

<b>COURSE TITLE</b>	<b>COST &amp; MANAGEMENT ACCOUNTING - I</b>
<b>COURSE CODE</b>	<b>04BC0310</b>
<b>COURSE CREDITS</b>	<b>4</b>

**Objective:**

- 1 NA

**Course Outcomes:** After completion of this course, student will be able to:

- 1 Understand and classify various types of costs, and explain the objectives, functions, and scope of cost and management accounting.
- 2 Apply appropriate techniques for inventory control and labour remuneration systems in real business scenarios.
- 3 Analyze the different methods of overhead allocation and absorption, including Activity-Based Costing (ABC), and interpret their relevance in modern costing environments.
- 4 Prepare comprehensive cost sheets and distinguish between different types of cost accounting systems to aid in managerial decision-making.
- 5 Evaluate the role of cost accounting in sustainable business practices by integrating environmental costs and preparing reconciliation statements between cost and financial accounts.

**Pre-requisite of course:**NA

**Teaching and Examination Scheme**

<b>Theory Hours</b>	<b>Tutorial Hours</b>	<b>Practical Hours</b>	<b>ESE</b>	<b>IA</b>	<b>CSE</b>	<b>Viva</b>	<b>Term Work</b>
3	1	0	50	30	20	0	0

<b>Contents : Unit</b>	<b>Topics</b>	<b>Contact Hours</b>
1	<b>Introduction of Cost and Management Accounting</b> Objectives and functions of cost accounting, Meaning of Cost, Methods of costing, Techniques of costing, Cost ascertainment and cost estimation, Classifications of cost, Special costs for management decision making, Elements of cost, Steps of installation of a costing system, Advantages of cost accounting, Limitations or objections against cost accounting, Essentials of a good cost accounting system Introduction to Green Cost Accounting, Case Studies and Industry Practices, Environmental Cost Classification – Direct and indirect environmental costs, Sustainability Reporting and Compliance – Global frameworks (e.g., GRI, IFRS, and ESG reporting).	12

<b>Contents : Unit</b>	<b>Topics</b>	<b>Contact Hours</b>
2	<b>Direct Expense</b> Material Cost: Material Control, Techniques of inventory control; ABC, Stock Levels and Economic order Quantity. Proper storage of Materials, Labour Cost: Meaning, Labour Remuneration: Methods of Remuneration: Time rate system, Piece rate system, Incentive plans, Group bonus plans., Case Studies of Companies Adapting to Inflation, Real-world examples of businesses managing rising direct expenses effectively	12
3	<b>LABOUR</b> Meaning & Types of Labour (Direct & Indirect) – Timekeeping – Time booking - Idle Time –Overtime – Labour Turn Over. Methods of Remuneration - Time Rate System – Piece Rate System – Incentive – Halsey plan – Rowan Plan- Taylor’s differential Piece Rate System and Merrick’s Differential Piece Rate System – Gantt’s task and bonus plan – Emerson’s Efficiency plan., Flexible Work Hours & Remote Labour Costing	12
4	<b>Overhead -Absorption Costing Method and Activity Based Costing</b> Meaning Definition and Classification of Overheads — Allocation of Overheads – Apportionment of Overheads – Primary & Secondary Overhead Distribution Summary – Repeated Distribution Method – Simultaneous Equations Method – Absorption of Overheads – Under & Over Absorption – Methods of Absorption –Treatment of Absorption – Machine Hour Rate, Introduction to ABC, Steps in ABC Implementation, Applications of ABC, advantages & Limitations., Cost Drivers & Their Role in Overhead Allocation.	14
5	<b>Cost Sheet and Cost Accounting System</b> Classify and ascertain cost on the basis of function, Prepare Cost Sheet/ statement for production of goods and providing of services Discuss the Cost Accounting System, Differentiate between Integral and Non-Integral System of Accounting. Identify the ledgers maintained under Integral and Non-Integral Accounting System., Analyse the reasons for differences in profit under Financial and Cost Accounting Systems., Prepare reconciliation statement for profit under Financial and Cost Accounting Systems. Discuss the Accounting for Management Information and Cost Control.	10
<b>Total Hours</b>		<b>60</b>

**Textbook :**

- 1 Cost and Management Accounting, M. N. Arora, Vikas Publication, 2021

**References:**

- 1 Cost Accounting, Cost Accounting, P.C.Tulsian, Sultan Chand & Sons, 2021
- 2 Cost and Management Accounting, Cost and Management Accounting, S.N.Maheswari, Sultan Chand & Sons, 2020

**References:**

- 3 Cost Accounting, Cost Accounting, M.Y.Khan, Tata McGraw Hill, 2021

**Suggested Theory Distribution:**

The suggested theory distribution as per Bloom's taxonomy is as follows. This distribution serves as guidelines for teachers and students to achieve effective teaching-learning process

Distribution of Theory for course delivery and evaluation					
Remember / Knowledge	Understand	Apply	Analyze	Evaluate	Higher order Thinking / Creative
0.00	20.00	30.00	30.00	20.00	0.00

**Instructional Method:**

- 1 Lecture

**Supplementary Resources:**

- 1 [https://www.icaai.org/post/sm-intermediate-paper4?utm\\_source=chatgpt.com](https://www.icaai.org/post/sm-intermediate-paper4?utm_source=chatgpt.com)
- 2 [https://onlinecourses.nptel.ac.in/noc24\\_mg114/preview?utm\\_source=chatgpt.com](https://onlinecourses.nptel.ac.in/noc24_mg114/preview?utm_source=chatgpt.com)
- 3 [https://onlinecourses.nptel.ac.in/noc24\\_mg99/preview?utm\\_source=chatgpt.com](https://onlinecourses.nptel.ac.in/noc24_mg99/preview?utm_source=chatgpt.com)
- 4 [https://onlinecourses.swayam2.ac.in/cec24\\_cm15/preview?utm\\_source=chatgpt.com](https://onlinecourses.swayam2.ac.in/cec24_cm15/preview?utm_source=chatgpt.com)