

COURSE TITLE : **COST ACCOUNTING**
COURSE CODE : **2253**
SEMESTER : **2**
COURSE CATEGORY : **B**
PERIODS/WEEK : **4+2**
PERIODS/SEMESTER : **90**
CREDITS : **5**

TIME SCHEDULE

MODULE	TOPICS	PERIODS
1	COST ACCOUNTING	24
2	CLASSIFICATION AND ELEMENTS OF COST	22
3	METHODS AND TECHNIQUES OF COSTING	22
4	MARGINAL COSTING	22

Course General Outcomes:

Sl.	G.O	On completion of this course the student will be able :
1	1	To understand the basis of cost accounting
	2	To understand the meaning and scope of cost accounting
2	1	To understand classification of cost
	2	To understand the functions and components of various costs
3	1	To understand the methods and techniques of costing
4	1	To understand the concept, functions and merits of marginal costing.
	2	To understand the concept of and applications of break-even analysis & PVR

SPECIFIC OUTCOMES

1.1.0 Understand basis of Cost.

- 1.1.1 Define Cost.
- 1.1.2 Define Cost Accounting.
- 1.1.3 Define Costing.
- 1.1.4 Explain meaning and scope of cost.
- 1.1.5 Explain meaning and scope of costing.
- 1.1.6 Explain meaning and scope of cost accounting.
- 1.1.7 Explain objectives and functions of cost accounting.
- 1.1.8 Explain merits and demerits of cost accounting.
- 1.1.9 Difference between Cost accounting and Financial accounting.
- 2.1.0 Know the classification of cost.
- 2.1.1 Explain classification of cost according to function.
- 2.1.2 Explain classification of cost according to behaviour.
- 2.1.3 Explain classification of cost according to Identifiability.
- 2.1.4 Explain classification of cost according to managerial Decisions.
- 2.1.5 Explain elements of cost.
- 2.1.6 Explain cost centre and cost unit.
- 2.2.0 Understand overhead.
- 2.2.1 Explain components of cost.
- 2.2.2 Explain cost sheet.
- 2.2.3 Explain Production statement.

3.1.0 Understand methods and techniques of costing.

- 3.1.1 Explain job costing.
- 3.1.2 Explain batch costing.
- 3.1.3 Explain contract costing.
- 3.1.4 Explain process costing.
- 3.1.5 Explain features of process costing.
- 3.1.6 Explain normal and abnormal loss.
- 3.1.7 Explain inter process profit.
- 3.1.8 Describe Joint Products and by-products.
- 3.1.9 Work out simple problem of job costing, process costing, contract costing, Joint Products.

4.1.0 Understand marginal costing.

- 4.1.1 Explain meaning of marginal costing.
- 4.1.2 Define marginal costing.
- 4.1.3 Describe features of marginal costing.
- 4.1.4 Explain advantages of marginal costing.
- 4.1.5 Explain disadvantages of marginal costing.
- 4.1.6 Explain marginal cost equations.
- 4.1.7 Describe contribution.
- 4.2.0 Understand break even analysis and profit volume ratio.
- 4.2.1 Explain break even analysis.
- 4.2.2 Explain profit volume ratio (PVR).
- 4.2.3 Explain margin of safety.
- 4.2.4 Describe applications of marginal costing techniques.

CONTENT DETAILS

Module I

Introduction: - Definition – Meaning and Scope of cost, costing, and cost accounting – Objectives, Functions, Merits and Demerits of Cost Accounting – Cost Accounting and Financial Accounting.

Module II

Cost classification –Classification according to functions –Classification according to Behaviour- Classification according to Identifiability and managerial Decisions- Elements of cost – cost units- cost centre –Overheads- components of cost-Cost sheet-Production statement

Module III

Job Costing-Batch Costing-Contract Costing-Process Costing -features-Comparison between Job and Process Costing- Normal and abnormal loss- Inter Process Profit- Joint Products and by-products (Simple Problems only).

Module IV

Meaning- Definition –Features-Advantages- Disadvantages-CVPAnalysis- Marginal costing Equations- Contribution- Break Even Analysis-P/V ratio- Margin of safety-application of marginal costing- cost control- Fixation of selling price- closure of Department or discontinuing

a product- Selection of a profitable product mix- profit planning- decision to make or buy-
Decision to accept a bulk order- introduction of a new product (Simple problems only).

BOOKS RECOMMENDED

1. N. Balakrishnan Nair, Advanced Accounts, Balakrishnan Nair publication
2. S.P. Jain and K.L. Narang, Advanced Cost Accounting, Kalyani publishers
3. R.S.N Pillai, Cost Accounting, S.Chand

BOOKS FOR FURTHER REFERENCES

1. T.S. Gricval, Double Entry Book Keeping, S.Chand & Co.
2. R.S.N. Pillai and V. Bargava , Advanced accounting, S.Chand & Co.