SAVITRIBAI PHULE PUNE UNIVERSITY

Syllabus Restructured (2024 Pattern as per NEP-2020)
Faculty: COMMERCE & MANAGEMENT (Commerce)
Program Name: B.Com. in Cost and Management Accounting
Class: F.Y. B.Com. Sem-II
Subject: Cost and Management Accounting –II

Inventory, Labour and Overhead Accounting

Academic Year: 2024-2025

Sem No.	Program Name	Subject code	Types of Course	Course/ Subject Title	Number of Credits	Lecture per Week	No. of topics
II	B.Com. in Cost and Management Accounting	ILO122T	Subject-I & II Major Mandatory	Inventory, Labour and Overhead Accounting	4	4	4

Objectives:

1. To understand the different methods of inventory control
2. To calculate EOQ, stock levels and inventory ratio
3. To understand the concept of payroll
4. To develop skills of calculation of labour turnover
5. To understand concept of overhead as it contributes to total cost of product or service.
6. To develop understanding how overhead influences the cost structure of cost.
7.

Course Outcome:

After Completion of the course, student will be able		
CO1	To Remember	The concepts related to Material, Labour as an element of cost.
CO2	To Understand	Various techniques of Material (Inventory) cost control and Labour cost control.
CO3	To Apply	The Stores related documents and payroll system.
CO4	To Analyse	Inventory, Labour and Overhead cost.
CO5	To Evaluate	The effectiveness of various techniques under Material ,Labour and Overhead Accounting

Syllabus

Sr. No	Name of Unit	Contents	No of Credit
1.	Inventory Control	a) Need and Essential of Inventory Control b) Techniques of Inventory Control: c) Stock Levels d) Economic Order Quantity (EOQ). e) Always Better Control (ABC) Analysis f) Perpetual and Periodic Inventory Control g) Physical verification h) Inventory Turnover Ratio	15

2.	Labour Cost	a. Cost Accounting Standards. Employee Cost b. Meaning of Wages and Salary and Difference. c. Principles of Good wage system. d. Time Keeping and Time Booking: Meaning, traditional and recent methods. e. Concept of Payroll Accounting f. Idle Time and Overtime g. Methods of remuneration: - 1. Time rate system 2. Piece rate system 3. Differential piece rate system, Taylor's Differential piece rate system, Merrick Differential piece rate system. 4. Bonus scheme- Halsey and Rowan premium scheme. h. Labour Turnover: -Meaning, Causes, Methods and Remedies	15
3.	Overhead Accounting, I	a. Overheads b. Meaning and Definition of Overheads c. Objectives of Overheads d. Steps for Distribution of Overheads e. Classification of Overheads Element-Wise Classification Behaviour-Wise Classification Functional Classification f. Collection of Overheads g. Allocation of Overheads h. Apportionment of Overheads.	15
4.	Overhead Accounting II	a. Apportionment of Overheads b. Bases of Apportionment c. Difference between Allocation and Apportionment d. Re- Apportionment of Overheads e. Methods of Re-apportionment f. Simultaneous Equation Method g. Repeated Distribution Method h. Absorption of Overheads i. Under and Over Absorption of Overheads	15

Teaching Methodology

Unit	Total lectures	Innovative Methods Used	Films Shows and AV Application	Outcome
1.	15	PPT Quiz, Group Discussion.	YouTube Lectures and relevant multimedia a compact disc (CD)	To acquaint with the procedure of store-keeping documentation of material receipt and issue and understand overall outlook of material cost.
2.	15	Invite a storekeeper in the classroom to provide practical knowledge about which records are to be maintained in the store department and pricing methods for issue of material		To remember different pricing methods used for issuing the material.
3.	15	Poster Presentation		Understanding attendance and payroll system.
4.	15	PPT		To understand methods of labour turnover, remuneration and bonus methods to calculate labour cost.

Sr. No	Title of Book	Names of Author	Name of Publisher	Place
1.	Cost Accounting-Principles & Practices	Jawahar Lal & Seema Shrivastava Tata	Mcgraw Hill New Delhi	New Delhi
2.	Advanced Cost Accounting And Cost Systems	Ravi M Kishor:	Taxmann	New Delhi
3.	Cost Accounting Theory And Problems	S. N. Maheshwari	Mittal Shree Mahavir Book Depot	New Delhi
4.	Advanced Cost Accounting	Jain and Narang	Kalyani Publication	New Delhi
5.	Horngren's Cost Accounting Managerial Emphasis	Srikant M Datar & Madhav V Rajan	Pearson	Noida Up
6.	Cost Accounting-Principles & Practices	Dr. M.N. Arora	Vikas Publishing House	New Delhi
7.	Cost Accounting Principles And Practice	Jain Narang	Kalyani Publication	New Delhi