

AC –
Item No. –

As Per NEP 2020

Tolani College of Commerce
(Autonomous)



Title of the Course: Strategic Cost Management
Programme: Bachelor of Management

Semester: V

Syllabus for 4 Credit Course
from the Academic Year 2025-2026

Name of the Course: Strategic Cost Management

Sr. No.	Heading	Particulars
1	Description the course:	The "Strategic Cost Management" course is designed to equip participants with essential strategies and frameworks for managing and controlling costs effectively within an organization. It covers various aspects of cost management, such as cost analysis, budgeting, and cost optimization, to help managers make informed financial decisions that align with organizational goals. This course emphasizes techniques for identifying cost drivers, improving operational efficiency, and leveraging cost information for strategic planning. By the end, learners should be able to implement cost control measures that support long-term financial sustainability and competitive advantage.
2	Vertical:	Major Electives
3	Type:	Practical
4	Credit:	4 Credits
5	Hours Allotted:	60 Hours
6	Marks Allotted:	100 Marks Continuous Evaluation: 40 Semester-End Examination: 60
7	Course Objectives: <ol style="list-style-type: none"> 1. Equip learners with the ability to understand and evaluate cost structures within an organization. 2. To provide more accurate cost data by assigning costs based on actual activities, helping organizations allocate resources effectively. 3. To enable students to Gain insight into the differentiation between fixed and variable costs and their impact on overall profitability. 4. Equip learners with the skills to analyze variances between planned and actual financial performance, fostering a proactive approach to identifying cost discrepancies. 	
8	Course Outcomes: <ol style="list-style-type: none"> 1. Learners will able to Apply strategic cost management techniques to optimize resources. 2. Learners should be able to allocate costs based on activities, leading to a clearer picture of product and service profitability. 3. Learners can utilize marginal costing to make strategic pricing decisions for additional orders or competitive pricing scenarios. 4. Learners will be able to interpret variance data to gain a detailed view of departmental performance and overall financial health. 	
9	Module 1: Introduction to Strategic Cost Management (15 Hours)	
	<ul style="list-style-type: none"> • Concept and Philosophy-Objectives of SCM-Environmental influences on cost management practices Key elements in SCM-Different aspects of Strategic Cost Management: Value Analysis & Value Engineering, Wastage Control, Disposal Management, Business Process Re-engineering • Total Quality Management, Total Productive Maintenance, Energy Audit Control of Total 	

	Distribution, Cost & Supply Cost, Cost Reduction & Product Cycle Costing		
	Module 2: Activity Based Costing (15 Hours)		
	<ul style="list-style-type: none">Activity Based Management and Activity Based Budgeting: Concept, rationale, issues, limitations. Design and Implementation of Activity Based Costing (Practical Problems on ABC)Life Cycle Costing, Kaizen Costing, Back Flush Costing. Evaluation criterion Return on Cash Systems; Transfer Pricing and Divisional Performance. Transfer Pricing in International Business (concept and methods)		
	Module 3: Marginal Costing (15 Hours)		
	<ul style="list-style-type: none">Elementary Principles of Marginal Costing: Meaning - Features of marginal costing - Advantages of marginal costing -Limitations of marginal costing, key factorsTechniques of Marginal Costing Contribution - Profit / volume ratio - Breakeven point, Margin of safety - Cost volume profit analysis		
	Module 4: Variance Analysis & Responsibility Accounting (15 Hours)		
	<ul style="list-style-type: none">Standard Costing (Material, Labour, Overhead, Sales & Profit)Responsibility Accounting –Introduction, Types & Evaluation of Profit Centre and Investment Centre		
10	Reference Books: 1. Ravi N.Kishor –“Cost & Management Accounting”-Taxmann Publication 2. B.K. Bhar, Tata-“Cost Accounting Theory and Practice”-Tata Mc. Grow Hill and Co. Ltd., Mumbai 3. M.N. Arora- “Cost Accounting Principles and Practice”- Vikas Publishing House Pvt. Ltd., New Delhi 4. V.K. Saxena and C.D. Vashist - “Advanced Cost and Management Accounting: Problems and Solutions”- S. Chand and Company (P) Ltd., New Delhi 5. S.P. Jain and K.L. Narang – “Cost Accounting”- Kalyani Publishers, Ludhiana 6. M. Hanif – “Modern Cost and Management Accounting” - Tata McGraw Hill Education Pvt. Ltd 7. Roger Hussey, Audra Ong “Strategic Cost Modern” – Harvard Business Publishing		
11	Internal Continuous Assessment: 40%	Semester End Examination: 60%	
12	Continuous Evaluation through:		
	Sub-components	Maximum Marks	Conditions for passing
	1) Assignment/Case Studies/Project/Field Visit	15	A learner must be present for each of the sub-components.
	2) Presentation/Book Review/ Research Paper Report	15	
	3) MCQ Based Test	10	
	Total	40	

13	Format of Question Paper:		
	Semester End Examination Question Paper Pattern		
	Maximum Marks: 60		Duration: 2 Hours
	All Questions are Compulsory Carrying 15 Marks each.		
	Question No	Particular	Marks
	Q-1	Attempt the following: a) Full Length Practical Question OR b) Theory/ Practical Questions c) Theory/Practical Questions	15 Marks 08 Marks 07 Marks
	Q-2	Attempt the following: a) Full Length Practical Question OR b) Theory/ Practical Questions c) Theory/Practical Questions	15 Marks 08 Marks 07 Marks
	Q-3	Attempt the following: a) Full Length Practical Question OR b) Theory/ Practical Questions c) Theory/Practical Questions	15 Marks 08 Marks 07 Marks
	Q-4	Attempt the following: a) Full Length Practical Question OR b) Theory/ Practical Questions c) Theory/Practical Questions	15 Marks 08 Marks 07 Marks
	Note: Questions of 7/8 marks (Practical/theory) may also be divided as 2 questions of 10/5 marks (Practical/theory) or 1 full length question (Practical/theory) of 15 marks.		

Signatures of Team Members

Sr. No	Name	Signature
1.	Mr. Murugan Nadar	
2.	Mr. Mubeen Shaikh	