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| **Program: B.Com(Management and Finance)** | **Semester : II** |
| **Course: Cost & Management Accounting II** | **Code :** |
| **Suggested Lectures per week** | **03** |
| **Teaching Scheme** | **Evaluation Scheme** |
| **Lecture** | **Practical** | **Tutorial** | **Credits** | **Theory** |
| **Internal****40 Marks** | **External****60 Marks** |
| **45** | **Nil** | **Nil** | **03** |
|  |
| **Internal Component** |
| **Class Test (Duration 20 Mins)** | **Projects / Assignments/Presentations** | **Class Participation** |
| **20 Marks** | **20 Marks** | **---** |
|  |
| **Learning Objectives:****1:** To explain accounting entries under contract costing and discuss escalation clause and cost plus contract **2:** To discuss the treatment of process loss and gains in cost accounts and various methods of valuation of work in process**3:** To discuss the cost accounting method for service sectors.**4**: To state the accounting and control of Production, Administrative, Selling and Distribution Overheads. |
| **Course Outcomes:**After completion of the course, learners would be able to:**CO1:** Ascertain the cost of a contract, Progress payment, retention money, Value of work certified, Cost of work not certified**CO2:** Compute equivalent completed production units and treatment of Inter-process profits.**CO3:** Calculate the cost for different service industries**CO4:** Allocate, apportion and absorb Production, Administrative and Selling and Distribution overheads. |
| **Pedagogy : Classroom learning , Presentation, Theory Notes, Practical Sums, Assignments, Case Study** |

# MODULES AT GLANCE

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| --- | --- | --- |
| **Sr. No.** | **Topics** | **No. of Lectures** |
| **Module 1** | Contract Costing | **07** |
| **Module 2** | Process Costing | **14** |
| **Module 3** | Costing of Service Sector | **08** |
| **Module 4** | Overheads and Activity Based Costing | **16** |
|  | **TOTAL** | **45** |

**DETAILED SYLLABUS**

|  |  |  |
| --- | --- | --- |
| **Unit** | **Topic** | **No. of Hours/Credits** |
| **Module 1** | **Contract Costing**1. Ascertainment of cost of a contract, Progress payment, Retention money, Escalation clause, cost plus contract, Value of work certified, Cost of Work not certified.
2. Determination Value of work certified, cost of work not certified, Notional or Estimated profit from a contact.
 | 07 |
| **Module 2** | **Process/ Operation Costing**1. Process cost recording, Process loss, Abnormal gains and losses, Equivalent units of production, Inter-process profit, Valuation of work in process.
2. Joint Products- Apportionment of joint costs, Methods of apportioning joint cost over joint products,
3. By-Products- Methods of apportioning joint costs over by-products, treatment

of By-product cost. | 14 |
| **Module 3** | **Costing of Service Sectors**Determination of Costs and Prices of services | 08 |
| **Module 4**  | **Overheads**1. Functional analysis- Factory, Administration, Selling, Distribution, Research and Development.
2. Behavioral analysis- Fixed, Variable and Semi- Variable.
3. Allocation and Apportionment of overheads using Absorption Costing Method.
4. Factory Overheads- Primary and secondary distribution,
5. Administration Overheads- Method of allocation to cost centres or products,
6. Selling and Distribution Overheads- Analysis and absorption of the expenses in products/ customers, impact of marketing strategies, cost effectiveness of various methods of sales promotion.
7. Treatment of Research and development cost in cost accounting.

Activity Based Costing (ABC) | 16 |

### **Essential Reading**:

1. Padhuka’s Cost Accounting and Financial Management- A Practical Guide by CA B Saravana Prasath.

### **Supplementary Reading:**

1. Cost Accounting by P C Tulsian- the Mc Graw Hill Companies
2. Study Material for Cost and Management Accounting by ICAI

**Evaluation Pattern**

The performance of the learner will be evaluated in two components. The first component will be a Continuous Assessment with a weightage of 40 % of total marks per course. The second component will be a Semester end Examination with a weightage of 60 % of the total marks per course. The allocation of marks for the Continuous Assessment and Semester end Examinations is as shown below:

**Details of Continuous Assessment (CA)**

40 % of the total marks per course:

|  |  |  |
| --- | --- | --- |
| **Continuous Assessment** | **Details** | **Marks** |
| **Component 1 (CA-1)** | Class Test  | 20 marks |
| **Component 2 (CA-2)** | Assignment / Presentations / Projects | 20 marks |

Three Class test of 10 Marks each out of which best of Two will be considered

**Details of Semester End Examination**

60 % of the total marks per course. Duration of examination will be two hours.

Q1 is compulsory Solve any three out of Q2 to Q5

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| --- | --- | --- | --- |
| **Question Number** | **Description** | **Marks** | **Total Marks** |
| Q1 | Numerical Question (Compulsory) | 15 | 15 |
| Q2 | Numerical / Theoretical Question | 15 | 15 |
| Q3 | Numerical / Theoretical Question | 15 | 15 |
| Q4 | Numerical / Theoretical Question | 15 | 15 |
| Q5 | Short Notes / Case Studies / Short Numerical (Any 3 out of 4) | 15 | 15 |
| **Total Marks** | **60** |

 Note: If required the Questions can be sub-divided as per length/ difficulty level of the Question

Prepared by Approved by

Faculty/HOD Principal