

(this chapter is imp for final exam)

Indifference Curve

Indifference curves are consumer's behaviour analysis tool.

IC, ~~are~~ consumer's behaviour picture. It shows the combinations of goods and services that provide the same level of satisfaction. A point on the curve represents a bundle of goods that provides the same satisfaction as any other bundle on the curve. IC curve is drawn for a fixed income level.

Assumption of Indifference Curve

- i) Completeness
- ii) Non-satiation
- iii) Consistency or transitivity.

ଆବଶ୍ୟକୀୟ ସାମଗ୍ରୀଗୁଡ଼ିକ ଥିବେ ଥାଏ ।

iv) continuity or substitutability: ଯଦି ଗୋଟିଏ ସାମଗ୍ରୀର ସ୍ଥାନରେ ଅନ୍ୟ ଗୋଟିଏ ସାମଗ୍ରୀକୁ ବଦଳାଇବା ସମ୍ଭବ ହୁଏ ତେବେ ସେହି ସାମଗ୍ରୀର IC curve ଡ୍ରାଉ କରିବା ସମ୍ଭବ ହୁଏ ।

v) convexity

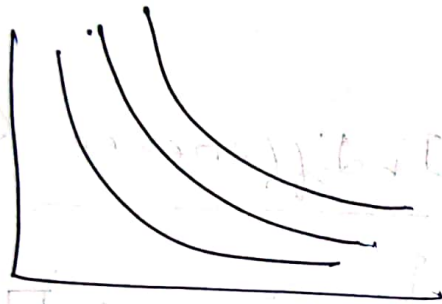
properties of IC curve

(i) law of diminishing marginal utility
कारण this is convex to the origin.

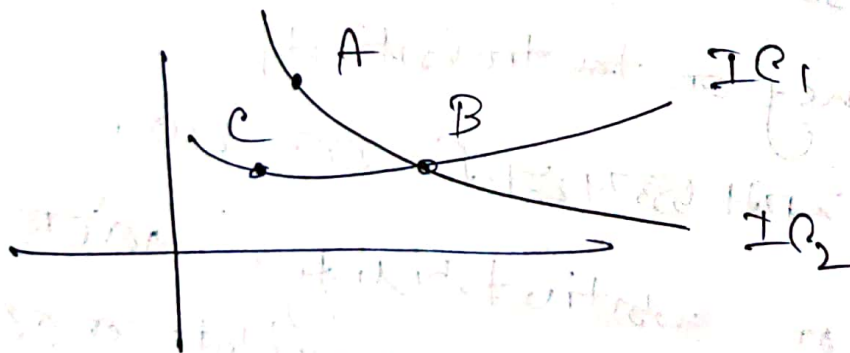
(ii)

(iii)

(iv) Higher IC-curve shows higher satisfaction



IC curve cannot intersect each other.



consumers always A to B to C
कारण A to satisfaction high. satisfaction
high (एक B to (एक low एका एका एका

અન્યકસૂત્ર I^c curve રાખતે બેજેટ I^c curve એ મારપડતે.

