

DEPARTMENT OF COMMERCE				CLASS: I M.Com				
Sem	Course Type	Course Code	Course Title	Credits	Contact Hours/week	CIA	Ext	Total
I	Major Core	21P1KMC4	Applied Cost Accounting	4	6	25	75	100

Nature of Course			
Knowledge and Skill oriented	✓		Employability oriented
			Entrepreneurship oriented

### Course Objectives

- To familiarize the students with the various cost concepts, and elements of cost
- To enable the students to prepare cost sheets
- To apply different methods and techniques of cost control
- To gain knowledge of different methods of payment of wages and incentives
- To acquaint the students in the application of Marginal costing for Business decision making.

Unit	Course Contents	Hours	K level	CLO
I	<b>Introduction to Costing &amp; Material</b> Costing - Cost Accounting – Meaning and Definition – Financial Accounting Vs Cost accounting – Relationship of cost accounting with management accounting - Nature and significance of Cost Accounting – Implementation of costing system – Practical difficulties in implementation – Essentials of good costing system - Elements of cost – Cost concepts and preparation of cost sheet – Methods of Costing - job order Costing – Process Costing- Materials – Issue of materials – Pricing of material issued.	18	Up to K2	CLO 1
II	<b>Labour &amp; Overhead</b> Labour – types of labour cost – Methods of time keeping – Idle time - overtime – labour turnover - Preparation of Pay Roll – Wage payment and incentive system – Overhead – meaning and classification of overheads – Departmentalization of Overheads – - Allocation - Apportionment – Re-apportionment- Absorption of Overhead cost – Difference between cost allocation and apportionment and Reapportionment – treatment of over and under absorbed overheads.	18	Up to K4	CLO 2
III	<b>Process Costing &amp; Joint &amp; By product Costing</b> Process costing – Comparison between joint costing and process costing – costing procedure under process costing- Process Losses – Inter process profit – Equivalent production – methods of computing equivalent units- Evaluation of equivalent production– Joint product and by products costing – accounting for joint products & by-products.	18	Up to K3	CLO 3

<b>IV</b>	<b>Marginal Costing :</b> Marginal costing – Salient features – Marginal costing and absorption costing - Break – Even analysis – Cost – Volume-profit analysis – Application of Marginal costing for Business decision making ---Determination of sales mix- Exploring new markets- Make or buy decisions- Change versus status quo -expand or contract – shut down or continue - Inflation Accounting – Human Resource Accounting.	18	Up to K4	CLO 4
<b>V</b>	<b>Cost Management:</b> Cost management – cost reduction and cost control – Responsibility Accounting – Responsibility Centre – Accounting for Price level changes – Methods of Accounting for price level changes – Activity Based Costing – Target costing – Kaizen	18	Up to K5	CLO 5

**Note:** The Questions should be asked in the ratio of 80% Problems and 20 % for theory

### Book for Study

S.P. Jain & K.L Narang, “**Advanced Cost Accounting**” Vol-I, Nineteenth Edition, 2015, Kalyani Publishers, Mumbai.

### Books for Reference

1. Arora M N, (2017), Cost and Management Accounting, Himalaya Publishing House, Mumbai
2. Horngren, (2016), Cost Accounting with Managerial Emphasis, Prentice Hall India, New Delhi
3. Murthy A and Gurusamy S, (2018), Cost Accounting, Vijay Nicole Imprints Pt Ltd, Chennai
4. Jain S.P &Narang KL, (016), Cost Accounting, Kalyani Publishers, Mumbai
5. Reddy T S and Hari Prasad Reddy, (22018), Cost Accounting, Margham Publications, Chennai

### Web Resources

1. [https://www.tutorialspoint.com/accounting\\_basics/cost\\_accounting\\_introduction.htm#:~:text=Cost%20accounting%20is%20the%20application,previous%20experience%20or%20with%20standards](https://www.tutorialspoint.com/accounting_basics/cost_accounting_introduction.htm#:~:text=Cost%20accounting%20is%20the%20application,previous%20experience%20or%20with%20standards).
2. <https://www.yourarticlelibrary.com/cost-accounting/material-control/techniques-of-material-cost-control-11-techniques/55434>
3. <https://www.yourarticlelibrary.com/cost-accounting/problems-cost-accounting/top-14-cost-accounting-problems-with-solutions/75727>
4. <https://www.economicdiscussion.net/cost-accounting/different-methods-of-costing/31651>
5. <https://www.costmanagement.eu/blog-article/cost-management-explained-in-4-steps>

