

LOYOLA-INTERNATIONAL ACADEMIC COLLABORATION

LOYOLA COLLEGE CHENNAI – 600 034

BBA-FRANCE – END SEMESTER EXAMINATION

SECOND SEMESTER – APRIL 2023

BBA 233 – MICRO ECONOMICS



Date : 02-05-2023

Dept. No.

Max. : 100 Marks

Time : 09:00 AM - 12:00 NOON

Part A

Answer ALL of the following

(10x1 = 10 Marks)

1. Innovation theory of profit was given by _____.
2. Quasi rent is similar to scarcity rentTrue/False
3. ARP and MRP are inverted 'U' shaped curves.
4. A single seller of product is called as _____.
5. Any reallocation of resources, which makes someone better-off and no one worse is called as _____.
6. Any Movement outside the contract curve to the contract curve is called as _____.
7. Absolute cost advantage theory is built on the concept of _____.
8. $[Q_L/Q_K]_B > [Q_L/Q_K]_A$ represents that Country B is _____ abundant.
9. _____ Pricing policy is adopted to skim the profits from the cream of the society.
10. William's Utility function is expressed as _____.

Part B

Answer any FIVE of the following; not exceeding 300 words each:

(5x10 =50 Marks)

11. Explain the Neo-classical theory of Interest.
12. Calculate the MRP, VMP and ARP for the following:

Labour units	0	1	2	3	4	5
Quantity	0	10	18	24	28	30

13. Distinguish between Value of Marginal Product (VMP) and Marginal Revenue Product (MRP) of an input. How are they related to each other when there prevails a) Perfectly competition in the product market b) Monopoly in the product market.
14. Diagrammatically represent Pareto Criterion and Pareto Optimality.
15. Comment on the Cyert and March theory.
16. Explain the various Profit theories
17. Describe the Comparative Cost Advantage Theory.

Part C

Answer any TWO of the following, not exceeding 1200 words each:

(2x20 = 40 Marks)

18. Elaborate the Keynes Liquidity Preference theory of Interest
19. Describe the Bilateral Monopoly Exploitation.
20. Elaborate Baumol's Sale Revenue Maximisation.
21. Explain the Modern theory of International Trade.
