XI Economics
Test 1
Set - A

Q1. Define monotonic preference. (1)

Q2. A consumer can buy: 6 units of good X & 8 units of good Y; if entire income is spent. Given Px = ₹6 & Py = ₹8. Determine his income. (1)

Q3. State True/False with reason. (3)

(a) MRS is constant along an I.C.

(b) IC is based on consumer's non-satiety.

Q4. How does a change in income affect consumer’s budget line? (4)

Q5. Discuss the following properties of I.C. along with a Diagram:-

(a) Higher I.C. gives higher level of satisfaction.

(b) Two I.C.’s never intersect each other. (6)

XI Economics
Test 1
Set - B

Q1. What is the slope of budget line? (1)

Q2. Ramesh is indifferent to the bundles (10,8) and (8,6). Is he having monotonic preference? Why/why not? (1)

Q3. A consumer spends his entire income on goods X & Y. Currently his MRSxy is more than the price ratio of 2 goods. Discuss the changes that will take place so that consumer is able to reach the equilibrium position. (3)

Q4. How does a change in the price of commodity on Y-Axis affect consumer’s budget line? (4)

Q5. Explain Consumer’s Equilibrium using Hicksian Analysis of Demand. (6)