

GOENKA COLLEGE OF COMMERCE & BUSINESS ADMINISTRATION

M.COM. SEMESTER – II INTERNAL ASSESSMENT, 2021

PAPER CC.202: MANAGERIAL ECONOMICS

FULL MARKS- 15

TIME- 1 HOUR

MODULE – I

1. (a) What is Production Possibility Frontier?
- (b) Why Average Fixed Cost curve looks like Rectangular Hyperbola?
- (c) If any point below the Production Possibility Curve is taken, what does it signify?
- (d) How the concept of Transformation Curve is related with the concept of Opportunity Cost?
- (e) If there is no Scarcity of resources, will the concept of Opportunity Cost be superfluous? Explain in brief.

$1.5 \times 5 = 7.5$

OR

2. (a) Perfect Competition is a utopian market which does not exist in real world. Then, why do we need to study this market?
- (b) Deviation from which assumption(s) of Perfectly Competitive Market will lead to Price Discrimination? Explain in brief.
- (c) Mention the differences between Perfectly Competitive Market and Monopolistically Competitive Market?
- (d) Why in no market other than Oligopoly, there is Strategic Interdependence?
- (e) Why in First Degree Price Discrimination, Consumer Surplus becomes Zero?

$1.5 \times 5 = 7.5$

MODULE – II

3. State the basic assumptions of the Williamson's Model of Managerial Enterprise. Describe how equilibrium is attained in the Williamson's Model.

(3 +4 .5=7.5)

OR

4. (a) What do you mean by Externality?
(b) Give examples of positive and negative externality.
(d) State the conditions of Pareto Optimality.
(e) What is 'Free Ride Problem'?

1.5 + (1.5+1.5)+2+1=7.5