

**Name of Institute: Indus Institute of Management Studies (IIMS)**  
**Name of Faculty: Dr. Gauri Gaur**

**Course code: BC0104**  
**Course name: Microeconomics**  
Pre-requisites: Graduation  
Credit points: 6 Credits  
Offered Semester: I

**Course Lecturer (weeks 01 - 15)**

Full name: Dr. Gauri Gaur  
Department with siting location: Management  
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Consultation times: 2.00 PM to 4.00 PM

Students will be contacted throughout the Session via Mail with important information relating to this Course.

**Course Objectives**

To expose students to basic micro economic concepts and its applications to economic analysis. Also provide knowledge in the formulation of business policies and reasoning in business problems analysis.

**Course Outcomes (CO)**

- CO1 After studying the subject the students will be able to understand and explain the concepts of macro economics and its application.
- CO2 Understand the economic dimensions and perspectives applicable to business.
- CO3 To aware students about Gross National Product (GNP), Net National Product (NNP)
- CO4 To acquaint with the concepts of Income at Factor cost or National Income at Factor Prices, Per Capita Income , Personal Income ( PI ) , Disposable Income etc.
- CO5 To Study the relationship among broad aggregates.
- CO6 To apply economic reasoning to solve the problems of the economy

## Course Outline

### UNIT-I

#### Demand and Supply:

Law of Demand, Determinants of demand, Movement and shift of demand. Law of Supply, determinants of supply, movement and shift along supply curve. Price determination and market equilibrium.

Elasticity of Demand: Price, income and cross.

### Unit - II

#### Consumer Theory:

Indifference curve of consumer behavior, Budget line, Consumer preference theory, Price effect: Consumption effect and Substitution effect, Revealed preference theory, Price Consumption curve, Income consumption curve and Engel curve.

### UNIT-III

#### Cost and Production theory:

Production function and related concepts, ISO-Quants, Marginal rate of technical Substitution(MRTS), Economic region of production, Optimal combination of resource, Law of variable proportions, Returns to scale. Cost: Social and private cost of production, Long run and short run cost of production, Long run average cost curve and its shape, Economics and Dis-economies of scale and Learning curve.

### UNIT-IV

#### Market Structure:

Perfect Competition: Assumptions, Equilibrium of firm and industry in short and long run. Long run supply curve of industry.

Monopoly: Short run and long run equilibrium of monopoly firm, Measurement of monopoly power and rule of thumb for pricing, Allocation efficiency and dead weight loss. Price discrimination.

Monopolistic Competition: Characteristics of monopolistic competition, price and output determination under short run and long run,

Oligopoly and Interdependence: meaning and characteristics of oligopoly.

**Method of delivery**

Lectures, PPT, case studies, Group Discussion and Debates; Active Learning Techniques

**Study time**

Three hours per week

**CO-PO Mapping (PO: Program Outcomes)**

	PO1	PO2	PO3	PO4	PO5	PO6
<b>CO 1</b>	<b>3</b>	-	-	-	-	-
<b>CO 2</b>	<b>3</b>	-	-	-	-	-
<b>CO 3</b>	<b>3</b>	-	<b>2</b>	-	-	-
<b>CO 4</b>	<b>3</b>	-	-	-	-	-
<b>CO 5</b>	<b>2</b>	-	-	<b>1</b>	-	-
<b>CO 6</b>	<b>1</b>	-	-	-	-	-

**Blooms Taxonomy and Knowledge retention(For reference)**

(Blooms taxonomy has been given for reference)

