

**DEPARTMENT OF COMMERCE**  
**B.Com. (Semester-V)**  
**(w.e.f. Academic Session- 2018-19)**

| Course code | Nomenclature of Paper         | Max. Marks | L | T | P | Total Credit |
|-------------|-------------------------------|------------|---|---|---|--------------|
| COM- GE-511 | Principles of Micro Economics | 100        | 5 | 1 | 0 | 6            |

**SYLLABUS CONTENTS**

**UNIT – I Introduction**

**(18 Lectures)**

- a) **Demand and Supply:** Determinants of demand, movements vs. shift in demand curve, Determinants of Supply, Movement along a supply curve vs. shift in supply curve.
- b) Elasticity of demand and supply.
- c) Law of demand and supply.

**UNIT – II Consumer Theory**

**(18 Lectures)**

**Ordinal Utility theory:** (Indifference curve approach): Consumer's preferences; Interference curves; Budget line; Consumer's equilibrium;

**UNIT – III Production and Cost**

**(18 Lectures)**

- a) **Production:** Firm as an agent of production. Concepts of Production function. Law of variable proportions; Return to scale. , Economies and Diseconomies of scale.
- b) **Costs:** Costs in the short run. Costs in the long run, the very long run.

**UNIT – IV Market Structure**

**(18 Lectures)**

- a) **Perfect Competition:** Assumption; Theory of a firm under perfect competition; Demand and Revenue; Equilibrium of the firm in the short run and long run.
- b) **Monopoly:** Short-run and long-run equilibrium of monopoly firm; Concept of supply curve under monopoly; Allocation inefficiency and dead-weight loss monopoly; Price discrimination.
- c) **Imperfect Competition:** Difference between perfect competitions, monopoly and imperfect competition;
  - I. **Monopolistic Competition:** Assumption; Short – run Equilibrium; Long run Equilibrium; Product Differentiation.
  - II. **Oligopoly:** Causes for the existence of oligopolistic firms in the market rather than perfect Competition.

**UNIT – V Income Distribution and Factor Pricing:**

**(18 Lectures)**

Demand for factors. Supply of factor, backward bending supply curve for labor concepts of economic rent; Functional Distribution of Income. Rent, Interest, Wages and Profit- Concept and Theories.

**ESSENTIALS 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.

**SUGGESTED /RECOMMENDED READINGS:**

1. Case and Fair, *Principles of Micro Economics*, Pearson Education
2. Koutsiyannis, *Modern Micro Economic Theory*.
3. C Snyder, *Microeconomic Theory: Basic Principles and Extensions*, Cengage Learning
4. Bilas, Richard A., *Microeconomics Theory: A Graphical Analysis*, McGraw-Hill Education.
5. Paul A Samuelson, William D Nordhaus, *Microeconomics*, McGraw-Hill Education.
6. Amit Sachdeva, *Micro Economics*, Kusum Lata Publishers.
7. Kennedy M. John, *Micro Economics*, Himalaya Publication New Delhi.
8. Reddy P.N. and Others, *Economics for Business*, Himalaya Publication New Delhi.
9. Bose D. & Marimuthu, *An Introduction of Micro Economics*, Himalaya Publication New Delhi.
10. Ramanath H.R. & Shanthy S. *Managerial Economics*, Himalaya Publication New Delhi.
11. Reddy P.N. and Appanmaiah H.R, *Essentials of Managerial Economics*, Himalaya Publication New Delhi.

**Note: Latest edition of text books shall be used.**