

**The Kelkar Education Trust's  
V G Vaze College of Arts, Science and Commerce  
(Autonomous)**



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Syllabus for Academic Year 2020-21

(June 2020 Onwards)

Program: B.COM

Semester V

**Course : FINANCIAL ACCOUTING & AUDITING – VIII - COST ACCOUNTING**

<b>Course Code</b>	<b>Course Title</b>	<b>credit</b>
CACC502	FINANCIAL ACCOUNTING & AUDITING – VIII - COST ACCOUNTING	4



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Teaching Scheme (Hrs/Week)				Continuous Internal Assessment (CIA) 40 marks					End Semester Examination	Total
L	T	P	C	CIA-1	CIA-2	CIA-3	CIA-4	Lab	Written	
4	-	-	4	15	15	10		-	60	100
<b>Max. Time, End Semester Exam (Theory) -2Hrs.</b>										

**TYBCOM**  
**FINANCIAL ACCOUNTING & AUDITING – VIII - COST ACCOUNTING**  
**SEMESTER V**

**Course Objectives :-**

To enable the learners :-

1. To understand the basic concepts and definition of the term cost, identifying the different costing methods.
2. To learn the different tools of inventory control like stock levels, EOQ, ABC etc.
3. To understand the different wage plans and to calculate the remuneration payable to the employee.
4. To understand the allocation of overheads into primary and secondary distribution.
5. To understand the preparation of cost sheet and cost calculation.
6. To learn the technique of reconciliation of cost and financial data.

**Learning outcomes**

After conclusion of study the students will be able to:

1. Describe how cost accounting is used for decision making and performance evaluation and also to understand the difference between direct cost and indirect cost.
2. Explain the basic concept of cost and how costs are presented in the cost sheet including raw materials, labour and overheads costs are added to a product at each stage of production cycle.
3. Allocate the direct cost and indirect cost as well as proper distribution of overheads.
4. Differentiate between costing profit and financial profit.

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FINANCIAL ACCOUNTING & AUDITING – VIII - COST ACCOUNTING  
SEMESTER V

Sr. No.	Modules	No. of Lectures
1	<b>Introduction to Cost Accounting</b>	05
2	<b>Material Cost</b>	11
3	<b>Labour Cost</b>	11
4	<b>Overheads</b>	11
5	<b>Classification of Cost and Cost Sheet</b>	11
6	<b>Reconciliation of Cost and Financial Accounts</b>	11
	<b>TOTAL</b>	<b>60</b>

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FINANCIAL ACCOUNTING & AUDITING – VIII - COST ACCOUNTING  
SEMESTER V

Sr No.	Modules / Units
1	<b>Introduction to Cost Accounting</b>
	<ul style="list-style-type: none"> <li>● Objectives and Scope of Cost Accounting</li> <li>● Cost Centres and Cost Units</li> <li>● Cost Classification for Stock Valuation, Profit Measurement, Decision Making and Control</li> <li>● Coding System</li> <li>● Elements of Cost</li> <li>● Cost Behaviour Pattern, Separating the Components of Semi – Variable Costs.</li> </ul>
2	<b>Material Cost</b>
	<ul style="list-style-type: none"> <li>● Procurement Procedures – Store Procedures and Documentation in respect of Receipts and Issue of Stock, Stock Verification</li> <li>● Inventory Control – Techniques of Fixing of Minimum and Reorder Levels, Economic Order Quantity, ABC Classification</li> <li>● Inventory Accounting</li> </ul> <p>Note : Simple Practical Problems based on</p> <p>Calculation of Inventory Levels, EOQ  Raw Material Turnover Ratio</p>
3	<b>Labour Cost</b>
	<ul style="list-style-type: none"> <li>● Attendance and Payroll Procedures, Overview of Statutory Requirements, Overtime, Idle Time and Incentives</li> <li>● Labour Turnover</li> </ul>



