COURSE DESCRIPTION			
Program	**Computer Application & Business Management**		
Course Title	**Cost Accounting**		
Course Code	**2253**	**Semester**	**II**
Type of Course	**Theory**	**Contact Hours**	**60**
Teaching Scheme (L: T:P:R)	**3:1:0:0**	**Credits**	**4**
CIE Marks	**40**	**ESE Marks**	**60**

Introduction

This course provides a comprehensive understanding of the principles, methods, and techniques used to collect, analyze, and report cost information for internal management purposes. Students will learn how to measure and control material, labour, and overhead costs, and use this information for planning, controlling operations, and making sound business decisions.

Course Objectives

1	To understand the conceptual framework of cost accounting.
2	To identify and compute elements of cost.
3	To apply various methods and techniques for the ascertainment and control of cost.
4	To employ costing data for effective managerial decision-making and control.

Course Pre-requisite

Topic	Course code	Course Title	Semester
Entire course	1251	Basic Accounting	I

Course Outcome

CO	Course Outcome	Blooms Taxonomy Level
CO1	Explain the fundamental concepts of cost accounting.	Understand
CO2	Identify and compute material, labour and overhead cost	Apply
CO3	Apply methods of costing	Apply
CO4	Apply techniques of costing for managerial decision-making and cost control.	Apply

CO-PO mapping

COURSE ARTICULATION MATRIX											
Course Outcomes	PROGRAM OUTCOMES										
	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9	PO10	PO11
CO1	3	2	-	-	-	2	-	-	-	2	-
CO2	3	3	2	2	-	2	-	-	-	2	-
CO3	3	3	3	2	-	2	-	-	-	3	-
CO4	3	3	3	2	-	3	2	-	-	3	2
Total	12	11	8	6	-	9	2	-	-	10	2
Correlation Level	3	2.75	2.67	2	-	2.25	2	-	-	2.5	2
Legends: 1 - Low; 2 - Medium; 3 - High; No Correlation - "-"											

Teaching and Assessment Scheme

Teaching Scheme/Week				Self-learning (SS)/Week	Total Hours/Semester	Credits C	Examination Scheme						
							Theory			Practical			Total
L	T	P	S				CIE	ESE	Total	CIE	ESE	Total	
3	1	0	0	5.5	60	4	40	60	100	0	0	0	100
L: Lecture (One unit is of one-hour duration with one credit), T: Tutorial (One unit is of one-hour duration with one credit), P: Practical (One unit is of one-hour duration with 0.5 credit), S: Project (One unit is of one-hour duration with 0.5 credit) SS: Self-Learning, CIE: Continuous Internal Evaluation, ESE: End Semester Examination													

Syllabus – Major Topics

Module	Title	Major Topics	Instructional Hours	
			L	T
Module I	Introduction to cost accounting	Concept of Cost, Costing and Cost Accounting - Objectives, advantages and disadvantages of Cost Accounting - Differentiate Cost Accounting and Financial Accounting - Elements of Cost - Classify the Cost according to Functions, Cost Behavior, Identifiability and Managerial Decision - Methods and Techniques of Costing - Concept of Cost Centre, Profit Centre and Cost Unit	11	3
Module II	Material, Labour and overhead cost	Material cost: Meaning and objectives of material control - Stock levels – minimum level, maximum levels, average stock level, danger level and reorder level - Economic Order Quantity (EOQ) Labour cost: Meaning and importance of Labour cost control - Wage system –time rate and piece rate system and Taylor’s differential piece rate system - Incentive plans - Halsey and Rowan plan only - Labour Turnover- Causes and effects-Methods of Calculating Labour Turnover. Overhead cost: Classification of overhead - Meaning of allocation, absorption and apportionment of overhead	11	4
Module III	Methods of costing	Unit costing: Meaning and features of unit costing. - Preparation of cost sheet Process costing: Meaning and features of process costing. - Prepare process accounts with normal loss, abnormal loss and abnormal gain. Compare job costing and process costing Features of batch costing and contract costing	11	4
Module IV	Techniques of costing	Budget and budgetary control: Meaning and objectives of budgetary control. - Various types of budget - Workout problems on Flexible budget and Cash Budget Marginal costing: Meaning, features and limitations of marginal Costing - Meaning of contribution, PV Ratio, CVP analysis breakeven point and Margin of Safety - Marginal cost equations - computation of contribution, p/v ratio, breakeven point, margin of safety - Applications of marginal costing - Workout simple problems on selection of profitable product mix, Make or buy decision	12	4

