

**MA ECONOMICS**  
**THIRD SEMESTER (SPECIAL REPEAT)**  
**INDUSTRIAL ECONOMICS**  
**MEC-304 C**

(Use separate answer scripts for Objective & Descriptive)

Duration : 3 hrs.

Full Marks : 70

( PART-A: Objective )

Time : 20 min.

Marks : 20

*Choose the correct answer from the following:*

*1 × 20 = 20*

- All the factors encouraging the tendency to centralize the industry at a specific place
  - Agglomerative Tendency
  - Index of Manufacture
  - Locational Weight
  - Deglomerative Tendency
- "Industrialization refers to establishment and development of basic and manufacturing industries" This definition is in a \_\_\_\_\_ sense.
  - Narrow
  - Broad
  - Both A and B
  - Neither A nor B
- Forward industrialization and backward industrialization is a classification of industries according to \_\_\_\_\_ pattern.
  - Ownership
  - Growth
  - Location
  - Size
- The oldest form of organization is
  - Co-operative society
  - Partnership
  - Joint stock company
  - Sole proprietorship
- The upper break-even point in a non-linear TR and TC curve indicates the
  - Minimum output
  - Constant output
  - Maximum output
  - Minimum revenue
- He lends his name to the firm without having any real interest in the firm. Is known as
  - Active partner
  - Dormant partner
  - Profit Partner
  - Nominal Partner
- Locating a factory in a place where tax relaxations is availed is influenced by
  - Government regulation
  - Technical factor
  - Economic and Infrastructure factor
  - Personal factors
- Neither of the two companies under reference exists as a legal entity
  - Merger
  - Diversification
  - Both A and B
  - Amalgamation
- When a firm produces different goods which diverge from the same process or source then it is a case of
  - Lateral Diversification
  - Vertical Diversification
  - Diagonal diversification
  - None of the above

10. In case of transfer price if there exist an outside competitive market for the intermediate goods then the transfer price must be equal to
  - a. Marginal cost
  - b. Total cost
  - c. Average Cost
  - d. Market price
11. Any company that holds more than 50% shares of another company that particular company is term as
  - a. Public Corporation
  - b. Government companies
  - c. Holding company
  - d. Subsidiary company
12. Selling a product at a high price to get high profit is term as
  - a. Freemium pricing
  - b. Skimming
  - c. Marginal cost pricing
  - d. Cost-plus pricing
13. More the inequality in distribution of market share, the market concentration will be
  - a. Less
  - b. Zero
  - c. Unity
  - d. More
14. Charging a very low price for attracting customers
  - a. Penetration pricing
  - b. Skimming pricing
  - c. Value based pricing
  - d. Variable pricing strategies
15. Farrell gave the definition of
  - a. Productive Efficiency
  - b. Technical efficiency
  - c. Industrial efficiency
  - d. Allocative efficiency
16. In India the depository receipt is mainly monitored by
  - a. RBI
  - b. World bank
  - c. Depository Bank
  - d. SEBI
17. In which of the following pricing methods a price leader will emerge?
  - a. The going-rate pricing
  - b. The target pricing
  - c. Acceptance pricing
  - d. None of the above
18. The internal inefficiency is term as
  - a. Y inefficiency
  - b. X inefficiency
  - c. Leibenstein's inefficiency
  - d. None of the above
19. The index used to indicate monopoly power is known as
  - a. Elasticity Index
  - b. Lerner Index
  - c. Linda Index
  - d. Entropy Index
20. If the number of firms are very large the cross elasticity of price change by one firm and its impact on other firms will be
  - a. High
  - b. Low
  - c. Infinity
  - d. Unity

**( PART-B : Descriptive )**

Time : 2 hrs. 40 min.

Marks : 50

[ Answer question no.1 & any four (4) from the rest ]

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|---|----------|
| 1. Define the term market concentration. Explain any two indexes to measure the market concentration ratio.   | 2+4+4=10 |
| 2. What is partnership business? Discuss the various types of partnership business.   | 3+7=10   |
| 3. Define the term industrial location. Explain the Sargent Florence's theory of industrial location.   | 3+7=10   |
| 4. Define the term productive efficiency. Explain what you understand by technical efficiency and factor price efficiency.  | 2+8=10   |
| 5. What is depository receipt? Explain the working of ADR.  | 3+7=10   |
| 6. What is Transfer pricing? Consider a television assembling firm having its own picture tube making upstream division, the market demand is $P=23000 - Q$ , where P= Price and Q= Quantity, the TC of upstream division is $C_1 = 0.1Q_1^2$ . Calculate the transfer price. | 4+6=10   |
| 7. What is disinvestment? Explain the disinvestment as a source of finance for industrial development.  | 3+7=10   |
| 8. Discuss the trend of industrial growth in India after the industrial policy of 1991.   | 10       |

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