Course Information

B.A.I Economics (NEP)

Sem- I

Course Title: Micro Economics

Duration: 1 July 2025 to 15 October 2025 (60 periods scheduled Monday–Saturday,**)**

Total Periods: 60 (one period per day, Monday–Saturday)

Credit Hours: 4 (15 hours per unit × 4 units)

Teaching Methodology: Lectures, discussions, numerical examples, diagrams (e.g., indifference curves, demand-supply graphs), and assignments.

Course Objectives:

1. To introduce students to the foundational definitions, scope, and methodologies of microeconomics.
2. To enable students to analyse consumer behaviour and equilibrium using utility and indifference curve approaches.
3. To develop understanding of demand, supply dynamics, and elasticity concepts for market analysis.
4. To equip students with knowledge of production functions, cost structures, and revenue analysis for firm-level decision-making.

Learning Outcomes:

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

1. Define and critically compare various economic definitions and scopes proposed by economists like Adam Smith, Marshall, Robbins, and Mehta.
2. Apply cardinal and ordinal utility theories to determine consumer equilibrium and analyse income/substitution effects.
3. Calculate price, income, and cross elasticities of demand and supply, and interpret their implications for policy and business.
4. Explain short-run and long-run production laws, cost curves, and revenue concepts to evaluate firm profitability.

Detailed Teaching Plan:

The plan allocates 15 periods per unit, sequentially assigned to Monday–Saturday sessions from 1 July 2025. Each period is 1 hour. Topics are broken down with approximate period allocations for balanced coverage, including time for explanations, examples, and Q&A.

Subtopics and Period Allocation:

Unit I: Introduction to Economics Focus: Building foundational understanding of economics as a discipline.			
Period	**Month**	**Topic/Subtopic**	**Activities/Notes**
1–15	**July- 2025**	Definitions of Economics: Adam Smith, Marshall, Robbins & J.K. Mehta	Lecture on wealth vs. scarcity definitions; compare welfare and growth aspects; discussion on Robbins' rationality.
		Meaning, Nature, Scope: Adam Smith, Marshall, Robbins & J.K. Mehta	Explore classical vs. modern views; diagrams on scope; group activity to classify economic problems
		Concept, Importance of Partial and General Microeconomics; Concept, Merits, Demerits of Deductive and Inductive Methods	Differentiate micro vs. macro; examples from partial equilibrium; merits of methods; case studies; unit summary quiz.
Unit II: Theory of Consumer Behaviour **Focus:** Analysing how consumers make choices under constraints.			
Period	**Month**	**Topic/Subtopic**	**Activities/Notes**
16–30	**August- 2025**	Utility Analysis: Meaning, Features, Types, Relationship, Law of Diminishing Marginal Utility, Importance & Types	Introduction to cardinal utility; numerical examples on MU schedule; graph TU/MU curves; discuss assumptions.
		Ordinal Approach: Indifference Curve Analysis – Meaning, Properties; Consumer's Equilibrium, Income Effect & Substitution Effects	Draw ICs and budget lines; derive equilibrium; decompose effects with diagrams; numerical problems.

		Consumer's Surplus: Concept & Importance	Formula derivation; graphical representation; real-world applications (e.g., taxation); unit review.
Unit III: Theory of Demand & Supply. **Focus:** Understanding market forces and responsiveness.			
Period	**Month**	**Topic/Subtopic**	**Activities/Notes**
31–45	**September-2025**	Meaning of Demand, Determinants of Demand, The Law of Demand & Its Exceptions, Market Demand	Demand schedule/curve; exceptions (Giffen goods); aggregate vs. individual demand; examples. (Note: 10/08 Thu off if needed.)
		Elasticity of Demand – Meaning and Types; A. Price Elasticity of Demand: Meaning, Types, Methods	Total outlay method; arc/point elasticity formulas; numerical calculations; factors affecting.
		B. Income Elasticity of Demand: Meaning and Types; Meaning, Definition of Supply, Law of Supply, Meaning and Types	Superior/inferior goods; supply curve; elasticity basics; unit quiz.
Unit IV: Cost, Revenue Analysis & Production. **Focus**: Firm-level analysis for production and profitability.			
Period	**Month**	**Topic/Subtopic**	**Activities/Notes**
46–60	**Octamer - 2025**	Production Function: Short Term & Long Term Law of Returns; The Law of Variable Proportions	Isoquants for long run; stages of production; MP/AP relationships; graphs and numerical.
		Cost Concepts: Fixed, Variable, Total, Average, Marginal, Economic & Accounting; Opportunity and Short Run & Long Run Costs Curves	Cost schedules/curves; U-shaped AC/MC; opportunity cost examples.
		Revenue Concept: Total Revenue &	TR/AR/MR curves under perfect competition; elasticity-revenue link; course review and mock exam.

		Marginal Revenue & Average Revenue	