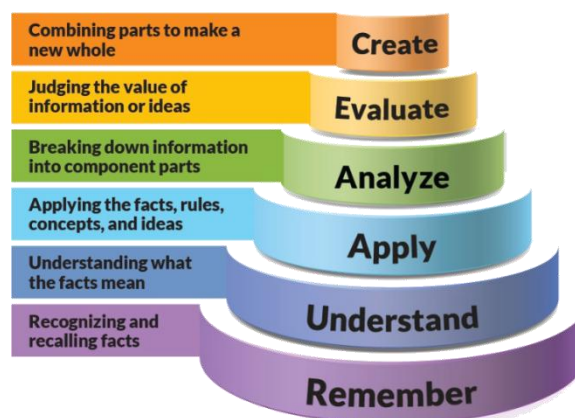


Figure 1: Blooms Taxonomy

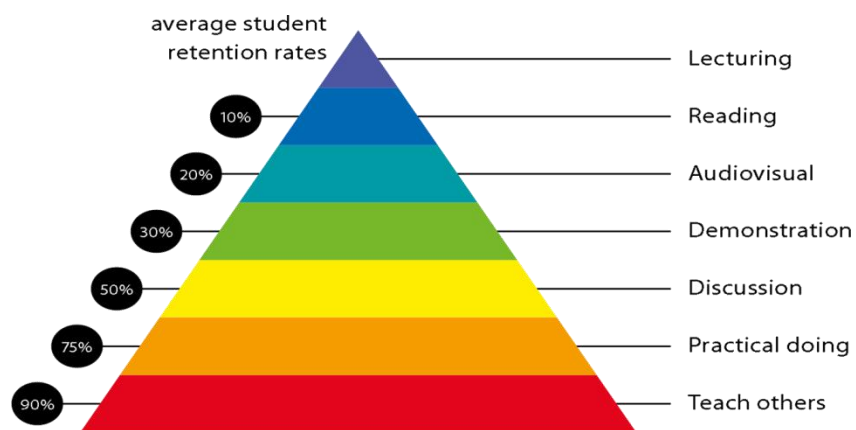


Figure 2: Knowledge retention

### Graduate Qualities and Capabilities covered (Qualities graduates harness crediting this Course)

General Graduate Qualities	Specific Department of Graduate Capabilities
<p><b>Informed</b> Have a sound knowledge of an area of study or profession and understand its current issues, locally and internationally. Know how to apply this knowledge. Understand how an area of study has developed and how it relates to other areas.</p>	<p><b>1 Professional knowledge, grounding &amp; awareness</b></p>
<p><b>Independent learners</b> Engage with new ideas and ways of thinking and critically analyze issues. Seek to extend knowledge through ongoing research, enquiry and reflection. Find and evaluate information, using a variety of sources and technologies. Acknowledge the work and ideas of others.</p>	<p><b>2 Information literacy, gathering &amp; processing</b></p>
<p><b>Problem solvers</b> Take on challenges and opportunities. Apply creative, logical and critical thinking skills to respond effectively. Make and implement decisions. Be flexible, thorough, innovative and aim for high standards.</p>	<p><b>4 Problem solving skills</b></p>
<p><b>Effective communicators</b></p>	<p><b>5 Written communication</b></p>

<p>Articulate ideas and convey them effectively using a range of media. Work collaboratively and engage with people in different settings. Recognize how culture can shape communication.</p>	<p><b>6 Oral communication</b></p>
<p><b>Responsible</b> Understand how decisions can affect others and make ethically informed choices. Appreciate and respect diversity. Act with integrity as part of local, national, global and professional communities.</p>	<p><b>7 Teamwork</b></p> <p><b>10 Sustainability, societal &amp; environmental impact</b></p>

### Practical work:

1. Assignment -1: Theoretical Questions
2. Assignment -2: Theoretical Questions
3. Assignment -3: Presentations in small Groups

### Lecture/tutorial times

### Attendance Requirements

The University norms states that it is the responsibility of students to attend all lectures, tutorials, seminars and practical work as stipulated in the Course outline. Minimum attendance requirement as per university norms is compulsory for being eligible for mid and end semester examinations.

### Details of referencing system to be used in written work

#### Text Books:

- Micro Economic Theory by H.L. Ahuja (S. Chand)
- Dwivedi, D. N, Managerial Economics,(2002)6thed (Vikas Publishing House: New Delhi) • Managerial Economics Theory and Applications Dr. D.M. Mithani Himalaya Publication latest edition

#### Reference Books:

- Microeconomics: Theory and Applications, D Salvatore Oxford Publication • Advanced Economic Theory by H.L. Ahuja S.Chand
- Managerial Economics, Atmanand Excel Books Latest edition

- Advanced Microeconomic Theory, Mishra and Puri Himalaya Publishing House latest edition
- Micro Economics by M. John Kennedy (Himalaya Publication)
- Micro Economic Theory by R. Cauvery (S.Chand Publication.)

