

MS-09

Management Programme

**ASSIGNMENT
FIRST SEMESTER
2015**

MS - 09: Managerial Economics



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

ASSIGNMENT

Course Code	:	MS-09
Course Title	:	Managerial Economics
Assignment Code	:	MS-09/TMA/SEM-I/2015
Coverage	:	All Blocks

Note : Attempt all the questions and submit this assignment on or before 30th April, 2015 to the coordinator of your study centre.

1. "The opportunity cost of anything is the return that can be had from the next best alternative use." Explain this statement with reference to gun-versus-butter debate.
2. Describe each of the variables of demand function separately with the help of examples.
3. Break-even production of a firm is 4,000 units, its total fixed cost is Rs. 40,000 and the variable cost per unit is Rs. 20.
 - (a) Find out the price of the product.
 - (b) What should be the firm's output to earn profit contribution of Rs. 20,000?
4. "Price discrimination refers to the situation where a monopoly firm charges different prices for exactly the same product. Explain giving an example.
5. "The increase in competition has not only increased the market size for telecom, but has also resulted in substantial tariff declines." Elaborate this statement with the help of an example.
6. Write short notes on the following:
 - (a) The Invisible Hand
 - (b) Envelope Curve
 - (c) Economies of Scope