

**MANAGEMENT PROGRAMME
(MP)
Term-End Examination
June, 2023**

MS-09 : MANAGERIAL ECONOMICS

Time : 3 Hours

Maximum Marks : 100

Note : (i) Answer any **five** questions.

(ii) All questions carry equal marks.

1. Explain the Opportunity Cost principle. Support your answer with the help of an example.
2. What do you understand by decision under risk ? Explain with the help of an illustration.
3. (a) Briefly explain cross-price elasticity giving examples.
(b) How does advertising affect the demand ? Discuss.
4. Write short notes on the following :
 - (a) Objectives of the firm
 - (b) Bundling

5. Explain as to how the demand can be measured using the marketing approach giving suitable examples.
6. Establish a relationship between the following using illustration :
 - (a) Marginal Costs (MC) and Average Costs (AC)
 - (b) Average Product (AP) and Marginal Product (MP)
 - (c) Average Variable Cost (AVC) and Marginal Cost (MC)
7.
 - (a) List and discuss the problems arising while estimating a cost function.
 - (b) What are the various uses of cost function. Discuss.
8. How is the profit maximizing output of a monopoly firm calculated ? Explain with the help of a graphical representation.