

**M.Sc. FOOTWEAR TECHNOLOGY
(MSCFWT)**

Term-End Examination

June, 2017

00261

**MFW-028 : MANAGERIAL ECONOMICS AND
FUNDAMENTALS OF ACCOUNTS AND FINANCE**

Time : 3 hours

Maximum Marks : 70

Note : Attempt any seven questions. All questions carry equal marks. Assume missing data if any.

1. Pass the journal entries : 10
- (a) Paid ₹ 1,000 as wages on installation of machinery A/C.
 - (b) Interest charged on drawing. @ 5% when total drawings were ₹ 1,00,000.
 - (c) Introduced additional capital of ₹ 50,000.
 - (d) ₹ 800 receive from Ram as last year bad debts.
 - (e) Sold old Newspaper of ₹ 300.
 - (f) Charged interest on capital ₹ 1,00,000.
 - (g) Divided received of ₹ 1,000.

2. Calculate :

10

- (a) Current Ratio
- (b) Acid-test Ratio
- (c) Operating Ratio
- (d) Gross-Profit Ratio

From following information :

Current Assets ₹ 70,000, Creditors ₹ 5,000,
other Current liabilities ₹ 30,000, Stock 30,000,
Sales ₹ 1,20,000, Operating expenses ₹ 40,000
Cost of goods sold ₹ 60,000 and Carriage inward
₹ 1,000.

3. Rectify the following errors :

10

- (a) A sale of ₹ 60 posted to the credit of customer A/C.
- (b) An item of ₹ 27 is Returned inward not posted to the customers A/C.
- (c) Sale of old machine for ₹ 500 was entered in the sales book.
- (d) Salary of ₹ 500 paid to Ram the partner was debited to his drawing.
- (e) ₹ 5,400 received from Mehta were posted to the debit of his A/C.
- (f) ₹ 1,000 being purchase return was posted to the purchase A/C.
- (g) The sale day book was under cost by ₹ 1,000.

4. Prepare the accounting equations form the following details : 10

- (a) Business was started with capital of ₹ 2,00,000.
- (b) Machinery was rented and paid ₹ 10,000 for it.
- (c) Stationary purchased on credit of ₹ 9,000.
- (d) The company charged 40,000 as consulting fees from customer.
- (e) General expenses of ₹ 6,000 was paid.
- (f) Land was purchased by borrowing ₹ 3,00,000 from a bank.
- (g) Salary of ₹ 8,000 for the month were paid.

5. Define monopoly market. How it is different from monopolistic market ? How to determine the price of the commodity in short run under monopoly market ? 10

6. What is inflation ? What are the causes of inflation ? How the inflation is controlled in a economy ? 10

7. What is Aggregate demand ? What are the determinants of Aggregate demand ? How these determinants are influenced in an economy ? 10

8. What is monopolistic market ? How it is different form oligopoly market ? How the price of the commodity is determine in short run under monopolistic market ? 10
9. (a) What is supply ? Why the supply curve moving upwards directions ?
- (b) What will be the Impact on equilibrium point when :
Supply increase and demand decrease in same proportion ? 5+5=10
-