

## OBE BASED TEACHING LESSON PLAN 2019-20

**Program: BBA (CIMA)**

**Course Code: M4 17 MC 401**

**Course Name: ADVANCED MANAGEMENT ACCOUNTING**

**Semester: IV**

**Lecture hours: 60 Hrs**

**Faculty in-charge: Mr. Jayakumar Nair.**

<b>Course Outcome No.</b>	<b>Course Outcomes</b>	<b>T level Indicator</b>
<b>C01</b>	Apply standard costing technique for controlling cost by using variance analysis	<b>T3</b>
<b>C02</b>	Justify the implication and applicability of budgetary control on functional, fixed and flexible budget.	<b>T5</b>
<b>C03</b>	Analyze the behavior and magnitude of risk and uncertainty by using sensitivity analysis and decision tree analysis in the context of business decision making.	<b>T4</b>
<b>C04</b>	Evaluate various alternatives approaches to decision making in the context of transfer pricing.	<b>T5</b>
<b>C05</b>	Illustrate the implications of the pricing strategy in the context of perfect and imperfect market structure.	<b>T3</b>
<b>C06</b>	Examine the applicability of value analysis, Kaizen costing, Just in Time (JIT) costing, target costing, life cycle costing and environmental costing in the present state of business affairs.	<b>T4</b>

<b>Module No. &amp; Topics Covered</b>	<b>Course Outcome No.</b>	<b>No. of Lectu</b>	<b>Pre-Clas</b>	<b>Instructio</b>	<b>Assessm</b>	<b>T lev</b>

		re Hour s	Acti vity	es		
<p><b>Module1 - Standard Costing</b>  Meaning - Definition - Advantages - uses of standard costs - types Steps involved in Standard Costing - management control through Analysis of Variances - Material Variances - Labor Variances - Overhead variances-Preparation of Variance Reports and interpretation of variance report. Revising standards to calculate planning and operating variances. The suitability of standard costing in different organisations. Standard costing and variance analysis in the modern manufacturing environment.</p>	<b>CO1</b>	<b>15 Hrs</b>	-	Power Point Presentation, Lecture and Solving Problems	Discussion, Questions & Answers	<b>T3</b>
<p><b>Module 2 - Forecasting and Budgetary Control</b>  Forecasting Techniques - Time series, Regression and High-Low method- Budgeting- Meaning - Need- Objectives and functions - Advantages and Limitations- Classification- Functional and Master Budget, Alternative approaches to Budgeting, Zero based</p>	<b>CO2</b>	<b>10 Hrs</b>	-	Power Point Presentation, Lecture and Solving Problems	Discussion, Questions & Answers	<b>T5</b>

Budgeting, Preparation of Budgets- Raw material consumption, Purchase, Labour hour, Overhead, Cash, Master, Fixed and Flexible Budget. Activity based budgets, incremental budgets, rolling budgets, rolling budgets- top down v/s bottom up budgeting. Budget padding						
<p><b>Module 3 - Decision Making with Risk and Uncertainty:</b></p> <p>Uncertainty and Risk – nature of risk and uncertainty and the attitudes to risk by decision makers- sensitivity analysis, expected values, standard deviations, Payoff tables, simulation, maximax, maximin and minimax regret criteria. Decision tree analysis. Value of perfect and imperfect information.</p>	<b>CO3</b>	<b>10 Hrs</b>	-	Power Point Presentation, Lecture and Solving Problems	Group Discussions, Questions & Answers.	<b>T4</b>
<p><b>Module 4 - Decision making with Transfer Pricing:</b></p> <p>Theory of transfer pricing, including perfect, imperfect and no market for the intermediate good, Negotiated, market, cost-plus and variable cost-based transfer prices, dual transfer prices and lump sum payments. Methods of transfer pricing – market-based approach – cost-based approach.</p>	<b>CO4</b>	<b>10 Hrs</b>	-	Power Point Presentation, Lecture and Solving Problems	Group Discussions, Questions & Answers	<b>T5</b>

<p><b>Module 5 Pricing decisions for profit maximization:</b>  Pricing decisions for profit maximization in imperfect markets, Pricing strategies and the financial consequences of market skimming, premium pricing, penetration pricing, loss leaders, product bundling/optional extras and product differentiation to appeal to different market segments.</p>	<p><b>CO5</b></p>	<p><b>10 Hrs</b></p>	<p>-</p>	<p>Power Point Presentati on, Lecture and Solving Problems</p>	<p>Group Discussio ns, Questions &amp; Answers</p>	<p><b>T3</b></p>
<p><b>Module :6 Contemporary Concepts:</b>  Just in time (JIT) production, the theory of constraint and total quality management on efficiency, inventory and cost, kaizen costing, continuous improvement and cost of quality reporting, process re-engineering and the elimination of non-value adding activities and reduction of activity costs, Target costing and the determine of target costs from target prices. Value Chain analysis and the management of contribution/profit generated throughout the chain, Life cycle costing and its implications for marketing strategies, Learning curves to estimate time and cost</p>	<p><b>CO6</b></p>	<p><b>5 Hrs</b></p>	<p>-</p>	<p>Power Point Presentati on, Lecture and Solving Problems</p>	<p>Group Discussio ns, Questions &amp; Answers</p>	<p><b>T4</b></p>

for activities, products and services Environmental Costing - Meaning, Advantages, Classification (theory) and throughput accounting.						
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**Continuous Internal Assessment:**

**First Unit Test: First week of December, 2019.**

**Mode: Written / Presentation / Assignment**

**Second Unit Test: Second Week of February, 2019.**

**Mode: Written / Presentation / Assignment**

**Books for Reference:**

- *CIMAStudy Text P1 Management Accounting 2015, Kaplan Publishing*
- *CIMAStudy Text P2 Management Accounting 2015, Kaplan Publishing*

**Approved by: Dr. Ritty.**