

**SES's L.S. RAHEJA COLLEGE OF ARTS AND COMMERCE  
(AUTONOMOUS)**



**BOARD OF STUDIES: ACCOUNTANCY & FINANCE**

**PROGRAMME: B.COM (Management studies)**

**SEMESTER: IV**

**NOMENCLATURE OF THE COURSE: Strategic Cost Management**

**NEP Vertical: Minor**

**Credit: 2**

**(As Per Choice Based Credit System (under NEP 2020) with effect from the academic year 2025-26)**



<b>Programme:</b>	<b>B.COM(Management studies)</b>
<b>Nomenclature of the Course</b>	<b>Strategic Cost Management</b>
<b>Total Marks</b>	<b>50 marks</b>
<b>Semester:</b>	<b>IV</b>
<b>Academic year</b>	<b>2025-26</b>

**LEARNING OBJECTIVES:**

- To equip students with a thorough understanding of Marginal Costing, including its principles, applications, and comparison with Absorption Costing, along with tools like Break-even Analysis and Margin of Safety for effective decision-making.
- To develop students' ability to apply Standard Costing and Variance Analysis techniques, enabling them to control costs, analyze variances, and understand emerging cost accounting practices.

**COURSE OUTCOMES:**

- Students will be able to apply the concepts of Marginal Costing and perform Break-even Analysis, Margin of Safety calculations, and make informed managerial decisions using cost data.
- □ Students will be able to implement Standard Costing techniques, analyze variances in materials, labour, and overheads, and use variance analysis for effective cost control and performance evaluation.

<b>Unit</b>	<b>Course Content</b>	<b>Andragogy</b>	<b>No of Lectures</b>
1	<p><b>Introduction to Strategic cost accounting, Marginal Costing &amp; Other Emerging Concepts in Cost Accounting</b></p> <p><b>A) Introduction to Strategic Cost Accounting</b></p> <p><b>B) Marginal Costing</b>  Meaning of Marginal Cost and Marginal Costing</p> <ul style="list-style-type: none"> <li>• Absorption Costing vs. Marginal Costing</li> <li>• Break-even analysis</li> <li>• Margin of safety</li> <li>• Application of Marginal Costing</li> </ul> <p><b>C) Emerging Concepts in Cost Accounting</b></p>	<p>Group discussions</p> <p>Live case studies</p>	10
2	<p><b>Standard costing and Variance Analysis-</b></p> <ul style="list-style-type: none"> <li>• Introduction to Standard Costing</li> <li>• Distinction between standard costing and budgetary control.</li> <li>• Advantages and limitations of implementing standard costing systems.</li> <li>• Concept and significance of variances in cost control</li> <li>• Classification of variances: material, labour and overheads only</li> </ul>	<p>Problem solving,</p> <p>Live case studies</p>	20

## SUGGESTED READINGS

1. Blocher, E. J., Stout, D. E., Juras, P. E., & Smith, S. (2024). *Cost management: A strategic emphasis* (10th ed.). McGraw-Hill Education.
2. Shank, J. K., & Govindarajan, V. (1993). *Strategic cost management: The new tool for competitive advantage*. The Free Press.
3. Kishore, R. M. (2023). *Strategic cost management*. Taxmann Publications.
4. Institute of Chartered Accountants of India. (2020). *Strategic cost management and performance evaluation*. ICAI
5. Institute of Cost Accountants of India. (2020). *Strategic cost management - decision making*. ICAI.
6. Lal, J. (2020). *Strategic cost management*. McGraw-Hill Education.
7. Saxena, V. K., & Vashist, C. D. (2021). *Advanced cost and management accounting* (Vols. 1 & 2). Sultan Chand & Sons.

**Note:** Latest edition of text books may be used.

## QUESTION PAPER PATTERN

### (A) RUBRICS FOR CONTINUOUS EVALUATION

Sr No.	Examination Method	Marks
1	Assignment/Project	10
2	Presentation/ Viva-Voce	10
	<b>Total</b>	<b>20</b>

### (B) QUESTION PAPER PATTERN FOR SEMESTER END EXAMINATION

Question No.	Description	Total Marks
1	Practical Problem/Theory question	12
2	E. Practical Problem/Theory question	12
	F. Practical Problem/Theory question	
3	Short Notes(Any 2 out of 3)	6
	Total	30

**Note: The practical problem/Theory question of 12marks each may be split up into two smaller problems/questions carrying 6 marks each.**