

HEMCHANDRAYACHARYA NORTH GUJARAT UNIVERSITY
C B C S : FOR B.COM L.L.B PROGRAMME
(4 Credits, 60 Hours)

Programme Name	FIVE YEAR INTEGRATED LAW PROGRAMME
Semester	Third
Course No	CC 305
Course Name	Cost Accountancy – I
Course Type	CORE
Effective From	JUNE – 2016
Objective	To make students acquainted with Cost Accounting and equip them to prepare cost statement.

Unit No	Content
1	Introduction to cost accounting Meaning and definition; Need for Cost Accounting; Advantage and limitations; Cost Accounting and Financial Accounting; Cost concepts and cost objects; Elements of cost and classification of costs; methods of costing; Techniques of costing (<i>with emphasis on Uniform costing</i>); Cost centre and Cost unit; Installation of good cost accounting system.
2	Materials Definition of inventory; Materials and material control; Objectives of material control; Its necessity and advantages; Purchase and stores routine; Control of inventory through EOQ, determination of various stock levels, JIT and ABC system; Methods of pricings of issues of material – FIFO, LIFO, Base Stock price, Weighted average price, periodic weighted average price, standard price and replacement price; Meaning and treatment of Waste, Scrap, Spoilage and Defectives;
3	Labour Direct and Indirect Labour cost; Labour cost accounting and Labour records; Remuneration methods – Time wage system and piece wage system; Bonus systems (Individual and Group incentive plans) -Halsey Premium plan, Rowan Plan, Taylor’s differential piece rate system, Bedeaux Plan, Merrick’s multiple piece rate system, Gantt task & bonus system, Profit sharing and Co-partnership; Requisites of good wage incentive plan; Labour turnover; Cost of Labour turnover & its treatment; Concept of Idle time & its treatment; Over time premium; Casual worker & out worker; Holiday & Leave with pay; Cost of Apprentice; Employee welfare cost; Fringe benefits; Bonus and Gratuity
4	(A)Overheads including Activity based costing Definition; Classification of overheads; Techniques for segregation of Semi variable overheads; Cost allocation and apportionment; Basis of apportionment of Factory overheads and Re apportionment of service centre cost; Overhead absorption on the basis of Direct Material cost, Direct labour cost, Prime cost, Labour Hours and Machine Hours; Concept and Treatment in cost accounts of – Over absorption, Under absorption, Setting up time and Idle time; Absorption of Administration overheads and Selling & Distribution overheads (<i>In theory only</i>)

References

1. Cost Accounting By Rana, Dalal and others : M/s B. S. Shah Prakashan
2. Cost Accounting: Principles & Practice, By M N Arora, Vikas Publishing House
3. Practical Costing, By N K sharma, Shree Niwas Publication
4. Cost Accounting, By Dr P C Tulsian, S. Chand
5. Cost Accounting, By Dr Murthy & S Gurusamy, The McGraw Hill Companies