

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA (Integrated) - SEMESTER-I • EXAMINATION - WINTER 2018

Subject Code: 2517104

Date: 28/12/2018

Subject Name: Managerial Economics (ME)

Time: 10:30 AM To 01:30 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) Explain briefly the nature and scope of managerial economics and how these concepts are useful in managerial decision making process. 07

(b) Explain briefly the opportunity cost principle, time perspective and discounting principle of managerial economics 07

Q.2 (a) Explain the concept of consumers equilibrium through the law of equi-marginal utility 07

(b) Explain the Law of Diminishing Marginal Rate of Substitution 07

OR

(b) Explain percentage method and total outlay method of measuring price elasticity of demand 07

Q.3 (a) Explain the theory of consumer surplus with the help of table and diagram. 07

(b) Explain short run cost-output relationship with suitable table and diagram 07

OR

Q.3 (a) Explain MR-MC approach of producer's equilibrium under conditions of perfect competition 07

(b) What is an isoquant? Explain any five properties of an isoquant with diagrams 07

Q.4(a) Explain price-output determination of a firm and industry during short-run under conditions of perfect competition. 07

(b) Explain internal economies and internal diseconomies of scale 07

OR

Q.4(a) Explain the characteristic features of monopolistic competition. 07

(b) What is price discrimination? When is it possible and profitable? 07

Q.5(a) Explain the characteristic features of oligopoly 07

(b) Explain briefly the objectives of pricing policy 07

OR

Q.5(a) Explain the pricing techniques used in pricing of a new product 07

(b) What is selling cost? Selling cost changes the position and shape of a demand curve. Explain 07
