"Not only for businesses but for individuals too."

QUESTION BANK
ON
MANAGEMENT ACCOUNTING

Mrs. M.PRIYA.,
M.Com., M.Phil.,P.hD.,

UNIT-1

1. Standard costing and budgetary control are used as control techniques as a part of_____________

a. cost accounting
b. financial accounting
c management accounting
d none of these

2. Management accounting is primarily meant to assist management in______________.

a. original statements b. statement of disclosing
c. cash flow d. decision making

3. Management accounting uses several techniques and analyse and interpret_________.

a. loss account b. profit account
c. statement d. accounting data

4. Management accounting uses primary data form financial accounting and_________accounting.

a. journal and ledger
b. cost
c financial statement
d. none of these

5. Management accounting provides alternative choices for managerial____.

a. decisions b. method
c. tools and techniques d. none of these

6. Marginal costing is a_used in management accounting for the purpose ofprofit planning.

a. technique
b. auditors
c. statutory forms
d. none of these

7. Standard costing is a cost control____used in management accounting.

a. Method b. decision

c. tool and techniques d. financial statement

8. Capital budgeting is used in management accounting for the purpose of ranking_____proposals.

a. Investment b. financial statement
c. profit and loss d. marginal costing

9. Financial statement analysis is extensively used in management accounting to assessthe ___of a business concern.

a. preparation of final accounts
b. performance
c. ascertain profit or loss
d. statutory forms

10. Management accounting maintains

a. journal b. journal and ledger
c. ledger alone d. none of these

11. Management accounting helps management in

a. preparation of final accounts
b. raising finance
c. filing tax returns
d. decision making

12. Management accounts analyses accounting data with the help of

a. tools and techniques b. statutory forms
c. auditors d. none of these

13. Basic objective of management accounts is

a. to ascertain profit or loss
b. to settle disputes between management and workers
c. to report to different levels of management on performance
d. none of these

14. Management accounts is suitable for

a. small business
b. cooperative societies

c. Non -profit organisations
d. large industrial and trading concerns

15. Management accounting is also known as
a. price level accounting
b. historical cost accounting
c. financial accounting
d. decision accounting

16. Financial statements are
a. anticipated facts b. recorded facts
c. estimated facts d. none of these

17. Financial statement are meaningful and useful only when they are
a. verified
b. presented to owners
c. analysed and interpreted
d. published

18. Interpretation of financial statement includes processes like.
a. journalising
b. ledger writing
c. establishing relationships between the accounting data
d. none of these

19. Vertical analysis is made on the basis of
a. single set of financial statements
b. multiple sets of financial statements
c. different schedules attached to financial statements
d. none of these

20. Horizontal analysis is done by analyzing
a. financial statements of a particular year
b. half yearly statement
c. financial statement of several years
d. none of the above

21. Trend analysis is significant for

a. profit planning
b. working capital management
c. capital rationing
d. Forecasting and budgeting

22. Financial statement usually include income statement (profit and loss account)and____.
a. balance sheet
b. internal analysis
c. comparative statements
d. dynamic

23. Analysis of financial statement is meant for deriving additional information forvarious______parties.
a. common size statement
b. interested
c. cost of sales
d. additional

24. External analysis is based on financial statement.
a. Published b. tools and techniques
c. Percentage d. regulation

25. Vertical analysis is also known as structural or _______analysis
a. static
b. multiple sets of financial statements
c. different schedules attached to financial statements
d. none of these

26. Horizontal analysis is also known as dynamic or _______analysis
a. verified b. presented to owners
c. trend d. none of these above

27. Financial statement analysis is performed with the help of
a. various techniques and tools
b. multiple sets of financial statements
c. different schedules attached to financial statements

d. none of these

28. Common size statement is a techniques used in _______analysis.

a. Investment b. financial statement

c. profit and loss d. marginal costing

29. ____is usually shown the accounting figures for two consecutive periods

a. balance sheet b. internal analysis

c. comparative statements d. dynamic

30. Management accounting is provide financial information to

a. management b. auditor

c. statutory forms d. none of these

31. Budgeting is setting targets by estimating

a. expenditure and revenue for a given period

b. multiple sets of financial statements

c. different schedules attached to financial statement

d. none of these

32. Internal audit helps the management in fixing individual responsibility for

a. internal control

b. preparation of profit and loss account

c. preparation of balance sheet

d. preparation of financial accounting

33. Financial accounting records financial transaction

a. day to day b. final year

c. financial year d. none of the above

34. Management accounting depends on _______

a. financial accounting b. cost accounting

c. financial statement d. both a and b

35. Management accounting is concerned with

a. future plans and operations

b. preparation of profit and loss account

c. preparation of balance sheet

d. preparation of financial accounting

36. Cost accounting is to ascertain and control the cost of
    a. products and services b. business concern
    c. share capital d. terms of repayment

37. MIS sand for
    a. management information system
    b. marketing information system
    c. management interface system
    d. management information services

38. The process of making information available for management is integrated andcomputer based, known as
    a. management information system
    b. marketing information system
    c. management interface system
    d. management information services

39. Management accounting was first used in___year.
    a. 1950
    b. 1987
    c. 1976
    d. between 1987and 1976

40. Management accounting is combination of
    a. various accounting
    b. financial accounting
    c. cost accounting
    d. not include any type of accounting

41. AICPA stand for
    a. American institute of certified public accountants
    b. African institute of certified public accountants
    c. American institution of certified public account
    d. American institute of certified private accountants

42. Financial statement are prepared to review
    a. the state of investment in a business
    b. the profit and loss of the business

c. the transaction of business
d. none of the above

43. Example of schedules which are attached to the financial statements
a. schedule of debtors
b. schedule of creditors
c schedule of investment
d. all the above

44. Financial statement analysis on the basis of information used
a. external analysis b. internal analysis
c. vertical analysis d. both A and B

45. Financial statement analysis on the basis of 'modus operandi' of analysis
a. Horizontal analysis b. Vertical analysis
c. Internal analysis d. Both a and b

46. Cash flow analysis depicts the______of cash
a. Inflows and outflows b. Inflows
c. Outflows d. None of the above

47. Internal analysis is done on the basis of
a. Internal and published records
b. Internal and unpublished records
c. Internal records
d. None of the above

48. External analysis is based on
a. Published financial statement
b. Un Published financial statement
c. Both A and B
d. None of the above

49. The history of financial statement analysis is traced back to the beginning of
a. 18^{th} century b. 19^{th} century
c. 17^{th} century d. 20^{th} century

50. An analysis of financial statement based on ratio is known
    a. Ratio analysis b. Vertical analysis
    c. Horizontal analysis d. None of the above
51. Which of the following is NOT a component of total cost in cost analysis?
    a. Variable costs b. Fixed costs
    c. Sunk costs d. Marginal costs
52. What cost is incurred to produce an additional unit of a product or service?
    a. Fixed cost b. Variable cost
    c. Marginal cost d. Sunk cost
53. Standard costing and budgetary control are used as control techniques as a part of_________________
    a. cost accounting b. financial accounting
    c. management accounting d. none of these
54. Management accounting is primarily meant to assist management in**_____________--**
    a. original statements b. statement of disclosing
    c. cash flow d. decision making
55. Management accounting uses several techniques and analyse and interpret_______________
    a. loss account b. profit account
    c. statement d. accounting data
56. Management accounting uses primary data form financial accounting and _______accounting.
    a. journal and ledger b. cost
    c. financial statement d. none of these
57. Management accounting provides alternative choices for managerial_____.
    a. decisions b. method
    c. tools and techniques d. none of these
58. Marginal costing is a_______used in management accounting for the purpose ofprofit planning.
    a. Technique b. auditors

c. statutory forms d. none of these

59. Standard costing is a cost control___used in management accounting.

a. Method b. decision

c. tool and techniques d. financial statement

60. Capital budgeting is used in management accounting for the purpose of ranking_______proposals.

a. Investment b. financial statement

c. profit and loss d. marginal costing

61. Financial statement analysis is extensively used in management accounting to assessthe ___of a business concern.

a. preparation of final accounts b. performance

c. ascertain profit or loss d. statutory forms

62. Management accounting maintains

a. journal b. journal and ledger

c. ledger alone d. none of these

63. Management accounting helps management in

a. preparation of final accounts b. raising finance

c. filing tax returns d. decision making

64. Management accounts analyses accounting data with the help of

a. tools and techniques b. statutory forms

c. auditors d. none of these

65. Basic objective of management accounts is

a. to ascertain profit or loss
b. to settle disputes between management and workers
c. to report to different levels of management on performance
d. none of these

66. Management accounts is suitable for

a. small business
b. cooperative societies
c. Non -profit organisations

d. large industrial and trading concerns

67. Management accounting is also known as
    a. price level accounting
    b historical cost accounting
    c. financial accounting
    d. decision accounting

68. Financial statements are
    a. anticipated facts b. recorded facts
    b. estimated facts d. none of these

ANSWERS:

1.c,2.d,3.d,4.b,5.a,6.a,7.a,8.a,9.b,10.d,11.d,12.a,13.c,14.d,
15.d,16.b,17.c,18.c,19.a,20.c,21.d,22.a,23.b,24.a,25.a,26.c,
27.a,28.b,29.c,30.a,31.a,32.a,33.a,34.a,35.a,36.a,37.a,38.a
39.a,40.a,41.a,42.a,43.d,44.d,45.d,46.a,47.b,48.a,49.d,50.a,
51.c,52.c,53.c,54.d,55.d,56.b,57.a,58.a,59.a,60.a,61.b,62.d,
63.d,64.a,65.c,66.d,67.d,68.b.

