

KLE's Lingaraj College, Belagavi
(Autonomous)
Department of Economics
B.A.: I-Semester
Subject: Micro Economics-I
(w.e.f. 2019-20 and onwards)

SYLLABUS

Teaching hours per week - 5

Maximum Marks: 100 Marks
Semester End Examination: 70 Marks
Internal Assessment: 30 Marks

Course Outcome: (52 Hours)

At the end of this course students will be able to:

1. Understand the behaviour of an economic agent namely: a consumer, a producer, a factor owner and the price fluctuation in a market.
2. To gain the knowledge of some of the important principle and theories of micro economics.
3. To enhance the skills in forecasting the demand for a product and Trend Projection Method.
4. To familiarize the concept of consumer behavior (utility).
5. Students will be able to analyse the Cost and Revenue Calculation of a Firm.

| Sl. No. | Unit | No. of Hours |
|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| Unit I | Introduction to Micro Economics Micro and Macro Economics – Meaning; Scarcity and Choice; Utility - Cardinal and Ordinal; Law of Demand and its Exceptions; Why the Demand curve slopes downward? Law of Supply- Factors determining supply; Concept of Producers' and Consumers' Equilibrium; Consumers and Producers Surplus | 8 hrs |
| Unit II | Demand and Supply Analysis Elasticity of Demand and Supply – Measurement and Applications; Demand forecasting – Objectives -Methods - Trend Projection Method; Elasticity of Supply | 10 hrs |
| Unit III | Indifference Curves Indifference Curve approach – Properties – Consumer's Equilibrium; Price Effect, Income Effect and Substitution Effect; Derivation of Demand curve from Indifference Curves | 12 hrs |
| Unit IV | Production and Cost Functions Production function- Law of variable proportions; Isoquants and its types; Cost of Production – types; Isocost Line; Traditional Cost Curves- U-Shaped; Modern Cost Curves; Saucer Cost Curve; L-Shaped Cost Curve; Cobb –Douglas production function | 12 hrs |

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| Unit V | Unit – V: Theory of Firm Firm and Industry – distinction; Objectives of the Firm –Traditional and Modern; Revenue -Total Revenue, Marginal revenue and Average Revenue. A Case Study - Cost and Revenue Calculation of a Firm | 10 hrs |
| | Total | 52 hrs |

Suggested Readings

1. Seth M.L - Micro Economics, LaxminarayanAgarwal, Agra, 2006.
2. Mithani D M –Principles of Economics, Himalaya Publishing House,Mumbai, 2005.
3. Chopra P N – Micro Economics, Kalyani Publishers, New Delhi, 2004.
4. Jhingan M L –Micro Economic Theory, Konark Publishers Pvt.Ltd, NewDelhi, 2003.
5. K.K.Dewett - Modern Economic Theory, S.Chand& Co. Ltd., New Delhi, 2006.
6. A. Koutsoyiannis – Modern Micro Economics, McMillan Press Ltd.New Delhi, 2002.
7. Pindyck and Rubinfeld - Microeconomics, Prentice Hall India, New Delhi, 2002.
8. Samuelson P and Nordhaus – Economics, Tata McGrawHill,New Delhi 2003.
9. Seth M L – Principles of Economics, LaxminarayanAgarwal, Agra, 2006.
10. A.W.Stonier and D.C.Hague, Orient Longmans Ltd., New Delhi, 1985.
11. Microeconomics - Theory and Applications- G.S Maddala