

# **As Per NEP 2020**

## **Tolani College of Commerce (Autonomous)**



**Title of the Course: Cost and Management Audit  
(Semester – VI)**

**Programme: B.Com (Accounting and Finance)**

**Syllabus for 4 Credit Course  
From the Academic Year 2025 – 2026**

## Name of the Course: Cost and Management Audit

| Sr. No. | Heading  | Particulars  |
|---------|--|--|
| 1       | <b>Description of the course:</b>  | This course provides a comprehensive understanding of cost audit, management audit, internal control, forensic audit, and anti-money laundering. It covers regulatory frameworks, audit procedures, risk management, and fraud detection techniques. Students will learn to evaluate cost records, business functions, internal controls, and financial compliance while gaining expertise in forensic auditing and financial crime prevention. This course prepares learners for careers in audit, compliance, and financial risk management, ensuring integrity and efficiency in corporate governance.                              |
| 2       | <b>Vertical:</b>   | Major Electives  |
| 3       | <b>Type:</b>   | Theory   |
| 4       | <b>Credit:</b>   | 4 Credits  |
| 5       | <b>Hours Allotted:</b>   | 60 Hours   |
| 6       | <b>Marks Allotted:</b>   | 100 Marks<br>Continuous Evaluation 40 Marks<br>Semester End Examination 60 Marks   |
| 7       | <b>Course Objectives:</b>  | <ol style="list-style-type: none"> <li>1. To provide a comprehensive understanding of cost audit principles, regulations, and reporting requirements.</li> <li>2. To equip learners with knowledge of management audit techniques for assessing efficiency, corporate image, and information security.</li> <li>3. To develop expertise in internal control, internal audit, and operational audit for ensuring compliance and risk management.</li> <li>4. To introduce learners to forensic auditing and anti-money laundering techniques, enabling fraud detection and financial crime prevention.</li> </ol>                       |
| 8       | <b>Course Outcomes:</b>  | <ol style="list-style-type: none"> <li>1. Learners will be able to analyze and interpret cost audit reports, ensuring regulatory compliance and accurate financial reporting.</li> <li>2. Learners will gain the ability to conduct management audits across different business functions to assess organizational efficiency.</li> <li>3. Learners will develop the skills to evaluate internal control systems and operational audits for effective risk management.</li> <li>4. Learners will be able to apply forensic auditing techniques and anti-money laundering measures to detect financial fraud and misconduct.</li> </ol> |
| 9       | <b>Modules</b>   |  |
|         | <b>Module 1: Cost Audit</b>  | <b>(15 Hours)</b>  |
|         | <ul style="list-style-type: none"> <li>• <b>Basics of Cost Audit &amp; Regulations</b> – Meaning, objectives, benefits, and legal provisions under the Companies Act.</li> <li>• <b>Companies (Cost Records and Audit) Rules, 2014</b> – Applicability, maintenance of cost records, and regulatory updates.</li> <li>• <b>Cost Auditor &amp; Standards</b> – Appointment, responsibilities, ethical considerations, and Cost Accounting Standards (CAS)., Cost Audit Process &amp; Documentation, Audit planning, execution, risk assessment, and compliance with Cost Auditing Standards.</li> </ul> |  |

