

SARDAR PATEL UNIVERSITY
Vallabh Vidyanagar
B. B. A. Information Technology Management Program
Semester – IV
UM04CBB122 Cost Accounting
(w.e.f. November-2019)

Total Credits: 3

Total Marks: 100

Unit 1: Essentials of Cost Accounting (25%)

- Introduction & Definition and Concept of Cost Accounting
- Objectives, Advantages & Limitations of Cost Accounting
- Classification of Cost
- Financial Accounting and Cost Accounting.
- Management Accounting and Cost Accounting
- Methods and Techniques of Cost Accounting

Unit 2: Material & Labour Cost (25%)

- Definition and types of Material
- Material Control :ABC Analysis, VED Analysis (**Theory**)
- Setting stock levels: Average Level, Maximum Level, Minimum Level, Reorder Level Danger Level, , Economic Order Quantity (Reordering quantity) (**examples**)
- Features of good wage system
- Various wage system: Time Wage, Piece Wage, Incentive Wage plans: Halsey Plan, Rowan Plan, Taylor Plan (**Theory Only**)
- Examples based on: Time Rate as per Halsey and Rowan Method only
- Labour Turnover: Meaning and causes(**Theory**)

Unit 3: Overhead Expenses (25%)

- Classification of overhead
- Apportionment of overhead
- Apportionment of Service department overheads under Repeated Distribution Method
- Machine Hour Rate (**Theory**)

Unit 4: Unit Costing and Reconciliation of Cost and Financial Accounts (25%)

- Preparation of Cost Sheet (Excluding Tender)
- Cause of disagreement of Profit of cost and Financial Accounts
- Preparation of Reconciliation Statement

Evaluation: Internal: 40 Marks

External: 60 Marks (Two – Hours Examination)

Reference Books:

1. Cost Accounting - Khan M.Y And Jain P.K
2. Cost Accounting And Financial Management - Kishore Ravi M
3. Problems And Solution In Adv Accounting - Maheshwari S N And Maheshwari S K
4. Advanced Cost Accountancy - Nigam Lalla And Sharma G.L
5. Cost Accounting Method And Problems - Bhar B K
6. Studies In Cost Accounting - Das Gupta
7. Cost Accounting - Saxena V K
8. Advanced Cost Accounting - Jain S P And Narang K L