

## MASTER OF COMMERCE - FOURTH SEMESTER

### STRATEGIC COST MANAGEMENT

Code: **HC 4.3**

Contact Hours: 64

Credit Points: 4

Evaluation: Continuous Internal Assessment – **30 Marks**  
Semester-End Examination – **70 Marks**

Univ Code:

Work load: **4 hours per week**

**Objective:** This course provides the students an understanding of conceptual framework of strategic cost management and its application under various environmental constraints.

**Pedagogy:** Lectures, Case analysis, Group Discussions, Presentation and Assignment.

**Module 1: Activity Based Costing:** Concept of strategic cost management, Inadequacies of traditional methods of overhead absorption, concept of ABC, Kaplan and Cooper's approach to ABC, cost drivers and cost pools, main activities and its cost drivers, allocation of overhead under ABC – characteristics, steps, implementation and benefits of ABC system.

**Module 2: Learning Curve Model:** Concept and phases of learning curve, graphical representation, learning curve applications and factors affecting learning curve, experience curve.

**Module 3: Life Cycle Costing:** Concept and characteristics, activities and phases in product life cycle, short product and extension of product life cycle, Turning Point Indices in product life cycle.

**Module 4: Just In-Time Approach:** Concept, philosophy of JIT, sources of waste, aims and objectives of JIT, features and methodology in implementation of JIT, Planning for adoption and limitations of JIT costing.

**Module 5: Other Major areas in Cost Management:** Target costing, through-put accounting – definition and basic concepts, cost audit – meaning, importance and provisions of Companies Act, 2013 relating to cost audit.

#### Recommended Books

1. Horngren, et al, **Introduction to Management Accounting**, PHI, New Delhi
2. Kaplan and Atkinson, **Advanced Management Accounting**, PHI, New Delhi
3. Ravi M Kishore, **Advanced Management Accounting**, Taxmann Publications, New Delhi
4. Babhathosh Banerjee, **Cost Accounting**, World Press, Kolkata
5. N K Prasad, **Cost Accounting**, Book Syndicate, Kolkatta
6. Horngren, Foster and Datar, **Cost Accounting: A Managerial Emphasis**, PHI, New Delhi
7. Edward Blocher, **Cost Management: A Strategic Emphasis**, Tata-McGraw Hill Publications, New Delhi.
8. Govindraju, et al, **Strategic Cost Management**, Free Press, Kolkata
9. Jain and Narang, **Advanced Cost Accounting**, Kalyani Publications, New Delhi.
10. Hilton, Maher and Selt, **Cost Management – Strategies for Business Decision**, Tata McGraw Hill, 2002.
11. B.M.Lal Nigam, **Cost Accounting – Principles and Practice**, Prentice Hall of India.
12. Bhabatosh Banerjee, **Cost Accounting – Theory and Practice**, Prentice Hall of India.
13. Jack Companella, **Principles of Quality Costs Principles, Implementation and Use**, Prentice Hall of India Pvt. Ltd.