

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA (AM) – SEMESTER –4 • EXAMINATION – WINTER - 2018

Subject Code: 4140503

Date: 06/12/2018

Subject Name: MICRO 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) Differentiate between micro and macro economics. **07**
(b) Discuss basic problems of economy. **07**
- Q.2** (a) Discuss circular flow of economy. **07**
(b) Discuss price elasticity of demand and its type. **07**
- OR**
- (b) Discuss law of supply and factors affecting it. **07**
- Q.3** (a) Differentiate between accounting cost and economic cost. **07**
(b) Discuss; total revenue, marginal revenue and average revenue. **07**
- OR**
- Q.3** (a) Discuss; fixed cost, variable cost, total cost, average cost and marginal cost with suitable example. **07**
(b) Discuss long run average total cost curve with a suitable example. **07**
- Q.4** (a) Discuss economies of scale. **07**
(b) Discuss a firm at equilibrium under perfect competition. **07**
- OR**
- Q.4** (a) Discuss a firm at loss under perfect competition. **07**
(b) Discuss diseconomies of scale. **07**
- Q.5** (a) Discuss pricing scenario in India since liberalization in 1991 with special reference to four wheeler- passenger car industry. **07**
(b) Discuss pricing scenario in Japan in comparison to India with a suitable example. **07**
- OR**
- Q.5** (a) Discuss pricing scenario in India since liberalization in 1991 with special reference to mobile service industry. **07**
(b) Discuss pricing scenario in Sri Lanka in comparison to India with a suitable example. **07**