**Pedagogy:** Chalk & Talk, Exercise, Assignments, & PPTs

**Rationale for Nature of the Course:** Can be professionals in solving advanced problems to pursue higher studies.

### Activities to be given

- 1 Prepare comprehensive advanced problems on cost accounting for various business concerns
- 2 Assignment on cost accounting standards
- 3 Mini Project on cost Management strategies on sample company
- 4 Preparing the students to appear professional courses by giving Advanced Exercise and workout problems on relevant accounts

**Name of the Course Designer:** Dr. A. Mayil Murugan, Head & Associate Professor.

### Lesson Plan

Unit	<i>Course Content</i>	Hours	Mode of Teaching
<b>I</b>	<b>Introduction to Costing &amp; Material</b> Costing - Cost Accounting – Meaning and Definition – Financial Accounting Vs Cost accounting – Relationship of cost accounting with management accounting - Nature and significance of Cost Accounting	9	Chalk & Talk, PPTs, Quiz Exercise
	Implementation of costing system – Practical difficulties in implementation – Essentials of good costing system - Elements of cost – Cost concepts and preparation of cost sheet – Methods of Costing -job order Costing – Process Costing- Materials – Issue of materials – Pricing of material issued.	9	
<b>II</b>	<b>Labour &amp; Overhead</b> Labour – types of labour cost – Methods of time keeping – Idle time - overtime – labour turnover - Preparation of Pay Roll – Wage payment and incentive system	9	Chalk & Talk, PPTs, Quiz Exercise
	Overhead – meaning and classification of overheads – Departmentalization of Overheads – - Allocation - Apportionment – Re-apportionment- Absorption of Overhead cost – Difference between cost allocation and apportionment and Reapportionment – treatment of over and under absorbed overheads.	9	
<b>III</b>	<b>Process Costing &amp; Joint &amp; By product Costing</b> Process costing – Comparison between joint costing and process costing – costing procedure under process costing- Process Losses – Inter process profit – Equivalent production – methods of computing equivalent units- Evaluation of equivalent production	9	Chalk & Talk, PPTs, Exercise, Quiz,
	Joint product and by products costing – accounting for joint products & by-products.	9	
<b>IV</b>	<b>Marginal Costing :</b> Marginal costing – Salient features – Marginal costing and absorption costing - Break – Even analysis – Cost – Volume-profit analysis – Application of Marginal costing for Business decision making ---Determination of sales mix-	9	Chalk & Talk, Exercise PPTs, Quiz
	Exploring new markets- Make or buy decisions- Change versus status quo -expand or contract – shut down or continue - Inflation Accounting – Human Resource Accounting	9	
<b>V</b>	<b>Cost Management:</b> Cost management – cost reduction and cost control – Responsibility Accounting – Responsibility Centre – Accounting for Price level changes	9	Chalk & Talk, Exercise Quiz Assignment, PPTs
	Methods of Accounting for price level changes – Activity Based Costing – Target costing – Kaizen	9	

### Course Learning Outcomes

CLOs	On completion of the course, the students should be able to	K- Level
CLO 1	Describe the various cost concepts, and elements of cost and preparation of cost sheets.	Up to K2
CLO 2	Categorize different methods of payment of wages and incentives	Up to K4
CLO 3	Prepare Process Account and Joint and by product account	Up to K3
CLO 4	Examine the application of Marginal costing for Business decision making	Up to K4
CLO 5	Assess the cost management and Prepare Activity Based Costing	Up to K5

### Mapping of Course Learning Outcomes (CLOs) with Programme Outcomes (POs)

(CLOs)	Programme Outcomes (with Graduate Attributes)					
	PO 1 (Knowledge Base)	PO 2 (Problem Analysis & Investigation)	PO 3 (Communication Skills & Design)	PO 4 (Individual and Team Work)	PO 5 (Professionalism, Ethics and equity)	PO 6 (Life Long Learning)
CLO 1	3	3	2	2	3	3
CLO 2	3	3	2	2	2	3
CLO 3	3	3	2	2	2	3
CLO 4	3	3	2	2	3	3
CLO 5	3	3	2	2	3	3

