Assignment 1
Bcom(p)
Sem V
Principles of Microeconomics
Date : 3/10/23
Max Marks 20

Q1 The demand and Supply curve for computers is as follows:
D= 100-6P
S= 28+ 3P
Where P is the price of Computers.
Calculate the quantity of computers bought n sold at equilibrium.   (5)

Q2 Define and draw the Production possibility curve. How does it explain the concept of scarcity and trade off?   (5)

Q3. Let your Demand Schedule for CDs is given below: (10)

Price	Quantity DD (Y=10000)	Quantity DD (Y=12000)
8	40	50
10	32	45
12	24	30
14	16	20
16	8	12

A) Use midpoint method to calculate your price elasticity of demand as price of CDs increases from 8to 10 if your income isRs 10000 and if income is Rs12000.
B) Calculate the income elasticity of demand as income increases from Rs10000 to Rs12000 if Price is Rs12 and if price is Rs16.