

**2024/TDC (CBCS)/EVEN/SEM/  
COMGEC-201T/180**

**TDC (CBCS) Even Semester Exam., 2024**

**COMMERCE**

**( 2nd Semester )**

**Course No. : COMGEC-201T**

**( Microeconomics )**

Full Marks : 70

Pass Marks : 28

*Time : 3 hours*

*The figures in the margin indicate full marks  
for the questions*

**UNIT—I**

**1. Answer any four of the following questions :**

**1×4=4**

- (a)* What is macroeconomics?
- (b)* Make a distinction between micro- and macroeconomics.
- (c)* What do you mean by equilibrium in economics?
- (d)* Define short run.
- (e)* Define the concept of variable.

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2. Answer either (a) or (b) : 2

(a) Mention the various components of expenditure.

(b) Make a distinction between stock and flow variable.

3. Answer either (a) or (b) : 8

(a) What is circular flow of income? Explain the circular flow of income in a two-sector economy with household and business firms. 2+6=8

(b) Write a note on static macroeconomic analysis during short period. 8

## UNIT—II

4. Answer any four of the following as directed : 1×4=4

(a) The IS-LM model represents a synthesis of the real and monetary sectors of an economy.

( Write True or False )

(b) Give the meaning of effective demand.

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(c) The general equilibrium is determined by the intersection of IS and LM functions.

( Write True or False )

(d) To which market is related the IS function?

(e) Define monetary sector.

5. Answer either (a) or (b) : 2

(a) Mention any two objectives of fiscal policy.

(b) What is underemployment equilibrium?

6. Answer either (a) or (b) : 8

(a) Write a note on aggregate demand and aggregate supply function.

(b) Discuss how monetary policy of a developing economy can control inflation.

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## UNIT—III

7. Answer any *four* of the following as directed :

1×4=4

- (a) Define inflation.
- (b) What is social cost of inflation?
- (c) Define full employment.
- (d) Inflation redistribute income in favour of richer person.

( Write True or False )

- (e) Equilibrium in labour market takes when supply of labour becomes equal to demand for labour.

( Write True or False )

8. Answer either (a) or (b) :

2

- (a) What is demand-pull inflation?
- (b) Write a note on Phillips curve.

9. Answer either (a) or (b) :

8

- (a) What are the causes of inflation?  
Suggest some remedial measures. 5+3=8

- (b) Discuss the different types of unemployment. 8

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( Continued )

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## UNIT—IV

10. Answer any *four* of the following as directed :

1×4=4

- (a) What is an open economy?
- (b) Write the meaning of foreign exchange.
- (c) The purchasing power parity theory is associated with
  - (i) Keynes
  - (ii) Cassel
  - (iii) Kindelberger

( Choose the correct answer )

- (d) What is rate of exchange?
- (e) What is balance of trade?

11. Answer either (a) or (b) :

2

- (a) Mention one difference between fixed and flexible exchange rate.
- (b) What is deficit balance of payments?

12. Answer either (a) or (b) :

8

- (a) Write a note on interest rate differentials in case of a large economy.
- (b) Discuss the factors influencing rate of exchange.

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( Turn Over )

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UNIT—V

13. Answer any *four* of the following as directed :

1×4=4

- (a) Define investment.
- (b) What is credit creation?
- (c) Mention one limitation of credit creation by commercial bank.
- (d) Mention the relation between price and value of money.
- (e) Portfolio Theory of Money is associated with
  - (i) W. J. Baumol
  - (ii) James Tobin
  - (iii) J. M. Keynes

( Choose the correct answer )

14. Answer either (a) or (b) :

2

- (a) Mention any two determinants of supply of money.
- (b) Make a distinction between autonomous investment and induced investment.

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15. Answer either (a) or (b) :

8

- (a) Discuss the determinants of business fixed investment.
- (b) Explain Baumol's transaction theory of demand.

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