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S.E.(Electronics & TC) / Electronics & Comm Engg (Sem-III) (Revised Course 2016-2017)
EXAMINATION MAY/JUNE 2019
Economics and Management

[Duration : Three Hours]

[Max. Marks : 100]

Instructions:

- 1) Attempt any **five** questions in all.
- 2) It is **compulsory** to answer **two** questions each from **Part-A and Part-B**.
- 3) Answer **any one** question from **Part-C**.
- 4) Figures to the **right** indicate marks.

PART - A

Answer **any two** questions from the following:

- 40
- Q.1a) What are the features of Law of demand? Explain the various exceptions to the Law of demand. 06
- b) State the formula to calculate Rate of Inflation. Explain various **monetary** measures to control inflation. 06
- c) Write short note on
- i) Nash Equilibrium 04
 - ii) Methodology of Econometrics 04
- Q.2a) What are Naïve models of demand forecasting? Using exponential smoothing method, forecast the demand for the month of May 2018. Using starting forecast as 26 and $\alpha = 0.2$ 08
- | Month | Jan 18 | Feb 18 | March 18 | April 18 |
|----------------|--------|--------|----------|----------|
| Sales in units | 24 | 35 | 29 | 44 |
- b) Why is Working Capital known as "revolving" or "circulating capital". Explain with the help of an example two concepts of circulating Capital. 08
- c) Write a short note on Game Theory. 04
- Q.3a) A firm has a fixed cost of Rs.60,000, selling price per unit is Rs.40 and variable cost per unit is Rs.20. Present level of production is 4,000 units. 08
- i) Determine break-even point in terms of volume and sales value.
 - ii) Find the Safety Margin (in terms of %). What does it indicate?
 - iii) What is the change in B.E.P and Margin of Safety (in terms of %), if fixed costs increase from Rs.60,000 to Rs.70,000.
 - iv) What are the limitations of Breakeven analysis?

- b) What is a Price Index? Write down the steps to calculate Consumer Price Index. 08
- c) Differentiate between Gross Domestic Product & Gross National Product. 04

PART – B

Answer any two questions from the following: 40

- Q.4a) Explain in detail the various principles of management put forward by Henri Fayol. 08
- b) Write down the steps to calculate NPAT in the Income Statement. 08
- c) Write a short note on Non Current Liabilities. 04
- Q.5a) Rank the projects using Net Present Value method methods of project evaluation, assume discount rate 10%. Installation Charges of each project is Rs.10,000. 08

PROJECT	Cost of Investment	Cash Inflows			
		1 st Year	2 nd Year	3 rd Year	4 th Year
A	Rs.1,00,000/-	Rs.55,000/-	Rs.50,700/-	Rs.60,000/-	Rs.23,000/-
B	Rs.1,20,000/-	Rs.60,000/-	Rs.65,000/-	Rs.45,000/-	Rs.50,000/-

- b) Define Management by Objectives (MBO). Explain in detail MBO Process. 06
- c) Planning & control are often thought of as a system. What do you understand from the statement? 06
- Q.6a) Given: Current ratio = 4.5:1, Liquid ratio = 2.5:1, Working capital = Rs.60,000/-
Calculate i) Current Liabilities ii) Current Assets iii) Stock 06
- b) Distinguish between “formal” and “informal” communication. Explain the various directions in which the formal communication generally flows. 05
- c) What is motivation? How does effective managing take advantage of motivation? 05
- d) Write a short note on Sources of Fund in the Fund Flow statement. 04

PART-C

Answer any one question from the following: 20

- Q.7a) Demand equation: $Q_d = 140 - 8P$, Supply equation : $Q_s = 40 + 6.5P$ 05
- i) Draw the demand and supply schedule for price ranging from Rs.5 to Rs.12.
- ii) Why Equilibrium price is called as unique price?
- b) Elaborate on Herzberg’s Two Factor Theory of motivation. 05

- c) Write short note on:
- i) Leverage ratio 05
 - ii) Profit Volume Ratio 05
- Q.8a) The matrix organization is a project organization plus a functional organization. Elaborate. 05
- b) Write short note on:
- i) Types of mergers 05
 - ii) Dangers of Excess Working Capital 05
 - iii) Shift in*Supply curve 05