

NIRMA UNIVERSITY

Institute Name	Institute of Commerce
Name of Programme	B. Com. (Hons)
Course Code	4CC102CC25
Course Name	Advanced Management Accounting
Course Type:	Core Course
Year of Introduction	2025-26

L	T	Practical Component				C
		LPW	PW	W	S	
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Course Learning Outcomes (CLOs):

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

1.	Explain implications of different transfer pricing methods on tax and financial strategies of multinational corporations.	BL-2
2.	Describe key cost management strategies, including value chain analysis and Total Quality Management (TQM), and discuss their role in enhancing business efficiency.	BL-2
3.	Apply CVP analysis for decision-making.	BL-3
4.	Analyse financial and non-financial performance for organisational effectiveness.	BL-4
5.	Evaluate performance of responsibility centers.	BL-5

Content

Teaching Hours

Unit I: Cost Volume Profit Analysis

10

- Managerial applications of CVP analysis -make or buy decisions
- Alternative methods of production- Buy or Lease Decision- Shut down or continue- Repair or Replace – Accepting bulk orders for Idle capacity utilization
- Pricing under different situations- suitable product mix and Key Factor

Unit II: Performance Measurement

9

- Financial and non-financial measurement of performance
- Return on Investment, Residual Income, Key Performance Indicator
- Economic Value Added (EVA) – concept and measurement
- Balanced Score Card- Concepts, Objectives and Multiple Score Card measures
- New horizons in management control- Performance Budgeting and Zero Base Budgeting

Unit III: Responsibility Accounting and Divisional Performance Measurement	10
<ul style="list-style-type: none"> • Advantages and disadvantages of divisionalisation • Concept of responsibility accounting • Responsibility centers: Cost Center, Revenue Center, Profit Center, Investment Center • Responsibility performance reporting 	
Unit IV: Strategic Cost Management and Competitive Advantage	8
<ul style="list-style-type: none"> • Value Chain Analysis • Benchmarking and Cost Reduction Techniques • Total Quality Management (TQM) and Six Sigma • Lean Management and Cost of Quality 	
Unit V: Transfer Pricing	8
<ul style="list-style-type: none"> • Objectives of Transfer Pricing • Methods of Transfer Pricing • Multinational Transfer Pricing 	

Suggested Readings:

1. Balakrishnan, R., Sivaramakrishnan, K., & Sprinkle, G. B. (2014). *Managerial Accounting*. John Wiley & Sons, Bengaluru.
2. Davis, C. E., & Davis, E. (2023). *Managerial Accounting*. John Wiley & Sons, New Delhi.
3. Drury, C. (2018). *Management and Cost Accounting*. Cengage Learning, New Delhi.
4. Garrison, R. H., & Noreen, E. W. (2021). *Managerial Accounting*. McGraw Hill, New Delhi.
5. Hilton, R. W. (2023). *Managerial Accounting*. McGraw Hill Education, New Delhi.
6. Lal, J. (2016). *Advanced Management Accounting: Text, problems and cases*. S. Chand & Co., New Delhi.

w.e.f Academic Year 2025-26 and onwards