

Course Code	Course Name	Credits
26EC001	MICRO ECONOMICS I	04

Course Objectives

- To study the definition of economics and methodology in economic analysis
- To study the consumer behaviour with IC curve analysis
- To analyze the production function theories and Isoquant curve with diagrammatic representation
- To examine the cost and revenue concept, revenue curves under perfect and imperfect competition
- To study the market structure under product pricing theories.

Learning Outcomes

Upon successful completion of this course it is intended that a student will be able to:

- To understand the economics, scope of economics and the concept of methodology in economics
- Understand consumer behaviour in decision making with IC curve
- Understand the types of returns to scale, law of variable proportion, production function and theories
- Understand the micro economic theory related to Short run AC and shape of SAC, TR,AR,MR
- Understand the micro-economic principles on product pricing theories.

Unit 1 - Introduction (12Hrs)

Definition of Economics- Adam Smith, Alfred Marshall and Lionel Robbins; nature and scope of economics: Approaches to economic analysis-Micro economics; Meaning, importance, types and limitations and Macroeconomic; meaning, importance, types and limitation: methodology of economics-Deductive method; meaning, steps in the process of deduction, merits and demerits, Inductive method; meaning, steps, merits and demerits.

Unit 2 – Consumer Behavior Theory (12Hrs)

Utility-Cardinal and Ordinal utility, law of diminishing marginal utility, Indifference curve- meaning and assumption of IC, diminishing MRS, properties of IC, budget line, price effect and PCC, income effect and ICC, Hicks Substitution effect.

Unit 3 – Production Theory (12Hrs)

Production function-meaning, Concepts of Short run and long run production function, Linear homogeneous and Cobb-Douglas production function, Isoquants – meaning, difference between isoquants and indifference curve, properties of Isoquants, diminishing MRTS and diagrammatic presentation: return to scale-concept and types of returns to scale and law of variable proportions

Unit 4 – Cost and Revenue Analysis (12Hrs)

Cost- concept of cost, Total cost, total fixed cost, total variable cost, average cost, average fixed cost, average variable cost, marginal cost and the relationship between AC and MC, U-shape of SAC. Revenue-Meaning and types, Revenue curves of a firm under perfect competition, imperfect competition and monopoly, Relationship between AR and MR curves under perfect and imperfect competition.

Unit 5 –Production Pricing Theory (12Hrs)

Meaning of market, forms of market structure- Perfect competition, monopoly market and imperfect Competition: their meanings and Characteristics, Price-output determination of a firm under perfect competition and monopoly market in the short-run and long-run

Reference Books:

1. Seth, M.L(1981). Micro Economics. Lakshmi Narain Agarwal, Educational Publishers, AGRA
2. Verma,K.N.(2015). Elements of micro-economics-II. Vishal Publishing Co.
3. Ahuja,H.L.(2019). Advance Economic theory, Micro-economic Analysis. S Chand and Company Limited

Websites and eLearning Sources:

1. <https://himpub.com/product/micro-economics/>
2. <https://www.scribd.com/document/670936808/Microeconomics-References>
3. <https://open.umn.edu/opentextbooks/textbooks/193>

COs and Bloom's Taxonomy Mapping – 26EC001

Course Outcomes	On successful completion of this course, students will be able to	BTL
CO1	Recall basic concepts of micro economic and comprehend about methodology in economics.	K1, K2,K3
CO2	Use knowledge of micro-economics applies on consumer behavior, IC curve is apply to predict the changes in consumer behaviour towards the market conditions.	K3,K4
CO3	Analyse the effects of production theory and study how the producer make a choice in allocation of inputs in the production process through Isoquant representation.	K3,K4
CO4	Evaluate and assess about micro-economic theories related SAC and shape of SAC, AR and MR curve under different markets.	K4,K5
CO5	Design a project work based on micro-economic principles to come out with a solution to a market.	K6

BTL (Bloom's Taxonomy Level) - K1 – Remembering, K2 – Understanding, K3- Applying, K4 – Analyse, K5- Evaluate and K6 - Create

Relationship Matrix – 26EC001

Course Outcomes	Programme Outcomes (POs)						Programme Specific Outcomes (PSOs)					Mean Score of Cos
	PO1	PO2	PO3	PO4	PO5	PO6	PSO1	PSO2	PSO3	PSO4	PSO5	
CO1	2	1	3	2	1	2	2	2	2	2	1	1.81
CO2	1	3	2	3	1	2	2	3	2	1	2	2.00
CO3	2	2	3	2	2	2	2	3	2	2	2	2.18
CO4	2	2	3	2	2	2	2	2	3	2	2	2.18
CO5	3	2	2	3	2	2	2	3	2	2	2	2.27
Total												2.08

Mean Score: 3- High, 2- Medium/Moderate, 1-Low

