

CHOITHRAM SCHOOL MANIKBAGH INDORE

CLASS XII

Session: 2018-19

SUBJECT-Economics

ASSIGNMENT No.1

Scheduled Date: 25/04/2018

Submission Date. 15/06/2018

Q.no		Mark
1.	Do you think that the study of pricing of a software of the firm is the part of microeconomic study?	1
2.	What is meant by scarcity of resources?	1
3	Give three examples of micro variables and macro variables.	1
Very Short Answer		
4	How can you say that economic problem is a choice making activity?	2
5	What does the rightward shift in the Production Possibility Curve indicate?	2
6	Why is indifference curve convex to origin?	2
7	Calculate Marginal Opportunity Cost (MOC) from the following schedule: Shirts (in million) 0 1 2 3 4 5 Cars (in thousands) 200 190 170 140 100 50	2
Short Answer		
8	Do you think that, if India imports new and advanced technology from USA (a developed country), it would solve the central problem of 'how to produce'?	3
9	Navya consumes pizza and coke and finds her equilibrium. As the price of coke rises marginal utility from coke also rises. Explain using utility analysis.	3
10	What are the conditions of consumer's equilibrium under the indifference curve approach? What changes will take place if the conditions are not fulfilled to reach the equilibrium?	3
Long answer		
11	A consumer consumes only two goods X and Y whose prices are ` 5 and ` 4 respectively. If the consumer chooses a combination of the two goods with Marginal Utility of X equal to 4 and that of Y equal to 5, is the consumer in equilibrium? Why or why not? What will a rational consumer do in this situation? Use utility analysis.	5
12	A consumer wants to consume two goods. The prices of the two goods are Rs 4 and Rs 5 respectively. The consumer's income is Rs 20. (i) Write down the equation of the budget line. (ii) How much of good 1 can the consumer consume if he/she spends his/her entire income on that good? (iii) How much of good 2 can be consumed if he/she spends his/her entire income on that good? (iv) What is the slope of the budget line?	5