PART – B

1. What is Management Accounting? Define Management Accounting?
2. Explain the characteristic features of management Accounting
3. Outline the scope of management accounting
4. State the importance of management accounting
5. What are the limitations of Management accounting
6. State the Nature of Management Accounting
7. What are the advantages of Management Accounting
8. List out the functions of Management Accounting
9. What are the objective of Management Accounting?
10. What are the duties of Management Accounting?
11. Define and differentiate between fixed costs and variable costs. Provide examples of each and explain how they behave in relation to production levels.

12. Discuss the importance of cost-volume-profit (CVP) analysis in business decision-making. Explain how it helps in determining breakeven points and making pricing decisions.
13. Describe the concept of opportunity cost in cost analysis. Provide examples to illustrate how considering opportunity cost can influence decision-making in business scenarios.
14. Explain the role of marginal cost in managerial decision-making. How does understanding marginal cost assist in determining optimal production levels and pricing strategies?
15. Discuss the relevance of activity-based costing (ABC) compared to traditional costing methods. Highlight the advantages and disadvantages of using ABC in allocating costs.
16. Define 'Fixed Costs' and 'Variable Costs'. Provide two examples of each and explain how they differ in relation to changes in production levels.
17. Explain the concept of 'Marginal Cost'. How is it calculated, and how does it impact decision-making for a business?
18. Describe the term 'Sunk Costs' and their relevance in decision-making. Provide an example to illustrate the impact of sunk costs on business choices.
19. Discuss the importance of 'Cost Behavior Analysis' in understanding the financial dynamics of a business. Highlight two key factors influencing cost behavior.
20. Explain the significance of 'Break-Even Analysis' in business planning. How does it assist in determining profitability and making strategic decisions?
21. What is Management Accounting? Define Management Accounting?
22. Explain the characteristic features of management

Accounting
23. Outline the scope of management accounting
24. State the importance of management accounting
25. What are the limitations of Management accounting
26. State the Nature of Management Accounting
27. What are the advantages of Management Accounting
28. List out the functions of Management Accounting
29. What are the objective of Management Accounting?
30. What are the duties of Management Accounting?
31. Define and differentiate between fixed costs and variable costs. Provide examples of each and explain how they behave in relation to production levels.
32. Discuss the importance of cost-volume-profit (CVP) analysis in business decision-making. Explain how it helps in determining breakeven points and making pricing decisions.
33. Describe the concept of opportunity cost in cost analysis. Provide examples to illustrate how considering opportunity cost can influence decision-making in business scenarios.
34. Explain the role of marginal cost in managerial decision-making. How does understanding marginal cost assist in determining optimal production levels and pricing strategies?
35. Discuss the relevance of activity-based costing (ABC) compared to traditional costing methods. Highlight the advantages and disadvantages of using ABC in allocating costs.
36. Define 'Fixed Costs' and 'Variable Costs'. Provide two examples of each and explain how they differ in relation to changes in production levels.
37. Explain the concept of 'Marginal Cost'. How is it calculated, and how does it impact decision-making for a business?

38. Describe the term 'Sunk Costs' and their relevance in decision-making. Provide an example to illustrate the impact of sunk costs on business choices.
39. Discuss the importance of 'Cost Behavior Analysis' in understanding the financial dynamics of a business. Highlight two key factors influencing cost behavior.
40. Explain the significance of 'Break-Even Analysis' in business planning. How does it assist in determining profitability and making strategic decisions?

PART - C

1. “Management Accounting is accounting for effective Management” explain the statement
2. Explain Management Accounting . What are the functions of Management Accounting ?
3. Define Management Accounting . state any six functions of Management Accounting ?
4. Discuss the Nature and Scope of Management Accounting.
5. Define Management Accounting and its nature
6. Distinguish between Management Accounting and Financial Accounting
7. Explian the ‘Tools’ of Management Accounting.
8. Explain Managerial uses of Management Accounting
9. Distinguish between Management Accounting and Cost Accounting
10. Discuss the various steps required for installing Management Accounting System

UNIT-2

PART– B

1. Explain how accounting ratios are classified

2.M/s.Asoka Ltd. has submitted the following Balance Sheet as on 30th June 2,000. Rs

Equity capital	1,50,000	Fixed assets	1,62,000
Revenue reserves	30,000	Current assets:	
8% Debentures	20,000	Stock	22,000
Current liabilities:		Debtors	51,000
Sundry creditors	49,000	Bills receivable	2,000
		Bank	12,000
	2,49,000		2,49,000

Find the current ratio and quick ratio and comment on the financial condition of the company.

3.Kasi & Co. sells goods on cash as well as on credit basis. The following particulars are extracted form the books of accounts for the calendar year 1999.

	Rs.
Gross sales	1,00,000
Cash Sales (Included in above)	20,000
Sales returns	7,000
Total Debtors as on 31-12-99	9,000
Bills Receivable on 31-12-99	2,000
Provision for doubtful debts on 31-12-99	1,000
Total creditors on 31-12-99	10,000

Calculate the average collection period

4.A trader purchase goods both on cash as well as on credit terms. The following particulars are obtained from the books:

	Rs.
Total purchases	5,81,000
Cash purchases	30,000
Purchases returns	51,000
Creditors at the end	1,05,000
Bills payable at the end	60,000
Reserve for discount on creditors	8,000

Calculate average payment period.

5.Current ratio 2.5; working capital Rs.63,000. calculate Current assets and Current liabilities:

6. Determine the value of closing stock from the following details:

Sales Rs.4,00,000
G.P.Ratio : 10% on sales
Stock velocity = 4 times
Closing stock was Rs. 10,000 in excess of opening stock

7. what are the limitations of financial statements ?

8. Explain the meaning of the term financial statements . State their objectives and nature.
Kasi & Co. sells goods on cash as well as on credit basis. The following particulars are extracted form the books of accounts for the calendar year 1999.

	Rs.
Gross sales	1,00,000
Cash Sales (Included in above)	20,000
Sales returns	7,000
Total Debtors as on 31-12-99	9,000
Bills Receivable on 31-12-99	2,000
Provision for doubtful debts on 31-12-99	1,000
Total creditors on 31-12-99	10,000

Calculate the average collection period

9.From the following, you are required to calculate

(a) Debtors turnover (b) Average age of debtors

	1999	1998
Net sales	18,00,000	15,00,000
Debtors (beginning of the year)	1,72,000	1,60,000
Debtors (end of the year)	2,34,000	1,72,000

10. From the following details find out (a) Current assets (b) Current liabilities (c) Liquid assets (d) Stock.

Current ratio 2.5
Liquid ratio 1.5
Working Capital Rs .90,000

PART– C

1.From the following particulars pertaining to assets and liabilities of a company calculate(1) Current ratio (2) Liquid ratio (3) Proprietary ratio (4) Debt – Equity ratio (5) Capital gearing ratio.

Liability	Rs.	Assets	Rs.
5000 Equity shares of Rs.100 each	5,00,000	Land and Building	6,00,000
2,000 8% Preference Shares of rs.100 each	2,00,000	Plant and Machinery	5,00,000
4,000 9% Debentures Of Rs.1,000 each	4,00,000	Stock	2,40,000
Reserves	3,00,000	Debtors	2,00,000
Creditors	1,50,000	Cash and bank	55,000
Bank overdraft	50,000	Pre-paid expense	5,000
	16,00,000		**16,00,000**

2. "Ratio Analysis is a Tool of Management for measuring efficiency and guidiing business policies"- Disuss?

3. State and explain how Accounting Ratios are classified

4.The following figures relate to Nirma Traders Ltd. For the year ended 31st March 2000.

Trading and Profit and loss Account

	Rs.	Rs.		Rs.	Rs.
To opening stock	75,000		By sales 5,20,000		
To purchases	3,25,000		Less:		
To Gross Profit	2,00,000		Returns 20,000		

By closing stock 5,00,000
1,00,000 -----------
---------------- ----------------
6,00,000 6,00,000
---------------- ----------------
To operating expenses: By Gross profit 2,00,000
Administration 40,000
Selling and By Non-operating income:
Distribution 25,000 Dividend 9,000 -
----------- 65,000 Profit on
To Non – operating Sale of Expanses :
Shares 11,000 Loss on sale of
------------ 20,000
Assets 5,000
To Net Profit 1,50,000
2,20,000 **2,20,000**

Balance Sheet as on 31st March 2000

Liabilities	Rs.	Assets	Rs.
Issued capital :		Land and Building	1,50,000
2,000 Equity shares		Plant and Machinery	80,000
of Rs.100 each	2,00,000	Stock	1,00,000
Reserves	90,000	Debtors	1,40,000
Current liabilities	1,50,000	Cash and Bank	30,000
Profit and Loss a/c	60,000		
	5,00,000		**5,00,000**

Calculate (1) Gross profit ratio (2) Operating ratio (3) Operating profit ratio (4) Net profit ratio (5) Expenses ratio (6) Stock turnover ratio (7) Return on total resources (8) Turnover of fixed assets (9) Turn over to total assets.

5.The following is the Balance Sheet of Rajan Limited as on 31st March 2000.

