

KAKATIYA UNIVERSITY - WARANGAL - TELANGANA

Under Graduate Courses (Under CBCS 2020 – 2021 onwards)

B.A. ECONOMICS I Year

SEMESTER – I

PAPER – I MICRO ECONOMICS

(Discipline Specific Course)

Theory: 5 Hours/Week; Credits: 5 Marks: 100 (Internal: 20; External: 80)

Module-I: Consumer Behaviour:

Cardinal Approach to Utility Analysis - 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 Indifference Curves' Analysis - Concepts of price - income and substitution effects.

Module-II Production Analysis

Concept of Production Function - Linear and homogeneous production function - Short run and long run production function – Law of Variable Proportions - Laws of Returns to Scale - 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 - Properties of Cobb-Douglas Production Function.

Module-III: Cost and Revenue Analysis

Cost concepts: Accounting, real, opportunity, explicit costs - 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: Analysis of Market Structure:

Concepts & Classification of Markets –Basic Features of Perfect Competition - Monopoly-Equilibrium of a monopolist – Concept of Price discrimination & degrees of price discrimination-Monopolistic competition – characteristics - concepts of product differentiation and selling cost - Equilibrium under Monopolistic competition – Oligopoly- characteristics of oligopoly – Price and output determination – Analysis of Kinked Demand Curve – Concept of Duopoly - Cournot's version of duopoly.

Module-V: Analysis of Business Firm and Profit

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

References:

1. M L Seth : Micro Economics
2. M L Jhinguan: : Micro Economics
3. H L Ahuja: : Modern Micro Economics
4. Koutsainies; : Modern Micro Economics
5. Stonier and Hague : Micro Economics
6. Salvatore : Micro economics
7. Schaum Series : Micro economics
8. Pyndick : Micro economics
9. Gregory Mankiw : Principles of Micro Economics