

**SD COLLEGE HOSHIARPUR**  
**DEPARTMENT OF MANAGEMENT**  
**LECTURE PLAN FOR THE SESSION 2023-24**  
**COST ACCOUNTING AND ANALYSIS**

BBA (semester VI )

Sr.no.	Topics	Teaching points	Specific objective	Methods, approaches And techniques	Resources & links
UNIT I	Introduction	Nature, Scope and Advantages of Cost Accounting, Installation of Costing system, Difference between Cost and Financial accounting	To provide knowledge to the students about the various component of the cost and techniques of cost control	Lecture method, group discussion, black board method, snap test, assignments	Cost and management accounting, Sulatan Chand and sons. N.K Aggerwal , cost accounting . <a href="http://www.slide.com">www.slide.com</a> <a href="http://www.google.com">www.google.com</a>
	Classification of Costs Material:	Methods of purchase, Storage and Control of Material, stock levels, Inventory Control Techniques. Methods of Pricing, Material Issues			

UNIT-II	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			
	Overheads:	Collection, Classification, Allocation, Apportionment and Absorption of Overheads (Primary and Secondary Distribution), Machine Hour Rate.			
	Cost sheet	Preparation of cost sheet, operation costing, service cost			

	Cost ledger accounting,	Integral accounting, Reconciliation of cost and financial accounts			
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#### QUESTION BANK:

#### SHORT QUESTIONS

1. GIVE DISTINCTION BETWEEN COST ACCOUNTING AND FINANCIAL ACCOUNTING.
2. "COSTING IS A REALITY AND PRICING IS A POLICY" COMMENT.
3. "LIMITATIONS OF FINANCIAL ACCOUNTING HAS MADE THE MANAGEMENT TO REALISE THE IMPORTANCE OF COST ACCOUNTING" COMMENT.
4. WHAT IS COST ACCOUNTING? WHAT ARE ADVANTAGES OF COST ACCOUNTING?
5. EXPLAIN THE TERM COST, EXPENSES AND LOSSES.
6. EXPLAIN EXPLICIT AND IMPLICIT COST.
7. WHAT ARE THE VARIOUS CLASSIFICATIONS OF MATERIALS? GIVE TWO UNIQUE FEATURES OF MATERIAL.
8. WHAT DO YOU MEAN BY ABC ANALYSIS? 9. WHAT DO YOU MEAN BY VED ANALYSIS?
10. WHAT DO YOU MEAN BY PERPETUAL INVENTORY SYSTEM?
11. DEFINE COST CLASSIFICATIONS ALONG WITH STEPS.
12. EXPLAIN ANY TWO METHODS OF SECONDARY DISTRIBUTION.
13. WHAT IS THE DIFFERENCE BETWEEN UNDER ABSORPTION AND OVER ABSORPTION?
14. WHAT DO YOU UNDERSTAND BY MASTER BUDGET?

#### LONG QUESTIONS:

1. COST ACCOUNTING IS BECOMING MORE AND MORE RELEVANT IN EMERGING ECONOMIC SCENARIO IN INDIA. COMMENT
2. "COST MAY BE CLASSIFIED IN VARIETY OF WAYS ACCORDING TO THEIR NATURE AND INFORMATION NEEDS OF MANAGEMENT. "EXPLAIN AND DISCUSS THIS STATEMENT GIVING EXAMPLES OF CLASSIFICATIONS REQUIRED FOR DIFFERENT PURPOSES.
3. EXPLAIN THE ROLE PLAYED BY THE FOLLOWING DOCUMENTS IN MATERIAL CONTROL
  - A) PURCHASE REQUISITION
  - B) PURCHASE ORDER
  - C) GOODS RECEIVED NOTE
4. OUTLINE THE STEPS IN PURCHASING CYCLE AND ALSO PREPARE VARIOUS DOCUMENTS USED IN IT.
5. EXPLAIN FIFO AND LIFO METHODS OF VALUATION OF MATERIAL ISSUES. DISCUSS THE EFFECTS OF RISING PRICES AND FALLING PRICES IN THESE TWO METHODS OF PRICING OF MATERIAL ISSUES.
6. WHAT ARE THE CAUSES OF DISCREPANCIES IN STOCK RECORD? HOW WOULD YOU TREAT THESE DISCREPANCIES?
7. WHAT IS MEANT BY ABC INVENTORY CONTROL SYSTEM? WHAT ARE ITS LIMITATIONS?
8. WHAT DO YOU MEAN BY INCENTIVE SCHEME OF WAGE PAYMENT? DESCRIBE THE CHARACTERISTICS AND DRAWBACKS COMMON TO SUCH SCHEMES.
9. EXPLAIN THE FUNDAMENTAL DIFFERENCES BETWEEN:
  - A) STRAIGHT PIECE WORK
  - B) DIFFERENTIAL PIECE WORK
  - C) ROWAN SYSTEM OF BONUS
10. UNDER WHAT CIRCUMSTANCES WOULD YOU RECOMMEND THE USE THE FOLLOWING ABSORPTION METHODS?
  - A) LABOUR HOUR RATE
  - B) MACHINE HOUR RATE
  - C) UNITS OF OUTPUT
11. DISCUSS THE IMPORTANCE OF MACHINE HOUR RATE ON THE BASIS FOR THE ABSORPTION OF FACTORY OVERHEADS.
12. WHAT DO YOU MEAN OVER ABSORPTION AND UNDER ABSORPTION OF OVERHEADS? EXPLAIN THE CAUSES AND HOW YOU WOULD DISPOSE OF UNDER AND OVER APPLIED COST
13. EXPLAIN THE TERM VARIANCE. DISTINGUISH BETWEEN CONTROLLABLE AND UNCONTROLLABLE VARIANCE.
14. 1) GIVE DIFFERENCE BETWEEN BUDGETARY CONTROL AND STANDARD COSTING.

2) GIVE DIFFERENCE BETWEEN STANDARD COST AND ESTIMATED COST

15. WRITE A NOTE ON ZERO BASE BUDGETING AND ALSO EXPLAIN ITS LIMITATION.

NOTE: WHOLE SYLLABUS OF UNIT I AND HALF OF UNIT II WILL BE COMPLETED BEFORE MID TERM EXAM AND REMAINING SYLLABUS WILL BE COMPLETED AFTER MID TERM EXAM.