Detailed Syllabus

Subtopic	Student Learning Outcome	Mode of delivery (L/T)	Mapped CO	Taxonomy Level	Instructional Hours
Module I					
Concept of cost, costing and cost Accounting	Explain the concept of cost, costing and cost Accounting	L	CO1	Understand	2
Objectives, advantages and disadvantages of cost accounting	State the Objectives, advantages and disadvantages of cost accounting	L	CO1	Remember	2
Difference between cost accounting and financial Accounting	Differentiate cost accounting and financial Accounting	T	CO1	Understand	1
Elements and classification of cost	Differentiate cost accounting and financial Accounting Identify the elements of cost and classify the cost according to functions, cost behavior, identifiability and Managerial decision	L	CO1	Understand	3
Methods and techniques of costing	Explain the methods and techniques of cost accounting	L	CO1	Understand	4
Concept of cost centre, profit centre and cost unit	Describe the concept of cost centre, profit centre and cost unit	T	CO1	Understand	2
Module II					
Meaning and objectives of material control	Explain the meaning and objectives of material control	L	CO2	Understand	1
Stock levels	Compute different Stock levels such as minimum level, maximum levels, average stock level, danger level and reorder level.	L	CO2	Apply	2
Economic Order Quantity	Compute EOQ	T	CO2	Apply	2
Meaning and importance of Labour cost control	Describe importance of Labour cost control	L	CO2	Understand	1
Wage system	Demonstrate Wage system such as time rate and piece rate system, Taylor’s differential piece rate system.	L	CO2	Apply	3

Incentive plans	Illustrate Incentive plans such as Halsey and Rowan plan	T	CO2	Apply	2
Labour Turnover	Identify Causes and effects of Labour Turnover and Compute Labour Turnover	L	CO2	Apply	2
Classification of overhead	Explain the classification of overhead	L	CO2	Understand	1
Allocation, absorption and apportionment of overhead	State the meaning of allocation, absorption and apportionment of overhead	L	CO2	Remember	1
Module III					
Meaning and features of unit costing	Describe the meaning and features of unit costing	L	CO3	Understand	1
Preparation of cost sheet	Demonstrate the preparation of cost sheet	T	CO3	Apply	4
Meaning and features of process costing.	Explain the meaning and features of process costing.	L	CO3	Understand	2
Process accounts with normal loss, abnormal loss and abnormal gain	Prepare process accounts with normal loss, abnormal loss and abnormal gain	L	CO3	Apply	5
Job costing VS process costing	Compare job costing and process costing	L	CO3	Understand	1
Features of batch costing and contract costing	Explain the features of batch costing and contract costing	L	CO3	Understand	2
Module IV					
Meaning and objectives of budgetary control.	State the Meaning and objectives of budgetary control.	L	CO4	Remember	1
Various types of budget	Describe the various types of budget	T	CO4	Understand	1
Problems on Flexible budget and Cash Budget	Illustrate Flexible budget and Cash Budget	L	CO4	Apply	3
Meaning, features and limitations of marginal Costing	Explain the meaning, features and limitations of marginal Costing	L	CO4	Understand	2
Meaning of contribution, PV Ratio, CVP analysis breakeven point and Margin of Safety	Explain the meaning of contribution, PV Ratio, CVP analysis breakeven point and Margin of Safety	L	CO4	Understand	2
Marginal cost equations. - computation of contribution, p/v ratio, breakeven point, margin of safety	Computation of contribution, p/v ratio, breakeven point, margin of safety	T	CO4	Apply	3
Applications of marginal costing	Describe the applications of marginal costing	L	CO4	Understand	2
Workout simple problems on selection of profitable product mix, Make or buy decision	Demonstrate the selection of profitable product mix, Make or buy decision	L	CO4	Remember	2

Suggested Student Activities for Self-Learning

Week	Self-Learning description	Hours
Module I		
1	• Study the topics taught in class • Define cost, costing, and cost accounting. Explain their significance in business decision-making. • Differentiate between cost accounting and financial accounting on five key points. • Or any other activity	5.5
2	• Study the topics taught in class • Identify and explain the three elements of cost with suitable examples. • Or any other activity	5.5
3	• Study the topics taught in class • Case studies relating to identify methods and techniques of costing • Or any other activity	5.5
4	• Study the topics taught in class • Define cost centre, profit centre, and cost unit. Give one example of each • Or any other activity	5.5
Module II		
5	• Study the topics taught in class • Write a note on why is Labour cost control important with example • Or any other activity	5.5

