MS-9

MANAGEMENT PROGRAMME

Term-End Examination

09562

December, 2012

MS-9 : MANAGERIAL ECONOMICS

Time : 3 hours

Maximum Marks : 100 Weightage : 70%

Note: (i) There are two Sections : Section-A and Section-B.

- (ii) Attempt any three questions from Section-A. All questions carry 20 marks each.
- (iii) Section B is compulsory and carries 40 marks.

SECTION-A

- 1. Differentiate between the movement along a demand curve and shift in the demand curve, giving suitable examples. Give reasons for the demand curve sloping downwards and supply curve sloping upwards.
- 2. Briefly describe the following :
 - (a) Monopoly
 - (b) Perfect competition
- 3. Briefly explain the equi marginal principle giving examples.
- 4. (a) Describe different types of Statistical Analysis.
 - (b) Discuss the limitations of different types of Statistical Analysis.

SECTION - B

- 6. If price of coffee rises from 45 per 250 g pack to 55 per 250 g pack and as a result the consumers demand for tea increase from 600 packs to 800 packs of 250 g, then find the cross elasticity of demand of tea and coffee.
- 7. Suppose the following demand function for coffee in terms of price of tea is given. Find the cross elasticity of demand when price of tea rises from 50 per 250 g pack to 55 per 250 g pack.

 $Q_{L} = 100 + 2.5 P_{t}$

Where Q_t is the quantity demanded for coffee in terms of packs of 250 g and P_t is the price of tea per 250 g pack.