Liabilities	Rs.	Assets	Rs.
Equity share capital	1,00,000	Fixed assets	3,60,000
7% Preference Less:			
Share capital	20,000	Depreciation	1,00,000

			2,60,000
Reserves and surplus	80,000	Current assets:	
6% Mortgage debentures	1,40,000	Cash	10,000
Current liabilities:			
		Investments	30,000
Creditors	12,000		
(Govt . securities @10%interest)			
Bills payable	20,000		
Outstanding expenses	2,000	Sundry debtors	40,000
Taxation provision	26,000	Stock	60,000
	--------------------		-----------
	4,00,000		**4,00,000**

Other information:

		Rs.
i)	Net sales	6,00,000
ii)	Cost of Goods sold	5,16,000
iii)	Net Income before tax	40,000
iv)	Net Income after tax	20,000

Calculate appropriate ratios from the given information

6. From the following information prepare a Balance Sheet. Show the workings.

	Rs.
1. Working capital	75,000

2. Reserves and surplus	1,00,000
3. Bank overdraft	60,000
4. Current ratio	1.75
5. Liquid ratio	1.15
6. Fixed assets to proprietors’ funds	0.75
7. Long – term liabilities	Nil

7. Following is the Balance Sheets of Shaker Ltd., as on 31-12-2000

	Rs.		Rs.
Share Capital	60,000	Fixed Assets	1, 30,000
Reserves	40,000	Stock	30,000
6% Debentures	70,000	Debtors	20,000
Bills payble	14,000	Bills Receivable	15,000
Bank overdraft	10,000	Cash in hand	5,000
	2, 00,000		**2, 00,000**

Other Information:

a) Net sales Rs.3,00,000
b) Cost of goods sold Rs.2,50,000
c) Opening Stock Rs.20,000
d) Number of working days 360 days.

Calculate Current Ratio,Liquid Ratio,Inventory Turnover Ratio,Average Collection Period and Debt-Eqity Ratio.

8. From the following information , you are required to prepare a Balance Sheet:

1. Current ratio-1.75
2. Liquid ratio-1.25

3. Stock turnover ratio (cost of sales / closing stock)-9
4. Gross profit ratio- 25%
5. Debt collection period – 1 ½ months
6. Reserves and surplus to share capital – 0.2
7. Turnover to fixed assets – based on cost of sales)- 1.2
8. Capital gearing ratio – 0.5
9. Fixed assets to net worth – 1.25
10. Sales for the year – Rs.12,00,000

9. Following is the Balance Sheet of Kovalan & co.Ltd.

Liabilities	Rs.	Assets	Rs.
Equity share capital	1, 00,000	Cash	2,000
6% Prefarence share capital	1, 00,000	Bank	10,000
7% Debenutures	40,000	Bills Receivable	30,000
8% PPublic debt	20,000	Investments	20,000
Bank overdraft	40,000	Debtors	70,000
Creditors	60,000	stock	40,000
Outsanding Creditors	7,000	Furniture	30,000
Proposed divided	10,000	Machinery	1,00,000
Reserves	1,50,000	Land &Building	2,20,000
Provision for taxation	20,000	Goodwill	35,000
P&L Account	20,000	Preliminary expenses	10,000
	5, 67,000		**5, 67,000**

During the year provision for taxation was Rs.20, 000. Dividend was proposes at Rs.10, 000. Profit carried from the last year was Rs.15, 000. You are reguired tocalculate.Current Ratio,Liquidity Ratio,Debt-eqiut Ratio,Fixed assets Ratio and Fixes charges cover Ratio.

11. The capital of Everest Co.Ltd is as follows:

	Rs.
9% Preference shares of Rs. 10/- each	300000
Equity shares of Rs. 10/- each	800000
	1100000

The accountant has ascertained the following information:

Profit after tax at 60%	Rs. 270000
Depreciation	Rs. 60000
Equity dividend paid	20%
Reserves	Rs. 77000
Market price per Equity share	Rs. 40

Calculate:

1. Dividend yield on equity shares
2. Cover for preference dividends
3. Earnings per share
4. The price earnings ratio
5. Dividend pay out ratio
6. Net cash inflow
7. Book value per share

UNIT-3

1. The term ‘fund’ refers to
    a. Reserves
    b. Working capital
    c. Profit
2. Gross working capital is the
    a. Total value of current assets
    b. Total value of fixed assets
    c. Total value of all assets
3. Funds from operation is
    a. Net profit
    b. Operating profit
    c. None of these
4. Depreciation is
    a. An external source of fund
    b. An application funds
    c. A non -fund item
5. Proposed dividend ,if already reduced while ascertaining net profit, is
    a. Added back to net profit to find funds from operation
    b. To be reduced from net profit
    c. Ignored while ascertaining funds from operation
6. Sale of a fixed assets is
    a. An item of funds from operation
    b. An external source of fund
    c. An application of fund
7. Short term investment is
    a. A current asserts
    b. A current liabilities
    c. An application of funds
8. Payment of dividend is
    a. An application of fund
    b. A source of fund

c. Neither source nor application

9. Income tax paid is
   a. Current liability
   b. Current assets
   c. An application of funds
10. Funds inflow from operation is
   a. An internal source of funds
   b. An application of funds
   c. An external source of funds
11. Purchase of fixed assets by issue of share is
   a. Source of funds
   b. Application of funds
   c. An item to be ignored in funds flow analysis
12. Issue of bonus shares out of reserves
   a. Increases working capital
   b. Decrease working capital
   c. Does not affect working capital
13. in current assets increases working capital
   a. Increase
   b. Decrease
   c. Non fund
14. in current liabilities increases in working capital
   a. Increases
   b. Decreases
   c. None of these
15. Loss on Sale of fixed assets is a item
   a. Source
   b. Application
   c. Non funds
16. Dividends received is an source of funds
   a. External
   b. Internal
   c. Both a and b

17. Redemption of preference share is anof funds
    a. Application
    b. Source
    c. Non funds
18. Excess of current assets over current liabilities is
    a. Working capital
    b. Application
    c. Source
19. Balance sheet shows the position of
    a. Assets and liabilities
    b. Income and expenditure
    c. Only expenses
20. Funds flow statement shows changes in
    a. Working capital between two balance sheet
    b. Include only assets
    c. None of these
21. Cash flow include
    a. Cash receipts only
    b. Cash payment only
    c. Cash receipts and payment
22. Cash from operating activities include
    a. Cash from business activities
    b. Cash from business activities and changes in current assets and liabilities
    c. Sale of fixed assets
23. Cash from investing activities arise from
    a. Cash flow on account of dealing in fixed assets and long term investments
    b. Cash flows on account of purchase and sale of goods
    c. Cash flow on account of short term investment
24. Cash flow from financial activities arise from
    a. Cash flow on account of short term investment
    b. Cash flow from issue and redemption of share and

debentures and long term borrowing
c. Cash flow from purchase and sale of assets

25. Dividend paid under As-3, is
    a. Cash flow from financing activities
    b. Cash flow from operating activities
    c. Cash flow from investing activities
26. Income from long term investment is
    a. Source of cash
    b. Application of cash
    c. Cash inflow from operations
27. Premium on redemption of debentures is
    a. A cash inflow
    b. Cash out flow
    c. An income
28. Dividend paid is usually treated as
    a. An application of cash
    b. Source of cash
    c. Loss
29. cash flow include cash inflows and cash
    a. outflows
    b. inflows
    c. both a and b
30. cash from operation is a of cash
    a. source
    b. application
    c. non cash
31. cash out flows on account of operations is an of cash
    a. source
    b. application
    c. non cash
32. increases in a current assets in cash
    a. decreases
    b. increases

c. both a and b

33. increases in current liabilitiesin cash

a. decreases
b. increases
c. cash is equal

34. issue of share result in in flow

a. cash
b. application
c. sources

35. purchase of building by issue of debenture is ----------item and it is ignored in cash flow statement.

a. Non fund
b. None of these
c. Non cash

36. Cash flow statement usually starts with opening balance of cash and bank balance and with closing balance of cash and cash equivalents

a. Ends/finishes
b. Non fund
c. None of these

37. Cash from operation reveals generated from routine or normal
business operations

a. Cash b. Non cash
c. Non fund d. None of these

38. is prepared on the basis of income statement, balance sheet and additional data.

a. Fund flow statement
b. Cash flow statement
c. None of these

39. Redemption of debentures by converting them into shares is to be in cash flow statement

a. Accepted

b. Ignored
c. None of these

40. Cash flow statement reconciles opening and closing cash &bank balance with in the help of different -----------and-------
a. Cash outflow
b. Cash inflow
c. Both a and b

41. Cash received from sale of is a source of cash
a. Long term investment
b. Short term investment
c. Both a and b
d. None of these

42. Cash flow statement can be a good foundation for future -------
a. Cash budget
b. Financial statement
c. None of these

43. Preliminary expenses written off is a expenditure
a. Non fund
b. Non cash
c. Both a and b

44. It is prepared after the income statement is completed
a. Financial statement
b. Balance sheet
c. Cash flow statement

45. It is a tool for financial analysis, generally useful to the management
a. Funds flow statement
b. Cash flow statement
c. Financial statement

46. Fund flow statement noting but
a. Secondary data
b. Primary data

c. Both a and b

47. The term ‘Fund generally refers to cash ,to cash equivalent or to working capital’ is said by

a. hasting
b. wood
c. IAS (international accounting standard)

48. Financial management is concerned with management of resulting
from business decision and transactions

a. Cash flow
b. None of these
c. Both a and b
d. Flow of fund

49. Source of funds and application of funds is necessary to ascertain them in order to prepare the

a. Cash flow statement
b. Fund flow statement
c. None of these

50. The ------------------or--------------which cause flow of funds is the basis on which different sources and applications of funds are identified.

a. Identification of transactions only
b. Transactions analysis and Identification of transactions
c. None of these

51. In a manufacturing company, the budgeting process involves various stages. Discuss the significance of each stage and its impact on the overall budgeting process. Provide examples to illustrate the importance of these stages in aligning financial goals with operational strategies.

a. Planning stage: Establishing goals and objectives.
b. Forecasting stage: Projecting future financial trends based on historical data and market analysis.
c. Implementation stage: Executing the budget plan and

monitoring actual expenses.

d. Control stage: Comparing actual performance with budgeted figures and implementing corrective actions.

