



**SARDAR PATEL UNIVERSITY**  
**Vallabh Vidyanagar, Gujarat**  
**(Reaccredited with 'A' Grade by NAAC (CGPA 3.25)**  
**Syllabus with effect from the Academic Year 2021-2022**

(BCom) (Business Studies)  
(BCOM) (Programme Name) Semester (I)

|                             |            |                     |  |
|-----------------------------|------------|---------------------|--|
| Course Code                 | UB01GCOM71 | Title of the Course | Economics-I<br>Principles of Micro Economics |
| Total Credits of the Course | 03         | Hours per Week      | 03   |

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| Course Objectives: | 1. The course intends to expose the student to the basic principles in Microeconomics theory and illustrate with applications. |
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| Course Content |   |                |
|----------------|---|----------------|
| Unit           | Description   | Weightage* (%) |
| 1.             | <b>Introduction:</b> <ul style="list-style-type: none"><li>◆ Robbins' and Samuelson's definition of Economics</li><li>◆ Nature, Scope and Significance of economics</li><li>◆ Basic problems of economics</li><li>◆ Basic Concept: Goods, Utility, Price &amp; Value, Wealth &amp; Welfare, Consumer's Surplus</li></ul>  | 25%            |
| 2.             | <b>The Methodology and Mathematical tools of economics:</b> <ul style="list-style-type: none"><li>◆ Nature of scientific hypothesis</li><li>◆ Methods of economic analysis: Inductive and Deductive method</li><li>◆ Mathematic tools of economic analysis-Functional &amp; Graph</li><li>◆ Nature of economic laws and Generalization</li><li>▪ Role of assumptions.</li></ul>         | 25%            |
| 3.             | <b>Product Pricing</b> <ul style="list-style-type: none"><li>◆ Demand-Meaning, Factors affecting demand, Law of demand, Shift and change in demand</li><li>◆ Supply- Meaning, Factors affecting supply, Law of supply, shift and change in supply</li><li>◆ Equilibrium price- determination of equilibrium price, effect of change in demand and supply on equilibrium price</li></ul> | 25%            |
| 4.             | <b>Indifference curve</b> <ul style="list-style-type: none"><li>◆ Indifference curve-meaning, properties</li><li>◆ Marginal rate of substitution</li><li>◆ Budget line- meaning, shift in budget line and change in slope of budget line</li><li>◆ Concept of budget space</li><li>◆ Consumer's equilibrium</li><li>▪ Income effect, Price effect, and Substitution effect</li></ul>    | 25%            |



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| Teaching-Learning Methodology | These are teacher-centred methods, learner-centred methods, content-focused methods and interactive/participative methods. |
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| Evaluation Pattern |  |           |
|--------------------|--|-----------|
| Sr. No.            | Details of the Evaluation  | Weightage |
| 1.                 | Internal Written / Practical Examination (As per CBCS R.6.8.3)   | 15%       |
| 2.                 | Internal Continuous Assessment in the form of Practical, Viva-voce, Quizzes, Seminars, Assignments, Attendance (As per CBCS R.6.8.3) | 15%       |
| 3.                 | University Examination   | 70%       |

| Course Outcomes: Having completed this course, the learner will be able to |  |
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| 1.   | <ul style="list-style-type: none"> <li>• Explain what economics is and explain why it is important</li> <li>• Student can understand the study area of economics and what are the problems that economics has to solve</li> <li>• Understand basic concepts and its meaning in economics</li> </ul>  |
| 2.   | <ul style="list-style-type: none"> <li>• define and explain the basic concepts and hypothesis in Microeconomic Theory and their relations</li> <li>• explain the fundamental hypothesis in Microeconomic Theory</li> <li>• carry out microeconomic analysis based on fundamental hypothesis,</li> <li>• explain any topic with the help of graphs</li> <li>• interpret any given graph and drive conclusions</li> <li>• Explain how economists use economic models</li> <li>• Use mathematics in common economic applications</li> <li>• Use graphs in common economic applications</li> </ul> |
| 3.   | <ul style="list-style-type: none"> <li>• Explain pricing and price determination</li> <li>• Explain the determinants of demand</li> <li>• Explain the determinants of supply</li> <li>• Explain and graphically illustrate market equilibrium, surplus and shortage.</li> <li>• Explain the income, price and substitution effect bring change in demand.</li> </ul>   |



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| 4.  | <ul style="list-style-type: none"> <li>Define the concept of utility and satisfaction</li> <li>Differentiate between marginal utility and total utility</li> <li>Describe and calculate the concept of marginal utility</li> <li>Explain how consumers maximize total utility within a given income using the Utility Maximizing Rule</li> <li>Explain how consumer's utility changes when income or prices change</li> <li>Describe the behavioral economics approach to understanding decision making</li> </ul> |
| ... |  |

Suggested References:

| Sr. No. | References                             |
|---------|--|
| 1.      | Advanced Economic Theory- Dr.H.L AHUJA |
| 2.      | Economic Theory- Stonier Hague         |
| 3       | Advanced Micro Economics- M L Jhingan  |

On-line resources to be used if available as reference material

On-line Resources:

[www.investopedia.com](http://www.investopedia.com).> Economy>Economics

[www.econlib.org](http://www.econlib.org)

[www.wikipedia.org](http://www.wikipedia.org)>wiki>Mathematical\_economics

[Indifference curves and marginal rate of substitution \(Video\)](#)

[Types of indifference curves \(Video\)](#)

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