

**B.COM SEMESTER I**

**Micro Economics**

**Paper Code: DSM 101**

**Total Credit: 3**

**Full Marks: 100**

**Internal Assessment: 30**

**Term End Examination: 70**

**Objective:** The objective of the paper is to acquaint the students with the basic principles of microeconomic theory and illustrate with applications.

**Outcome:** A student is expected to have a thorough understanding of the various concepts of micro economics and their application in business.

**Unit 1: Demand and Supply**

Concept and Law of Demand; Determinants of Demand; Types of Elasticity of Demand; Factors determining Elasticity, Measurement of Elasticity of Demand; Demand Forecasting: Types, Determinants, Methods and Usefulness. Concept and Law of Supply, Determinants of Supply, Concept & Measurement of Elasticity of Supply.

**Unit 2: Consumer Behaviour**

Cardinal vs. Ordinal Utility, Marshallian utility approach, Indifference Curve Approach, Consumer's equilibrium, Law of Substitution: Price, Income and Substitution Effect; Revealed Preference Analysis.

**Unit 3: Production and Cost**

Concept of Production function: Isoquant and Iso Cost, optimum factor combination, Law of Variable Proportion, Cobb Douglas Production Function, Internal & external economies & diseconomies.

Different concepts of cost, short run and long run cost curves, traditional and modern approaches.

**Unit 4: Pricing Analysis**

Perfect Competition: Features, equilibrium of firm and industry in the short run and long run, pricing under perfect competition.

Imperfect Competition: Features of Monopoly, Monopolistic competition and Oligopoly; Price and output determination under monopoly, monopolistic competition and oligopoly.

Pricing Policy and Pricing Methods.

## Syllabus for B.Com Course (as per NEP-2020) of Assam University

### **Unit 5: Factor Pricing**

Marginal Productivity theory of Distribution. Wages: Nominal and Real wages, collective bargaining, role of trade union.

Rent: Concept, Ricardian and Modern theory of rent, Quasi rent.

Interest: Concept and Classical, Loanable Fund and Keynesian theories of interest.

Profit: Nature, concept and theories (Risk and Uncertainty Bearing).

### **Suggested Readings:**

Amit Sachdeva, Micro Economics, Kusum Lata Publishers.

Gautam Purkayastha, Micro Economics, Kalyani Publishers.

H.L. Ahuja: Principles of Microeconomics, S Chand and Co. Ltd.

Koutsoyiannis, A: Modern Micro Economic Theory. Macmillan, New Delhi.

Maddala, G.S. and Miller Ellen, Microeconomic Theory and Application, Tata McGraw Hill.

Paul A. Samuelson, William D. Nordhaus, Micro economics, Mc Graw- Hill Education.

Richard G Lipsey: An Introduction to Positive Economy, ELBS Oxford.

Stigler G: The Theory of Price, Prentice Hall of India.