52. The term ‘fund’ refers to
    a. Reserves
    b. Working capital
    c. Profit
53. Gross working capital is the
    a. Total value of current assets
    b. Total value of fixed assets
    c. Total value of all assets
54. Funds from operation is
    a. Net profit
    b. Operating profit
    c. None of these
55. Depreciation is
    a. An external source of fund
    b. An application funds
    c. A non -fund item
56. Proposed dividend ,if already reduced while ascertaining net profit, is
    a. Added back to net profit to find funds from operation
    b. To be reduced from net profit
    c. Ignored while ascertaining funds from operation
57. Sale of a fixed assets is
    a. An item of funds from operation
    b. An external source of fund
    c. An application of fund
58. Short term investment is
    a. A current asserts
    b. A current liabilities
    c. An application of funds
59. Payment of dividend is

a. An application of fund
b. A source of fund
c. Neither source nor application

60. Income tax paid is
a. Current liability
b. Current assets
c. An application of funds

61. Funds inflow from operation is
a. An internal source of funds
b. An application of funds
c. An external source of funds

62. Purchase of fixed assets by issue of share is
a. Source of funds
b. Application of funds
c. An item to be ignored in funds flow analysis

63. Issue of bonus shares out of reserves
a. Increases working capital
b. Decrease working capital
c. Does not affect working capital

64. The term 'fund' refers to
a. Reserves
b. Working capital
c. Profit

65. Gross working capital is the
a. Total value of current assets
b. Total value of fixed assets
c. Total value of all assets

66. Funds from operation is
a. Net profit
b. Operating profit
c. None of these

67. Depreciation is
a. An external source of fund

b. An application funds
c. A non -fund item

68. Proposed dividend ,if already reduced while ascertaining net profit, is
a. Added back to net profit to find funds from operation
b. To be reduced from net profit
c. Ignored while ascertaining funds from operation

69. Sale of a fixed assets is
a. An item of funds from operation
b. An external source of fund
c. An application of fund

70. Short term investment is
a. A current asserts
b. A current liabilities
c. An application of funds

71. Payment of dividend is
a. An application of fund
b. A source of fund
c. Neither source nor application

72. Income tax paid is
a. Current liability
b. Current assets
c. An application of funds

73. Funds inflow from operation is
a. An internal source of funds
b. An application of funds
c. An external source of funds

74. Purchase of fixed assets by issue of share is
a. Source of funds
b. Application of funds
c. An item to be ignored in funds flow analysis

75. Issue of bonus shares out of reserves
a. Increases working capital

b. Decrease working capital
c. Does not affect working capital

76. in current assets increases working capital
a. Increase
b. Decrease
c. Non fund

77. in current liabilities increases in working capital
a. Increases
b. Decreases
c. None of these

78. Loss on Sale of fixed assets is a item
a. Source
b. Application
c. Non funds

79. Dividends received is an source of funds
a. External
b. Internal
c. Both a and b

80. Redemption of preference share is anof funds
a. Application
b. Source
c. Non funds

81. Excess of current assets over current liabilities is
a. Working capital
b. Application
c. Source

82. Balance sheet shows the position of
a. Assets and liabilities
b. Income and expenditure
c. Only expenses

83. Funds flow statement shows changes in
a. Working capital between two balance sheet
b. Include only assets

c. None of these

84. Cash flow include
    a. Cash receipts only
    b. Cash payment only
    c. Cash receipts and payment
85. Cash from operating activities include
    a. Cash from business activities
    b. Cash from business activities and changes in current assets and liabilities
    c. Sale of fixed assets
86. Cash from investing activities arise from
    a. Cash flow on account of dealing in fixed assets and long term investments
    b. Cash flows on account of purchase and sale of goods
    c. Cash flow on account of short term investment
87. Cash flow from financial activities arise from
    a. Cash flow on account of short term investment
    b. Cash flow from issue and redemption of share and debentures and long term borrowing
    c. Cash flow from purchase and sale of assets
88. Dividend paid under As-3, is
    a. Cash flow from financing activities
    b. Cash flow from operating activities
    c. Cash flow from investing activities

ANSWERS:

1.b,2.a,3.c,4.c,5.a,6.b,7.a,8.a,9.c,10.a,11.c,12.c,13.a,14.b, 15.c,16.a,17.a,18.a,19.a,20.a,21.c,22.b,23.a,24.b,25.a,26.a, 27.b,28.a,29.a,30.b,31.b,32.a,33.b,34.a,35.c,36.a,37.a,38.b, 39.b,40.c,41.a,42.b,43.a,44.b,45.a,46.a,47.c,48.d,49.b,50.b, 51.a,52.b,53.a,54.c,55.c,56.a,57.b,58.a,59.a,60.c,61.a,62.c, 63.c,64.b,65.a,66.c,67.c,68.a,69.b,70.a,71.a,72.c,73.a,74.c, 75.c,76.a,77.b,78.c,79.a,80.a,81.a,82.a,83.a,84.c,85.b,86.a, 87.b,88.a.

PART –B

1. Define funds flow statements . what are its objectives?
2. Explain the procedure for preparation of Funds from operation
3. From the following particulars, calculate funds from operation : salaries Rs. 40,000; Depreciation Rs. 20,000; Interest on Investments Rs. 10,000; Profit on sale of fixed assets Rs.5,000; Provision for tax Rs. 30,000; Loss on sale of machinery Rs. 5,000.Interim dividend paid Rs.20,000; Proposed dividend Rs. 30,000; Administrative expenses Rs. 25,000; Goodwill written off Rs. 10,000 ; Preliminary expenses written off Rs. 5,000. Opening balance of profit and loss account Rs. 70,000; closing balance of profit and loss account Rs. 1,20,000.
4. From the following information relating to Bright Ltd., Calculate funds lost in operations.

.	Rs.
Net Loss for the year	90,000
Dividend received	7,000
Depreciation charged	10,000
Profit on sale of asset	5,000
Refund of tax	2,000

5. From the following summarized balance sheets of Sri Krishna Ltd., prepare a schedule of changes in working capital and a statement of sources and application of funds.

Liabilities	1998 Rs.	1999 Rs.	Assets	1998 Rs.	1999 Rs.
Share Capital	4,00,00	5,75,000	Plant	75,000	1,00,000
Creditors	1,06,000	70,000	Stock	1,21,000	1,36,000
Profit and			Debtors	1,81,000	1,70,000

Loss A/C	14,000	31,000	cash	1,43,000	2,70,000
	5,20,000	6,76,000		5,20,000	6,76,000

6. From the following information, calculate funds from operations of the second year.

.	I year	II year
Profit and loss account	25,000	40,000
General reserve	40,000	45,000
Goodwill	7,000	4,000
Preliminary expenses	5,000	3,000
Provision for depreciation on machinery	10,000	12,000

7. How cash flow statement differs from funds flow statement
8. Form the following particulars, calculate (a) Net profit and (b) Cash form operations.

Gross profit Rs.30,000; Expenses paid rs.10,000; interest received Rs.2000; The expenses paid include Rs.1000 paid for the next year. Interest Rs.500 has become due but has not yet been received.

9. After taking into account the under mentioned items Join Ltd made a Net profit of Rs.1,00,000 for the year ended 31st Dec.1999.

Loss on sale of machinery	10,000
Depreciation on building	4,000
Depreciation on machinery	5,000
Preliminary expenses written off	5,000
Provision for taxation	10,000
Goodwill written off	5,000
Gain on sale of buildings	8,000

Find out cash Form Operations

10. Compute 'cash from operations' from the following figures: profit for the year 1996 is a sum of Rs.10, 000 after providing for depreciation of Rs.2, 000.

	1995	1996
.	Rs.	Rs.
Sundry debtors	10,000	11,000
Provision for doubtful debts	1,000	1,200
Bills receivable	4,000	3,000
Bills payable	5,000	6,000
Sundry Creditors	8,000	9,000
Inventions	5,000	8,000
Short-term investments	10,000	12,000

PART – C

1. What is a Funds Flow Statement? How does it differ from a cash flow statement?
2. M.Karupan, a sole trader, provides the following Balance sheets and additional information to you with the request to prepare his Funds Flow statement for the year ending 31-12-1998. Balance Sheets

Liabilities	1997 Rs.	1998 Rs.	Assets	1997 Rs.	1998 Rs.
Capital	80,000	1, 20,000	Cash	20,000	26,000
Creditors	30,000	40,000	Cash at Bank	30,000	44,000
Loan from					
Stock	40,000	30,000	Mrs. Karupan	60,000	68,000
Debtors	20,000	25,000	Loan from		
			Furniture	40,000	36,000

Canara Bank	-	50,000	Machinery	20,000	1,17,000
	1, 70,000	2, 78,000		1, 70,000	2, 78,000

During 1998. Depreciation charged on Furniture and Machinery was 10% on the opening balance. M.Karupan withdrew Rs.20, 000 during the year for his personal expenses.