Budget constraint

I^c curve



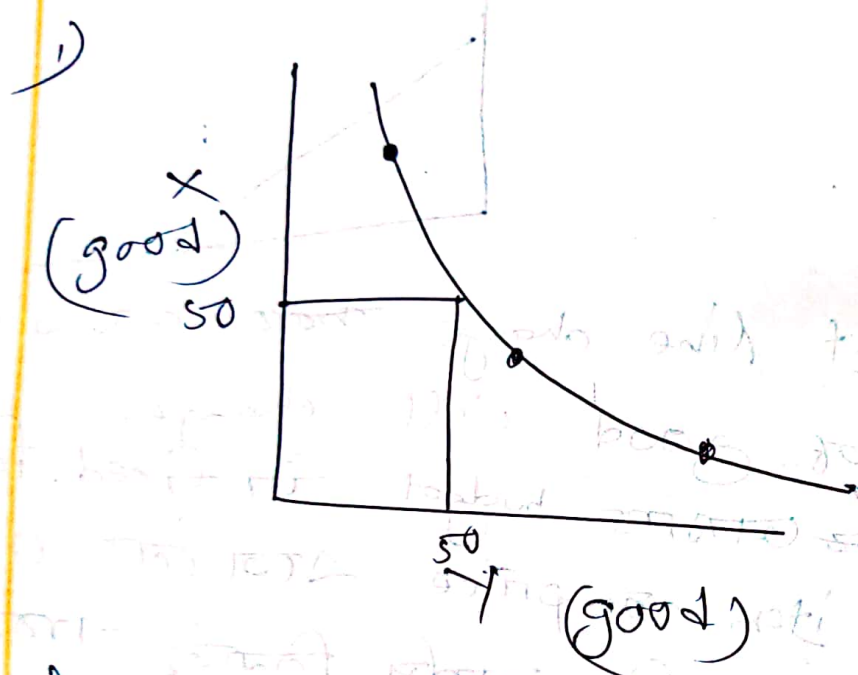
budget line change કરવા કારણે combination of good will change.
 suppose આ બજાર budget નો fixed. કિન્તુ
 કારણ જોઈ તેમ જોઈ price એજ જોઈ જાના
 તે જોઈ જાવ. કિન્તુ જોઈ કિન્તુ જોઈ જાવ
 ના.

Deriving the Demand Curve:

figure નામ જોઈ graphically નિર્ધારિત.

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E1-01

IC curve નો ગુણવત્તા point \rightarrow consumer
જો same satisfaction \rightarrow it includes
assumption.



income નો રકમ fixed, but \rightarrow fixed income
જો X and Y good નો આમિ સમાવેશ
નિહા \rightarrow curve જો ગુણવત્તા point \rightarrow આમ
satisfaction સમાવેશ

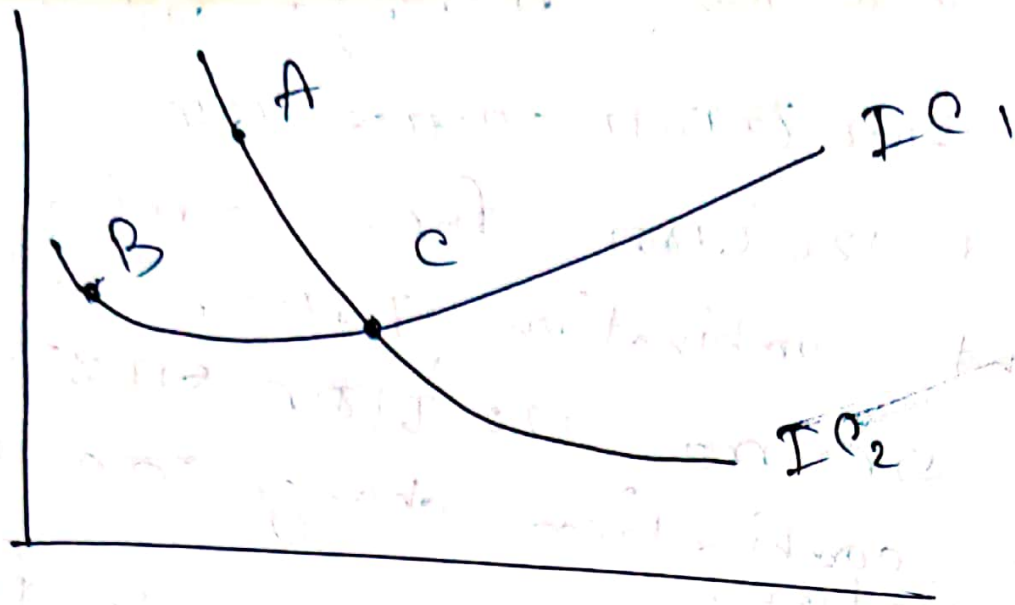
X \rightarrow necessary) સમાવેશ આમિ
 Y \rightarrow luxury) necessary નિહામ 20
luxury નિહામ 30
ઈન્ડિફરન્સ સામસામ્યતા હોય.

