

**Syllabus**  
**B.Com. (Accounting and Finance)**  
**(Sem.- III)**

**Title of Paper Cost Accounting – I**

| <b>Sr. No.</b> | <b>Heading</b>  | <b>Particulars</b>   |
|----------------|---|--|
| <b>1</b>       | <b>Description of the course:</b><br><br><b>Including but not limited to:</b> | <p>This course is designed to equip specialized learners of accounting and finance with the essential skills to navigate the intricate world of cost analysis and management decision-making. In today's competitive business landscape, understanding cost structures and implementing effective management accounting practices is crucial for organizational success. This course will delve into the fundamental concepts of cost accounting, including material, labor, and overhead analysis, and explore advanced topics like activity-based costing (ABC). By mastering these principles, learners will be prepared to provide valuable insights for strategic planning, performance evaluation, and profitability enhancement. This course will bridge the gap between theoretical knowledge and practical application, ensuring learners are well-equipped to excel in roles that demand accurate cost information and sound financial judgment.</p> |
| <b>2</b>       | <b>Vertical:</b>  | Major  |
| <b>3</b>       | <b>Type:</b>  | Theory   |
| <b>4</b>       | <b>Credit:</b>  | 4 credits (1 credit = 15 Hours for Theory)   |
| <b>5</b>       | <b>Hours Allotted:</b>  | 60 Hours   |
| <b>6</b>       | <b>Marks Allotted:</b>  | 100 Marks  |

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| 7 | <p><b>Course Objectives:</b></p> <ul style="list-style-type: none"> <li>• To explain the fundamental concepts, objectives, and importance of cost and management accounting.</li> <li>• To analyze material storage and record systems, and <i>prepare</i> stock ledger accounts using FIFO and weighted average methods.</li> <li>• <i>To evaluate</i> the methods of employee cost control and <i>apply</i> wage payment and incentive systems.</li> <li>• To assess the impact of overhead allocation on product costing and <i>justify</i> the selection of appropriate absorption methods..</li> </ul>   |
| 8 | <p><b>Course Outcomes:</b></p> <ul style="list-style-type: none"> <li>• Learners will be able to compare and contrast cost accounting, financial accounting, and management accounting, and apply activity-based costing (ABC) to solve practical problems.</li> <li>• Learners will be able to calculate the Economic Order Quantity (EOQ) and demonstrate the preparation of stock ledger accounts.</li> <li>• Learners will be able to compute employee costs under various wage systems and calculate labour turnover using replacement and separation methods.</li> <li>• Learners will be able to apply absorption costing methods to allocate overheads in different scenarios.</li> </ul> |

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| 9 | <b>Modules: - 04</b>   |
|   | <b>Module 1: Introduction to Cost and Management Accounting</b>  |
|   | <ul style="list-style-type: none"> <li>• Meaning, objective and importance of Cost and Management Accounting</li> <li>• Functions and role of Cost Accounting Department in an organization</li> <li>• Installation of Cost Accounting System in an organization</li> <li>• Differentiate between Cost Accounting, Financial Accounting and Management Accounting.</li> <li>• Various elements and classifications of cost and methods of costing.</li> <li>• Need for Activity Based Costing (ABC)</li> <li>• Practical problems of Activity Based Costing (ABC)</li> </ul> |
|   | <b>Module 2: Material Cost</b>   |
|   | <ul style="list-style-type: none"> <li>• Meaning, need for and importance of material</li> <li>• Material Storage and Records: Bin Cards, Stock Control Cards and Store Ledger</li> </ul>  |

- Preparation of Stock Ledger Account using FIFO and Weighted Average Method.
- Computation of Economic Order Quantity (EOQ).

### **Module 3: Employee Cost**

- Meaning and importance of Employee (Labour) cost in an organisation
- Employee (Labour) cost control: Functions, Factors and Procedures
- Idle Time: Causes, Treatment and computation of Effective hourly cost of employee.
- Over Time: Causes and Treatment
- Systems of Wage Payment and Incentives: Calculation of wages/salary/employee cost based on Time Rate System, Piece Rate System and Premium Bonus Method (Halsey Premium Plan and Rowan Premium Plan)
- Employee (Labour) Turnover: Meaning and Calculation based on Replacement Method and Separation Method.

### **Module 4: Overheads – Absorption Costing Method**

- Meaning of Overheads-Classification: Production, administrative and selling and distribution.
- Classification of overheads into fixed and variable.
- Meaning and methods of allocation of overheads to various departments.
- Apportionment and absorption of overheads.

### **Reference Books:**

- Cost Accounting Theory and Practice by B.K. Bhar, Tata Mc. Grow Hill and Co. Ltd., Mumbai
- Cost Accounting Principles and Practice by M.N. Arora, Vikas Publishing House Pvt. Ltd., New Delhi
- Advanced Cost and Management Accounting: Problems and Solutions by V.K. Saxena and C.D. Vashist, S. Chand and Company (P) Ltd., New Delhi
- Cost Accounting by S.P. Jain and K.L. Narang, Kalyani Publishers, Ludhiana
- Modern Cost and Management Accounting by M. Hanif, Tata McGraw Hill Education Pvt. Ltd., New Delhi Lectures on Costing by Swaminathan: S. Chand and Company (P) Ltd., New Delhi
- Cost Accounting by C.S. Rayudu, Tata Mc. Grow Hill and Co. Ltd., Mumbai
- Cost Accounting by Jawahar Lal and Seema Srivastava, Tata Mc. Grow Hill and Co. Ltd., Mumbai
- Cost Accounting by Ravi M. Kishore, Taxman Ltd., New Delhi