3. The Balance Sheets of M/S.Ramu and Somu as on 1-1-1992 and 31-12-1992 were as follows.

Balance Sheets

Liabilities	1-1-92 Rs.	31-12-92 Rs.	Assets	1-1-92 Rs.	31-12-92 Rs.
Creditors	40,000	44,000	Cash	10,000	7,000

Mrs.Somu’s
Loan 25,000 - Debtors 30,000 50,000 Loan from Stock 35,000 25,000 Canera Bank 40,000 50,000 Machinery 80,000 55,000 Capital 1, 25,000 1, 53,000 Land 40,000 50,000 Buildings 35,000 60,000 2, 30,000 2, 47,000 2, 30,000 2, 47,000 During the year a machine costing Rs.10, 000 (accumulated deprecation Rs.3, 000) was sold for Rs.5, 000. The provision for depreciation against machinery as on 1-1-1992 was Rs.25, 000 and on 31-12-1992 was Rs.40, 000. Net profit for the year 1992 amounted to Rs.45, 000. Prepare the Funds Flow statement.

4. The balance sheets of R. R.Ltd on 31-12-98 and 31-12-99 are given below. Prepare cash Flow Statement.

	1998 Rs.	1999 Rs.		1998 Rs.	1999 Rs.
Share capital	2,00,000	3,20,000	Fixed assets	2,52,000	4,00,000
Retained earnings	14,05,000	1,70,600	Stock	1,92,000	1,78,400
Depreciation fund	1,20,000	80,000	Debtors	61,600	42,200
Outstanding Expenses	16,000	10,000	Prepaid expenses	7,900	6,000
Creditors	40,000	86,000	Bank	56,200	40,000
	6,16,500	6,66,600		6,16,500	6,66,600

Additional data :

1. Dividend paid Rs.24,000
2. Addition to building was made at a cost of Rs.1,52,000
3. A fully depreciated machine costing Rs.60,000 was discarded and the scrap realized Rs.250.
4. Investments were sold at a profit of 10% on book value.

5. The financial position of jayanth on 31st Dec. of 1979 and 1980 was as follows:

	31-12-79 Rs.	31-12-80 Rs.
Assets:		
Land	25,000	25,000
Buildings	45,000	56,000
Machinery	90,000	95,000
Debtors	32,000	26,000
Stock	18,000	13,000
Cash	4,000	2,000

	2,14,000	2, 17,000
Liabilities		
Creditors	42,000	25,000
Long –term Loan	25,000	20,000
Capital	1,47,000	1,71,500
	2,14,000	2, 17,000

During the year 1980, jayanth has withdrawn Rs. 8,500 for personal use. Deprecation provision on machinery was Rs.28, 000 on 31-12-79 and Rs. 35,000 on 31-12-1980. You are required to prepare a funds flow statement.

6. Describe the steps in the preparation of; Cash flow statement'?

7. Distinguish between 'Cash flow statement 'and 'Funds flow Statement'.

8. The Comparative Balance sheets of Mr.Wheldon for the two years were as follows.

Liabilities	1988 Rs.	1989 Rs.	Assets	1988 Rs.	1989 Rs.
Capital	1,50,000	1,75,00	Land Buildings	1,00,000	50,000
Loan from Bank	1, 60,000	1,00,000	Machinery	2,00,000	1,40,000
Creditors	90,000	1,00,000	Stock	50,000	45,000
Bills payble	50,000	40,000	Debtors	70,000	80,000
Loan from IFC	-	25,000	Cash	20,000	25,000

4, 50,000	4, 40,000	4, 50,000	4,40,000

Additional Information:

Net profit for the year 1989 amounted to Rs.60, 000 during the year a machine costing Rs.35, 000 (accumulated depreciation Rs.10, 000) was sold for Rs.13, 000. The provision for depreciation against machinery as on 31-12-88 was Rs.50, 000 and on 31-12-88 Rs.85, 000. You are reguired to prepare a Cash Flow Statement.

9. The Balance Sheets pf Thirugannam Ltd., for the years 1989 and 1990 were as follows.

Balance Sheets

Liabilities	1989 Rs.	1990 Rs.	Assets	1989 Rs.	1990 Rs.
Share Capital	1,50,000	175000	Buildings	1,10,000	1,50,000
Profit&LossA/c	20,000	80,000	Plant	2,00,000	1,40,000
Loan from bank	1,40,000	20,000	Stock	50,000	45,000
Creditors	85,000	93,000	Debtors	70,000	80,000
Outsanding exp.	5,000	7,000	Cash	15,000	22,000
Bills payble	50,000	40,000	Prepaid expenses	5,000	3,000
Loan from IFC	--	25,000			
	4, 50,000	4,40,000		4,50,000	4,40,000

Additional information:

(a) A piece of has been sold for Rs.400.

(b) Depreciation amounting to Rs.1, 700 has been charged on building.

(c) Provision for taxation has been made for Rs.1, 500 during the year.

10. Bata Ltd. Supplies you the following balance sheets on 31st December 1998 and 1999.

Liabilities	1998 Rs.	1999 Rs.	Assets	1998 Rs.	1999 Rs.
Share Capital	70,000	74,000	Bank Bonds balance	9,000	7,800
Bonds	12,000	6,000			
Accounts Payable	10,360	11,840	Accounts receivable	14,900	17,700
Provision for Inventories	49,200	42,700	Doubtful debts	700	800
Land	20,000	30,000	Reserves and Surplus	10,040	10,560
Goodwill	10,000	5,000			
	1,03,100	1,03,200		1,03,100	1,03,200

Following additional information has also been supplied to you.

i) Dividend amounting to Rs.3,500 was paid during year 1999.
ii) Land was purchased for Rs.10,000
iii) Rs.5,000 were written off on goodwill during the year.
iv) Bounds of Rs.6,000 were paid during the course of the year you are required to prepare a Cash Flow Statement.

UNIT-4

1. Budgeting is
   a. A technique b. A method of costing
   c. Maintaining ledger accounts d. None of these
2. Sales budget is
   a. Budget output to be sold
   b. Budget for selling expenses
   c. Budget of revenue and expenses
   d. A list of incentives to salesman
3. Consumption is of raw material is based on
   a. Production b. Sales
   c. Cash d. Market
4. Purchase budget refers to
   a. Purchase of fixed assets b. Overheads budget
   c. Sales budget d. Purchase budget
5. A production budget is based on
   a. Cash budget b. Overheads budget
   c. Sales budgets d. Purchase budgets
6. A master budget is
   a. Budget for assets and liabilities
   b. Budget of profit or loss
   c. Budget for managerial remuneration
   d. Budget for operations of the entire organisation
7. A flexible budget is
   a. Budget for different capacity levels
   b. Budget for different departments
   c. Budget for receipts and payments
   d. None of receipts and payments
8. Performance budget is
   a. Laying down of objectives
   b. Measurement of output in relation to input
   c. Flexible budgeting
   d. Fixed budget

9. Zero base budgeting refers to
   a. Short term and long term budgeting
   b. Performance reporting
   c. Responsibility accounting
   d. Justification of every item in the budget afresh
10. Control ratio are calculated for
   a. Comparison of actual performance with budgets
   b. Planning of activities
   c. Financial performance management
   d. None of these
11. Budgeting involves estimation of budgets with
   a. Expenditure
   b. Planning of activities
   c. Financial performance measurement
   d. None of the above
12. Budgetary control involves comparison of budgets with
   a. Income b. Expenditure
   c. Actuals d. None of these
13. budget is for different level of activity
   a. Flexible b. Production
   b. Budgeted d. Receipts
14. Consumption of raw material is based on budget
   a. Flexible b. Production
   c. Budgeted d. Receipts
15. Sales and budgets are inter linked
   a. Flexible b. Production
   c. Budgeted d. Receipts
16. Actual performance may differ from performance
   a. Flexible b. Production
   c. Budgeted d. Receipts
17. Cash budget is for and of cash
   a. Receipts and payments
   b. Income and expenditure

c. Assets
d. None of these

18. ZBB is ______ budgeting
a. Budget for managerial remuneration
b. Budget of profit or loss
c. Zero based
d. None of these

19. Capacity ratio indicates ______ actually utilised
a. Budgeted time
b. Budget for managerial remuneration
c. Budget of profit or loss
d. Zero based

20. Efficiency ratio shows the ______ of efficiency attained during a period
a. Level b. Time
c. Unit d. None of these

21. Budget is
a. Information technique b. Cost control technique
c. Financial management d. None of these

22. is essential when it is very different to estimate the future level of activity
a. Information technique b. Flexible budgeting
c. Financial technique d. None of these

23. are for specified activities in an organisation
a. Sales budgeting b. Production budgeting
c. Functional budgets d. Purchase budgeting

24. can be a fixed budget or a flexible budget
a. Master budget b. Sale budget
c. Functional budget d. Purchase budgeting

25. The essence of budgetary control is
a. Estimation b. Control expenses
c. Time element d. Both b and c

26. are helpful in performance measurement
a. Current ratio b. Quick ratio

c. Control ratio d. Both a and b

27. A is the monetary and/ or quantitative expression of business plans and policies to be pursued in the future period of time.

a. Budget b. Sales budget
c. Purchase budget d. None of these

28. are concerned with planned event

a. Sales budget b. Financial statement
c. Budget d. Cash flow statement

29. does not act as a tool of measurement

a. Budget b. Forecasting
c. Statement d. None of these

30. The budget shows quantity of finished products to be sold and price at which they are to be sold

a. Sales budget b. Production budget
c. Purchase budget d. None of these

31. shows the budgeted quantity of output to be produced during a specific period

a. Sales budget b. Production budget
c. Purchase budget d. None of these

32. The budget is prepared in coordination with production budget

a. Materials budget b. Production budget
c. Purchase budget d. None of these

33. is prepared by the personnel department

a. Production budget b. Labour budget
c. Purchase budget d. None of these

34. The budget of indirect costs in the form of indirect wages, indirect material and indirect expenses to be incurred in the factory.