6	• Study the topics taught in class • Compare time rate and piece rate systems • Differentiate between Halsey and Rowan incentive plans with calculations • Or any other activity	5.5
7	• Study the topics taught in class • Distinguish between allocation, apportionment, and absorption of overheads. • Or any other activity	5.5
8	• Study the topics taught in class • Practice questions for stock level computation, wage system, incentive plans and Labour turn over • Or any other activity	5.5
	Module III	
9	• Study the topics taught in class • State the industries where unit costing is applied. • Practice questions for cost sheet preparation • Or any other activity	5.5
10	• Study the topics taught in class • State the industries where process costing is applied • Explain the characteristics of process costing. When is it used • Practice questions for preparation of process account • Or any other activity	5.5
11	• Study the topics taught in class • State the industries where job costing is applied • State the industries where batch costing is applied • State the industries where contract costing is applied • Or any other activity	5.5
12	• Study the topics taught in class • State the key features of batch costing and contract costing. Give one example for each. • Make a comparison chart for unit, process, job, batch and contract costing • Or any other activity	5.5
	Module IV	
13	• Study the topics taught in class • Practice questions for preparation of flexible budget • Or any other activity	5.5
14	• Study the topics taught in class • State the marginal cost equation and explain its components. • Construct a break-even chart and explain its components. • Or any other activity	5.5
15	• Study the topics taught in class • Practice questions of marginal costing equation • Practice questions of application of marginal costing in managerial decision making • Or any other activity	5.5
	Total Self-Learning hours	82.5

Learning Resources

TEXT BOOK			
Sl. No.	Title	Author	Publication
1	Cost Accounting - Principles and Practice	S P Jain,K L Narang, Simmi Agarwal, Monika Sehgal	Kalyani Publishers 2019
2	Cost Accounting –Text and Problems	C Shukla, T S, Grewal, Dr M P Gupta	S. Chand Publishing 2019
3	Elements of Cost Accounting	Maheshwari & Mittal	Mahavir Publication
4	Cost and Management Accounting	Dr. S N Maheswari	Sultan Chand & Sons
5	Cost Accounting-Principles and Practices	M. N Arora	Vikas Publishing House

REFERENCE			
Sl. No.	Title	Author	Publication
1	Cost Accounting: A Managerial Emphasis	Charles T. Horngren, Srikant M. Datar	Pearson Education

2	Cost Accounting – Theory and Problems	S.N. Maheshwari and S.N. Mittal	Mahavir Publications

WEB RESOURCES		
Sl. No.	URL	Modules Covered
1	https://www.tutorialspoint.com/accounting_basics/cost_accounting_introduction.htm	I
2	https://www.investopedia.com/terms/c/cost-accounting.asp	II
3	https://www.egyankosh.ac.in/bitstream/123456789/104815/1/Block-5.pdf	III
4	www.accountingcoach.com https://www.pw.live/ca/exams/marginal-costing	IV
5	https://icmai.in/upload/Students/Syllabus-2008/StudyMaterial/Cost_Mgmt_Ac.pdf	All

Assessment Methodology – Theory

Mode	Attendance	CA1	CA2	CA3	CA4	CA5	CA6	ESE
		Self-learning activities (Module 1)	Self-learning activities (Module 2)	Self-learning activities (Module 3)	Self-learning activities (Module 4)	Series Exam (2 modules)	Series Exam (2 modules)	Written Exam (theory)
Duration						2 hours	2 hours	2.5 hours
Exam mark		15	15	15	15	50	50	60
Converted to						20	20	
Marks	5	15				20		60
Total	40							60
Tentative schedule	End of semester	By 4th week	By 7th week	By 11th week	By 14th week	8th week	15th week	End of semester

Series Examination Pattern- Theory

Time	Module	Part A	Marks	Part B	Marks	Part C (With choice)	Marks	Total
2 hours	Any one module	2	1	3	3	2	7	25
	Any one module	2	1	3	3	2	7	25
	Number	4		6		4		50

End Semester Examination Pattern of Question Paper - Theory

Duration	Module	TYPE OF QUESTIONS						
		Part A (2 Questions from each module)		Part B 2 out of 3 questions from each module)		Part C (1 set questions with choice from each module)		Total Marks
		No. of Questions	Marks (1 mark each)	No. of Questions	Marks (3 marks each)	No. of Questions	Marks (7 marks each)	
2.5 hours	1	2	2	3	6	1 set	7	15
	2	2	2	3	6	1 set	7	15
	3	2	2	3	6	1 set	7	15
	4	2	2	3	6	1 set	7	15
		8	8	12	24	4 sets	28	60