

**Duration: 2 hours****Max. Marks: 80**

Instructions:

1. All questions are compulsory.
2. Answer sub-questions in question no.1 and Question no.2 in not more than 100 words each.
3. Answer Question no. 3 to Question no. 6 in not more than 400 words each.
4. Figures to the right indicate maximum marks to the questions.
5. Draw neat diagrams wherever necessary.

Q. 1. Answer **any four** of the following: (4x4=16 marks)

- a) Explain the law of demand.
- b) Explain any four properties of an indifference curve.
- c) What is an engel curve?
- d) Write a note on the concept of economic region of production.
- e) What are diseconomies of scale?
- f) Write a note on the concept of isoclines.

Q. 2. Answer **any four** of the following: (4x4=16 marks)

- a) What is producer surplus?
- a) Write a note on the concept of horizontal and vertical integration of firms.
- b) What is price discrimination?
- c) What is collusive oligopoly?
- d) Explain the concept of prisoner's dilemma.
- e) What is the kinked demand curve?

Q.3.a. What are the conditions for consumer's equilibrium? Explain the concept of consumer's equilibrium. (12 marks)

**OR**

b. Explain the income and substitution effect. (12 marks)

Q.4.a. Calculate the Total Fixed Cost (TFC), Total Variable Costs (TVC), Average Costs (AC), Average Fixed Cost (AFC), Average Variable Costs (AVC) and Marginal Costs (MC) from the following table:

Units of output	0	1	2	3	4	5	6	7	8	9	10
Total Cost	500	550	580	605	629	650	680	725	780	860	950

(12 marks)

**OR**

b. Explain the concept of returns to scale using isoquants. (12 marks)

**Cont...**

Q.5.a. Explain the short run and long run equilibrium of an industry under perfect competition. (12 marks)

OR

b. What are the features of monopoly. Explain the short run equilibrium under monopoly. (12 marks)

Q.6.a. Explain the short run and long run equilibrium under monopolistic competition. (12 marks)

OR

b. Explain Cournot's duopoly model. (12 marks)

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