

Gujarat University

K. S. School of Business Management and Information Technology
[Five Years' (Full – Time) M.B.A. Integrated Degree Course]

First Year B.B.A. (Sem - II)

Code: KS-MBA-DSC-C-122

Fundamentals of Cost Accounting

Course Credit: 4

Instructions: This is a Discipline Specific Core (DSC) Course. Approximately 55 to 60 hours direct teaching in the semester will be required. At least two assignments in the semester would be given to the students in this subject.

Objective: Cost accounting is a branch of accounting that focuses on determining the cost associated with producing goods and services. It is inevitable for any business organisation to apply costing methods and techniques. Cost Accounting has gained much importance in the era of intense competition. It is considered a very important branch of accounting, mainly helpful in determining the cost of goods produced or services rendered. The objective of this course is to make the students understand the meaning and nature of cost and cost accounting, various classification of cost and elements of cost in detail. It also includes various methods of costing and the system of bookkeeping from cost accounting viewpoint.

Program Outcomes: As India is slowly paving its way ahead and emerging as a global superpower, the need of the hour is to invest in human capital. While India enjoys the competitive advantage of demographic dividend, the responsibility of equipping the young generation with the right mix of competency and professionalism falls on institutes delivering higher education. B – Schools often contribute largely to enhancing knowledge and employability of these young aspirants in the growing business sector. Management courses like M.B.A. often fill this gap with practical exposure along with formal management education. This course has been diligently designed, keeping in mind the dynamic nature of business and the trending global scenario. Graduates from this program are expected to demonstrate domain expertise based on their specialization through coursework and case studies, skills developed through corporate internships and project work, decision making, communication and strategic thinking.

Course Outcomes: After completion of the course, learners will be able to:

- Understand and analyse the different cost concepts.
- Determine various components of cost of production such as materials, labour and overheads.
- Classify unit cost and total cost by preparing a cost statement.
- Compute cost for different industries using job costing, process costing and operating costing.
- Understand maintenance of books of accounts from costing perspective.

Detailed Syllabus:

Module 1:

[25%]

- Introduction to cost accounting, meaning, nature and classification of cost
- Elements of Cost: Materials

Module 2: [25%]

- Elements of Cost: Labour
- Elements of Cost: Overheads

Module 3: [25%]

- Unit and Job costing
- Process costing (excluding valuation of work-in-progress)
- Operating costing (only transport)

Module 4: [25%]

- Cost control accounts
- Reconciliation of cost and financial accounts
- Integrated accounts

Reference Books:

- Cost Accounting – M.C. Shukla, T.S. Grewal, S.C. Gupta (S. Chand)
- Cost and Management Accounting – S.P. Jain, K.L. Narang (Kalyani Publishers)
- Cost Accounting – Jawaharlal (TMH)
- Cost Accounting – V.K. Saxena and C.D. Vashist (Sultan Chand)
- Cost Accounting – J. Made Gowda (Himalaya Publishing)
- Cost Accounting: Principles and Practice – M. N. Arora (Vikas Publishing House)
- Cost Accounting – P. C. Tulsian (S. Chand)

Mode of Evaluation:

Continuous Evaluation 30%

Mid Semester Exam 20%

End Semester Exam 50%

Assessment Tools: Test, Quiz, Assignment, Presentation, Project etc.