

**SARDAR PATEL UNIVERSITY**  
**B. Com. (Honours) (3 Years)**  
**Specialization in International Accounting and Corporate Banking & Insurance**  
**Semester: III**  
**Syllabus with effect from: June 2016**

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| <b>Paper Code: UB03CCOH02</b>                        | <b>Total Credits: 3</b> |
| <b>Title of Paper: Essentials of Cost Accounting</b> |                         |

| Unit No. | Description in Detail  | Weightage  |
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| <b>1</b> | <b>Essentials of Cost Accounting: An Introduction (Theory only)</b><br>Introduction – Definition of Cost, Costing, Cost Accounting and Cost Accountancy, Costing Accounting V/S Financial Accounting, Characteristics of Cost Accountancy, Essentials of a sound system of Cost Accounting, Advantages & Limitations of Cost Accounting, Methods of costing – Cost Classification, Element of Costs, Cost Concepts: Cost Unit and Cost Centre  | <b>25%</b> |
| <b>2</b> | <b>Unit Costing (Examples only)</b><br>Examples of Cost Sheet inclusive of Tender  | <b>25%</b> |
| <b>3</b> | <b>Materials and Labour Cost</b><br><b>(A) Materials Cost</b><br><b>Theory:</b> Definitions & Types of material – Material control Material Control Techniques (ABC, Analysis)<br><b>Short Examples on:</b> Maximum Level, Minimum Level, Re-Order Level, Safety Stock Level, Danger level, Reordering Quantity- Economic Order Quantity (EOQ)<br><b>(B) Labour Cost</b><br><b>Theory:</b> Features of good wage system- Labour Turn over its causes & remedies – various wage system- Time wage, Piece wage- incentives wage system plans<br><b>Short Examples on:</b> Time Wage, Piece Wage- incentives wage system plans- Time rate as per Halsey & Rowan Method only (excluding Labour Turnover) | <b>25%</b> |
| <b>4</b> | <b>Overhead (Examples only)</b><br><b>Theory:</b> Classification of Overheads- Apportionment of Overheads<br><b>Examples:</b> Based on Apportionment of overhead of Service Department to Production Department under Repeated Distribution Method only, Machine Hour Rate Examples.   | <b>25%</b> |

**Evaluation : Internal : 40 Marks (Theory)**  
**: External: 60 Marks (Theory) – Two Hours Examination**

**Reference Books:**

- Cost Accounting- M. Y.Khan & P.K.Jain
- Problem & Solution of Cost Accounting – S.N. Maheshwari
- Advanced Cost Accountancy – Nigam and Sharma
- Cost Accounting method & Problems – B.K.Bhar
- Cost Accounting – V.K.Saxena