a. Overhead budget b. Production budget
c. Purchase budget d. None of these

35. The budget is prepared to estimate expenditure to be

incurred to sell the product and its distribution.

a. Production budget
b. Administration budget
c. Selling and distribution budget
d. None of these

36. The budget is prepared to estimate the research and development expenditure to be incurred during a specific period

a. Research and development budget
b. Budget
c. Sales budget
d. None of these

37. The budget is prepared to estimate the capital expenditure on fixed assets

a. capital expenditure budget
b. production budget
c. budget
d. none of these

38. The budget is prepared to estimate the amount of cash receipt and payment and the balance of cash during a specific budget period

a. Cash budget b. Production budget
c. Sales budget d. Purchase budget

39. comprises of all those costs which vary in direct proportion to the level of activity

a. Variable cost b. Fixed cost
c. Semi-variable cost d. None of these

40. All those expenses which remain constant irrespective of the level of activity are the

a. Variable cost b. Fixed cost
c. Semi-variable cost d. None of these

41. Zero based budgeting was originally developed by

a. Peter A. pyhrr b. I.C.MA

c. USA d. F. wood

42. is a system of pin pointing responsibility
    a. Responsibility accounting
    b. Budget
    c. Production accounting information
    d. None of the above
43. Capacity ratio =
    a. Actual hours worked/budgeted hours
    b. Actual hours worker/sales budget
    c. Sales Budget/opening stock
    d. None of these
44. Activity ratio =
    a. Standard hours for actual production/budgeted hours
    b. Standard hours for actual production/actual hours
    c. Actual hours /standard hours
    d. None of these
45. In control ratio ,if the ratio are more than 100% then the performance is considered to be
    a. Favourable
    b. Unfavourable
    c. None of these
46. In control ratio ,if the ratio are less than 100% then the performance is considered to be
    a. Favourable
    b. Unfavourable
    c. None of these
47. The main emphasis of budgeting is to
    a. Control organisational activities and related expenditure
    b. Laying down of objectives
    c. Fixed budget
    d. None of these
48. Performance budget was originally used in

a. USA in1949 b. America in 1949
c. UK in 1949 d. China in 1949

49. The important features of performance budgeting
    a. Specific job or work to be executed is predetermined
    b. Laying down of objectives
    c. prepared to estimate expenditure
    d. none of these
50. budget is prepared to know the cost at different levels of activity
    a. Flexible budget b. Sales budget
    c. Production budget d. None of these
51. What does the term "variable analysis" primarily focus on?
    a. Fixed costs
    b. Costs that change with activity levels
    c. Sunk costs
    d. Historical costs
52. Which cost remains constant per unit but varies in total with changes in activity levels?
    a. Fixed cost b. Variable cost
    c. Sunk cost d. Marginal cost
53. Which of the following is a characteristic of variable costs?
    a. They remain constant regardless of production levels.
    b. They vary in total proportionately with changes in activity levels.
    c. They are associated with past decisions and cannot be changed.
    d. They are incurred only in the short term.

ANSWERS:

1.a,2.a,3.a,4.b,5.c,6.a,7.d,8.a,9.b,10.a,11.a,12.c,13.a,14.b,
15.b,16.c,17.a,18.c,19.a,20.a,21.b,22.b,23.c,24.a,25.a,26.c,

27.a,28.c,29.b,30.a,31.b,32.a,33.b,34.a,35.c,36.a,37.a,38.a,
39.a,40.b,41.a,42.a,43.a,44.a,45.a,46.b,47.a,48.a,49.a,50.a,
51.b,52.b,53.b

PART - B

1. Decribe the meaning and significance of 'Margin of Safety'.
2. Describe Marginal costing. What are its main features?
3. What is P/V Ratio? Explain the meaning of 'Break even point'.
4. From the following details find out. (a) Profit Volume Ratio (b) Break-even sales Ratio (c) Margin of safety

Sales	Rs.1, 00,000
Total cost	Rs.80, 000
Fixed cost	Rs.20, 000
Net Profit	Rs.20, 000

5. Prepare a production budget for three months ending March 31, 1999 for a factory producing four products, on the basis of the following information:

Type of Product	Estimated stock on Jan 1999 (units)	Estimated stock on Jan-Mar 31,1999 (units)	Desired closing stock on Mar 1999
A	2,000	10,000	5,000
B	3,000	15,000	4,000
C	4,000	13,000	3,000
D	5,000	12,000	2,000

6. Larsen Ltd., plans to sell 1,10,000 units of a certain product line in the first fiscal quarter, 1,20,000 units in the second quarter, 1,30,000 units in the third quarter and 1,50,000 units

in the fourth quarter and 1,40,000 units in the first quarter of the following year. At the beginning of the first quarter of the current year, there are 14,000 units of product in stock. At the end of each quarter, the company plans to have an inventory equal to one-fifth of the sales for the next fiscal quarter.

How many units must be manufactured in each quarter of the current year?

7. Parker ltd., manufactures two brands of pen Hero & Zero. The sales department of the company has three departments in different areas of the country.

The sales budget for the year ending 31st December 1999 were: HeroDepartment I 3,00,000: Department II 5,62,500: Department III 1,80,000 and Zero-Department I 4,00,000: Department II 6,00,000: and Department III 20,000. Sales prices are Rs. 3 and Rs. 1.20 in all departments.

It is estimated that by forced sales promotion the sale of 'Zero' in department I will increase by 1,75,000. It is also expected that by increasing production and arranging extensive advertisement. Department III will be enabled to increase the sale of 'Zero' by 50,000.

It is recongnised that the estimated sales by department II represent an unsatisfactory target. It is agreed to increase both estimates by 20%.

Prepare a sales Budget for the year 2000.

8. BPL Ltd., wishes to arrange overdraft facilities with its bankers during the period April to June 2000 when it will be manufacturing mostly for stock. Prepare a Cash Budget for the above period from the following data, 327 indicating the extent of the bank facilities the company will require at the end of each month.

(a)	Credit Sales	Purchases	Wages
	Rs.	Rs.	Rs.
February 2000	1,80,000	1,24,000	12,000

March	1,92,000	1,44,000	14,000
April	1,08,000	2,43,000	11,000
May	1,74,000	2,46,000	10,000
June	1,26,000	2,68,000	15,000

(b) 50 per cent of credit sales are realized in the month following the sales and the remaining 50 per cent in the second month following: Creditors are paid in the month following the month of purchase.

(c) Cash at bank on 1-4-2000 (estimated) Rs. 25,000.

9. Draw up a flexible budget for overhead expenses on the basis of the following data and determine the overhead rates of at 70%, 80% and 90% plant capacity.

	At 70% Capacity Rs	At 80% Capacity Rs.	At 90% Capacity Rs.
Variable Overheads:			
Indirect labour	--	12,000	--
Stores including spares	--	4,000	--
Semi-Variable Overheads:			
Power (30% fixed, 70% variable)	--	20,000	--
Repairs and maintenance (60% fixed, 40% variable)	--	2,000	--
Fixed Overheads:			
Depreciation	--	11,000	--
Insurance	--	3,000	--
Salaries	--	10,000	--
Total Overheads	--	62,000	--

Estimated direct labour hours: 1,24,000 hrs.

10. Summarised below are the Income and Expenditure forecasts of Gemini Ltd. for the months of March to August, 2000:

Month	Sales	Purchase	Wages	M.Exp	Off.Exp	S.Exp
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
March	60.000	36,000	9,000	4,000	2,000	4,000
April	62,000	38,000	8,000	3,000	1,500	5,000
May	64,000	33,000	10,000	4,500	2,500	4,500
June	58,000	35,000	8,500	3,500	2,000	3,500
July	56,000	39,000	9,500	4,000	1,000	4,500
August	60,000	34,000	8,000	3,000	1,500	4,500

You are given the following further information;

a. Plant costing Rs. 16,000 is due for delivery in July payable 10% on delivery and the balance after three months.

b. Advance Tax of Rs. 8,000 is payable in March and June each.

c. Period of credit allowed (i) by suppliers 2 months and (ii) to customers 1 month

d. Lag in payment of manufacturing expenses 1 month.

e. Lag in payment of all other expenses 1 month.

You are required to prepare a cash budget for three months starting on 1st May, 2000 when there was a cash balance of Rs. 8,000.

PART – C

1. What do you understand by the term’Break even analyses? Enumerate its Merits and Demerits?

2. “Marginal costing is a valiable aid for Marginal decisions.”Discuss.

3. What is Break even analysis? Discuss its assumptions and uses?

4. Explain the objectives of ‘Cost volume profit analyses.

5. Manali Corporation Ltd., hasp repair the following budget estimates for the year 1999-2000.

Sales Units - 15,000
Fixed expenses - Rs. 34,000
Sales value - Rs.1, 50,000
Variables cost - Rs. Per unit.

