

Course: Major
Basics of Cost Accounting

Semester: II	Credits:4	Subject Code:BBMAJFM223132	Lectures: 60
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Course Outcomes:

At the end of this course, the learner will be able to:

- CO1 - Relate to the importance of Cost Accounting as a Branch of Accounting
- CO2 - Identify the relationship between Financial Accounting and Cost Accounting
- CO3 - Describe the Classification of Cost and Apply the skills for computation of total cost for a product
- CO4 - Recognize how the cost is ascertained for Contracts and Process-based industries
- CO5- Explain the relationship between cost, selling price, and volume of output
- CO6 - Examine the importance of various concepts of Marginal Costing in Decision-making.

Unit1:Introduction(Theory)	15
<ul style="list-style-type: none"> • Meaning & Definition of Cost, Costing, Cost Accounting, and Cost Accountancy, Features of Cost Accounting • Objectives, Origin & Development of Cost Accounting, Advantages and Limitations of Cost Accounting • Limitations of Financial Accounting, Financial Accounting, and Cost Accounting • Cost Accounting Terminology – Cost Unit and Cost Centre • Elements of Cost - Material, Labour and Expenses • Overheads – Factory Overheads, Administration Overheads, Selling & Distribution Overheads 	

Unit2: Classification of Cost and Cost Sheet (Theory and Practical Problems)	15
<ul style="list-style-type: none"> • Classification of Cost-Functions, Nature/Behavior, Controllability, Normality, Investment, Time, Managerial Decision-making • Cost Sheet – Meaning, Contents, Uses of Cost Sheet • Preparation of Cost Sheet–a) Simple Cost Sheet b) Cost Sheet with Stock Adjustments. Items to be excluded from the Cost sheet 	

Unit3: Methods of Costing (Theory and Practical Problems)	15
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<ul style="list-style-type: none"> • Contract Costing – Meaning and Features of Contract Costing, Costing Procedure, Works Certified and Uncertified, Escalation Clause, Cost Plus Contract, Working progress, Profit on Incomplete Contract, Practical Problems. • Process Costing – Meaning, Features of Process Costing, Preparation of Process Accounts including Normal and Abnormal Loss/Gain, Practical Problems. 	
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Unit 4: Marginal Costing (Theory and Practical Problems)	15
<ul style="list-style-type: none"> • Marginal Cost, Marginal Costing, Features of Marginal Costing • Marginal Cost Statement, CVP Analysis, Profit Volume Ratio, Fixed Cost, Variable Cost, Contribution, Break-Even Point, Margin of Safety • Advantages and Limitations of Marginal Costing, Practical Problems. 	

Areas of Practical Problems

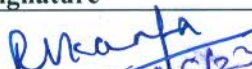
Cost Sheet, Contract Costing Process Costing Marginal Costing

Allocation of Marks: Theory - 30%, Practical Problems - 70%

Recommended Text Books:
<ul style="list-style-type: none"> • Dr. Mahesh Kulkarni and Dr. Suhas Mahajan, <i>Basics of Cost Accounting for FYBBA</i> Nirali Prakashan, 2016 • P.R. Bhone and S. Limaye, <i>Introduction to costing for S.Y.B.Com</i> Narendra Prakashan, Pune, 2017 • Prof. S Jagtap, Prof. B.B.Pagar, Prof. Dr. N.M. Nare <i>Cost & Works accounting – I.I.K.S. Publication, Pune, 2006</i>

Reference Books:
<ul style="list-style-type: none"> • Satish M. Inamdar, <i>Cost and Management Accounting</i>, Everest Publishing House, 23rd Edition 2013 • Murthy & Guruswamy, <i>Cost Accounting</i> Tata McGrawHill 2014 • M.N.Arora, <i>Cost Accounting – Principles and Practice</i> Vikas Publishing House Pvt. Ltd. 2012 • P.C. Tulsian, <i>Cost Accounting</i> Tata McGrawHill 2007

Websites:
<ul style="list-style-type: none"> • https://icmai.in/

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Faculty	Ms. Kajal Jaisinghani	<i>Kajal</i> 30/5/23
Faculty	Mrs. Amrita Basu	<i>ABasu</i> 30/5/23
Faculty	Dr. Madhura Wagh	<i>MMW</i> 30/5/23
Subject Expert (Outside SPPU)	Dr. Geeta Rao	<i>Geeta Rao</i> 30/5/23
Subject Expert (Outside SPPU)	Ms. Soma Kulshrestha	<i>Soma K</i> 30/5/23
VC Nominee (SPPU)	Dr. Tanuja Devi	<i>Tanuja</i> 30/5/23
Industry Expert	Deepesh Sodhi	<i>Deepesh Sodhi</i> 30/5/23
Alumni	Zoha Sabooni	<i>Zoha</i> 30/5/23
Alumni	Ms. Nilufer Chini	<i>NChini</i> 30/5/23



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