

M.B.A. (SCM) Sem.-2 Examination

FC-203

G. E. & M. D.

Time : 2-30 Hours]

April-2025

[Max. Marks : 70

Q-1	A) List and briefly explain the three principles that describe how the economy as a whole works.	14
Q-2	A) What is the Difference Between Capitalist, Socialist and Mixed Economy? <u>OR</u> B) What are the main characteristics of a competitive market? Explain the difference between a firm's revenue and its profit. Which do firms maximize?	14
Q-3	A) Define the money and explain its functions, what distinguishes money from other assets in the economy? <u>OR</u> B) Explain the concept of GDP and the difference between real GDP and nominal GDP. Which is a better measure of economic well-being? Why?	14
Q-4	A) Draw a diagram with aggregate demand, short-run aggregate supply, and long-run aggregate supply. Explain why short-run and long-run supply curve follow different shape? <u>OR</u> B) Draw the Phillips curve. Use the model of aggregate demand and aggregate supply to show how policy can move the economy from a point on this curve with high inflation to a point with low inflation.	14
Q-5	A) Explain briefly what the CPI measures and how it is constructed? What is the difference between CPI and GDP deflator?	14