

Seat No. : _____

LB-106

April-2014

S.Y. M.B.A. (Integrated)

Firms and Markets

Time : 3 Hours]

[Max. Marks : 100

- Instructions :**
- (1) Attempt **all** questions.
 - (2) Be Legible
 - (3) Draw diagrams wherever necessary.

1. (a) Define Market. Discuss the various basis for market classification. **10**
(b) What is equilibrium of a firm ? Explain the equilibrium of a perfectly competitive firm under short run and long run. What decisions can a competitive firm take if it incurs losses ? **10**
2. (a) Discuss the salient features and types of monopoly. **10**
(b) How does a monopolist decide allocation of output if it has more than one production facility ? **10**

OR

“Compared to perfect competition, in monopoly firms are better off at the cost of consumer welfare.” Discuss this statement.

3. (a) What is Group Equilibrium under monopolistic competition ? How is the equilibrium of the group attained ? **7**
(b) Explain the forms of ‘Non Price Competition’. **7**
(c) Write a note on ‘Excess Capacity’. **6**
4. (a) What is Price Leadership ? How do oligopoly firms determine price and output under different types of price leadership situation ? What are its advantages to oligopoly firms ? **14**
(b) Discuss the concept of Prisoners’ Dilemma. **6**
5. Distinguish between cost approach and market approach to pricing. Discuss the various methods under both categories in detail. **20**