

Oct '09

FYB I - 1

IJ9 AFW

Eco - I (Micro)

Time : 2 hours

Marks : 60

**N.B. :** 1) All question are compulsory.

2) Figures to the right indicate full Marks.

**Q. 1A)** Discuss scarcity as root cause of economic problem. (8)

**B)** What is PPC ? Explain it in detail with suitable diagram. (7)

**OR**

**Q.1** What is elasticity of demand ? Discuss different types of price elasticity.  
What is the importance of price elasticity in business decision making? (15)

**Q.2** Define demand forecasting. Discuss any one method of demand forecasting in detail. (15)

**OR**

**Q.2** What are economies of scale ? Explain Internal economies in detail. (15)

**Q.3** Discuss the Break-Even- Analysis in detail. What is importance of Break-Even-Analysis in business decisions ? (15)

**OR**

**Q.3** What is price discrimination? Explain the conditions necessary for price discrimination by a monopolist. Also Explain the types of price discrimination. (15)

**Q.4** **Write Short Notes on of the following. (ANY TWO)** (15)

i) Perfect Competition and monopoly

ii) ISO-quants

iii) Marginal cost pricing

iv) Price leadership under oligopoly

**OR**

**Q.4** **Write Short Notes on the followings. (ANY TWO)** (15)

1) Cross elasticity of demand

2) Features of oligopoly

3) Distinguish between monopoly and monopolistic competition.

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