ASSIGNMENT No. 1
(Unit: 1–5)

Q. 1 What are the main criteria’s for classifying firms into industries. In your opinion which criteria serves the better? (20)

Q. 2 Using necessary and sufficient conditions explain consumer’s equilibrium diagrammatically as well as mathematically. (20)

Q. 3 Derive consumer and market demand curves from indifference curves. (20)

Q. 4 a) Explain “law of variable proportions” in the light of classical production function.
   b) Optimize the following Cobb-Douglas production function subject to the given constraints by:
      i) Forming Lagrange Function
      ii) Finding the Critical Values
      \[ q = K^{0.3}L^{0.3} \] Subject to \[ 6K+2L=384 \] (10+10)

Q. 5 Derive long run total cost curves from expansion path. (20)

ASSIGNMENT No. 2
(Units: 6–9)

Q. 1 Derive long-run supply curve of an industry under perfect competition. (20)
Q. 2 Show the effects of the followings on the monopolist equilibrium.
   i) Change in the market demand
   ii) The cost of production change
   iii) The taxes are imposed

Q. 3 Describe the Chamberline’s model of monopolistic competition.

Q. 4 Describe Cournot model showing that how two firms attain stable equilibrium.

Q. 5 Write notes on the following:
   i) Collusive Oligopoly
   ii) Externalities