



**B. J. VANIJYA MAHAVIDYALAYA**

**(Autonomous)**

**(Grant-in-Aid)**

**(Affiliated to Sardar Patel University)**

**Vallabh Vidyanagar- 388 120, Dist. Anand, Gujarat, India**

**Accredited with CGPA of 2.78 on four point scale at B++ Grade by NAAC**

**Syllabus with effect from June - 2024**

**Master of Commerce (M.Com.)**

**Semester - I**

<b>Course Code</b> <b>PB01CCOM53</b>	<b>Title of the Course</b> <b>Cost and Management Accounting - I</b>	<b>Total Credit</b> <b>04</b>
<b>Course Objectives:</b>	<ol style="list-style-type: none"> <li>1) To understand evolution, basic aspects, classification of cost, and methods &amp; techniques of costing.</li> <li>2) To understand concept of marginal costing, absorption costing and its application in decision-making.</li> <li>3) To study the concept of cost and management accounting.</li> <li>4) To understand concept &amp; aspects of cost audit.</li> </ol>	

<b>Course Description</b>		
<b>Unit</b>	<b>Description</b>	<b>Weightage</b>
<b>1.</b>	<b>Basic Aspects of Cost Accounting</b> <ul style="list-style-type: none"> <li>• Evolution of Cost Accounting</li> <li>• Meaning: Cost, Costing, Cost Accounting &amp; Cost Accountancy</li> <li>• Objectives of Cost Accounting,</li> <li>• Cost Accounting and Financial Accounting</li> <li>• Advantages, Disadvantages &amp; Installation of Cost Accounting</li> <li>• Cost Unit, Cost Centre, Profit Centre &amp; Classification of Costs</li> <li>• Methods and Techniques of Costing</li> <li>• Specific Order Costing: Theory &amp; Examples</li> <li>• Special Cost for Managerial Decisions (in brief): Relevant Cost, Sunk Cost, Differential Cost, Marginal Cost, Out of Pocket Cost, Imputed Cost, Future Cost, Conversion Cost and Production Cost</li> </ul>	<b>25%</b>
<b>2.</b>	<b>Marginal Costing and Absorption Costing (Theory &amp; Examples)</b> <ul style="list-style-type: none"> <li>• Meaning, Definition, Features, Advantages and Disadvantages of Marginal Costing &amp; Absorption Costing</li> <li>• Comparison of Marginal and Absorption Costing</li> <li>• Comparison of Marginal and Differential Costing</li> <li>• Managerial uses of Marginal Costing</li> <li>• Examples: Foreign Offer, Sales/Product Mix &amp; Key Factor</li> </ul>	<b>25%</b>
<b>3.</b>	<b>Emerging Concepts in Cost and Management Accounting</b> <ul style="list-style-type: none"> <li>• Activity Based Costing (ABC): Theory &amp; Examples - Introduction, Performing Steps, Cost Drivers, Classification of Activities in Manufacturing Organisation, Advantages and Disadvantages, Conventional Costing System and ABC System</li> <li>• Life Cycle Costing</li> </ul>	<b>25%</b>



	<ul style="list-style-type: none"> <li>• Target Costing</li> <li>• Kaizen Costing</li> </ul>	
<b>4.</b>	<b>Cost Audit</b> <ul style="list-style-type: none"> <li>• Meaning, Types, Advantages, Disadvantages &amp; Techniques of Cost Audit</li> <li>• Cost Audit Programme</li> <li>• Cost Auditors: Functions, Appointment, Qualification, Disqualification, Rights &amp; Duties</li> <li>• Cost Audit v/s Financial Audit</li> <li>• Cost Audit Report v/s Financial Audit Report</li> <li>• Cost Audit v/s Cost Investigation</li> <li>• Sachar Committee's Report</li> <li>• Cost Audit in India</li> <li>• List of Industries required to maintain Cost Records</li> </ul>	<b>25%</b>

<b>Teaching-Learning Methodology</b>	Lecture, Group Discussion, Doubt Solving, PowerPoint Presentation, Case Study, Real Life Company Examples, & Seminar
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<b>Evaluation Pattern</b>		
<b>Sr. No.</b>	<b>Details of the Evaluation</b>	<b>Weightage</b>
<b>1.</b>	Internal/Written Examination	<b>20%</b>
<b>2.</b>	Internal Continuous Assessment in the form of Practical, Viva-Voce, Quizzes, Seminars, Assignments, Attendance	<b>10%</b>
<b>3.</b>	External Examination	<b>70%</b>

Students will have to score minimum 40 % to pass the course.

<b>Course Outcomes: Having completed this course, the students will be able to:</b>	
<b>1.</b>	Learn concept of Cost and application of Costing Methods and Techniques
<b>2.</b>	Apply concept of Marginal Costing and Absorption Costing in Decision-Making
<b>3.</b>	Understand emerging concepts of Cost and Management Accounting such as ABC, Life Cycle Costing, Target Costing and Kaizen Costing
<b>4.</b>	Comprehend Cost Audit Programme, Cost Auditor's Duties, Roles, Functions and Relevance of Cost Audit Reports in Industries

<b>Suggested References:</b>	
<b>Sr. No.</b>	<b>References</b>
<b>1.</b>	Arora M. N. (2004), A Textbook of Cost Accountancy, Vikas Publishing House Pvt. Ltd., New Delhi.
<b>2.</b>	Gupta Kamal (2007), Contemporary Auditing, Tata McGraw Hill Publishing Co. Ltd., New Delhi.
<b>3.</b>	Jain S. P. and Narang K. L. (2008), Cost Accounting, Kalyani Publishers, New Delhi.
<b>4.</b>	Shah Pares (2009), Management Accounting, Oxford University Press, New Delhi.
<b>5.</b>	"Management Accounting: Text, Problems, and Cases" by M.Y. Khan and P.K. Jain
<b>6.</b>	"Cost Accounting: Text, Problems and Solutions" by M.C. Shukla, T.S. Grewal, and S.C. Gupta
<b>7.</b>	<b>Website:</b> <a href="https://www.icai.org/post.html?post_id=17759">https://www.icai.org/post.html?post_id=17759</a>