

**B.COM**  
**SEMESTER V**  
**Cost Accounting – I (DSE 1)**  
**(100 Marks, 60 Lectures)**

**Objective:** To familiarize students to the basic concepts of cost accounting and elements of cost.

**Unit I Cost Concepts and Terminology (20 Marks: 10 Lectures)**

Concepts of Cost, Costing, Cost accounting – objectives, principles, Importance, Advantages and Limitations of cost accounting system, Role of cost accounting in managerial decisions, Cost classification, Installation of costing system, Distinction between cost accounting and financial accounting.

**Unit II Material cost and control (20 Marks, 10 Lectures)**

**a) Material cost:** Meaning of material, Types of material, Procedure for purchase of materials, Calculation of material Purchase price, Types of purchase system – centralised and decentralised, Accounting for material losses – defective, spoilage and pilferage.

**b) Material control:** Meaning of material control, Dimensions of material control – cost and quantity, Need for control of materials, Essentials of material control, Advantages of material control.

**Unit III Stores control (30 Marks, 20 Lectures)**

Location and organisation of stores department, Store keeper and functions of store keeper, Classification and Codification of material, Inventory control system, Perpetual inventory system-Bin card and Stores ledger, Stores register, ABC Method of stores control, Calculation of Stock levels, Economic ordering quantity.

**Unit IV Material Issue Pricing and Control (30 Marks, 20 Lectures)**

Methods of pricing of material – Specific price method, First in First out, Last in First out, Average pricing methods (Simple average method, Weighted average method), Standard price method, Highest in first out method, Market price method.

**References :-**

9. Jain S. P and K.L. Narang- *Cost Accounting Principles and practice* – Kalyani Publishers, Ludhiana.
10. Bhar, B.K. *Cost Accounting- Methods & Problems*, Academic Publishers Calcutta 700073.
11. Kishore R. *Cost Accounting- Taxmann Allied Service Pvt.Ltd.*New Delhi.
12. Iyenger, S. P. *Cost Accounting*. S. chand & Co. New Delhi
13. Khana, B. S. & J. M. Pandey- *Practical costing*. S. Chand & Co. New Delhi

14. Khan, M. Y. & P.K. Jain- *Theory and Problems of Management and Cost Accounting*- Tata McGraw Hill Publishing co. Ltd. New Delhi
15. Lal, J. *Cost Accounting*. Tata McGraw –Hill Publishing co. Ltd. New Delhi
16. Nigam, B. & J.C. Jain. *Cost Accounting Principles & Practice*. Prentice- Hall of India Pvt. Ltd., New Delhi



**B.COM**  
**SEMESTER II**  
**Cost Accounting-II (DSE 2)**  
**( 100 Marks , 60 Lectures )**

**Objective:** To familiarize the students to the basic concepts and element of cost - labour cost and overhead.

**Unit I Labour cost and Control**

**( 20 Marks , 10 Lectures )**

Meaning, classification of labour, Time keeping and Time booking, Payroll Accounting, Monetary benefit, Fringe benefits, Overtime Premium, Holiday and Vacation Pay, Idle time, Labour Turnover.

**Unit II Labour remuneration**

**(30 Marks , 20 Lectures )**

Methods of labour remuneration, Incentive Schemes-Individual and Group, profit sharing, Calculation of Gross wages and Net wages, Individual incentive schemes and Group bonus schemes and Labour cost per unit.

**Unit III Overhead classification, Allocation and Apportionment ( 30 Marks , 20 Hours )**

Direct and indirect cost, Classification of overhead cost, Departmentalisation, Allocation and Apportionment of overhead to cost centres, Primary distribution of overhead, secondary distribution of overhead-Direct distribution method, step ladder method, Repeated distribution method, Simultaneous equation method.

**Unit IV Overhead absorption**

**( 20 Marks , 10 Lectures )**

Procedure for accounting of overhead cost, Overhead absorption rates, Actual and predetermined overhead rate, Methods of absorption, Accounting for under- absorption and over- absorption of overhead.

**References :-**

1. Jain S. P and K.L. Narang- *Cost Accounting Principles and practice* – Kalyani Publishers, Ludhiana.
2. Bhar, B.K. *Cost Accounting- Methods & Problems* , Academic Publishers Calcutta 700073.
3. Kishore R. *Cost Accounting-* Taxmann Allied Service Pvt.Ltd.New Delhi.
4. Iyenger, S. P. *Cost Accounting*. S. Chand & Co. New Delhi
5. Khana, B. S. & J. M. Pandey- *Practical costing*. S. Chand & Co. New Delhi
6. Khan, M. Y. & P.K. Jain- *Theory and Problems of Management and Cost Accounting-* Tata McGraw Hill Publishing co. Ltd. New Delhi
7. Lal, J. *Cost Accounting*. Tata McGraw –Hill Publishing co. Ltd. New Delhi
8. Nigam, B. & J.C. Jain. *Cost Accounting Principles & Practice*. Prentice- Hall of India Pvt. Ltd., New Delhi.

