

**M.Sc. IN LEATHER GOODS AND
ACCESSORIES DESIGN (MSCLGAD)**

Term-End Examination

June, 2015

00356

MFW-054 : MANAGEMENT STUDIES – I

Time : 3 hours

Maximum Marks : 70

Note : Answer *seven* questions in all. All questions carry equal marks. *Two* questions are **compulsory** from each section.

SECTION A

(Fundamentals of Management)

1. (a) "Planning is an essence of Management."
Explain.
(b) What are the steps involved in a good
planning system ? 2×5=10
2. Define decision-making. Explain its importance
and process. 10
3. Write short notes on any *two* of the
following : 2×5=10
 - (a) Centralisation and Decentralisation
 - (b) Line and Staff Authority
 - (c) Managerial Roles
 - (d) Bureaucracy

SECTION B
(Economics)

4. What is Aggregate demand ? Explain the determinants of Aggregate demand. 10

5. What is Deflation ? How can we control the situation of deflation in an economy ? 10

6. What is Equilibrium Price ? Show the effect on equilibrium when the demand changes and supply is elastic. 10

SECTION C

(Accounts)

7. Pass the journal entries from the following : 10

- (a) Ram commenced business with cash of ₹ 10,000
- (b) Paid into bank ₹ 4,000
- (c) Purchased machinery of ₹ 1,000
- (d) Furniture purchased of ₹ 500 from Shyam
- (e) Commission received ₹ 300
- (f) Paid salary of ₹ 300
- (g) Charged interest on capital of ₹ 50
- (h) Depreciation charged on building ₹ 300
- (i) Rent from tenants ₹ 200
- (j) Withdrew ₹ 500 from bank

8. Calculate the following from the information given below : 10

- (a) Current ratio
- (b) Acid-test ratio
- (c) Operating ratio
- (d) Gross-profit ratio

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
Carriage inward	₹ 1,000

9. Show the Accounting Equation for the following :

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- (a) Mohan commenced business with cash of ₹ 5,00,000
- (b) Purchased land costing ₹ 80,000
- (c) Purchased goods on credit of ₹ 50,000
- (d) Paid to creditors ₹ 10,000
- (e) Withdrew goods costing ₹ 8,000 for his personal use by the owner