

## **COST ACCOUNTING**

**OBJECTIVE:** To enable the students to understand the principles and procedure of cost accounting and to apply them to different practical situations.

### UNIT I

Meaning and Scope of Cost Accounting – Analysis, Concept and Classification of Cost – Elements and Methods of Cost –Relationship of Cost Accounting and Financial Accounting – Preparation of Cost Sheet, Tender/Quotation –.

### UNIT II

Materials – Purchase Procedure –EOQ – Stores Procedure –Levels of stock -Receipt and Issue of Materials — Stores Ledger – FIFO, LIFO, Simple Average and Weighted Average- Inventory Control – Perpetual Inventory and ABC.

### UNIT III

Labour – Time-Keeping and Time-Booking – Methods of Remuneration and Incentive Schemes – Overtime and Idle time – Labour Turnover – Causes, Types and Measurement.

### UNIT IV

Overheads – Collection, Classification, Allocation, Apportionment and Absorption – Recovery Rates – Over and Under Absorption -Machine Hour Rate Methods of Costing – Job Costing – Contract Costing.

### UNIT V

Operating Costing – Process Costing: Normal Loss, Abnormal Loss and Abnormal Gains (excluding Equivalent Production and Inter process).  
(Marks: Theory 40% and Problems 60%)

### TEXT BOOK RECOMMENDED:

Cost Accounting Principles and Practice – S.P. JAIN AND K.L. NARANG, Kalyani Publishers

### BOOKS FOR REFERENCE:

Cost Accounting – S.P.IYENGAR, Sultan Chand & Sons.  
Cost Accounting – R.S.N. PILLAI AND V. BAGHAVAGHI, S.Chand & Company Ltd.  
Cost Accounting – S.N. MAHESHWARI, Sultan Chand & Sons.  
Principles and Practice of Cost Accounting – N.K. PRASAD, Book Syndicate Pvt.Ltd.  
Cost Accounting – BHABOTOSH BANERJEE, The World Press Private Ltd