

205 : Cost Accounting

1. Introduction: Nature and scope of cost accounting; Cost concepts and classification; Methods and techniques; Installation of costing system.
Accounting for Material: Material control; Concept and techniques; Pricing of material issues; Treatment of material losses.
2. Accounting for Labour: Labour cost control procedure; Labour turnover; Idle time and overtime; Methods of wage payment-time and piece rates; Incentive schemes. (Individual and group both)
Accounting for Overheads: Classification and departmentalization; Absorption of overheads; Determination of overhead rates; Under and over absorption, and its treatment. Concept of Activity Based Costing.
3. Methods of Costing: Unit costing; Job, and contract costing; Operating costing; Process costing- including, Valuation of WEP inter process profits, and joint and by-products.
4. Budgeting and budgetary control System: Essentials of Effective System, Installation of Budgetary Control System, Operating and Flexible Budgets and Master Budget, Different Philosophies: Programme Budgeting performance budgeting and Zero Base Budgeting, Preparation of functional budgets, master budget and cash budget.
5. Marginal Costing: including decision Making, Standard Costing including calculation of Material, labour and overhead variances.

Suggested Readings:

1. Anthony Robgert, Ree-ce, et al: Principles of Management Accounting: Richard D. Irwin Inc. Illinois.
2. Arora M. N: Cost Accounting- Principles and Practice; Vikas, New Delhi.
3. Horngren, Charles, Foster and Datar: Cost Accounting-A Managerial Emphasis: Prentice-Hall of India, New Delhi.
4. Jain S.P. and Narang K. L : Cost Accounting; Kalyani, New Delhi.
5. Kaplan R.S. and Atkinson A. A.: Advanced Management Accounting; Prentice India International.
6. Khan M. Y and Jain P. K: Management Accounting; Tata McGraw Hill.
7. Tulsian P.C: Practical Costing; Vikas, New Delhi.