

## M.Com. 107 Advanced Cost Accounting and Application of Cost Accounting

Unit No.	Unit Title	Contents
1.	Nature and Scope of Cost Accounting	<p>a) Introduction, Meaning, Definitions and Objectives of Cost Accounting, Cost Centres and Cost unit.</p> <p>b) Elements of Cost: Material, Labour and Overheads.</p> <p><b>Material:</b> Concept, Procurement of Material, Concept of Landed cost of Material in major currencies with special reference to Dollar, Euro, and Pound only</p> <p>c) Preparation of Cost Sheet</p> <p>d.) Storage and Inventory Control Techniques - Perpetual Inventory system, ABC Analysis, Inventory Turnover ratios, Just In Time, Economic Order Quantity. Fixation of inventory Levels.</p> <p>e) Study of CAS 1 (Classification of Cost ) and CAS 6 (Material Cost)</p>
2.	Employee Cost	<p>a. Meaning, Definitions and Significance of Labour Cost</p> <p>b. Classification of Labour Cost</p> <p>c. Methods of Remuneration-Performance Based Remuneration</p> <p>d. Labour Cost –</p> <ul style="list-style-type: none"> <li>• Idle time-causes and Accounting treatment</li> <li>• Overtime premium-Accounting Treatment &amp; its Control</li> <li>• Treatment of special Labour Cost –Fringe benefits, Bonus, Employees Welfare Costs</li> </ul> <p>e. Labour Turnover – concept, causes, Measurement &amp; Cost of Labour Turnover.</p> <p>f. Study of CAS – 7 relating to Employees Cost</p>
3.	Overheads Accounting	<p>a. Meaning &amp; Classification of Overheads, b. Allocation, Apportionment &amp; reapportionment ( Repeated distribution Methods &amp; Simultaneous Equations Method) of Overheads</p> <p>c. Absorption of Overheads-Methods, Over and under absorption of overheads</p> <p>d. CAS – 3 ( Overheads)</p>
4	Methods of Costing	<p>a. Job Costing and Contract Costing.</p> <p>b. Process Costing</p> <p>c. Operating Costing in Transport, Hospitals &amp; Hotel undertakings.</p>

5	Cost Book Keeping and Reconciliation between Cost and Cost financial Accounts	Book - keeping, Cost Ledgers, inter-locking and integral Accounts. Reconciliation of Cost and Financial Accounts, Reasons, needs & Methods.
6	Product Life Cycle Costing(PLC): & Value Chain Analysis (VCA)	Introduction, Product Life Cycle, Phases and Characteristics of Product Life Cycle, Value Chain Analysis – Approach for Assessing Competitive Advantages – Value Chain Analysis V/S Conventional Management Accounting.
7	Cost Allocation and Activity Based Costing	A) Cost Allocation – Meaning, Types, Relationship between resources, activities, Cost and Cost drivers, Methods of allocating Costs in Cost Centres using Direct Method, Step Down Method and Reciprocal Method. B) Activity Based Costing – Introduction, Steps in ABC Systems, Levels of Activities Advantages & Limitations
8	Strategic Cost Management	A) Transfer Pricing –Introduction, Meaning Advantages and Disadvantages, Setting Transfer Pricing, Methods of Transfer Pricing- Negotiated transfer pricing, Market Price, Cost-Based Price, Negotiated Prices & Dual Prices B) Target Costing – Introduction, Concept, Objectives, Comparison between Target Costing and Cost Plus Pricing.

## References

Sr. No	Title of the Book	Author	Publisher	Place
01	Cost Accounting-Principles & Practices	Jawahar Lal & Seema Shrivastawa	Tata Mcgraw Hill	New Delhi
02	Advanced Cost Accounting And Cost Systems	Ravi M Kishor:	Taxmann	New Delhi
03	Cost Accounting Theory And Problems	S. N. Maheshwari	Mittal Shree Mahavir Book Depot.	New Delhi
04	Advanced Cost Accounting	Jain and Narang	Kalyani Publication	New Delhi
05.	Horngren's Cost Accounting-A Managerial Emphasis	Srikant M Datar & Madhav V Rajan	Pearson	Noida Up
06	Cost Accounting-Principles & Practices	Dr.M.N. Arora	Vikas Publishing House	New Delhi
07	Cost Accounting	Dr. Eknath Khedkar	Success Publications	Pune
08	Principles and Practices of Cost Accounting	Dr. Sunita Pokharna	Success Publications	Pune
07	Advanced Cost Accounting	Dr. D. M. Gujrathi	Idol Publication	Pune
08	Advanced Cost Accounting	Dr.Kishor. M. Jagtap	Tech-Max Publication	Pune

## Web References

Sr. No	Lectures	Films	PPTs	Articles	Others
For the units 1 to 4	Guest Lectures by Field Persons such as working executives from industries and of Practicing Cost and Management Accountants. .	You Tube films showing working of different industries.  Discovery Turbo Channel	Cost & Its Classification vmouonline •Classification & Types of cost, method of costing part 1 Commerce Guru	Articles from the Professional Journals such as, The Management Accountant, The Chartered Accountant, The Chartered Secretary, The Institute of Chartered Financial Analyst of India	<a href="https://icmai.in">https://icmai.in</a>
For the units 5 to 8	Guest Lectures by Field Persons such as working executives from industries and of Practicing Cost and Management Accountants. .	You Tube films showing working of different industries.  Discovery Turbo Channel	You Tube lecture videos are available on all these topics. <a href="https://www.youtube.com/watch?v=JMPIBPym2g&amp;t=1s">https://www.youtube.com/watch?v=JMPIBPym2g&amp;t=1s</a>	Articles from the Professional Journal like The Management Accountant, The Chartered Accountant, The Chartered Secretary	<a href="https://icmai.in">https://icmai.in</a>