This exercise is spread across two class – this Monday and the Wednesday.

**Monday**

1. Read the case titled “*Anita’s first three months at BEEPL*”
2. In your respective group discuss the case

**Wednesday**

**This is a group submission**

**Write the answers to the following based on Anita’s case study:**

I. Explain Anita’s residence selection and shopping for fashion apparel online with the help

of concept and types of price elasticity of demand.

II. Anita’s first salary undoubtedly changed her brand preferences. How do you categorize the

newfound demand for preferred brands of shampoo and lipstick? Explain with the help

of the concept and types of Income Elasticity.

III. While Anita’s travel discomfort with shared-auto rickshaw influenced her to buy Honda

Activa, was there cross elasticity of demand at work? How do you characterize the cross

elasticity of demand for Honda Activa – as a substitute or as a complementary good?

Send your submission to [assignments.economics@gmail.com](mailto:assignments.economics@gmail.com) by Sunday EoD.