

NIRMA UNIVERSITY
Institute of Commerce
Bachelor of Commerce (Hons.)
[B.Com. (Hons.)]
Semester – VI

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| Course Code | DSE-A-5 |
| Course Title | STRATEGIC MANAGEMENT ACCOUNTING |

Course Learning Outcomes (CLO):

At the end of the course, students will be able to:

- Carry out relevant calculations for managerial decision-making.
- Illustrate goal congruent transfer pricing.
- Appraise the contemporary issues in management accounting.

Syllabus

Teaching hours

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| <p>UNIT I: Management Accounting; the strategic perspective:</p> <ul style="list-style-type: none"> • Cost behaviour & Decision Making, Relevant cost and revenue for Tactical & Strategic decisions • Linear programming and decision making, Decision Making Under Risk and Uncertainty | 15 |
| <p>UNIT II: Pricing Decisions</p> <ul style="list-style-type: none"> • Determining prices and product profitability, cost information and pricing decisions • Cost plus pricing methods, Profitability analysis, role of product costs in pricing; short-term and long-term pricing considerations, price-takers vs. price setters; full cost pricing and its derivatives | 10 |
| <p>UNIT III: Transfer Pricing:</p> <ul style="list-style-type: none"> • Transfer pricing and divisional performance • Transfer pricing for multi-national corporations, dual transfer pricing; Behavioural implications of transfer pricing | 12 |
| <p>UNIT IV: Performance measurement and contemporary issues in management accounting:</p> <ul style="list-style-type: none"> • Responsibility accounting and decentralization • Divisional performance management, Multi-dimensional performance management • Benchmarking and non-financial performance measurement and balance score card | 15 |

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| UNIT V: Quality costing and Cost of quality <ul style="list-style-type: none">• Total quality management• Quality cost• Types of quality related costs | 8 |
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Suggested Readings:

Drury C, *Cost and Management Accounting*, Pearson

Arora, M., *Cost & Management Accounting*. Mumbai: Vikas Publishing House Pvt.Ltd.

E.Gordon, S., *Management Accounting*. Mumbai: Himalaya Publishing House.

Sharma, R., *Cost & Management accounting*. New Delhi: Kalyani Publishers.

Lal, J., *Advanced Management Accounting*, S. Chand Publications.

w.e.f. Academic Year 2018-19 and onwards