

COURSE TITLE : **COST ACCOUNTING**
COURSE CODE : **4132**
COURSE CATEGORY : **A**
PERIODS/WEEK : **4**
PERIODS/SEMESTER : **72 (18x 4)**
CREDITS : **4**

TIME SCHEDULE

MODULE	TOPICS	PERIODS
I	1.1 Meaning , Nature and scope of cost accounting 1.2 Methods and techniques of costing 1.3 Classification of costs	18
II	2.1 Unit, or Output costing 2.2 Transport costing	18
III	3.1 Process costing 3.2 Job and Contract costing	18
IV	4.1 Marginal costing	18
TOTAL		72

OBJECTIVES

MODULE I

1.1. Understand the meaning and scope of cost accounting

- 1.1.1 State the meaning of various terms –cost, Costing and cost accounting
- 1.1.2 State the objectives advantages & limitations of cost accounting
- 1.1.3 State the differences between cost accounting and financial accounting

1.2. Understand various methods and techniques of costing

- 1.2.1 List the various methods of costing
- 1.2.2 Describe the methods of costing
- 1.2.3 List the techniques of costing
- 1.2.4 Describe the techniques of costing
- 1.2.5 State the meaning and definition of cost centre and cost unit

1.3. Understand the various classification of costs

- 1.3.1 List out the various elements of cost
- 1.3.2 State the meaning of each element of cost
- 1.3.3 Classify the cost on the basis of function, variability, controllability and Normality.

MODULE – II

2.1. Understand the meaning and applicability of unit, output costing

- 2.1.1 State the meaning of unit, output and
- 2.1.2 Identify the cost unit suitable for various enterprises
- 2.1.3 State the meaning of cost sheet
- 2.1.4 Prepare statement of cost
- 2.1.4 Ascertain cost of production ;cost of goods sold and cost of sales
- 2.1.5 Preparation of cost estimates
- 2.1.6 Preparation of tenders or quotations

2.2 Understand the meaning and applicability of transporting costing

2.2.1 State the meaning and purpose of transporting costing

2.2.2 Calculate cost units for transport costing

2.2.3 Calculate the total and cost per unit under transport costing

MODULE –III

3.1. Apply the method of process costing

3.1.1 Describe the features of process costing

3.1.2 List out the areas of application of process costing

3.1.3 Compare job costing and process costing

3.1.4 Identify the elements of production costs

3.1.5 Explain process accounts

3.1.6 Prepare process accounts

3.1.7 Explain process losses

3.1.8 Describe normal process loss and abnormal process losses

3.1.9 Explain abnormal gain

3.1.10 Prepare process accounts with abnormal loss and abnormal gain

3.2. Understand job costing and contract costing

3.2.1 State the features of job costing

3.2.2 State the differences between job costing and process costing

3.2.3 State the features of contract costing

3.2.4 State the various types of contracts

MODULE IV

4.1. Apply the techniques of marginal costing

4.1.1 State the meaning of marginal cost and marginal costing

4.1.2 State limitations of marginal costing

4.1.3 State marginal cost equation

4.1.4 Explain BEP in units and value

4.1.5 Solve problems in marginal costing—calculate BEP in units, and in value,

4.1.6 Ascertainment of total units to obtain a desired profit, P/V Ratio, and margin of safety

4.1.7 State the meaning of margin of safety

4.1.8 Construct Break even Chart

4.1.9 Application of M C-cost control, profit planning and evaluation of performance

4.1.10 State decision making uses—SP fixation, KEY factor, MAKE or BUY, suitable PRODUCT mix

COURSE CONTENT

MODULE -I

Meaning -definition—cost, -costing and cost accounting—Advantages -disadvantages of cost accounting—cost accounting- financial accounting---differences—methods of costing—describe Techniques or types of costing—Cost centre—cost unit Cost Elements— direct and indirect Classification on the basis of function—variability—controllability and normality

MODULE -II

Unit or output costing—meaning—suitability—collection of costs -cost sheet—preparation of cost sheet— various components –tenders or quotations
transport costing— classification and collection of costs-selection of units –ascertainment of costs - calculation of cost/unit—total cost under transport costing.

MODULE III

Meaning- features of process costing-application-elements-process accounts-process losses-normal and abnormal-abnormal gain Job costing-differences between job and process-Contract costing-features-types contracts-

MODULE –IV

Marginal cost—Marginal costing—meaning—definition—division of total cost into fixed and variable—marginal cost equation –Break even analysis-contributions-BEP-margin of safety-break even chart-angle of incidence -application of marginal costing—cost control-profit planning-evaluation of performances-decision making-fixation of selling price-key factor-make or buy-selection of product mix-limitations marginal costing.

TEXT BOOK

COST ACCOUNTING Principles and Practices-SP JAIN and KL NARANG Kalyani publishers New Delhi

REFERENCE BOOKS

- 1 Cost Accounting : V K Saxena & Vashist
- 2 Cost Accounting : M C Shukla & T C Grewal
- 3 Practical costing : S P Arora
- 4 Costing Advisor : P V Retnam
- 5 Lectures on costing : Swaminathan
- 6 Cost Accounting : R S N Pillai and Bagavathy
7. Practical costing : S C L Batra, Ahuja, I M Pandey, Khanna.
- 8 Fundamentals of cost accounting HV Jhamb
- 9 Cost accounting-A managerial emphasis MADHAV V RAJAN & Others PEARSON EDN
- 10 COST ACCOUNTING Nirmal gupta and chhavi sharma