

Enrollment No./Seat No.:

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA - SEMESTER - I EXAMINATION - WINTER 2025

Subject Code: MB01096031

Date: 20-01-2026

Subject Name: Economics for Managers and Entrepreneurs

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.**
- 4. USE of SIMPLE calculators AND non-programmable scientific calculators are permitted.**

	Marks
Q.1 ALL 7 Questions must be Compulsory.	14
(a) Demand	
(b) Supply	
(c) Nash Equilibrium	
(d) Elasticity	
(e) Inflation	
(f) GDP	
(g) Monopolistic Market	
Q.2 (a) List ten principles of Economics and explain in detail any four principles.	07
(b) Analyze how the concept of the Prisoner's Dilemma provides a framework for understanding the strategic challenges that firms face within an oligopolistic market structure	07
OR	
(b) Based on your understanding of GDP's components, which two components would you target for maximum impact? Justify your choices by explaining how a specific policy (e.g., a tax cut, infrastructure project, or trade subsidy) would influence each component and, consequently, the overall GDP.	07
Q.3 (a) Beyond the simple definition, analyze which three personal characteristics (e.g., resilience, tolerance for ambiguity) and which two key competencies (e.g., strategic thinking, financial literacy) you believe are most crucial for entrepreneurial success. Justify your selection by explaining how a deficiency in any one of these could lead to the failure of a new business.	07
(b) Explain how you would use a Cost of Living Index to make a more informed financial decision. Create a hypothetical Example	07
OR	
(a) What is Monetary Policy? Explain tools of Monetary policy to control money supply.	07
(b) In what ways can monopolistic competition be distinguished from a monopoly?	07

- Q.4 (a)** How does conducting a feasibility analysis serve as a critical filter for entrepreneurial aspirations, and what key areas should such an analysis investigate to determine if a business idea is worth pursuing? **07**
- (b)** You are an economic advisor to the government. The economy is currently experiencing rising inflation, but unemployment is also beginning to creep up—a situation known as "stagflation." **07**

OR

- (a)** Write a short note on startups in India. **07**
- (b)** Write difference between Perfect competition and Monopolistic Competition market. **07**

Q.5

Case Study: "Good Luck" Papad (Shri Mahila Griha Udyog "Good Luck" Papad)
Background: Founded in 1959 by seven women in Mumbai with a seed capital of just ₹80, "Good Luck" is an iconic organization entirely owned and managed by women. It started with the simple goal of producing and selling papads (a popular Indian snack) to create sustainable employment for women.

The Model & Key Success Factors:

- 1. Women-Centric Cooperative Structure:** "Good Luck" is a cottage-based cooperative. It is owned by its "sister-members" (currently over 40,000), who are both the owners and the workers. This ensures direct benefit to the primary producer.
- 2. Decentralized Production, Centralized Quality & Marketing:** Production happens in small units at the homes of members or in branch centers, allowing for massive scalability and flexibility. However, quality control (using standardized ingredients and processes), branding, and marketing are highly centralized, ensuring the legendary consistency of the "Good Luck" brand.
- 3. Elimination of Middlemen:** The model directly connects the women producers to the market, ensuring that the profits are shared among them, leading to financial independence and empowerment.
- 4. Strict Value System:** "Good Luck" operates on core values of honesty, integrity, and collective decision-making. The organization is deeply principled, refusing to take loans or donations and operating purely on its own revenue.
- 5. Brand Built on Trust:** The "Good Luck" brand is synonymous with quality and purity, built over decades of consistent delivery. It is a household name across India.

The "Good Luck" case study powerfully demonstrates that the core principles model—collective ownership, professional management of key functions, a strong brand, and a deep social purpose—can be successfully applied to create a transformative business in a completely different industry.

- (a)** What are the key success factors of "Good Luck" Papad. **07**

(b) Identify Strength and weaknesses of Good Luck Papad. **07**

OR

(a) According to you, what strategies are necessary to make “Good Luck” Papad nation wide business model **07**

(b) What are the threats of “Good Luck” Papad in this case? **07**