**B.COM**  
**SEMESTER V**  
**DISCIPLINE SPECIFIC ELECTIVE**  
**COST AND MANAGEMENT ACCOUNTING**  
**Techniques of Costing (DSE 3)**  
**(100 Marks , 60 Lectures )**

**Objective:** To provide the students an understanding of the application of techniques of costing

**Unit I Marginal Costing (30 Marks, 20 Lectures)**

Meaning , definition and objectives of marginal costing, comparison between absorption costing and marginal costing , preparation of marginal cost statement , marginal cost equation , P/V ratio ,break even analysis , margin of safety ,angle of incidence .(Theory and practical problems) .

**Unit II Application of Marginal Costing in Decision Making (20 Marks , 10 Lectures)**

Profit planning, key factor analysis, pricing decision, product decision, market decision, sales mix, make or buy decision.

**Unit III Standard Costing and Variance analysis (30 Marks , 20 Lectures )**

Meaning of standard cost and standard costing , merits and limitation of standard costing, standard cost v/s estimated cost , variance analysis - Different types of variances – Material, Labour and overhead variances(theory and problems)

**Unit IV Management Control ( 20 Marks , 10 Lectures )**

Meaning , Need of management control system, Designing of management control system, Performance budgeting, Balanced score card, Transfer Pricing, Management Reporting – General principles of reporting, classification of Reports.

**References:**

1. Patkar, M.G. *Management Accounting*.
2. Prasad, N. K. *Principles and practice of cost Accounting*
3. HiNgorani, Ramanathan & Grewal, *Management Accounting*.
4. Saxena, U. K. & C.D. Vashist, *Advanced Cost & Management Accounting*
5. Drury & Taxmann, *Management & Cost Accounting*.
6. Jain S. P and K.L. Narang- *Cost Accounting Principles and practice* – Kalyani Publishers, Ludhiana.
7. Bhar, B.K. *Cost Accounting- Methods & Problems* , Academic Publishers Calcutta 700073.
8. Kishore R. *Cost Accounting*- Taxmann Allied Service Pvt.Ltd.New Delhi.



**B.COM**  
**SEMESTER V**  
**DISCIPLINE SPECIFIC ELECTIVE**  
**COST AND MANAGEMENT ACCOUNTING**  
**Management Accounting (DSE 4)**  
**(100 Marks, 60 Lectures)**

**Objective:** This course provides the students an understanding of the application of accounting techniques for management.

**Unit I Introduction to Management Accounting (20 Marks, 10 Lectures)**

Management Accounting: meaning , nature ,scope and functions of management accounting – advantages, limitations of management accounting, Principles of management accounting, Role and status of management accountant management accounting v/s financial accounting , tools and techniques of management accounting .

**Unit II : Budgetary Control (30 Marks , 20 Lectures)**

Meaning of budget , budgeting and budgetary control , objectives , merits and limitations ,Classification of Budgets, Preparation of functional budgets – sales budgets, production budget, cost of production budget – Direct material, Direct Labour and Overhead budget, cash budget ,Flexible budget and Master budget ( theory and practicals)

**Unit III: Capital Budgeting (30 Marks ,20 Lectures)**

Meaning, Methods and Evaluation of projects, traditional Methods :- Pay Back Period/Accounting Rate of Return (practical), Scientific methods / Discounted cash flow method-Net Present Value, Internal Rate of Return, , Profitability Index, (Internal Rate of Return Only theory)

**Unit IV: Target costing and ERP (20 Marks, 10 Lectures)**

Concept – stages involved in target costing – objectives of target costing – target costing process- advantages of target costing.

Enterprise Resource Planning (ERP) –features of enterprise resource planning, need for ERP, scope of ERP and Benefits of ERP

**References:**

1. Arora M N : *Cost Accounting – principles and practices* , vikas , new Delhi.
2. Anthony , Robert & Reece ,et,al : *Principles of management Accounting* ; Richard Irwin Inc.
3. Horngren , Charles , Foster and Datar et al: *Cost Accounting – A Managerial Emphasis* ; Prentice Hall , New Delhi.
4. Khan M. Y and Jain P.K : *Management Accounting* ; Tata McGraw Hill , New Delhi.
5. Kaplan R.S. and Atkinson A.A :*Advanced Management Accounting* :Prentice Hall India, New Delhi.

6. Maheshwari, S. N. *Management Accounting & Financial Control*
7. M.G. Patkar, *Management Accounting*.
8. Drury & Taxmann, *Management & Cost Accounting*.
9. Jain S. P and K.L. Narang- *Cost Accounting Principles and practice* – Kalyani Publishers, Ludhiana.
10. Bhar, B.K. *Cost Accounting- Methods & Problems*, Academic Publishers Calcutta 700073.
11. Kishore R. *Cost Accounting- Taxmann Allied Service Pvt.Ltd.*New Delhi.