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

Term-End Examination

June, 2013

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

Time : 3 hours

Maximum Marks : 70

Note : Attempt any seven questions.

1. What is demand ? Explain determinant of a demand for a commodity other than its price. Explain the Exceptions of Law of demand. **10**
2. Define Perfect Competition Mkt. Explain the features of perfect competition Mkt. How to determine the prices under short run in Perfect Competition Mkt ? **10**
3. What will be the effect on Equilibrium when supply is inelastic and demand change ? Explain with graph. **10**

4. Calculate the AFC, AVC, AC, and MC from the following data. 10

Units	TC
0	120
1	160
2	250
3	425
4	675
5	1200
7	1800
8	2100
10	2800

5. Total Assets Rs. - 22,00,000 ; Fixed Assets ; Rs. - 10,00,000 ; capital employed Rs. - 20,00,000, creditors Rs. 4,00,000, stock Rs. - 2,00,000 prepaid expenses Rs. 50,000. There were no long term Investment. 5+5=10
Calculate current Ratio and liquid ratio.

6. Classify the following Accounts into Real, Personal and Nominal A/C with the rule's of these Account. 10
- (a) Rent A/C
 - (b) Outstanding rent A/C
 - (c) Insurance A/C
 - (d) Land A/C
 - (e) Capital A/C
 - (f) Ram (A Purchaser)

7. Pass the Journal Entries : 10
- (a) Shyam commenced business with cash Rs. 10,000.
 - (b) Paid into bank Rs. 4000.
 - (c) Purchased machinery of Rs. 1000.
 - (d) Commission received Rs. 300.
 - (e) Furniture purchased from Mohan of Rs. 500.
 - (f) Charged interest on capital of Rs. 800.
 - (g) Paid salary of Rs. 700.
 - (h) Rent from tenants Rs. 600
 - (i) Withdraw Rs. 2000 from bank.
 - (j) Depreciation charged on Building Rs. 1000.
8. Rectify the following Error. 10
- (a) Sales to X Rs. 200 posted to his A/c as Rs. - 2000.
 - (b) Paid Rs. 500 to Ramesh were recorded twice.
 - (c) Purchase furniture of Rs. 1000 was not posted.
 - (d) Machinery purchased for Rs. 4000 is debited to purchase A/C.
 - (e) A sale of old machinery Rs. 1500 credited to sale A/C.
 - (f) Goods worth Rs. 250 distributed as free sample were not recorded.
 - (g) The total of return inwards book was added Rs. 2000 instead of Rs. 2500.

- (h) A credit sale to Ramesh of Rs. 10,000 posted as Rs. 1000.
 - (i) A credit item of Rs. 97 has been debited to a personal A/C as Rs. 79.
 - (j) Purchase Returns book was overcast by Rs. 3000.
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