SE321

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S.E. Computer (Sem-III) (Revised Course 2016-2017)
EXAMINATION Nov/Dec 2019
Economics and Organizational Behaviour

[Duration : Three Hours] **[Total Marks : 100]**

Part-A

Answer any two questions

Q.1

a) Explain the law of supply and its factors. Why is the supply curve positive sloping? **6**

b) The following table shows the actual sales in rupees in the last four years. Using exponential smoothing , forecast the demand for period 5 where the smoothing constant is 0.3 and the starting forecast is Rs.20000 **8**

Period	1	2	3	4
Sales ('000)	25	19	21	20

c) What do you mean by an annuity? Smitha deposits Rs10000 annually in a bank for 5 years and her deposits earn a compound interest rate of 10%. What is the future value of the annuity? **4**

d) The demand and supply equations for a product are as follows **2**

$$Qd = 150 - 13P \text{ and } Qs = 10 + P$$

Calculate the equilibrium price and quantity

Q.2

a) Explain how market equilibrium is achieved with the help of an example **6**

b) The inflation of a country is 16%. Explain its negative effects. **6**

c) Calculate the NPV of the project. The discounting rate is 13% **8**
Cost of the Project Rs 100000

Year	Cash Inflow (Rs)
1	21000
2	22300
3	13000
4	21000
5	35000

Suggest whether the project should be accepted or rejected. State the reasons for the same.

Q.3

a) Define price index. With a suitable example, explain the process of calculating the price index. **8**

b) What is leasing? Explain the categories of lease agreements. **6**

c) It has been observed that during vacations the demand of canteen food reduces. Explain this situation using the concept of demand shift. **6**

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Part – B
Answer any two questions

Q.4
a) Explain the profitability ratios with the help of an example **6**
b) Krishna is in on an international call with Vladimir. Explain the two way communication process with a neat diagram. **8**
c) What are the stages of change . **6**

Q.5
a) List and explain the dangers of insufficient working capital **6**
b) How are loans different from equality? List and explain any three differences **6**
c) With a suitable example, explain the Expectancy Model of Motivation. **8**

Q.6
a) Differentiate between upward and downward communication **5**
b) What are different appraisal methods for performance evaluation **7**
c) Draw the income statement for Techify Pvt. Ltd for the year ending 31st Jan 2016 . All amounts below are in lakhs. **8**

Net sales	3397
Administrative Expenses	21
Wages and salaries	1229
Manufacturing Expenses	32
Interest	65
Tax	72
Selling Expenses	332
Stock	438
Dividends	132

Part C
Answer any one questions

Q.7
a) Shama Publications has 1000 copies of a book he wishes to sell. Four of his large customers are interested in buying the books. Their individual demand equations are as follows. **8**

A: Q = 100-9P
B: Q = 80 -3P
C: Q = 120 -5P
D: Q = 70 -3P

The industry supply equation is Qs= 70+10P

i) Determine the market demand equation
ii) Determine the equilibrium price and quantity
iii) What is the quantity that each friend will buy

b) The Nominal GDP of a country is 6 billion Euros in 2000 and 8 Billion Euros is 2010 Can we conclude the country is progressing. Explain. In This context, provide a comparison between real and nominal GDP **8**
c) Write a short note on working capital **4**

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Q.8 Write short notes on any four of the following **4X5=20**

a) Market Equilibrium
b) Payback Period
c) Communication
d) Mergers
e) Goal Setting

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