



## 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 as per the NEP 2020 with effect from - December 2025

Bachelor of Business Administration (General)

### Semester – IV

| Course Code                 | UM04MIBBA01 | Title of the Course | Cost Accounting |
|-----------------------------|-------------|---------------------|-----------------|
| Total Credits of the Course | 04          | Hours per week      | 04              |

|                           |  |
|---------------------------|--|
| <b>Course Objectives:</b> | <ol style="list-style-type: none"><li>1) To give students a fundamental understanding of the nature, purpose, and scope of cost accounting so that they can differentiate it from financial accounting and recognize its role in business decision-making.</li><li>2) To teach students how to manage, control, and analyze two major elements of cost – material and labour – in order to minimize wastage, increase efficiency, and ensure accurate cost determination.</li><li>3) To teach students how to identify, classify, allocate, and absorb overhead expenses so that the total cost of production or services can be determined accurately and fairly.</li><li>4) To teach students how to ascertain the cost per unit of output using a cost sheet and how this information is applied in preparing tender/quotation cost sheets for pricing and decision-making.</li></ol> |
|---------------------------|--|

| Course Content |   |               |
|----------------|---|---------------|
| Unit No.       | Description   | Weightage (%) |
| 1              | <b>Essential of Cost Accounting (Theory Only):</b> <ul style="list-style-type: none"><li>• Introduction &amp; Definition and Concept of Cost Accounting</li><li>• Advantages &amp; Objectives of Cost Accounting &amp; Financial Accounting</li><li>• Elements of cost and classification of cost</li><li>• Methods and Techniques of Cost Accounting</li><li>• Installation of Costing System.</li></ul> | 25%           |
| 2              | <b>Material and Labour Cost Material Cost (Theory &amp; Examples):</b> <ul style="list-style-type: none"><li>• Meaning of Material &amp; Material Control</li><li>• Techniques of Material Control – ABC Techniques – VED Analysis.</li></ul>   | 25%           |



|   |  |     |
|---|--|-----|
|   | <p><b>Examples:</b> Stock Levels: Maximum Level; Minimum Level; Reorder Level; Danger Level; Average Stock Level; Economic Order Quantity. <b>Labour Cost:</b></p> <ul style="list-style-type: none"> <li>• Meaning; Control of Labour Cost</li> <li>• Labour Turn Over</li> <li>• Causes of Labour Turn Over</li> <li>• Methods of remuneration; Time Rate &amp; Piece Wage</li> </ul> <p><b>Examples on: Incentive Plans</b> - Halsey Premium Plan; Rowan Plan; Taylor's Differential Piece Rate System</p>              |     |
| 3 | <p><b>Overhead Cost (Theory &amp; Examples):</b></p> <ul style="list-style-type: none"> <li>• Meaning of Overheads</li> <li>• Classification of Overhead Cost; Fixed Cost and Variable Cost</li> <li>• Allocation and Apportionment of Overheads</li> <li>• Absorption of Overheads</li> </ul> <p><b>Examples</b> - Apportionment of Service Department Overheads over Production Department under Repeated Distribution Method and Reciprocal Distribution Method.</p> <p><b>Examples based on Machine Hour Rate.</b></p> | 25% |
| 4 | <p><b>Unit Costing (Theory &amp; Examples):</b></p> <ul style="list-style-type: none"> <li>• Meaning, Definition</li> <li>• Importance of Costing</li> <li>• Examples based on Cost Sheet and Tender Cost Sheet</li> </ul>   | 25% |

|                                      |   |
|--------------------------------------|---|
| <b>Teaching-Learning Methodology</b> | The course would be taught /learnt through ICT (e.g. Power Point Presentation, Audio-Visual Presentation), Lectures, Group Discussions, Quizzes, Assignments, Case Study and Browsing E- Resources. |
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#### Internal and External Examination Evaluation

