



INDIAN SCHOOL DARSAIT DEPARTMENT OF COMMERCE



Subject : Economics Topic : Main Market Forms Date of Worksheet : _____

Resource Person: Ekta Gautam Date of Submission: _____

Name of the Student : _____ Class & Division : _____ Roll Number : ____

S.No.		Marks
1.	When is a firm called price-maker?	1
2.	What induces new firms to enter an industry?	1
3.	In what manner does average revenue of a monopoly firm change as output increases?	1
4.	What is meant by 'price discrimination'?	1
5.	Name the characteristic which makes monopolistic competition different from perfect competition?	1
6.	What is the nature of demand curve facing an oligopoly firm?	1
7.	Under which market form a firm's marginal revenue is always equal to price?	1
8.	What is the behavior of marginal revenue in the market in which a firm can sell any quantity of the output it produces at a given price?	1
9.	What is the effect on price when a perfectly competitive firm tries to sell more?	1
10.	What is the effect on price when a monopoly firm tries to sell more?	1
11.	What will you call the market which has characteristics both of monopoly and perfect competition?	1
12.	Explain the shape of AR and MR curves under perfect competition?	3
	OR	
	Draw in a single diagram the average revenue and marginal revenue curves of a firm which can sell any quantity of the good at a given price. Explain.	
13.	Explain what happens to the profits in the long run if the firms are free to enter the industry.	3
	OR	
	Why can a firm not earn abnormal profits under perfect competition in the long run? Explain.	
14.	Explain the implications of the feature 'homogeneous product' in a perfectly competitive market.	3
15.	Why is a firm under perfect competition a price-taker? Explain.	3

16. “A monopolist can sell any quantity he likes at a price.” Do you agree? Give reasons. 3
17. What is Monopoly? Briefly explain the nature of demand curve facing a monopolist? 3
18. Why is the average revenue curve of a firm under perfect competition parallel to X-axis and negatively sloped under monopoly? 3
19. What is Monopolistic Competition? Can a seller in such a market influence the price? Explain. 3
20. Explain the implications of ‘differentiated product’ in monopolistic competition. 3
21. Giving reasons, state whether the following statement is true or false. 3
“Under monopolistic competition a firm faces perfectly elastic demand.”
22. Why is the demand curve of a firm under monopolistic competition more elastic than under monopoly? Explain. 3
23. Why is the number of firms small in oligopoly market? Explain. 3
24. Market for a necessary good is competitive in which the existing firms are earning super-normal profits. How can the policy of liberalization by the government help in making the market more competitive in the interest of consumers? 4
25. Giving reason, distinguish between the behavior of demand curves of firms under perfect competition and monopolistic competition. 4
26. Distinguish between monopoly and perfect competition. 6
27. Distinguish between ‘non-collusive’ and ‘collusive’ oligopoly. Explain the following features of oligopoly: 6
 - (i) Inter-dependence between firms
 - (ii) Non-price competition.