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	<ul style="list-style-type: none"> <li>Utilisation of Labour, Direct and Indirect Labour, Charging of Labour Cost, Identifying Labour Hours with Work Orders or Batches or Capital Jobs</li> </ul>
4	<p><b>Overheads</b></p> <ul style="list-style-type: none"> <li>Functional analysis – Factory, Administration, Selling and Distribution</li> <li>Behavioural Analysis – Fixed, Variable, Semi Variable Cost</li> <li>Simple Practical Problems on :</li> </ul> <p>Departmentalisation and apportionment of primary overheads,            Computation of overhead rates including Machine Overhead rates            Basic Concepts of treatment of over/ under absorption of overheads –            Direct Labour method and Prime Cost method</p>
5	<p><b>Classification of Cost and Cost Sheet</b></p> <ul style="list-style-type: none"> <li>Classification costs, Cost of Sales, Cost Centre, Cost Unit, profit Centre and Investment Centre</li> <li>Cost sheet, Total costs and Unit costs, Different /Cost for Different purposes</li> <li>Simple Practical Problems on preparation of cost sheet</li> </ul>
6	<p><b>Reconciliation of Cost and Financial Accounts</b></p> <ul style="list-style-type: none"> <li>Practical problems based on Reconciliation of Cost and Financial Accounts</li> </ul>

Reference Text :

- Advanced problems and solutions in cost account by S. N. Maheshwari, Sultan Chand New Delhi.
- Cost accounting by C.S. Rayudu, Tata Mc. Grow Hill and Co. Ltd, Mumbai
- Cost accounting by Jawahar Lal and Seema Srivastava, Tata Mc. Grow Hill and Co. Ltd, Mumbai
- Cost accounting by Ravi M. Kishore, Taxmann.

EVALUATION PATTERN

**I. Internal [40 marks]**

- Class test of 15 marks for 30 min.
- Project/ Assignment – 15 Marks.
- Class participation and behavior 10 marks

**II. Summative [60 marks]**

Semester end exam 60 marks, duration 2 hrs.



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Question Paper Pattern

I. Internal

Maximum Marks: 15

Question to be set : 2

Duration : 30 Min

Q. No.	Particulars	Marks
Q. 1.	Practical questions (5 mark each)	10
Q.2.	Objective Type questions (1 mark each)	05

II. Summative (Semester end)

Maximum Marks: 60

Question to be set : 04

Duration : 2 Hrs

Q. No.	Particulars	Marks
Q. 1.	Compulsory Practical Questions	15
Q. 2.	Full Length Practical Question OR Full Length Practical Question	15
Q. 3.	Full Length Practical Question OR Full Length Practical Question	15
Q. 4.	Full Length Practical Questions OR Short notes To be asked 05, to be answered 03	7 & 8  15


Full Length Question of 15 Marks may be divided into two sub questions of 7/8 and 10/ 5 Marks.



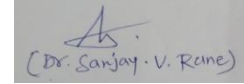
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The Final syllabus which has been approved by the following BOS Members:

CA. Anil Naik, Head of Department of Accountancy  
CA. Yogesh Sant – Member – Faculty  
Ms. Swapna Jagtap – Member – Faculty  
Ms. Shilpa Palande – Member – Faculty  
Mr. Tushar Bhuvad – Member – Faculty  
Mr. Aniruddha Kelkar – Industry/Corporate Sector  
Dr.(CA.) Smita Deshpande – Subject Expert from Other University (SNDT)  
Dr.(CA) Seema Tarak Shah – Subject Expert from Other University (SNDT)  
Dr. Sanjay Rane – Vice-Chancellor Nominee  
CA. Amol Kane – Meritorious Alumnus



CA. Anil Naik  
CHAIRMAN – BOS  
Date : 19/08/2020



(Dr. Sanjay V. Rane)

Dr. Sanjeev Rane  
VC – NOMINEE (BOS)

