

B. Com. (Hons.)
Semester-5
Cost Accounting - 3
Course Code: DSC-C-ACC- 351
Credit Mark Distribution -04

Unit 1	Process Costing 1 1. Introduction 2. Procedure of Ascertaining Process Cost 3. Difference between Process Costing and Job Costing 4. Features of Process Costing 5. Elements of Cost of each Process 6. Process Loss and Wastage (1) Normal Loss (2) Abnormal Loss (3) Abnormal Gain 7. Accounting of Joint Products 8. Accounting of By-products 9. Practical Exercises	25%
Unit 2	Process Costing 2 1. Inter Process Profit 2. Calculating Equivalent Production 3. Statement of Evaluation 4. Opening Stock of Work-in-Progress: a) FIFO Method b) Average Method 5. Practical Exercises	25%
Unit 3	Standard Costing - 1 1. Introduction 2. Definition 3. Characteristics of Standard Costing 4. Advantages of Standard Costing 5. Limitations of Standard Costing 6. Setting Standards 7. Standard Cost Card 8. Material Variances 9. Labour Variances 10. Practical Exercises	25%
Unit 4	Standard Costing - 2 1. Introduction 2. Variable Overheads Variances 3. Fixed Overheads Variances 4. Sales Variances (A) Sales Value Variances (B) Sales Margin Variances 5. Practical Exercises	25%

Pre-requisite – Student should have primary understanding of the Basics of Costing Subject and its relevance.

Co-requisite- Student should take up theoretical and practical aspects of Process Costing & Standard Costing as integral part of Costing.

Mode of Evaluation: Evaluation will be divided in two parts.

External: Semester End Examination will be conducted by the Gujarat University of 50 Marks.

Internal: Internal Evaluation will be decided by the College/Institutes/University Department as per the instruction given by the University from time to time.

Assessment Tools: Projects, Assignments, MCQ tests

Course Objectives:

By the end of this course, students will:

1. Understand the **basic concepts and importance** of cost accounting.
2. Develop a strong understanding of **process costing systems** used in mass production environments.
3. Learn how to **identify and account for normal and abnormal losses/gains** in process costing.
4. Gain knowledge of **equivalent units, inter-process profits** and joint/by-products costing techniques.
5. Understand the **concept, types and methods of standard costing** as a tool for cost control and performance evaluation.
6. Develop skills in **variance analysis** to assess cost deviations related to materials, labour and overheads.
7. Enable decision-making through **cost control and cost reduction strategies** using process and standard costing techniques.

Course Outcome

After successful completion of this course, students will be able to:

1. **Explain the principles and procedures of process costing** and identify industries where it is applicable.
2. **Prepare process accounts**, including treatment of **normal loss, abnormal loss, scrap and wastage**.
3. **Calculate equivalent units**, prepare cost of production reports and account for **inter-process transfers**.
4. **Differentiate between joint products and by-products** and apply suitable costing methods for both.
5. **Define and explain standard costing** and its significance in cost control and budgeting.

6. **Compute and analyze variances** including material, labour and overhead variances.
7. **Interpret the reasons for variances** and suggest corrective measures for cost control and efficiency improvement.
8. Apply the concepts of process and standard costing in **practical scenarios** to aid managerial decisions.
9. Develop an understanding of **cost behavior patterns** and how they affect production and pricing decisions.

FBLD (Flip Blended Learning Design Template)

- Any One Unit from the above syllabus can be discussed by the faculty through online mode.
- Online mode can be SWAYAM MOOC Course or any other suggested by the UGC or Gujarat University.

Taxonomy

MOOC Courses

On Costing or any topics related to Process Costing & Standard Costing which is part of the above syllabus.

References

- Arora, M. N. (2021). *Cost accounting: Principles and practice* (13th ed.). Vikas Publishing House.
- Jain, S. P., & Narang, K. L. (2022). *Cost accounting* (20th ed.). Kalyani Publishers.
- Maheshwari, S. N., & Mittal, S. N. (2020). *Cost accounting: Theory and problems* (23rd ed.). Shri Mahavir Book Depot.
- Horngren, C. T., Datar, S. M., & Rajan, M. V. (2018). *Cost accounting: A managerial emphasis* (16th ed.). Pearson Education.
- Drury, C. (2017). *Management and cost accounting* (10th ed.). Cengage Learning.
- Khan, M. Y., & Jain, P. K. (2019). *Cost accounting* (7th ed.). McGraw-Hill Education.
- Tulsian, P. C. (2021). *Cost accounting* (2nd ed.). S. Chand Publishing.
- Lal, J., & Srivastava, S. (2019). *Cost accounting* (6th ed.). Himalaya Publishing House.
- Institute of Cost Accountants of India. (2023). *Study material on cost accounting*. ICAI.
- Bhattacharyya, A. K. (2020). *Principles and practice of cost accounting* (3rd ed.). PHI Learning.