

Enrollment No./Seat No.:

# GUJARAT TECHNOLOGICAL UNIVERSITY

MBA INTEGRATED - SEMESTER - II EXAMINATION - WINTER 2025

Subject Code: 2527103

Date: 03-12-2025

Subject Name: Macro 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.
4. USE of SIMPLE calculators AND non-programmable scientific calculators are permitted.

- Q.1** (a) What do you mean by Macro Economics? Explain the nature and scope of Macroeconomics? **07**  
(b) Explain the circular flow of income and expenditure in a four sector economy with the help of a flow chart. **07**
- Q.2** (a) Describe in detail the Say's Law of Market **07**  
(b) Explain the Cash Transaction Approach to the Quantity Theory of Money. **07**  
**OR**  
(b) What is the Life Cycle Theory of consumption? Does this theory has any practical relevance? **07**
- Q.3** (a) Define Money and explain in detail the functions of money. **07**  
(b) What is Inflation? Discuss about the demand pull and cost push inflation **07**  
**OR**
- Q.3** (a) Differentiate between economic growth and economic development? Explain the factors affecting economic growth in detail. **07**  
(b) What is a business cycle? Explain phases of Business cycle with the help of a diagram. **07**
- Q.4** (a) Explain in brief the Principle of Effective Demand. **07**  
(b) Explain the economic effect of inflation on different classes of people in society **07**  
**OR**
- Q.4** (a) Explain the Neo-Classical Theory of economic growth **07**  
(b) Explain in detail the important instruments of fiscal policy. **07**
- Q.5** (a) Explain the monetary measures used to control inflation **07**  
(b) Explain the trade-off between inflation and unemployment with the help of Philips curve **07**  
**OR**
- Q.5** (a) Explain different methods of measuring National Income **07**  
(b) Differentiate between: (Answer any two with examples) **07**  
1. Sustainable growth and inclusive growth  
2. Stock variable and Flow variable  
3. Partial equilibrium and General equilibrium  
4. Micro Economics and Macro Economics

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