

B. Tech 3rd Semester Examination
Industrial Economics and Management (CBS)
HS-305

Time : 3 Hours

Max. Marks : 60

The candidates shall limit their answers precisely within the answer-book (40 pages) issued to them and no supplementary/continuation sheet will be issued.

- Note :** (i) Attempt one question from each unit and question no. 5 is compulsory.
(ii) Question No. 1 to 4 are of Ten marks and Question No 5 carry 20 Marks.

UNIT - I

1. Explain the following terms:

- (i) Opportunity Cost (ii) Sunk Cost (iii) GDP (iv) GNP (v) Inflation
(10)

OR

- (a) Describe the Elements of Costs (6)
(b) Describe the factors affecting the price elasticity of demand. (4)

UNIT - II

2. (a) A person wishes to have a future sum of Rs. 1,00,000 for his son's education after 10 years from now. What is the single payment that he should deposit now so that he gets the desired amount after 10 years? The bank gives 15% interest rate compounded annually. (6)
(b) Describe the risk and uncertainty. (4)

OR

- (i) A company wants to setup a reserve which will help the company to have an annual equivalent amount of Rs. 10,00,000 for the next 20 years towards its employees welfare measures. The reserve is assumed to grow at the rate of 15% annually. Find the single payment that must be made now as the reserve amount. (6)
(ii) Explain the Internal rate of return. (4)

UNIT - III

3. (a) Describe the principle and types of organizational structure. (6)
(b) Explain the sources of recruitment. (4)

OR

- (i) Describe the methods of Job Evolution. (8)
(ii) Write characteristics of good Wage system. (2)

UNIT - IV

4. (a) The following details are available
Actual Sales (Rs.)—30,000
Breakeven Sales (Rs.)—15,000
Fixed Cost (Rs.)—6,000
Find out the profit at actual sales. (6)
(b) Describe the basic concept of trading account with suitable example. (4)

OR

- (i) Calculate the target sales if
Profit (Rs.)—6,000
Fixed overhead (Rs.)—30,000
Selling Price per unit (Rs.)—1,00
Variable overhead (Rs.)—40 (5)
(ii) Describe the concept of balance sheet with suitable example. (5)

[P.T.O.]

UNIT - V

5. Multiple Choice Type Questions (Choose Right Answer)

- (i) In break even analysis, total cost consists of
- fixed cost + sales revenue
 - variable cost + sales revenue
 - fixed cost + variable cost
 - fixed cost + variable cost + profit
- (ii) A critical activity has
- maximum slack
 - minimum slack
 - zero slack
 - average slack
- (iii) In a functional organisation
- quality of work is better
 - wastage of material is minimum
 - specialised knowledge and guidance to individual worker is provided
 - all of the above
- (iv) F.W. Taylor introduced a system of organisation known as
- line organisation
 - functional organisation
 - line and staff organisation
 - line, staff and functional organisation
- (v) Merit rating is the method of determining the
- relative values of a job
 - worker's performance on a job
 - worth of a machine
 - value of overall production

- (vi) PERT stands for
- Programme Estimation and Reporting Technique
 - Process Estimation and Review Technique
 - Programme Evaluation and Review Technique
 - Planning Estimation and Resulting Technique
- (vii) In Emerson's efficiency plan of wage incentive system, bonus is paid to a worker
- whose output exceeds 67% efficiency
 - on the percentage of time saved
 - on the percentage of time worked
 - on the percentage of standard time
- (viii) Two alternatives can produce a product. First has a fixed cost Rs. 2,000 and a variable cost of Rs. 20 per piece. The second method has a fixed cost of Rs. 1500 and a variable cost of Rs. 30. The break even quantity between the two alternative is
- 25
 - 50
 - 75
 - 100
- (ix) Which of the following statement is correct?
- When slack of an activity is zero, it falls only on critical path.
 - CPM technique is useful to minimise the direct and indirect expenses.
 - Critical path of a net work represents the minimum time required for completion of project.
 - All of the above.
- (x) Define PERT (short answer) (2×10=20)