

# SYLLABUS

Panjab University, Chandigarh

## Cost Accounting

Paper Code BCM – 302

B.Com.-II, Semester-III

Time Allowed: 3 Hours

Maximum Marks: 100

[Theory: 80 Marks

Internal Assessment: 20 Marks]

**Objective:** The objective of this paper is to help the students to acquire conceptual knowledge of cost accounting and elements of cost.

### INSTRUCTIONS FOR THE PAPER-SETTER:

**Note:** The question paper covering the entire course shall be divided into three sections:

**Section A:** This section will have 6 short answer questions from the entire syllabus. Students are required to attempt 4 questions from this section. Each question will carry 5 marks; the total weightage being 20 marks. (20 Marks)

**Section B:** This section will consist of essay type/numerical questions from Unit-I of the syllabus. The candidate will be required to attempt two questions out of four questions. Each question will carry 15 marks; the total weightage being 30 marks. (30 Marks)

**Section C:** This section will consist of essay type/numerical questions from Unit-II of the syllabus. The candidate will be required to attempt two questions out of four questions. Each question will carry 15 marks; the total weightage being 30 marks. (30 Marks)

**Important Note:** In all numerical papers the paper setter is required to set numerical question as follows:

Section A: Four numerical questions out of six questions.

Section B and C: Two numerical questions out of three questions.

### UNIT-I

**Introduction:** Nature, Scope and Advantages of Cost Accounting, Installation of Costing System, Difference between Cost and Financial Accounting, Classification of Costs.

**Material:** Purchase, Storage and Control of Material, Stock Levels, Inventory, Control Techniques. Methods of Pricing Material Issues.

**Labour:** Meaning and Components of Labour Cost. Concept, Accounting and Control of Idle time and Overtime. Methods of Wage Payment and Incentive Plans, Labour Turnover.

### UNIT-II

**Overheads:** Collection, Classification, Allocation, Apportionment and Absorption of Overheads (Primary and Secondary Distribution), Machine Hour Rate.

Preparation of Cost Sheet, Operation Costing, Service Costing.

Cost Ledger Accounting, Integral Accounting, Reconciliation of Cost and Financial Accounts.