

## CC : 503 : Cost Accounting (Core Course)

Theory : Credit : 4 (100%)

Total Marks : 100

| Unit | Topics Covered  | Wt.   |
|------|---|-------|
| 1.   | <b>Essential of Cost Accountancy :</b><br>Cost concepts, Elements of cost, Fixed & variable expenses, Classification of Overheads.<br><b>Example :</b><br>Introduction to Preparation of cost sheet, Preparation of Tender  | (25%) |
| 2.   | <b>Overhead Analysis :</b><br>Preparation of an overhead analysis, Production & service department under non- reciprocal basis Repeated distribution method, Computation of Machine Hour Rate.<br><b>Example :</b><br>Repeated Distribution Method, Simultaneous Equation Method, Machine Hour Rate   | (25%) |
| 3.   | <b>Standard Costing :</b><br>Meaning & significance, Establishing standard, Types of variances, Setting up standards.<br><b>Example :</b><br>Materials cost variance, Labour cost variances and Sales variances only.   | (25%) |
| 4.   | <b>Cost - Volume Profit analysis :</b><br>Meaning and significance of costing Limitation of Break - even analysis, Contribution- Break-even Point-Margin of Safety Angle of incidence Profit volume ratio- Break even chart.<br><b>Example :</b> Break even point (Rs.), Break even point (Units), P/V ratio, Margin of safety, Application of marginal costing in profitability planning - special offer Levels of activity, Pricing Policies. | (25%) |

### **Reference Books:**

- *Management Accountancy, B. S. Shah Publisher*
- *Cost and Management Accounting, Theory and Practice, M. N. Arora , Himalaya Publishing House.*