|              | <ul style="list-style-type: none"> <li>Principles and Practices of Cost Accounting by N.K. Prasad, Book Syndicate Pvt. Ltd., Calcutta</li> </ul>  |   |                       |       |   |   |    |   |   |    |   |   |    |   |              |           |       |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |
|--------------|---|---|-----------------------|-------|---|---|----|---|---|----|---|---|----|---|--------------|-----------|-------|-----|-------------------|----|-----|-------------------|----|-----|-------------------|----|-----|-------------------|----|-----|-------------------|----|-----|-------------------|----|
| 11           | <b>Internal Continuous Assessment: 40%</b>  | <b>External, Semester End Examination</b><br><b>60% Individual Passing in Internal and External Examination</b> |                       |       |   |   |    |   |   |    |   |   |    |   |              |           |       |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |
| 12           | <b>Continuous Evaluation through:</b> <table border="1"> <thead> <tr> <th></th><th>Assessment/Evaluation</th><th>Marks</th></tr> </thead> <tbody> <tr> <td>1</td><td>Class Test during the lectures.<br/>(Physical/ Online mode).<br/>(Short notes/ MCQ's/ Match the Pairs/ Answer in one sentence/ puzzles)</td><td>20</td></tr> <tr> <td>2</td><td>Participation in Workshop/ Conference/Seminar, Assignment &amp; Viva.<br/>(Physical/Online mode)</td><td>10</td></tr> <tr> <td>3</td><td>Participation in Case Study/ Field Visit /Certificate Course.<br/>(Physical/Online mode)</td><td>10</td></tr> </tbody> </table> |   | Assessment/Evaluation | Marks | 1 | Class Test during the lectures.<br>(Physical/ Online mode).<br>(Short notes/ MCQ's/ Match the Pairs/ Answer in one sentence/ puzzles) | 20 | 2 | Participation in Workshop/ Conference/Seminar, Assignment & Viva.<br>(Physical/Online mode) | 10 | 3 | Participation in Case Study/ Field Visit /Certificate Course.<br>(Physical/Online mode) | 10 | <b>Semester End External – 60 Marks</b><br><b>Time – 2 Hours</b><br><b>Attempt any 4 out of 6 questions</b> <table border="1"> <thead> <tr> <th>Question No.</th><th>Questions</th><th>Marks</th></tr> </thead> <tbody> <tr> <td>Q.1</td><td>Practical/ Theory</td><td>15</td></tr> <tr> <td>Q.2</td><td>Practical/ Theory</td><td>15</td></tr> <tr> <td>Q.3</td><td>Practical/ Theory</td><td>15</td></tr> <tr> <td>Q.4</td><td>Practical/ Theory</td><td>15</td></tr> <tr> <td>Q.5</td><td>Practical/ Theory</td><td>15</td></tr> <tr> <td>Q.6</td><td>Practical/ Theory</td><td>15</td></tr> </tbody> </table> <p><b>Note</b></p> <ol style="list-style-type: none"> <li>Equal Weightage is to be given to all the modules.</li> <li>15 marks question may be subdivided into 8 marks + 7 marks, 10 marks + 5 marks and 5 marks + 5 marks + 5 marks. Internal options may be given however, it is not mandatory.</li> <li>Use of simple calculator is allowed in the examination.</li> </ol> | Question No. | Questions | Marks | Q.1 | Practical/ Theory | 15 | Q.2 | Practical/ Theory | 15 | Q.3 | Practical/ Theory | 15 | Q.4 | Practical/ Theory | 15 | Q.5 | Practical/ Theory | 15 | Q.6 | Practical/ Theory | 15 |
|              | Assessment/Evaluation   | Marks   |                       |       |   |   |    |   |   |    |   |   |    |   |              |           |       |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |
| 1            | Class Test during the lectures.<br>(Physical/ Online mode).<br>(Short notes/ MCQ's/ Match the Pairs/ Answer in one sentence/ puzzles)   | 20  |                       |       |   |   |    |   |   |    |   |   |    |   |              |           |       |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |
| 2            | Participation in Workshop/ Conference/Seminar, Assignment & Viva.<br>(Physical/Online mode)   | 10  |                       |       |   |   |    |   |   |    |   |   |    |   |              |           |       |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |
| 3            | Participation in Case Study/ Field Visit /Certificate Course.<br>(Physical/Online mode)   | 10  |                       |       |   |   |    |   |   |    |   |   |    |   |              |           |       |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |
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| Q.1          | Practical/ Theory   | 15  |                       |       |   |   |    |   |   |    |   |   |    |   |              |           |       |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |
| Q.2          | Practical/ Theory   | 15  |                       |       |   |   |    |   |   |    |   |   |    |   |              |           |       |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |
| Q.3          | Practical/ Theory   | 15  |                       |       |   |   |    |   |   |    |   |   |    |   |              |           |       |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |
| Q.4          | Practical/ Theory   | 15  |                       |       |   |   |    |   |   |    |   |   |    |   |              |           |       |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |
| Q.5          | Practical/ Theory   | 15  |                       |       |   |   |    |   |   |    |   |   |    |   |              |           |       |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |
| Q.6          | Practical/ Theory   | 15  |                       |       |   |   |    |   |   |    |   |   |    |   |              |           |       |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |     |                   |    |