3- Advance Application    2- Intermediate Level    1- Basic Level

### Mapping of Course Learning Outcomes (CLOs) with Programme Specific Outcomes (PSOs)

(CLOs)	Programme Specific Outcomes (with Graduate Attributes)					
	PSO 1 (Knowledge Base)	PSO 2 (Problem Analysis & Investigation)	PSO 3 (Communication Skills & Design)	PSO 4 (Individual and Team Work)	PSO 5 (Professionalism, Ethics and equity)	PSO 6 (Life Long Learning)
CLO 1	3	3	2	2	3	3
CLO 2	3	3	2	2	2	3
CLO 3	3	3	2	2	2	3
CLO 4	3	3	2	2	3	3
CLO 5	3	3	2	2	3	3

3- Advance Application    2- Intermediate Level    1- Basic Level

**Formative Examination- Blue Print**  
**Articulation Mapping – K Levels with Course Learning Outcomes (CLOs)**

CIA	CLOs	K- Level	Section A Short Answers		Section B (Either/or Choice)		Section C (Open Choice)	
			No.of Questions	K Level	No.of Questions	K Level	No.of Questions	K Level
I	CLO 1	Up to K2	3	K2, K2,K2	2	K2&K2	1	K2
	CLO 2	Up to K4	2	K3, K3	2	K4&K4	2	K3& K4
II	CLO 3	Up to K3	2	K2& K3	2	K3&K3	2	K2& K3
	CLO 4	Up to K4	3	K2, K2, K3	2	K4&K4	1	K4
No. of Questions to be asked			5		4		3	
No. of Questions to be answered			5		2		2	
Marks for each question			2		5		10	
<b>Total Marks for each section</b>			<b>10</b>		<b>10</b>		<b>20</b>	

**Distribution of Marks with K Levels CIA I & CIA II**

CIA	K Levels	Section A (Short Answer Questions)	Section B (Either/Or Choice)	Section C (Open Choice)	Total Marks	% of (Marks without choice)
I	K2	6	10	10	26	43.34
	K3	4	-	10	14	23.33
	K4	-	10	10	20	33.33
	<b>Marks</b>	<b>10</b>	<b>20</b>	<b>30</b>	<b>60</b>	<b>100</b>
II	K2	6		10	16	26.67
	K3	4	10	10	24	40
	K4	-	10	10	20	33.33
	<b>Marks</b>	<b>10</b>	<b>20</b>	<b>30</b>	<b>60</b>	<b>100</b>

CLO5 will be allotted for individual Assignment which carries five marks as part of CIA component.

**Summative Examination -Blue Print**  
**Articulation Mapping – K Levels with Course Learning Outcomes (CLOs)**

S.No	CLOs	K- Level	Section A MCQs	Section B Short Answers	Section C (Either/or Choice)	Section D (Open Choice)
1	CLO 1	Up to K2	2 (K1&K1)	1 (K1)	2 (K1&K1)	1(K2)
2	CLO 2	Up to K4	2 (K2&K3)	1 (K2)	2 (K3&K3)	1(K4)
3	CLO 3	Up to K3	2 (K2&K3)	1 (K1)	2 (K2&K2)	1(K3)
4	CLO 4	Up to K4	2 (K3&K4)	1 (K2)	2 (K4&K4)	1(K4)
5	CLO 5	Up to K5	2 (K3&K4)	1 (K3)	2 (K4&K4)	1(K5)
No. of Questions to be asked			10	5	10	5
No. of Questions to be answered			10	5	5	3
Marks for each question			1	2	5	10
<b>Total Marks for each Section</b>			<b>10</b>	<b>10</b>	<b>25</b>	<b>30</b>

**Distribution of Marks with K Level for Summative Examination**

K Levels	Section A (Multiple Choice Questions)	Section B (Short Answer Questions)	Section C (Either/Or Choice)	Section D (Open Choice)	Total Marks	% of (Marks without choice)	Consolidated %
K1	2	4	10	-	<b>16</b>	13.33	<b>35</b>
K2	2	4	10	10	<b>26</b>	21.67	
K3	4	2	10	10	<b>26</b>	21.67	<b>21.67</b>
K4	2	-	20	20	<b>42</b>	35	<b>35</b>
K5	-	-	-	10	<b>10</b>	8.33	<b>8.33</b>
<b>Total</b>	<b>10</b>	<b>10</b>	<b>50</b>	<b>50</b>	<b>120</b>	<b>100</b>	<b>100</b>

NB: Higher level of performance of the students is to be assessed by attempting higher level of K levels.