

Assignment - Intermediate Microeconomics - I

Semester - 3

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B A CP)

Paper: Intermediate Microeconomics - I:
Behavioural Foundations of Market
Interactions

Date: 27/10/2023

Marks: 12

Answer all questions.

Q.1 a) Discuss the impact of income increase on budget line.

b) How rationing on good 1 will affect the budget line.

(3+3 = 6 Marks)

Q.2 Plot following indifference curves:

a) $U(x_1, x_2) = 2x_1 + 4x_2$

b) $U(x_1, x_2) = \min \{x_1, 2x_2\}$

(3+3 = 6 Marks)

Ans.