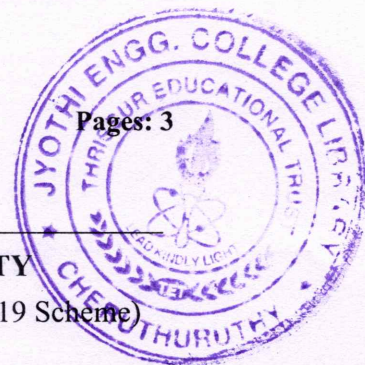


Reg No.: _____

Name: _____

APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY

B.Tech Degree S6 (R,S) / (WP), S4 (PT) Examination April 2025 (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 is proprietorship? Point out any two advantages of proprietorship. | (3) |
| 2 | Prepare a demand schedule and explain law of demand. | (3) |
| 3 | What is social cost? | (3) |
| 4 | Cobb-Douglas production function represents constant returns to scale. Why? | (3) |
| 5 | What are the conditions of equilibrium of a firm under MC, MR approach? | (3) |
| 6 | What is selling price? | (3) |
| 7 | How will you overcome the difficulty of double counting in GDP estimation under product method? | (3) |
| 8 | Distinguish between trading account and demat account | (3) |
| 9 | State any three disadvantages of foreign trade. | (3) |
| 10 | Differentiate between import quotas and tariffs. | (3) |

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

- | | | |
|----|--|-----|
| 11 | a) What is marginal utility? Draw MU and TU curves and derive the relations between MU and TU. | (8) |
| | b) What is a cooperative society? State any three demerits of co-operative society. | (6) |

OR

- | | | |
|----|--|-----|
| 12 | a) How is the equilibrium price of a commodity determined? Explain the effect of | (8) |
|----|--|-----|

an increase in demand on equilibrium price and quantity with the help of a diagram.

- b) The monthly income of a person is Rs.50000 and he purchases 10 units of a commodity in a month. When his monthly income increases to Rs.60000 he purchases 8 units. Estimate income elasticity and interpret the result. What type of a commodity is this? (6)

Module II

- 13 a) What is returns to scale? How will you represent different returns to scales with isoquants? (8)
- b) Complete the following cost schedule (6)

Units of Output	TFC	TVC	TC	AVC	MC
1	100	50	-----	----	-----
2	-----	----	180	----	-----
3	-----	-----	----	30	-----
4	-----	-----	----	----	6

OR

- 14 a) What do you mean by economies of scale? Explain any four type of internal economies. (8)
- b) Suppose the fixed cost of a firm is Rs.20000 and the total variable cost is Rs.15000. The firm has a monthly sales of Rs.30000. Estimate break even sales. If the firm wants to get a profit of Rs.10000 what should be the sales? (6)

Module III

- 15 a) Suppose a firm under monopolistic competition is earning supernormal profit when it is in equilibrium. Explain this situation with the help of a diagram. (8)
- b) Examine the features of perfect competition. (6)

OR

- 16 a) Make a comparison between the demand curve of a monopolist and a firm under monopolistic competition. How are monopolies regulated? (8)

- b) What are the features of oligopoly? (6)

Module IV

- 17 a) Explain the expenditure method of measuring national income (8)
b) Estimate NDPmp, NNPmp, NNPfc and GNPmp from the following data (all figures in crores). GDPmp = 8000, Depreciation = 2000, Net factor income from abroad = (-500), Indirect taxes = 1000, Subsidy = 500, Net Export = 500 (6)

OR

- 18 a) Explain demand pull and cost push inflation with the help of diagrams. (10)
b) Estimate NDPfc and National income (4)
Wages and salaries = 3000, Rent = 1000, Interest = 500, Profit = 1000, NFIA = (-500), Depreciation = 1000, Net indirect taxes = 200

Module V

- 19 a) Examine the comparative cost theory with a numerical example (8)
b) Point out any five advantages and disadvantages of foreign trade. (6)

OR

- 20 a) Distinguish between balance of payments and balance of trade and explain the components of balance of payments. (8)
b) State the case for and against free trade. (6)
