



Name:	
Enrolment No:	

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES
End Semester Examination, May 2022

Course: Industrial Economics
Program: BA (H) Economics
Course Code: ECON3018
Instructions:

Semester: VI
Time: 03 hrs.
Max. Maks : 100

SECTION A

Q	Statement of questions	Marks	CO
1	The Government policy Make in India aims at A. Removal of bureaucrats sloths B. Elimination of red- tapism C. Reduction in the cost of manufacturing D. None of the above	2	CO1
2	First industrial policy in India was announced in A. 1948 B. 1956 C. 1964 D. 1972	2	CO1
3	In monopoly, the relationship between average and marginal revenue curves is as follows: A. AR curve lies above the MR curve B. AR curve coincides with the MR curve C. AR curve lies below the MR curve D. AR curve is parallel to the MR curve	2	CO1
4	Whose index of monopoly power is given as $p - mc/p$? A. lerner's index B. paasche's index C. fisher's index D. herfindahl index	2	CO1
5	A perfectly competitive firm has control over A. price B. production as well as price C. production, price and consumers D. none of the above	2	CO1
6	When the perfectly competitive firm and industry are in long run equilibrium then: A. $P = MR = SAC = LAC$ B. $D = MR = SMC = LMC$	2	CO1

	<p>C. $P = MR =$ Lowest point on the LAC curve D. All of the above</p>		
7	<p>What is referred to the degree of concentration within the industry? A. market structure B. market paradigm C. market concentration D. monopoly power</p>		CO1
8	<p>Which of the following is an example of an “explicit cost”? A. The wages a proprietor could have made by working as an employee of a large firm B. The income that could have been earned in alternative uses by the resources owned by the firm C. The payment of wages by the firm D. The normal profit earned by a firm</p>	2	CO1
9	<p>The capital that is consumed by an economy or a firm in the production process is known as A. Capital Loss B. Production Cost C. Dead weight loss D. Depreciation</p>	2	CO1
10	<p>Less elastic the demand for monopolist’s product, the degree of monopoly power would be, A. more B. less C. same D. zero</p>	2	CO1

SECTION B

Q	Statement of questions	Marks	CO
1	What is production function? Explain the concept of Returns to scale and distinguish among increasing returns to scale, constant return to scale & decreasing returns to scale.	5	CO2
2	Suppose Total cost (TC) and Total Revenue (TR) functions are given, $TC = 100 + 5X^2$, $TR = 150X - 2.5X^2$ Find (a) Profit Maximization output, (b) Maximum output	5	CO2
3	Explain the relationship between average Revenue (AR), marginal Revenue (MR) and price elasticity of demand (Ep).	5	CO2
4	Explain Firm Equilibrium under perfect competitive market and Monopoly Market. Illustrate your answer with help of Diagram.	5	CO2

SECTION-C			
Q	Statement of question	Marks	CO
1	What is Market Power? Explain Lerner's Index and Hirschman-Herfindahl Index (HHI) for measuring market power.	10	CO3
2	What is Market structure, Market conduct and market performance. Explain relationship between market structure, conduct and performance with help of S-C-P Paradigm.	10	CO3
3	Discuss silent features for industrial policies of India.	10	CO3
SECTION-D			
Q	Statement of questions	Marks	CO
1	Briefly explain about merger and its types- Horizontal merger, Vertical merger and Conglomerate mergers.	15	CO4
2	Critically Examine the Alfred weber's theory of industry location.	15	CO4