WORKPLAN 2025-26

Name of the Teacher: Ms. Komal

Course: GENERAL ELECTIVE

Semester: I

Paper: PRINCIPLES OF MICROECONOMICS (ECON025)

Learning Objectives of the Course

➢ This course discusses the basic principles in microeconomics and their applications.

➢ It focuses on the consumer's problem, demand estimation, production function, cost functions and market analysis.

➢ It illustrates how the concepts of microeconomics can be applied to analyze real-life economic situations

Learning Outcomes of the Course

➢ The students will learn some basic principles of microeconomics of consumer and producers, and interactions of supply and demand, characteristics of perfect competition, efficiency and welfare outcomes.

Total Credits: 4

Duration (per week): 4 hours (3 L + 1 T)

TOPICS	TENTATIVE SCHEDULE	TESTS/ ASSIGNMENTS/ REVISION/ PRESENTATIONS etc.
UNIT 1: INTRODUCTION		
Problem of scarcity and choice: scarcity, choice and opportunity cost; production possibility frontier; economic systems. Demand and supply: law of demand, determinants of demand, shifts of demand versus movements along a demand curve, market demand, law of supply, determinants of supply, shifts of supply versus movements along a supply curve, market supply, market equilibrium. Applications of demand and supply: price rationing, price floors, consumer surplus, producer surplus. Elasticity: price elasticity of demand, calculating elasticity, determinants of price elasticity, other elasticities	August	IA Test 1- 12 marks
UNIT 2: CONSUMER THEORY		

Budget constraint, concept of utility, diminishing marginal utility, Diamond-water paradox, income and substitution effects; consumer choice: indifference curves, derivation of demand curve from indifference curve and budget constraint Budget constraint, concept of utility, diminishing marginal utility, Diamond-water paradox, income and substitution effects; consumer choice: indifference curves, derivation of demand curve from indifference curve and budget constraint	September	CA assignment 1- 15 marks
UNIT 3: PROCDUCTION AND COSTS		
Production: behaviour of profit maximising firms, production process, production functions, law of variable proportions, choice of technology, isoquant and isocost lines, cost minimizing equilibrium condition	October	IA Test 2- 12 marks
Costs: costs in the short run, costs in the long run, revenue and profit maximization, minimizing losses, short run industry supply curve, economies and dis-economies of scale, long run adjustments	October	
UNIT 4: PERFECT COMPETITION		
Assumptions: theory of a firm under perfect competition, demand and revenue; equilibrium of the firm in the short run and long run; Long run industry supply curve: increasing, decreasing and constant cost industries. Welfare: allocative efficiency under perfect competition.	November	CA assignment 2 - 20 marks

Suggested Readings:
- Mankiw, N. G. (2018). Principles ofMicroeconomics 8th ed.
- Frank, R. H., & Cartwright, E. (2010). Microeconomics and behavior. New York: McGraw-Hill.
- Bernheim, B., Whinston, M. (2009). Microeconomics. Tata McGraw-Hill.