

**B.A. (ECONOMICS) SYLLABUS**  
**Semester - I**  
**MICRO ECONOMICS - I**  
**Discipline Specific Course - Paper - I**

**MICRO ECONOMICS**

**Module-I: CONSUMER BEHAVIOUR:**

Ordinal utility Analysis: Properties of Indifference curves, concept of budget line, equilibrium of consumer, price consumption curve, income consumption curve, derivation of demand curve with the help of ordinal utility analysis. Concepts of price, income and substitution effects; separation of price effect: compensating variation and cost difference methods.

**Module-II PRODUCTION ANALYSIS**

Concepts of Short run and long run production function; properties of iso-product curves, concept of factor price line, analysis of least cost input combination, concepts of expansion path and economic region of production, concept of returns scale and types of returns to scale. Linear and homogeneous production function, properties of Cobb-Douglas production function.

**Module-III: COST AND REVENUE ANALYSIS**

Cost concepts: Accounting, real, opportunity, explicit cost. Total cost, total fixed cost, total variable cost, average cost, average fixed cost, average variable cost, marginal cost and the relationship between average and marginal cost, derivation of long run average cost curve. Economies of scale: internal and external.

Revenue concepts: total, average and marginal, relationship between Average revenue & marginal revenue and price elasticity of demand.

**Module--IV: MARKET STRUCTURE: IMPERFECT COMPETITION**

Monopoly: Equilibrium of a monopolist with price discrimination, degrees of price discrimination, welfare loss under monopoly. Monopolistic competition: characteristics, concepts of product differentiation and selling cost, analysis of resource wastage under monopolistic competition. Oligopoly: characteristics of oligopoly, reasons for price rigidity in non-collusive oligopoly. Duopoly: Augustin Cournot's modern version of duopoly.

**Module-V: ANALYSIS OF BUSINESS FIRM, PROFIT AND PRICING STRATEGIES**

Characteristics of a business firm, objectives of business firm: profit maximization, sales revenue maximization, market share maximization, growth maximization. Profit concepts: Accounting and economic; break-even point and profit –volume analysis

Pricing strategies: Cost plus pricing, marginal cost pricing, rate of return pricing, price skimming, penetration pricing, loss-leader pricing, mark-up pricing and administered prices.