



# Pricing of Products and Transfer Pricing

## September 7-8, 2021

**Programme Co-ordinator: Prof. Paresh J. Bhatt**

### **Pricing of Products/Services**

Pricing a product is Profit-Planning in an organization. Based on various influencing factors, pricing of a product or service poses serious challenges to the management on competition, sale, profit, sustainability and progress of the organization.

### **Transfer Price of Products Intermediates within Organization**

It is increasingly becoming important for various organizations in the country and across the countries to set the price of their products for transfer to their own plants, divisions, toll manufacturing, etc. in such a way that reflects a balance between the price which prevails in the market and the price which is set by them for such transfers. As in these transfers, levy of the Government is also involved, the issue assumes even more significance so that the overall goal congruence of the organization is preserved and the unwanted queries from the regulators are avoided.

For this purpose, a discussion and case-based study on Transfer Pricing has become important for trade and industry in the current era.

### **Objectives**

Objectives include (i) basis of fixing the price of a product while considering total cost and marginal cost of a product under varying business conditions which include acceptance of one-time order, penetration into export market, leasing out own facilities, outsourcing a portion of manufacturing process, etc. and (ii) providing insight about the basis of fixation of the transfer price of the products.

### **Contents**

- ◆ Main considerations behind pricing policy of an organization
- ◆ Methods of pricing products/services
- ◆ Use of cost-volume-profit relationship (marginal costing) in pricing of products
- ◆ Fundamental principle, objective and pre-requisite of a good transfer price policy

- ◆ Decision making on fixation of transfer price of products/services
- ◆ Practical questions on pricing of a product
- ◆ Case studies on transfer pricing

### **No. of Resource Persons**

For this programme, there will be one faculty for discussions in all sessions listed as above.

### **Pedagogy**

- ◆ Classroom discussion on concepts
- ◆ Explanation through Microsoft PowerPoint slides
- ◆ Explanation through numerical sums solved by faculty
- ◆ Practice through numerical questions given to participants for solution in the sessions
- ◆ Explaining difficulties in question-solving through solutions offered by faculty
- ◆ Preparation of discussion on the case study provided to the participants in advance
- ◆ Discussion on the case study through class-participation and listing conclusions
- ◆ Sharing solutions in printed form and soft copy with participants for their reference and practice in future

### **Who Should Attend**

This programme is aimed at discussing and practising management accounting concept which is very relevant for and benefitting the middle and senior level management people.

### **Programme Fee**

This is a 2-day online programme and the programme fee is INR 11,328/- (inclusive of 18% GST) per person. The fee should be paid in advance through NEFT/RTGS.

### **Delivery in Virtual Mode**

The sessions will be scheduled on an online platform. Participants are required to have access to a personal computer/laptop with stable internet connection and a webcam to access the sessions.

***Deadline for Confirmation of Participation: August 25, 2021***

#### **Contact Details**

Oliver Macwan, Deputy Manager (Executive Training)

**Institute of Rural Management Anand**

Post Box No. 60, Anand 388001, Gujarat

Phone: (02692) 221841 • Mobile: 09974072693 • Email: mdp@irma.ac.in