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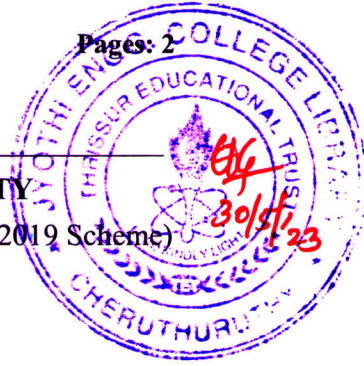
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Reg No.: \_\_\_\_\_

Name: \_\_\_\_\_

**APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY**

Sixth Semester B.Tech Degree Supplementary Examination May 2023 (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  | What are the determinants of supply?                             | (3)   |
| 2  | What are the three central problems of an economy?               | (3)   |
| 3  | Distinguish between Fixed cost and variable cost.                | (3)   |
| 4  | Define break-even point.   | (3)   |
| 5  | Explain oligopolistic competition with its features.             | (3)   |
| 6  | What is price skimming?  | (3)   |
| 7  | How does open market operation work to affect the money supply?  | (3)   |
| 8  | What are the difficulties in the measurement of national income? | (3)   |
| 9  | Distinguish between exchange depreciation and devaluation.       | (3)   |
| 10 | What do you mean by Balance of Trade?                            | (3)   |

**PART B**

*Answer one question from each module, each carries 14 marks.*

**Module I**

- 11 a) Explain various types of price elasticity of demand and state its formula. (10)  
b) Explain the concept of cross elasticity of demand. (4)

**OR**

- 12 a) What is Joint Stock Company? Discuss the advantages and disadvantages of Joint Stock Company. (10)  
b) What happens to consumer and producer surplus when the sale of a good is taxed? (4)

**Module II**

- 13 a) Explain the assumptions, uses and limitations of break- even analysis. (10)  
b) Distinguish between social cost and private cost. (4)

**OR**

- 14 a) Derive an equation for break-even quantity with the help of break-even chart. (10)  
b) Explain two reasons why internal diseconomies might occur. (4)

**Module III**

- 15 a) What is perfect competition? Why does the demand curve of a firm facing perfect competition is perfectly elastic? (10)  
b) Explain predatory pricing method. (4)

**OR**

- 16 a) Compare and differentiate between perfect competition, monopolistic competition and monopoly. (10)  
b) Explain Going rate pricing. (4)

**Module IV**

- 17 a) Describe the circular flow concept using a four sector model. (10)  
b) State the importance of money market. (4)

**OR**

- 18 a) What are the monetary measures of controlling inflation? Are the monetary or fiscal measures more effective in controlling inflation? (10)  
b) What is stock index? Give examples. (4)

**Module V**

- 19 a) Differentiate between the theory of absolute advantage and the theory of comparative advantage. (10)  
b) What is a free trade & what are its advantages. (4)

**OR**

- 20 a) Explain the causes for and the methods of correcting disequilibrium in BOP. (10)  
b) What are types of non-tariff barriers? (4)

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