You are required to:

i) Find P/V Ratio, BEP and margin of safety
ii) Calculate the revised P/V Ratio, BEP and margin of safety in each of the following cases.
   (1) Decrease of 10% in selling price
   (2) Increase of 10% in variable costs

6. Sales price - Rs. 20 per unit
Variable manufacturing cost - Rs. 11 per unit Variable selling cost - Rs. 3 per unit
Fixed factory overheads - Rs.5, 40,000 per year
Fixed selling costs - Rs.2, 52,000 per year

Calculate: (a) Break even point in volume and value;(b) Sales reguired to earn a profit of Rs.60, 000 and (c) Sales reguired to earn a profit of 10% of sales

7. The expenses budgeted for productions of 10,000 units in a factory are furnished below:

	Rs.per unit
Materials cost	70
Labour Cost	25
Variable overhead	20
Fixed overhead (Rs.1, 00,000)	10
Variable expenses (Direct)	5
Selling expenses (10% fixed)	13
Distribution expenses (20%fixed)	7
Administratio expenses (50,000) (Fixed for all levels)	5
Total cost per unit (to make and sell)	155

Prepare a flexible budget for the production of (a) 8,000 units and (b) 6,000 units.

8. The following information relates to the productive activities of G. Ltd., three months ended 31st December, 1999.

.	Rs.
Fixed Expenses:	
Management Salaries	2,10,000
Rent and taxes	1,40,000
Depreciation of Machinery	1,75,000
Sundry Office Expenses	2,22,500
	7,47,500
Semi Variable Expenses at 50% capacity:	
Plant maintenance	762,500
Indirect Labour	2,47,500
Salesmen's Salaries	72,500
Sundry Expenses	65,000
	4,47,500

Variable Expenses at 50% capacity:	
Materials	6,00,000
Labour	6,40,000
Salesmen's commission	95,000
	13,35,000

It is further noted that semi-variable expenses remain constant between 40% and 70% capacity, increase by 10% of the above figures between 70% and 85% capacity and increase by 15% of the above figures between 85% and 100% capacity. Fixed expenses remain constant whatever the level of activity may be. Sales at 60% capacity are Rs. 25,50,000; at 80% capacity Rs. 34,00,000 and 100% capacity Rs. 42,50,000,. Assuming that all items produced are sold, prepare a flexible budget at 60%, 80% and 100% production capacity.

9. The cost of an article at a capacity level of 5,000 units is given under A below. For a variation of 25% in capacity above or below this level, the individual expenses vary as indicated under B below:

	A Rs.	B
Material	25,000	(100%varying)
Labour Cost	15,000	(100% varying)
Power	1,250	(80% varying)
Repairs and Maintenance	2,000	(75% varying)
Stores	1,000	(100% varying)
Inspection	500	(20% varying)
Depreciation	10,000	(100% varying)
Administration Overheads	5,000	(25% varying)
Selling Overheads	3,000	(25% varying)

62,750

Cost per unit Rs. 12.55

Find the unit cost of the product at production levels of 4,000 units and 6,000 units.

10. From the particulars given below prepare a Cash Budget for the month June 1999:

a. Expected sales:

April 99 – Rs. 2,00,000: May – Rs. 2,20,000: June – Rs. 1,90,000.

Credit allowed to customers is two months and 50% of the sales of every month is on cash basis.

b. Estimated purchases:

May 99 – Rs. 1,20,000: June – 1,10,000

40% of the purchase of every month is on cash basis and the balance is payable next month.

c. Rs. 2,000 is payable as rent every month.

d. Time lag in payment of overhead is ½ month. Over head : For May Rs. 12,000; For June Rs. 11,000

e. Depreciation for the year is Rs. 12,000.

f. Interest receivable on investment during June and December Rs. 3,000 each

g. Tax payable during April 99 Rs. 10,000.

h. Estimated Cash Balance as on 1-6-99 is Rs. 42,500.

UNIT-5

1. is a desired attainable objective, a performance, a goal a model

a. Standard costing b. Variance analysis
c. Standard d. None of these

2. is the preparation and use of standard costs their comparison with actual costs and the analysis of variances to their causes and points of incidence.

a. Standard costing b. Variance analysis
c. Standard d. None of these

3. Direct material cost variances =

a. Standard cost for actual output - actual cost of material used
b. Standard cost for actual output + actual cost of material used
c. Standard cost for actual output /actual cost of material used
d. Standard cost for actual output*actual cost of material used

4.The direct material cost, price and usage variances are termed as

a. Direct material b. Standard costing
c. Simple variances d. None of these

5. The direct material mix and yield variances are termed as

a. Complex variances b. Variance analysis
c. Standard d. None of these

6. DMPV

a. Direct material price variance
b. Direct management variance
c. Direction management variance
d. None of these

7. Direct material price variance=

a. Standard cost of actual material used – actual cost of material used

b. Standard cost of actual material used + actual cost of material used
c. Standard cost of actual material used –/actual cost of material used
d. Standard cost of actual material used * actual cost of material used

8. Direct material usage or quantity variance
a. Standard material cost for actual output – standard cost of material used
b. Standard material cost for actual output + standard cost of material used
c. Standard material cost for actual output /standard cost of material used
d. Standard material cost for actual output *standard cost of material used

9. Direct material mix variances=
a. Standard price(revised standard quantity – actual quantity)
b. Standard price(revised standard quantity + actual quantity)
c. Standard price(revised standard quantity / actual quantity)
d. None of these

10. Material sub-usage(or revised usage)variance=
a. Standard price(standard quantity+ revised actual quantity)
b. Standard price(standard quantity- revised actual quantity)
c. Standard price(standard quantity* revised actual quantity)
d. Standard price(standard quantity/ revised actual quantity)

11. Standard material yield variance=
    a. Standard cost per unit of output *(standard yield for actual material – actualyield)
    b. Standard cost per unit of output *(standard yield for actual material + actualyield)
    c. Standard cost per unit of output *(standard yield for actual material *actualyield)
    d. Standard cost per unit of output *(standard yield for actual material / actualyield)
12. Direct labour cost variance
    a. Standard labour cost for actual input – actual labour cost incurred
    b. Standard labour cost for actual output + actual labour cost incurred
    c. Standard labour cost for actual output – actual labour cost incurred
    d. Standard labour cost for actual output * actual labour cost incurred
13. Direct labour rate variance
    a. Actual time * (standard rate + actual rate)
    b. Actual time * (standard rate /actual rate)
    c. Actual time * (standard rate - actual rate)
    d. Actual time * (standard rate *actual rate)
14. Total direct labour efficiency =
    a. S.R(S.T-A.T)
    b. S.R(S.T*A.T)
    c. S.R(S.T+A.T)
    d. None of these
15. Direct labour efficiency variance
    a. Standard rate*(standard time for actual output – actual time worked)
    b. Standard rate*(standard time for actual output +actual time worked)
    c. None of these
    d. All the above

16. Direct labour idle time variance
    a. Standard rate – idle time
    b. Standard rate*idle time
    c. Standard rate +idle time
    d. None of these
17. Direct labour mix variance
    a. S.R*(R.S.T+A.T(worked))
    b. S.R*(R.S.T*A.T(worked))
    c. S.R*(R.S.T-A.T(worked))
    d. None of these
18. Revised labour efficiency variance
    a. S.R*(S.T-R.ST) b. S.R*(S.T/R.ST)
    c. S.R*(S.T+R.ST) d. None of these
19. The variance is calculated when information is based on
    a. Output b. Input
    c. Income d. Expenses
20. variance arises only when two or more kind of labour perform some
    a. work as a group or gang
    b. Labour mix variance
    c. Labour efficiency variance
    d. Labour yield variance
    e. None of these
21. Labour yield variance
    a. Std. labour cost per unit of output*(std. output for actual time-/actualoutput)
    b. Std. labour cost per unit of output*(std. output for actual time* actualoutput)
    c. Std. labour cost per unit of output*(std. output for actual time- actualoutput)
    d. Std. labour cost per unit of output*(std. output for actual time+ actualoutput)

22. Revision variance
    a. Original std. cost of actual output + revised std. cost of actual output
    b. Original std. cost of actual output – revised std. cost of act actual output
    c. Original std. cost of actual output / revised std. cost of act actual output
    d. Original std. cost of actual output * revised std. cost of act actual output
23. Standard costing is a
    a. Method of costing
    b. Technique for cost reduction
    c. Cost control technique
    d. None of these
24. Variance analysis involves
    a. Dividing variance according to causes
    b. Fixing responsibility for loss
    c. Identifying gains in working
    d. None of these
25. Material price variance is loss or gain
    a. Due to using more or less material
    b. Due to payment of wages
    c. Due to payment of higher or lower price than what is specified
    d. None of these
26. Usually standards are set up on the basis of
    a. Past performance b. Ideal time
    c. Normal performance d. Attainable high performance
27. Standard hour represents
    a. Time taken
    b. Expected number
    c. Output of different kinds expressed in time of hours
    d. None of these

28. Standard cost is a
    a. Pre- determined costing
    b. Technique for cost reduction
    c. Cost control
    d. None of these

29. Standard cost is like a
    a. Norm b. Cost
    c. Time d. None of these

30. Calculate material price variance from the following
Standard :2740units at RS 15 each
Actual : 3000units at RS 17 each
    a. RS 6000 b. RS 5000
    c. RS 5500 d. RS 4000

31. Variance is the difference between standard cos and cost
    a. Actual b. Standard
    c. Labour d. None of these

32. Standard costing system is used along with control system, to be more
    a. effective
    b. Actual
    c. Standard
    d. Budgetary
    e. None of these

33. Material usage variance shows the difference between the materialpermitted to be used and actually for the actual
    a. Input b. Costing
    c. Production or output d. None of these

34. Idle time variance represents the cost of wastage of time
    a. Normal b. Abnormal
    c. None of these d. All the above