|   |   |
|---|---|
|   | <p><b>Module 2: Management Audit (15 Hours)</b></p> <ul style="list-style-type: none"> <li>• <b>Management Audit &amp; Reporting</b> – Objectives, scope, and reporting issues in management audits.</li> <li>• <b>Audit in Business Functions</b> – Evaluation of finance, operations, HR, and marketing efficiency.</li> <li>• <b>Corporate Image Assessment</b> – Analysis of brand reputation, stakeholder perception, and ethical practices.</li> </ul> <p><b>Module 3: Audit of Service Organizations (15 Hours)</b></p> <ul style="list-style-type: none"> <li>• <b>Internal Control &amp; Internal Audit</b> – Risk management, compliance, and efficiency assessment.</li> <li>• <b>Operational Audit &amp; Compliance</b> – Evaluating business operations under the Companies Act, 2013.</li> <li>• <b>Audit of Service Organizations</b> – Assessing controls in banking, healthcare, and IT sectors.</li> </ul> <p><b>Module 4: Forensic Audit and Anti-Money Laundering (15 Hours)</b></p> <ul style="list-style-type: none"> <li>• <b>Introduction to Forensic Audit:</b> Meaning, scope, and importance in financial investigations.</li> <li>• <b>Objectives and Purpose:</b> Detecting fraud, financial misstatements, and corporate misconduct.</li> <li>• <b>Techniques and Tools:</b> Digital forensics, data analytics, forensic accounting techniques.</li> <li>• <b>Legal Framework and Regulations:</b> Laws governing forensic audits in different jurisdictions</li> </ul> |
| 9 | <p><b>Reference Book:</b></p> <ol style="list-style-type: none"> <li>1. <b>Cost and Management Audit – N.K. Gupta &amp; Deepak Gupta</b> <ul style="list-style-type: none"> <li>○ Publisher: Bharat Law House</li> <li>○ Edition: Latest Edition (Updated regularly)</li> </ul> </li> <li>2. <b>Cost Audit and Management Audit – Ravi M. Kishore</b> <ul style="list-style-type: none"> <li>○ Publisher: Taxmann Publications</li> <li>○ Edition: Latest Edition</li> </ul> </li> <li>3. <b>Cost Audit &amp; Operational Audit – V. Balachandran</b> <ul style="list-style-type: none"> <li>○ Publisher: Sultan Chand &amp; Sons</li> <li>○ Edition: Latest Edition</li> </ul> </li> <li>4. <b>Guidance Note on Cost Audit &amp; Compliance Report – The Institute of Cost Accountants of India (ICMAI)</b> <ul style="list-style-type: none"> <li>○ Publisher: ICMAI</li> <li>○ Edition: Latest (as per amendments in the Companies Act &amp; Cost Accounting Records Rules)</li> </ul> </li> </ol>   |

### Evaluation Pattern

|                           |     |
|---------------------------|-----|
| Continuous Evaluation:    | 40% |
| Semester End Examination: | 60% |

### Semester End Examination Question Paper Pattern

Maximum Marks: 60

Duration: 2 Hours

All Questions are Compulsory Carrying 15 Marks each.

| Q. No. | Particular                             | Marks           |
|--------|--|-----------------|
| Q-1    | A. Practical Question /Theory Question | <b>08 Marks</b> |
|        | B. Practical Question /Theory Question | <b>07 Marks</b> |
|        | OR                                     |                 |
|        | C. Practical/ Theory Question          | <b>08 Marks</b> |
| Q-2    | D. Practical/ Theory Question          | <b>07 Marks</b> |
|        | A. Practical Question /Theory Question | <b>08 Marks</b> |
|        | B. Practical Question /Theory Question | <b>07 Marks</b> |
|        | OR                                     |                 |
| Q-3    | C. Practical/ Theory Question          | <b>08 Marks</b> |
|        | D. Practical/ Theory Question          | <b>07 Marks</b> |
|        | A. Practical Question /Theory Question | <b>08 Marks</b> |
|        | B. Practical Question /Theory Question | <b>07 Marks</b> |
| Q-4    | OR                                     |                 |
|        | C. Practical/ Theory Question          | <b>08 Marks</b> |
|        | D. Practical/ Theory Question          | <b>07 Marks</b> |

**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.**

#### Signature of Team Members

| Sr. No. | Name              | Signature |
|---------|-------------------|-----------|
| 1       | Mr. Murugan Nadar |           |
| 2       | Mr. Mubeen Shaikh |           |
| 3       | Ms. Shweta Ghule  |           |