

PSG COLLEGE OF ARTS & SCIENCE  
(AUTONOMOUS)

BA DEGREE EXAMINATION MAY 2024  
(Sixth Semester)

Branch – ECONOMICS

**INDUSTRIAL ECONOMICS**

Time: Three Hours

Maximum: 50 Marks

**SECTION-A (5 Marks)**

Answer ALL questions

ALL questions carry EQUAL marks (5 x 1 = 5)

1. What is known as the technique of discovering the optimal placement for an industry?  
(i) Industry analysis (ii) Optimal analysis  
(iii) Location analysis (iv) None of these
2. Productivity is defined as:  
(i) number of items manufactured per day (ii) output per man-hour of labour  
(iii) cost per day (iv) cost per unit
3. Knight's principle of profit is based on  
(i) insurable risk (ii) uninsurable risk  
(iii) due to uncertainty (iv) both ((ii) and (iii))
4. Backward integration is a form of \_\_\_\_\_  
(i) Vertical integration (ii) Horizontal integration  
(iii) Forward integration (iv) None of these
5. The return you make on your investment is based on the amount you put in, usually given as a percentage \_\_\_\_\_  
(i) Emergency Fund (ii) Interest Rate  
(iii) Index (iv) Penalty

**SECTION - B (15 Marks)**

Answer ALL Questions

ALL Questions Carry EQUAL Marks (5 x 3 = 15)

6. a) State the meaning of industry in economics.  
(or)  
b) How do you measure efficiency in industrial economics?
7. a) Outline the meaning of industrial productivity.  
(or)  
b) Explain the role of National Productivity Council in India.
8. a) Narrate the concept of cost of production.  
(or)  
b) Sketch the concept of profitability.

Cont...

9. a) Why is market concentration important to firms?

(or)

b) Show the meaning of industrial diversification.

10. a) State the meaning of inventory investment.

(or)

b) How do you calculate social cost?

**SECTION -C (30 Marks)**

Answer ALL questions

ALL questions carry EQUAL Marks

(5 x 6 = 30)

11. a) Discuss the determinants of Industrial location.

(or)

b) Examine the Weber's theory of industrial location.

12. a) Discover the factors affecting Industrial Productivity.

(or)

b) Classify the measurement of industrial productivity.

13. a) Outline the different forms of firm.

(or)

b) Trace the factors that determine a firm's profitability.

14. a) Write a short note on : (a) Merger (b) Take-over (c) Acquisition (d) Vertical Integration.

(or)

b) Summarise the determinants of market structure and innovation.

15. a) Analyse the different types of Investment Decision.

(or)

b) Distinguish between Net Present Value and Internal Rate of Return.

Z-Z-Z      END