35. Fixed overhead calendar variance reveals the due to working more or less days/ hours than those budgeted
    a. Income or expenses

b. Loss or gain
c. Profit or loss
d. None of these

36. Standard costing provide complete
a. Systematic approach b. Infrastructure
c. Both a and b d. None of these

37. Standard costing is based on
a. Budgets b. Costing
c. Accounting information d. None of these

38. Standard costing does not focus on
a. Budgeting b. Accounting information
c. Revenue d. Tax

39. Standard costing can be used for
a. Long time b. Short time
c. Middle time d. None of these

40. The basic objective of standard costing is
a. Cost control b. Profit
c. Payment d. None of these

41. Valuation of stock becomes a simple process by valuing them at
a. standard costing b. budgeting
c. variance costing d. all the above

42. standard costing can be classified in to
a. one b. two
c. three d. seven

43. setting standard may also called
a. developing standards b. variance
c. costing method d. none of these

44. the two major aspects for which standard are developed relating o labour are
a. budget and production
b. labour time and labour rate
c. standard costing and variance costing
d. none of these

45. the standard hour is useful for ascertaining
   a. overhead variance   b. budgeting
   c. labour time   d. material rate
46. wage rate standard differ for grades or kind of
   a. material   b. labour
   c. production   d. none of these
47. the resolution in to constituent parts and explanation of variances
   a. variance analysis   b. standard costing
   c. budgeting   d. none of these
48. variance analysis is like the
   a. processing unit   b. cost control
   c. both a and b   d. none of these
49. favourable variance may also called
   a. positive variance   b. credit variance
   c. both a and b   d. none of these
50. unfavourable variance may also called
   a. adverse   b. credit variance
   c. all the above   d. none of these
51. Which of the following is a primary objective of managerial accounting?
   a. Reporting financial information to external parties
   b. Evaluating the financial performance of a company
   c. Providing information for internal decision-making
   d. Complying with tax regulations
52. What type of costing system focuses on assigning costs to specific products or services for decision-making purposes?
   a. Job costing
   b. Process costing
   c. Activity-based costing (ABC)
   d. Standard costing
53. Which analysis technique involves evaluating the costs and benefits of different alternatives to aid decision-making?
   a. Break-even analysis

b. Cost-volume-profit (CVP) analysis
c. Incremental analysis
d. Variance analysis

ANSWERS:

1.c,2.a,3.a,4.a,5.a,6.a,7.a,8.a,9.a,10.b,11.a,12.c,13.c,14.a,
15.a,16.b,17.c,18.a,19.a,20.a,21.c,22.b,23.c,24.a,25.c,26.d,
27.c,28.a,29.a,30.a,31.a,32.c,33.c,34.b,35.b,36.c,37.a,38.c,
39.a,40.a,41.a,42.b,43.a,44.b,45.a,46.b,47.a,48.a,49.c,50.a,
51.c,52.a,53.c.

PART - B

1. Prepare Marginal cost statement from the following particulars:

		Rs.
Variable Cost:		
	Direct Material	4,500
	Direct Wages	2,500
	Factory Overheads	1,500

		8,500
Fixed Cost:		
	Administrative expenses	1,250

Total Cost		9,750
Profit		5,250

	Sales	15,000
		-----------

2. Determine the amount of fixed expenses form the following particulars:

	Rs.
Sales	2,50,000
Direct Material	80,000
Direct Labour	50,000
Variable overheads	20,000
Profit	60,000

3. What is the main the difference between “variable Cost and Fixed Cost “?

4. Describe the meaning and significance of “margin of safety” ?

5. Calculate Break-even point

	Rs.
Sales	6,00,000
Fixed expenses	1,50,000
Variable costs:	
Direct Material	2,00,000
Direct Labour	1,20,000
Other variable expenses	80,000

6. The following informations are given for two companies.

	X Ltd.	Y Ltd.
Units produced & sold	17,000	17,000
Revenues	1,70,000	1,70,000
Fixed costs	85,000	34,000
Operating income	51,000	51,000
Variable cost	34,000	85,000

Find out the Break-Even Point of each company both in units as well as in volume.

7. From the following data calculate

(i)Numbers of units to be sold to earn a profit of Rs. 1,20,000 (ii)Sales to earn a profit of Rs. 1,20,000

Selling price per unit Rs. 40
Variable selling cost per unit Rs. 3
Variable manufacturing cost per unit Rs. 22
Fixed factory overhead Rs. 1,60,000
Fixed selling cost Rs. 20,000

8.

Sales	2,50,000
Variable cost	1,00,000
Fixed cost	50,000

Compute the contribution and profit.

9. Define
   (i)Marginal cost
   (ii)Marginal costing

10. Sales Rs. 1,00,000; Profit Rs. 10,000; Variable cost 70%

11. Determine the amount of fixed expenses form the following particulars:

	Rs.
Sales	2,50,000
Direct Material	80,000
Direct Labour	50,000
Variable overheads	20,000
Profit	60,000

12. What is the main the difference between "variable Cost and Fixed Cost "?

13. Describe the meaning and significance of "margin of safety" ?

14. Calculate Break-even point

	Rs.
Sales	6,00,000
Fixed expenses	1,50,000
Variable costs:	
Direct Material	2,00,000
Direct Labour	1,20,000
Other variable expenses	80,000

15. The following informations are given for two companies.

	X Ltd.	Y Ltd.
Units produced & sold	17,000	17,000
Revenues	1,70,000	1,70,000
Fixed costs	85,000	34,000
Operating income	51,000	51,000
Variable cost	34,000	85,000

Find out the Break-Even Point of each company both in units as well as in volume.

16. From the following data calculate
(i)Numbers of units to be sold to earn a profit of Rs. 1,20,000

(ii)Sales to earn a profit of Rs. 1,20,000
Selling price per unit Rs. 40
Variable selling cost per unit Rs. 3
Variable manufacturing cost per unit Rs. 22
Fixed factory overhead Rs. 1,60,000
Fixed selling cost Rs. 20,000

17.

Sales	2,50,000
Variable cost	1,00,000
Fixed cost	50,000

Compute the contribution and profit.

18. Define
(i)Marginal cost
(ii)Marginal costing

19. Sales Rs. 1,00,000; Profit Rs. 10,000; Variable cost 70%

PART - C

1.From the following information, calculate

a. Break-even point
b. Number of units that must be sold to earn a profit of Rs. 60,000, per year.
c. Number of units that must be sold to earn a net income of 10% on sales

Sales price - Rs.20 per unit
Variable cost – Rs.14 per unit
Fixed cost – Rs. 79,200

2. The sales turnover and profit during two years were as follows:

YEAR	SALES(Rs.)	PROFIT(Rs.)
2007	1,40,000	15,000
2008	1,60,000	20,000

Calculate :

a) P/V Ratio
b) Break-even point
c) Sales required to earn a profit of Rs. 40,000
d) Fixed expenses and
e) Profit when sales are Rs.1,20,000

3. From the following information relating to Quick standards Ltd., you are required to find out (a) ratio (b) Break even point (c) Profit (d) Margin of safety

Total Fixed Costs	Rs. 4,500
Total Variable Cost	Rs. 7,500
Total sales	Rs. 15,000

(e) Also Calculate the Volume of sales to earn profit of Rs. 6,000

4. Assuming that the cost structure and selling prices remain the same in periods I and II find out.

i) P/V ratio
ii) B.E. Sales
iii) Profit when sales are Rs. 1,00,000
iv) Sales required to earn a profit of Rs. 20,000
v) Margin of safety in IInd period

Period	SALES(Rs.)	PROFIT(Rs.)
I	1,20,000	9,000
II	1,40,000	13,000

5. SV Ltd., a multi-product company, furnishes you the following data relating to the year 1999:

Periods		First Half of the year	Second Half of the Year
	Sales	45,000	50,000
	Total cost	40,000	43,000

Assuming that there is no change in prices and variable costs and that the fixed expenses are incurred equally in the two half year periods calculate for the year 1999:

i) The profit volume ratio
ii) Fixed expenses
iii) Break-even sales
iv) Percentage of margin of safety

6. The P.V. ratio of firm dealing in precision instrument is 50% and the margin of safety is 40%. You are required to work out the B.E.P. and the net profit if sales volume is Rs. 50,00,000

7. You are given: Margin of safety Rs. 10,000 which represents 40% of sales. P.V. ratio 50%. Calculate (a) Sales (b) Break even sales (c) Fixed cost (d) Profit

8. From the following data calculate:
i) P/V ratio
ii) Profit when sales are Rs. 20,000
iii) New break-even point if selling price is reduced by 20%

Fixed expenses	Rs.4,000
Break-even sales	Rs.10,000

9. Your are required to calculate (a) P.V. ratio (b) margin of safety (c) Sales (d) Variable cost from the following figures: Fixed cost Rs. 12,000, Profit Rs. 1,000, Break Even Sales Rs.

60,000

10. The cost volume and profit relationship of a company is described by equation Y = Rs. 3,00,000 + 0.7 X in which x represents sales and Y represents total cost. Find out (a) P.V. ratio (b) B.E. sales (c) Sales volume required to earn a profit of Rs. 60,000 (d) Sales volume when there is a loss of Rs. 30,000.

About The Author

Mrs. M. Priya was born in 1982 in Erode. She is currently working as an Assistant Professor in the Department of Commerce, St. Joseph's College of Arts and Science for Women, Hosur. She has completed M.Com., Annamalai University and M.Phil in Bharathiyar University and Persuing (P.hD) in Periyar University. She has versatile experience of 13 years. She has publised numerous papers national and international journals. Her area of interest include, Marketing and Human Resource Management. Received the Best Senior Faculty Award from Novel research Academy, Registered under the ministry of MSME, Government of India.

ISBN 978-936123940-3