

Course Title :Micro - Economics

Course Code: IMCOM-CR-101

Duration: 3 hrs.

Marks: 90

Credits 6

Lectures: 65

Objective: The objective of the course is to acquaint the students with the concepts of micro-economics dealing with consumer behavior. The course also makes the student understand the supply side of the market through the production and cost behavior of firms.

Unit-I:

15 Lectures

Economics: Meaning, Nature and Scope; Micro & Macro Economics; Central Problems of an Economy, Economic Systems – Types and Features; Nature and Scope of Business Economics; Decision Process; Fundamental Concepts in Business Decisions, Basic Tools in Economic Analysis.

Unit-II:

15 Lectures

Theory of Demand: Meaning, Law of Demand; Types of Demand; Factors affecting Demand; Marginal Utility Analysis and Analysis of Consumer Behaviour: Cardinal and Ordinal Utility Approach; Elasticity of Demand; Measurement of Elasticity of Demand and its Implications in Decision Making Process; Introduction to Demand Forecasting - its Role, Types and Methods. Revealed Preference Theory.

Unit-III:

15 Lectures

Production and Cost Analysis; Meaning of Production; Production Function, Least Cost Combination of Inputs; Factor Productivity and Returns to Scale; Cost Concepts. Production isoquants, marginal rate of technical substitution, Social and private costs of production, Traditional and Modern Theory of Cost in Short and Long Run; Economies of scale: Internal and external economies of scale.

Unit-IV:

15 Lectures

Market Structure and Pricing Decisions: Price-Output determination under different market structure – perfect and imperfect (monopoly, monopolistic and oligopoly markets) for both long run and short run. Pricing strategies: skimming pricing, penetration pricing, Loss Leader pricing, Pricing of multiple products; Non-price competition.

TUTORIAL 1

13 Lectures

Practical implications of Revealed preference theory, illustration of law of diminishing marginal utility, Case study on economies of scale, consumer surplus, illustration of law of diminishing margin productivity, three stages of production.

TUTORIAL 2

13 Lectures

Costs and scale: traditional theory of cost (short run and long run, geometry of cot curves, envelope curves), modern theory of cost (short run and long run), economies of scope.

Note: The listed tutorials are illustrative and not exhaustive.

Suggested Readings:

1. Pindyck, R.S., D. L. Rubinfeld and P. L. Mehta; Microeconomics, Pearson Education.
2. N. Gregory Mankiw, Principles of Micro Economics, Cengage Learning
3. Maddala G.S. and E. Miller; Microeconomics: Theory and Applications, McGraw-Hill Education
4. Salvatore, D. Schaum's Outline: Microeconomic Theory, McGraw-Hill, Education.
5. Case and Fair, Principles of Micro Economics, Pearson Education
6. Koutsiyannis, Modern Micro Economic Theory.
7. C Snyder, Microeconomic Theory: Basic Principles and Extensions, Cengage Learning
8. Bilas, Richard A., Microeconomics Theory: A Graphical Analysis, McGraw-Hill Education.
9. Paul A Samuelson, William D Nordhaus, Microeconomics, McGraw-Hill Education.
10. Amit Sachdeva, Micro Economics, Kusum Lata Publishers