Non-satiation (असृष्टि): 100 टें fixed income
 यदि अरु लागत source (अरु 20 टें गारे।
 गारु 120 टें गारु फिर अरु अरु गारु
 different combination गिण।
 100 टें गारु 120 टें गारु गारु गारु
 अरु combination change गारु गारु
 Non-satiation.

Substitutability: एक गारु गारु गारु
 गारु अरु गारु गारु गारु गारु
 substitutability

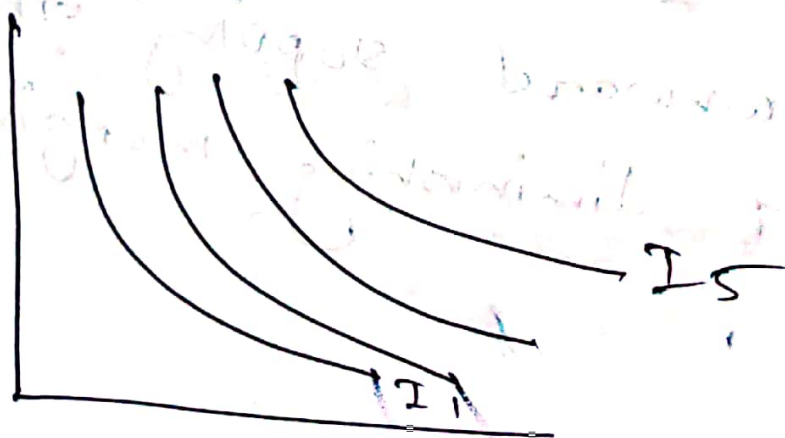
Completeness: Each point गारु same satisfaction

Convexity: curve गे convex.
 गारु गारु x axis गे गारु गारु
 downward slopping गारु. गारु
 गारु law of diminishing marginal utility
 गे कारण।



Higher IC curve shows higher satisfaction. A shows higher satisfaction and B shows lower satisfaction. But C cannot be both higher and lower. That's why IC curves cannot intersect each other.

