



Open Elective Course-1
BBA SEMESTER I
BBOE101:Micro Economics

Courseobjective:-The objective of the course is to familiarize the student with the basic concept of micro economics and to provide him/her with the knowledge of planning, scheduling and the related issues the business practices.

Syllabus & Detailed Contents

L	T	P	CR
3	0	0	3

Unit	Content	Hours/ Weightage
Unit1:	Introduction to Business Economics and Fundamental concepts: Nature, Scope, Definitions of Business Economics, Difference between Business Economics and Economics, Contribution and Application of Business Economics to Business. Micro vs. Macro Economics; Opportunity Costs, Time Value of Money, Marginalism, Incrementalism, Market Forces and Equilibrium, Risk, Return and Profits.	10/25%
Unit2:	Consumer Behavior and Demand Analysis: Cardinal Utility Approach: Diminishing Marginal Utility, Law of Equi-Marginal Utility. Ordinal Utility Approach: Indifference Curves, Marginal Rate of Substitution, Budget Line and Consumer Equilibrium. Theory of Demand, Law of Demand, Movement along vs. Shift in Demand Curve, Concept of Measurement of Elasticity of Demand, Factors Affecting Elasticity of Demand, Income Elasticity of Demand, Cross Elasticity of Demand, Advertising Elasticity of Demand.	10/25%
Unit3:	Theory of Production: Meaning and Concept of Production, Factors of Production and Production function, Fixed and Variable Factors, Law of Variable Proportion (Short Run Production Analysis), Law of Returns to a Scale (Long Run Production Analysis) through the use of ISOQUANTS.	10/25%
Unit4:	Cost Analysis & Price Output Decisions: Concept of Cost, Cost Function, Short Run Cost, Long Run Cost, Economies and Diseconomies of Scale, Explicit Cost and Implicit Cost, Private and Social Cost. Pricing Under Perfect Competition, Pricing Under Monopoly, Control of Monopoly, Price Discrimination, Pricing Under Monopolistic Competition, Pricing Under Oligopoly.	10/25%



Course Learning Outcomes (CLO)

Upon the completion of this course, the students will be able to:

1. Understand the fundamentals of microeconomics.
2. Understand different market structures and price determination in different market conditions.
3. Understand Production function, Law of Variable Proportion and Law of Returns to a Scale.
4. Apply the concepts of demand analysis.
5. Evaluate short run, long run, Implicit, Explicit cost.

SUGGESTED READINGS

Text Books

- 1) Samuelson, P & Nordhaus, W. (2009) Economics, 18th Edition, McGraw Hill Education.
- 2) Dwivedi, D.N(2008) Managerial Economics, 7th edition, Vikas Publishing House.

Reference Books

- 1) Kreps, D.(2009). Microeconomics for Managers, 1st edition, Viva Books Pvt. Ltd.
- 2) Peterson, L. and Jain (2006) Managerial Economics, 4th edition, Pearson Education.
- 3) Colander, D. C (2008) Economics, McGraw Hill Education.