Reg No.:_____   Name:_____

APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY

Sixth Semester B.Tech Degree Examination June 2022 (2019 Scheme)

Course Code: HUT300
Course Name: INDUSTRIAL ECONOMICS & FOREIGN TRADE

Max. Marks: 100   Duration: 3 Hours

PART A
Answer all questions, each carries 3 marks.   Marks

1	Describe factors of production.	(3)
2	What should be the percentage change in price of a product if the sale is to be increased by 50 percentages and its price elasticity of demand is 2?	(3)
3	What is the economic significance of opportunity cost?	(3)
4	Define marginal utility.	(3)
5	What are the features of perfect competition?	(3)
6	Define market structure.	(3)
7	Differentiate between GDP and GNP.	(3)
8	What is money market & define its functions.	(3)
9	What do you mean by BOP?	(3)
10	What is free trade and what are its advantages?	(3)

PART B
Answer one question from each module, each carries 14 marks.

Module I

11 a) What is a production possibility curve? With the help of a production possibility curve, explain 1) Under-utilization of resources 2) Full employment of resources.   (8)

 b) What are the components of demand and state law of demand?   (6)

OR

12 a) Explain the law of diminishing marginal utility with diagram?   (8)

 b) State the law of supply and explain the determinants of supply.   (6)

Module II

13 a) Discuss cost-output relationship in short-run and long-run.   (8)

 b) What are isoquant curves? State their properties.   (6)

OR

14 a) In a production function, $Q=2L^{1/2}K^{1/2}$. If L= 36, 1) How many units of capital (8) are needed to produce 60 units of output. 2) In the production function, $Q=2L^{1/2}K^{1/2}$ determine the percentage increase in output if labour is increased by 10% assuming capital is held constant.

b) Explain the law of variable Proportions. (6)

Module III

15 a) Compare the market situation of perfect competition with monopoly. (8)

b) What is collusive oligopoly? (6)

OR

16 a) What is pricing and what are the different methods used for pricing? (8)

b) Explain kinked demand curve. (6)

Module IV

17 a) Explain the methods of national income calculation. (8)

b) What are the difficulties in the measurement of NI? (6)

OR

18 a) What is inflation and what are the fiscal policy measures to control inflation? (8)

b) What is repo rate and how it controls inflation? (6)

Module V

19 a) State and explain the Heckscher -Ohlin theory of international trade. (8)

b) What do you mean by devaluation? Explain the conditions for its success. (6)

OR

20 a) Explain any four measures to solve the problem of deficit in the balance of payments. (8)

b) List any six arguments in support of protectionism. (6)

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