| Sr. No.                      | Details of the Evaluation / Exam Pattern | 50 Marks (%) | 25 Marks (%) |
|------------------------------|--|--------------|--------------|
| 1                            | <b>Class Test (at least one)</b>         | 15 (30%)     | 10 (40%)     |
| 2                            | <b>Quiz (at least one)</b>               | 15 (30%)     | 05 (20%)     |
| 3                            | <b>Active Learning</b>                   | 05 (10%)     | ----         |
| 4                            | <b>Home Assignment</b>                   | 05 (10%)     | 05 (20%)     |
| 5                            | <b>Class Assignment</b>                  | 05 (10%)     | ----         |
| 6                            | <b>Attendance</b>                        | 05 (10%)     | 05 (20%)     |
| <b>Total Internal (%)</b>    |  | 50 (100%)    | 25 (100%)    |
| <b>Final Examination (%)</b> |  | 50 (100%)    | 25 (100%)    |



| Sr. No. | Course Outcomes: Having completed this course, the learner will be able to   |
|---------|--|
| 1)      | Students will be to equip basic theoretical foundation of cost accounting so they can understand its importance, principles, and applications in controlling costs, improving efficiency, and aiding managerial decisions.                                     |
| 2)      | Students will be enable to learn how materials and labour—two vital cost components—are effectively controlled and measured, and how different techniques of stock control and labour remuneration help in cost efficiency, productivity, and decision-making. |
| 3)      | Students will be able to understand indirect costs systematically—through classification, allocation, apportionment, and absorption—so that accurate and fair product costing can be achieved for decision-making and cost control.                            |
| 4)      | Students will be able to develop their skill to prepare and interpret cost sheets and tender cost sheets, enabling them to determine unit costs, control costs, and make informed pricing decisions.   |

| Sr. No. | Suggested References:   |
|---------|---|
| 1)      | Alex, K. (n.d.). Cost Accounting. Pearson Education.  |
| 2)      | Saxena, V. K. (2024). Cost Accounting Textbook (8th ed.). Sultan Chand & Sons.                                  |
| 3)      | Maheshwari, S. N., & Mittal, S. N. (2015). Cost Accounting: Theory & Problems (26th ed.). Mahavir Publications. |
| 4)      | Gupta, M. P., & Gupta, A. (2024). Cost Accounting. Sultan Chand & Sons.   |
| 5)      | Arora, M. N. (2023). Cost Accounting. Himalaya Publishing House.  |
| 6)      | Maheshwari, S. N. (2023). Fundamentals of Cost Accounting. Sultan Chand & Sons.                                 |
| 7)      | Arora, M. N. (n.d.). Cost Accounting: Principles and Practice (13th ed.). Vikas Publishing.                     |
| 8)      | Pillai, R. S. N., & Bagavathi, V. (n.d.). Cost Accounting (5th ed.). S. Chand & Co.                             |
| 9)      | Gupta, M. P., & Gupta, A. (2024). Cost Accounting. Sultan Chand & Sons.   |

| Sr. No. | On-Line Resources available that can be used as Reference Material  |
|---------|---|
| 1)      | <a href="https://icmai.in/upload/Students/Syllabus2016/Inter/Paper-8-New.pdf">https://icmai.in/upload/Students/Syllabus2016/Inter/Paper-8-New.pdf</a>                                 |
| 2)      | <a href="https://www.opencostaccounting.org/toc/">https://www.opencostaccounting.org/toc/</a>   |
| 3)      | <a href="https://www.icsi.edu/media/webmodules/publications/FULL_BOOK_PP-CMA-2017-JULY_4.pdf">https://www.icsi.edu/media/webmodules/publications/FULL_BOOK_PP-CMA-2017-JULY_4.pdf</a> |
| 4)      | <a href="https://cbseacademic.nic.in/web_material/publication/823-CostAccounting-XI.pdf">https://cbseacademic.nic.in/web_material/publication/823-CostAccounting-XI.pdf</a>           |

