

B.Tech 3rd Semester Exam., 2017

(2)

INDUSTRIAL ECONOMICS AND ACCOUNTANCY

Time : 3 hours

Full Marks : 100

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. Answer any seven questions :

- (a) Is economics a natural, exact or social science? Give reasons in support of your answer.
- (b) Give one example each of Giffen goods and neutral goods.
- (c) List any four factors of production.
- (d) Who is an entrepreneur?
- (e) List two assumptions underlying break-even analysis.

(f) What is imperfect competition better known as?

(g) State any two reasons for the existence of monopoly.

(h) Define annuities.

(i) Distinguish between personal account and nominal account.

2. (a) What is a monopoly? How does it differ from monopolistic competition?

(b) How are price and output determined in short run under monopoly?

3. What is elasticity of demand? Explain income and cross elasticity of demand.

4. Define returns to scale. What conditions constitute (a) increasing returns to scale and (b) decreasing returns to scale?

5. What are explicit and implicit costs? How do they differ? Give examples of each.

6. Explain the application of the concept of time value of money to the computation of future values.
7. State the law of supply. Also explain what is depicted by a supply schedule.
8. Outline the role of journal and ledger in recording and classifying financial transactions in a firm.
9. What is the objective of preparation of a trial balance? List three types of accounting errors which will not be revealed by the trial balance, giving examples of each.
