

**B. Com. (Hons.)**  
**Semester-3**  
**Cost Accounting - 1**  
**Course Code – DSC C ACC 231**  
**Credit Mark Distribution -04**

Unit 1	<p><b>A. Introduction to Cost Accounting</b></p> <p>Meaning and definition; Need for Cost Accounting; Advantage and limitations; Cost Accounting and Financial Accounting; Cost concepts and cost objects; Elements of cost and classification of costs; methods of costing; Techniques of costing (<i>with emphasis on Uniform costing</i>); Cost centre and Cost unit; Installation of good cost accounting system.</p> <p><b>B. Material Costing</b></p> <p>Definition of Inventory; Materials and material control; Objectives of material control; Its necessity and advantages; Purchase and stores routine; Control of inventory through EOQ, determination of various stock levels; JIT and ABC system; Methods of pricing of issues of material - FIFO, LIFO, Base Stock price, Weighted average price, periodic weighted average price, standard price and replacement price; Meaning and treatment of Waste, Scrap, Spoilage and Defectives.</p>
Unit 2	<p><b><u>Labour Costing</u></b></p> <p>Direct and Indirect Labour cost; Labour cost accounting and Labour records; Remuneration methods - Time wage system and piece wage system; Bonus systems (individual and Group incentive plans) - Halsey Premium plan, Rowan plan, Taylor's differential piece rate system, Bedeaux plan, Merrick's multiple piece rate system, Gantt task &amp; bonus system, Profit sharing and Co-partnership; Requisites of good wage incentive plan; Labour turnover; Cost of Labour turnover &amp; its treatment; Concept of Idle time &amp; its treatment; Over time premium; Casual worker &amp; out worker; Holiday &amp; Leave with pay; Cost of Apprentice; Employee welfare cost; Fringe benefits; Bonus and Gratuity.</p>

Unit 3	<p><b>Overheads Costing including Activity Based Costing</b></p> <p><b>A. Overheads Costing</b></p> <p>Definition; Classification of overheads; Techniques for segregation of Semi variable overheads; Cost allocation and apportionment; Basis of apportionment of Factory overheads and Reapportionment of service centre cost; Overhead absorption on the basis of Direct Material cost, Direct labour cost, Prime cost, Labour Hours and Machine Hours; Concept and Treatment in cost accounts of - Over absorption, Under absorption, Setting up time and Idle time; Absorption of Administration overheads and Selling &amp; Distribution overheads (<i>In theory only</i>)</p> <p><b>B. Conceptual Understanding of Activity Based Costing</b></p>
Unit 4	<p><b>Single or Unit Costing</b></p> <p>Components of total cost; Expenses that are not treated as cost in cost sheet; Imputed costs; Treatment of work-in-progress; Defective materials; Sale of scrap; Defective product; Normal &amp; abnormal Loss of materials; Treatment of Finished Goods; Preparation of Historical cost sheet; Estimated cost sheet; Estimate for work order(Tender/ Quotation).</p>

**Pre-requisite** – Student should have primary understanding of the Accountancy subject.

**Co-requisite**-Student should take up Practical aspects of Accountancy subject by getting knowledge of ERP and other packages of Accounting available in domestic and international markets.

**Mode of Evaluation:** Evaluation will be divided in two parts.

**External:** Semester End Examination will be conducted by the Gujarat University of 50 Marks.

**Internal:** Internal Evaluation will be decided by the University time to time and instructed to colleges/institutes/departments. Following can be consider as the model evaluation system.

*[Out of 50 Marks, 25 Marks will be awarded on the basis of Internal Evaluation Mechanism (E.g., Mid Term Examination, CIE). For 15 Marks following Assessment tools can be used. And 10 Marks will be given on the basis attendance.]*

**Assessment Tools: Projects, Assignments, MCQ tests**

**Course Objectives:**

- To make aware about Evolution of Cost Accounting by providing insights about various developments in the subject.
- To provide comprehensive understanding of all aspects relating to Cost Accounting and Various Concepts of Cost.
- To enable the students to understand the elements of costs.
- To make students acquainted with cost accounting and equip them to prepare cost statement.

**Course Outcome:**

- Foundational Knowledge of Cost Accounting and Concepts of Cost.
- Foundational Knowledge of Cost Accounting by having knowledge about cost elements.
- Functional skills of preparing Cost Statement.

**FBLD (Flip Blended Learning Design Template)**

- Any One Unit from the above syllabus can be discussed by the faculty through online mode.
- Online mode can be SWAYAM MOOC Course or any other suggested by the UGC or Gujarat University.

**Taxonomy**

**MOOC Courses**

On Cost Accounting or any topics related to Cost Accounting which is part of the above syllabus.

## References

Author/s	Name of the Book	Publisher	Edition and Year of Publication
M. N. Arora	Cost Accounting : Principles & Practice	Vikas Publishing House	2023
N. K. Sharma	Practical Costing	Sriniwas Publication	2023
Dr. P. C. Tulsian	Cost Accounting	S. Chand Publication	2023
Dr. Murthy & S. Guruswamy	Cost Accounting	The McGraw Hill Companies	2023