## ASSESSMENT GUIDELINES

Your final course mark will be calculated from the following:

1. Assignment-1: 5 Marks
2. Assignment -2: 5 Marks
3. Presentation: 5 Marks
4. Attendance: 5 Marks
5. Mid Semester Exams: 40 Marks
6. End Semester Exams: 40Marks

## SUPPLEMENTARY ASSESSMENT

Students who receive an overall mark less than 40% in mid semester or end semester will be considered for supplementary assessment in the respective components (i.e mid semester or end semester) of semester concerned. Students must make themselves available during the supplementary examination period to take up the respective components (mid semester or end semester) and need to obtain the required minimum 40% marks to clear the concerned components.

### Practical Work Report/Laboratory Report:

A report on the practical work is due the subsequent week after completion of the class by each group.

### Late Work

Late assignments will not be accepted without supporting documentation. Late submission of the reports will result in a deduction of -% of the maximum mark per calendar day

### Format

All assignments must be presented in a neat, legible format with all information sources correctly referenced. **Assignment material handed in throughout the session that is not neat and legible will not be marked and will be returned to the student.**

### **Retention of Written Work**

Written assessment work will be retained by the Course coordinator/lecturer for two weeks after marking to be collected by the students.

### **University and Faculty Policies**

Students should make themselves aware of the University and/or Faculty Policies regarding plagiarism, special consideration, supplementary examinations and other educational issues and student matters.

**Plagiarism** - Plagiarism is not acceptable and may result in the imposition of severe penalties. Plagiarism is the use of another person's work, or idea, as if it is his or her own - if you have any doubts at all on what constitutes plagiarism, please consult your Course coordinator or lecturer. Plagiarism will be penalized severely.

***Do not copy the work of other students.***

***Do not share your work with other students (except where required for a group activity or assessment)***

**Course schedule(subject to change)**

**(Mention quiz, assignment submission, breaks etc as well in the table under the Teaching Learning Activity Column)**

<b>Week #</b>	<b>Topic &amp; contents</b>	<b>CO Addressed</b>	<b>Teaching Learning Activity (TLA)</b>
Weeks 1	Law of Demand, Determinants of demand, Movement and shift of demand	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)
Weeks 2	Law of Supply, determinants of supply, movement and shift along supply curve. Price determination and market equilibrium.	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)
Week 3	Price, income and cross.	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)
Week 4	Indifference curve of consumer behavior, Budget line,	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)
Week 5	Consumer preference theory, Price effect: Consumption effect and Substitution effect,	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)(Expert Session)



Week 6	Revealed preference theory, Price Consumption curve, Income consumption curve and Engel curve.	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)
Week 7	Production function and related concepts, Isoquants, Marginal rate of technical Substitution(MRTS)	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)
Week 8	Economic region of production, Optimal combination of resource, Law of variable proportions, Returns to scale.	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)
Week 9	Social and private cost of production, Long run and short run cost of production,	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)
Week 10	Long run average cost curve and its shape, Economics and Dis-economies of scale and Learning	CO1 , CO2, CO3, CO4, CO5 & CO6	
Week 11	MID SEM EXAM	-	-
Week 12	Perfect Competition: Assumptions, Equilibrium of firm and industry in short and long run. Long run supply curve of industry.	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)
Week 13	Monopoly: Short run and long run equilibrium of monopoly firm, Measurement of monopoly power and rule of	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)(Expert Session)

		thumb for pricing, Allocation efficiency and dead weight loss. Price discrimination.		
Week 14		Monopolistic Competition: Characteristics of monopolistic competition, price and output determination under short run and long run,	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)
Week 15		Oligopoly and Interdependence: meaning and characteristics of oligopoly.	CO1 , CO2, CO3, CO4, CO5 & CO6	Lecture (PPT)