

**SARDAR PATEL UNIVERSITY****Program: BCOM (Semester III)****Syllabus with effect from: June-2019**

<b>Paper Code: UB03CCOM21</b>	<b>Total Credits: 3</b>
<b>Title of Paper: Fundamentals of Cost Accounting</b>	

**Objective:** The Objective of this paper is to help students to acquire conceptual knowledge of cost accounting and to impart skills for recording various elements of cost. This paper will also helpful to understand concept of Unit Costing.

<b>Unit</b>	<b>Description in detail</b>	<b>Weightage</b>
<b>1</b>	<b>Essential of Cost Accounting: (Theory Only)</b>	<b>25%</b>
	<ul style="list-style-type: none"> <li>• Introduction &amp; Definition and Concept of Cost Accounting.</li> <li>• Financial Accounting and Cost Accounting.</li> <li>• Characteristics of Cost Accounting.</li> <li>• Installation of Costing System.</li> <li>• Advantages &amp; Limitation of Cost Accounting.</li> <li>• Methods and Techniques of Cost Accounting.</li> <li>• Cost Classification, Elements of Cost, Cost Unit and Cost Centre</li> </ul>	
<b>2</b>	<b>Material and Labour Cost:</b>	<b>25%</b>
	<p><b>Material Cost:</b></p> <ul style="list-style-type: none"> <li>• Meaning of Material; Material Control; Techniques of Material Control – ABC Techniques</li> <li>• Examples based Stock Levels: Maximum Level; Minimum Level; Reorder Level; Danger Level; Average Stock Level; Economic Order Quantity.</li> </ul> <p><b>Labour Cost:</b></p> <ul style="list-style-type: none"> <li>• Meaning; Control of Labour Cost; Labour Turn Over; Causes and Remedies of Labour Turn Over.</li> <li>• Features of good wage system.</li> <li>• Methods of remuneration ; Time Rate; Piece Wage</li> <li>• Examples based on Time Rate as per Halsey Plan and Rowan Plan only</li> </ul>	
<b>3</b>	<b>Overhead Cost:</b>	<b>25%</b>
	<ul style="list-style-type: none"> <li>• Meaning of Overheads; Classification of Overhead Cost.</li> <li>• Allocation and Apportionment of Overheads; Absorption of Overheads</li> <li>• Examples based on Apportionment of Service Department Overheads over Production Department under Repeated Distribution Method</li> <li>• Methods of absorption of overheads (Theory Only)</li> <li>• Examples based on Machine Hour Rate</li> </ul>	
<b>4</b>	<b>Unit Costing and Reconciliation of Cost and Financial Accounts</b>	<b>25%</b>
	<p><b>Unit Costing:</b></p> <ul style="list-style-type: none"> <li>• Examples based on Cost Sheet including tender.</li> </ul> <p><b>Reconciliation of Cost and Financial Accounts:</b></p> <ul style="list-style-type: none"> <li>• Need for Reconciliation; Methods of Reconciliation (Theory Only)</li> <li>• Problems on Preparation of Cost Reconciliation Statement</li> </ul>	

**Reference Books:**

- Cost Accounting - Khan My And Jain Pk
- Cost Accounting And Financial Management - Kishore Ravi M
- Advanced Cost Accountancy - Nigam Lall And Sharma G.L
- Cost Accounting Method And Problems - Bhar B K
- Studies In Cost Accounting - Das Gupta
- Cost Accounting - Saxena V K