

**B.Tech 4th Semester Exam., 2019****INDUSTRIAL ECONOMICS AND  
ACCOUNTING**

Time : 3 hours

Full Marks : 70

**Instructions :**

- (i) Each question carry equal marks.
- (ii) There are **NINE** questions in this paper.
- (iii) Attempt **FIVE** questions in all.
- (iv) Question No. 1 is compulsory.

1. Choose the correct option (any seven) :

- (a) Demand for a commodity refers to
  - (i) need for the commodity
  - (ii) desire for the commodity
  - (iii) amount of the commodity demanded at a particular price and at a particular time
  - (iv) quantity demanded of that commodity

- (b) Income elasticity of demand is defined as the responsiveness of
  - (i) quantity demanded to a change in income
  - (ii) quantity demanded to a change in price
  - (iii) price to a change in income
  - (iv) income to a change in quantity demanded
- (c) The supply of a good refers to
  - (i) stock available for sale
  - (ii) total stock in the warehouse
  - (iii) actual production of the good
  - (iv) quantity of the good offered for sale at a particular price per unit of time
- (d) Assume that both consumer's income and the number of sellers in the market for good X fall. Based on this information, we can conclude with certainty that the equilibrium
  - (i) price will decrease
  - (ii) price will increase
  - (iii) quantity will increase
  - (iv) quantity will decrease

- (e) The economist's objections to monopoly rest on which of the following grounds?
- (i) there is a transfer of income from consumers to the monopolist
  - (ii) there is welfare loss as resources tend to be misallocated under monopoly
  - (iii) Only (i) is correct
  - (iv) Both (i) and (ii) are correct
- (f) The producer's demand for a factor of production is governed by the \_\_\_\_ of that factor.
- (i) price
  - (ii) marginal productivity
  - (iii) availability
  - (iv) profitability
- (g) Under conditions of perfect competition in the product market
- (i)  $MRP = VMP$
  - (ii)  $MRP > VMP$
  - (iii)  $VMP > MRP$
  - (iv) None of the above

- (h) Which among the following statements is **incorrect**?
- (i) Coefficient of correlation can be computed directly from the data without measuring deviation.
  - (ii) Measures of dispersion are also called averages of the second order.
  - (iii) Standard deviation can be negative.
  - (iv) Mean deviation can never be negative.
- (i) One of the methods to find out Mode is
- (i)  $\text{Mode} = 3 \text{ median} + 2 \text{ mean}$
  - (ii)  $\text{Mode} = 3 \text{ median} - 3 \text{ mean}$
  - (iii)  $\text{Mode} = 2 \text{ median} - 3 \text{ mean}$
  - (iv)  $\text{Mode} = 3 \text{ median} - 2 \text{ mean}$
- (j) Which among the following statements is **incorrect**?
- (i) Index number is a relative measurement.
  - (ii) In fact all index numbers are weighted.
  - (iii) Theoretically the best average in construction of index numbers is geometric mean.
  - (iv) It is not possible to shift the base if it is the case of fixed base index.

2. Explain the relation between science, engineering, technology and economics.
3. Explain the law of demand along with its practical importance.
4. Explain the characteristics of law of variable proportion for land, labour, and capital.
5. Explain the concept of cost along with its types and functions.
6. Differentiate clearly between perfect competition and monopolistic competition market in the light of their features.
7. Explain the law of demand along with the role of demand in the determination of price in imperfect competition.
8. Explain in detail the basic methods for making economic studies.
9. Explain the scope and role of accounting. Also explain the steps for recording of transaction in Journal and Ledgers.

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