

**MS -09**

**Management Programme (MP) / Master of Business Administration  
(Banking & Finance) (MPB)**

**ASSIGNMENT  
For  
January 2024 and July 2024 Sessions**

**MS - 9: Managerial Economics**

**(Last date of submission for January 2024 session is 30<sup>th</sup> April, 2024  
and for July 2024 sessions is 31<sup>st</sup> October, 2024)**



**School of Management Studies  
INDIRA GANDHI NATIONAL OPEN UNIVERSITY  
MAIDAN GARHI, NEW DELHI – 110 068**

## ASSIGNMENT

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<b>Course Code</b>	<b>:</b>	<b>MS - 9</b>
<b>Course Title</b>	<b>:</b>	<b>Managerial Economics</b>
<b>Assignment Code</b>	<b>:</b>	<b>MS - 9/TMA/JAN/2024</b>
<b>Coverage</b>	<b>:</b>	<b>All Blocks</b>

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**Note: Attempt all the questions and submit this assignment to the coordinator of your study centre. Last date of submission for January 2024 session is 30<sup>th</sup> April, 2024 and for July 2024 session is 31<sup>st</sup> October, 2024.**

1. “Decision trees are particularly useful if sequential decision-making is involved.” In light of the above statement explain the concept of decision trees with the help of diagram.
2. Elaborate on the concept of Point Price Elasticity with the help of a numerical example.
3. “Several methods exist for the measurement of the actual cost-output relation for a particular firm or a group of firms.” Discuss the broad approaches such as accounting, engineering and econometrics for measuring the actual cost-output relation.
4. “The form of price discrimination, which is based on the volume of consumer purchases, is very common and is known as second degree price discrimination”. Explain second degree price discrimination with the help of an example and diagram.
5. The most extreme form of the collusive agreement is known as a cartel. Discuss profit maximization theory in detail.
6. Write short notes on the following:
  - Value maximisation
  - Private and social costs
  - Monopoly power
  - Price Rigidity