

**B.Com Sem-3
Syllabus for**

**CORE ELLECTIVE ADVANCED ACCOUNTING AND AUDITING
CE - 201(A) COST ACCOUNTING - I**

Learning Objectives : To make students acquainted with cost accounting and equip them to prepare cost statement.

Degree of difficulty : Working knowledge.

Unit	Particulars	Marks
Unit - I	Introduction to Cost Accounting : 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.	25%
Unit - II	Materials : 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 pricings 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;	25%
Unit - III	Labour : 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,	25%

	Merrick's multiple piece rate system, Gantt task & bonus system, Profit sharing and Co-partnership; Requisites of good wage incentive plan; Labour turnover; Cost of Labour turnover & its treatment; Concept of Idle time & its treatment; Over time premium; Casual worker & out worker; Holiday & Leave with pay; Cost of Apprentice; Employee welfare cost; Fringe benefits; Bonus and Gratuity.	
Unit - IV	<p>(A) Overheads including Activity Based Costing : Definition; Classification of overheads; Techniques for segregation of Semi variable overheads; Cost allocation and apportionment; Basis of apportionment of Factory overheads and Re apportionment 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 & Distribution overheads (<i>In theory only</i>)</p> <p>(B) Conceptual Understanding of Activity Based Costing</p>	25%

References: (1) Cost Accounting: Principles & Practice

M N Arora
Vikas Publishing House

(2) Practical Costing
N K sharma
Shree Niwas Publication

(3) Cost Accounting
Dr P C Tulsian
S. Chand

(4) Cost Accounting
Dr Murthy & S Gurusamy
The McGraw Hill Companies