

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA (AM) - SEMESTER- III EXAMINATION – SUMMER 2016

Subject Code: 4130501**Date: 10-05-2016****Subject Name: Managerial Economics****Time: 02.30 pm to 05.30 pm****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

- Q.1 (a)** Define Managerial Economics. Explain the nature and scope of Economics. **07**
- (b)** Explain terms: **07**
1. Opportunity cost
 2. Inflation
 3. Revenue
 4. Supply
 5. Fixed Cost
 6. Oligopoly
 7. Marginal Utility
- Q.2 (a)** Define the demand. Explain the different types of Price Elasticity of demand. **07**
- (b)** What is Indifference Curve? Explain Indifference Curve Approach. **07**
- OR**
- (b)** State and explain the various factors of production. **07**
- Q.3 (a)** Explain the three stages of Law Of Variable Proportion with examples and diagram. **07**
- (b)** “Short run average cost curve is ‘U’ shaped curve”- Elucidate the statement. **07**
- OR**
- Q.3 (a)** “There is a positive relationship between Price and Quantity supplied”- Explain with reference to law of supply. Give the assumption and state the exceptions to law of supply. **07**
- (b)** Explain in detail the difference between Monopolistic Competition and Monopoly. **07**
- Q.4 (a)** Explain Producers Equilibrium. **07**
- (b)** Explain short run and long run equilibrium of firm under Monopolistic Competition. **07**
- OR**
- Q.4 (a)** What is Money? Explain the Quantity Theory of Money. **07**
- (b)** Give the difference between Positive and Normative economics. **07**
- Q.5 (a)** What is Unemployment? Explain the various causes of unemployment **07**
- (b)** Explain the Poverty with reference to relative poverty and absolute poverty. State the program for poverty alleviation. **07**
- OR**
- Q.5 (a)** Write a note on Globalization. **07**
- (b)** Write a note on New Industrial Policy 1991 **07**
