

Code : 241406

(2)

B.Tech 4th Semester Exam., 2018

INDUSTRIAL ECONOMICS AND
ACCOUNTING

Time : 3 hours

Full Marks : 70

Instructions :

- (i) All questions 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) The horizontal demand curve parallel to x -axis implies that the elasticity of demand is
- (i) zero
 - ~~(ii) infinite~~
 - (iii) equal to one
 - (iv) greater than zero but less than infinity

- (b) An individual demand curve slopes downward to the right because of the
- (i) working of the law of diminishing marginal utility
 - (ii) substitution effect of decrease in price
 - (iii) income effect of fall in price
 - ~~(iv) All of the above~~
- (c) In the short run, when the output of a firm increases, its average fixed cost
- (i) remains constant
 - ~~(ii) decreases~~
 - (iii) increases
 - (iv) first decreases and then rises
- (d) The cost of one thing in terms of the alternative given up is called
- (i) real cost
 - (ii) production cost
 - (iii) physical cost
 - ~~(iv) opportunity cost~~

- (e) In which of the following market structures is the degree of control over the price of its product by a firm very large?
- Imperfect competition
 - Perfect competition
 - Monopoly
 - Both (i) and (ii)
- (f) The offer curves introduced by Alfred Marshall, help us to understand how the _____ is established in international trade.
- terms of trade
 - equilibrium price ratio
 - exchange rate
 - satisfaction level
- (g) Demand for factors of production is
- derived demand
 - joint demand
 - composite demand
 - None of the above
- (h) Mean deviation can be calculated from
- mean
 - median
 - mode
 - Any of the above

- (i) Coefficient of correlation r is significant, if
- $r > 5$ times probable error
 - $r < 6$ times probable error
 - $r > 6$ times probable error
 - $r = 6$ times probable error
- (j) Which statistical measure helps in measuring the purchasing power of money?
- Arithmetic average
 - Index numbers
 - Harmonic mean
 - Time series
2. Explain the relation between science, engineering, technology and economics.
3. Explain the concept of elasticity of demand along with its practical importance.
4. Explain the characteristics of law of variable proportion for entrepreneur and organization.
5. Explain the concept of break-even analysis. Also clearly mention the assumptions made in BEA and derive the formula for the break-even point.
6. Differentiate clearly between monopoly and oligopoly markets in the light of their features.

7. Explain the law of supply along with the role of supply in the determination of price in imperfect competition.
8. Explain in detail the basic methods for making economic studies.
9. Explain the concept and convention of accounting. Also explain the steps in the preparation of final account statement.
