

Ref. No.: VB/EXAM/REG/02/UGNEP/Programme in Economics/Sem-I/33697/2023

**B.A. Examination, 2023**  
**SEMESTER-I**  
**Subject: Economics (Minor) under NEP**  
**Course: MNEC01 (Introductory Microeconomics)**

**Time: 3 hours**

**Attempt any FOUR from the following questions**

**Full Marks: 80**

**(4X20 = 80 Marks)**

1. (a) Distinguish between  $VMP_L$  and  $MRP_L$ . Are they the same in competitive markets?  
(b) How is monopolistic exploitation different from monopsonistic exploitation? Explain  
(c) Can trade unions address the problem of monopolistic exploitation and monopsonistic exploitation? Justify your answer. (8+8+4=20)
2. (a) What are the assumptions of a perfectly competitive market?  
(b) Explain the short-run and long-run equilibrium of a firm in a perfectly competitive market. (8+12=20)
3. (a) Compare and contrast between perfect competition, monopoly and monopolistic competition.  
(b) Which market according to you is most suitable to explain the consumer goods industry? (15+5)
4. (a) With the help of income and substitution effect, explain the choice between work effort and leisure.  
(b) In this context, explain the backward bending labour supply curve. (10+10=20)
5. (a) What are the ten fundamental principles of economics?  
(b) Explain any four of the principles of economics (10+10=20)
6. (a) Explain, how a monopolist maximize his/her profits.  
(b) What is price discrimination and what are its types? Explain them. (8+12=20)
7. (a) Explain the law of demand and law of supply with the help of a diagram.  
(b) How do prices in an economic system ensure the allocation of resources? Explain.  
(c) How does the incidence of indirect taxes cause deadweight loss to the economy? (4+8+8)
8. (a) What are the properties of the indifference curve?  
(b) With the help of the indifference curve (IC) and the budget line (BL), explain how the optimum choice between two goods (X and Y) is made.  
(c) How is the Giffen good defined in terms of substitution effect and income effect? Explain. (4+8+8=20)