

December 2012

3/Eco(C)-303

ECONOMICS

(Industrial Economics)

Full Marks: 75

Time: Three hours

The figure in the margin indicate full marks for the questions

Answer any five questions, taking at least one from each unit

CREDIT – I

1. Discuss the organizational types of firms on the basis of their ownership. Explain the major characteristics of Joint Stock Company. 7+8
2. What is the theoretical model of price determination of a firm? Examine the various principles of pricing practiced by the industrial firms. 5+10

CREDIT – II

3. Analyse critically the main motives of product diversification. Differentiate among Lateral, Conglomerate, Diagonal and Vertical diversification. 7+8
4. What do you understand by market concentration? List the various measures of market concentration. How does market concentration influence the market performance of a firm? 5+5+5

CREDIT – III

5. Discuss the application of ratio analysis in the interpretation of financial statement and in financial analysis. What are its limitations? 10+5
6. What is capital budgeting? Explain the method of calculating payback period and Net Present Value. What are the decision rules in the two methods? 3+8+4

CREDIT – IV

7. Critically discuss the important measures introduced in the Industrial Policy of 1991. In what way do these policies mark a departure from the policies followed till this period. Has the new industrial policy been successful to make the Indian industries competitive? 5+6+4
8. Write short notes on any two of the following: 7½ x 2
 - (a) Problems of Small Scale Industries
 - (b) Disinvestment of Public Sector Units
 - (c) Industrial growth in post liberalization period
 - (d) Industrial sickness
