd.
4. S.N. Maheshwari, and S.N. Mittal, Cost Accounting: Theory and Problems, Shree Mahavir Book Depot (Publishers)
5. Cost Accounting- A Managerial Emphasis - Horngren, Foster, Datar.