to illustrate side - 2 a common point assumption

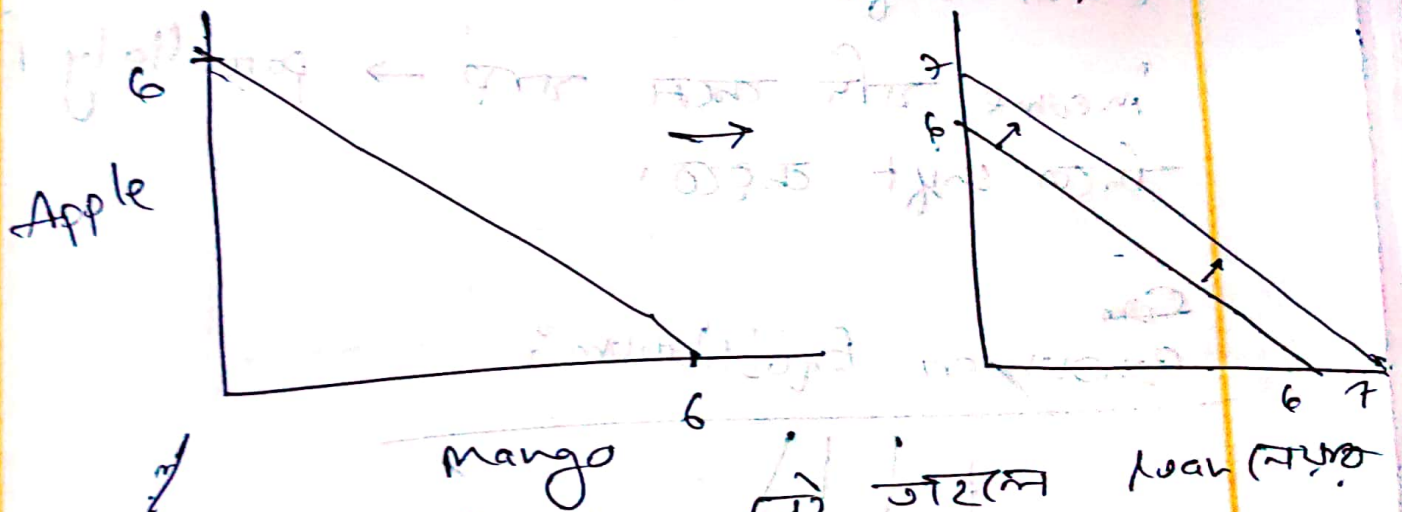


Assume IC curve transitive (transitive IC map assumption) but assume IC

curve \rightarrow ~~સરખા~~ ~~સરખા~~ consumer always higher \rightarrow ખર્ચ કરતો.
 origin (અંશ પછા ફરો \rightarrow satisfaction જણ high.

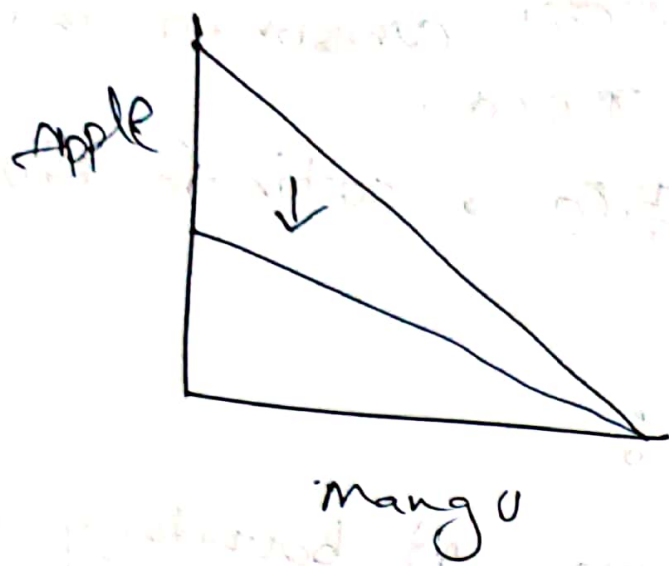
budget constraint:

budget નિષ્પ નિષ્પ તો એ boundary એ નિષ્પ
 જામિ તણ જામિ તા.



જો જો જામિ loan નો જામિ loan નિષ્પ
 જામિ budget line shift કરો.

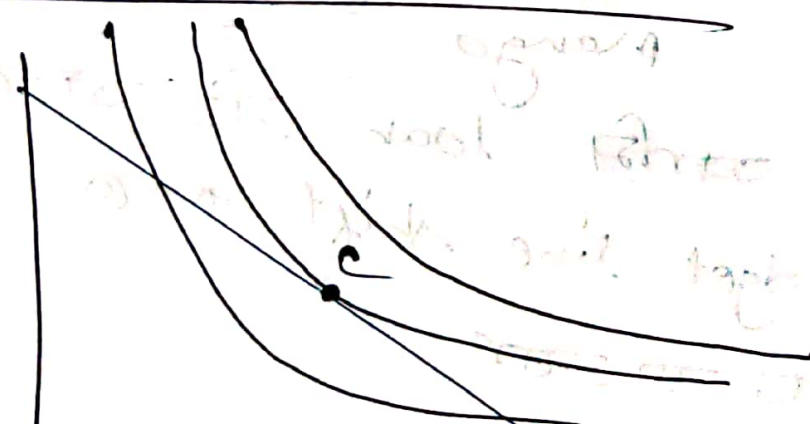
- i) income તાંડ પાડવો
- ii) loan નિલામ
- iii) Reward ~~જામિ~~ / bonus (જામિ)



જો Apple એ પામ રહે જાય જાણે ત્યારે shift કરવું તિલ નામ પાઠો.

income જો કરમ જાય → parallelly તિલો પિલો shift કરવો.

Consumer Equilibrium



Deriving the demand curve:

