

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA INTEGRATED-SEMESTER-II-EXAMINATION-SUMMER-2025

Subject Code: 2527103**Date: 09/06/2025****Subject Name: Macro Economics****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.

- Q.1 (a) Explain the circular flow of income and expenditure in a three Sector economy 07
 (b) Explain briefly various methods of measuring national income 07
- Q.2 (a) Explain Say's Law of Market 07
 (b) Explain Fisher's Equation of Exchange 07
 OR
 (b) Explain the Principle of Effective Demand 07
- Q.3 (a) Define Money and explain the functions of money 07
 (b) Explain the effects of inflation on different class of people 07
 OR
- Q.3 (a) Explain meaning and different phases of Business cycle? 07
 (b) Explain Consumption Function 07
- Q.4 (b) Explain the investment function 07
 (b) Define unemployment and explain the types of unemployment 07
 OR
- Q.4 (a) Explain in detail four sector model for income determination? 07
 (b) Distinguish between Fiscal Policy and Monetary Policy 07
- Q.5 (a) Explain how the fiscal instruments are used to control inflation 07
 (b) What do you mean by economic growth? Discuss the factors affecting economic growth. 07
 OR
- Q.5 (a) Explain advantages and disadvantages of government expenditure as a measure to control economic fluctuations 07
 (b) Distinguish between micro economics and macro economics 07
