



ARSD College, University of Delhi

Lesson Plan

Course Name : GE 11						
Semester	Course Code	Course Title	Lecture (L)	Tutorial (T)	Practical (P)	Credit (C)
I	ECON025	Principles of Microeconomics	3	1	0	4
Teacher/Instructor(s)		MS. SWARAN LATA MEENA				
Session		2022-23				

Course Objective

This course discusses the basic principles in microeconomic and their applications. It includes consumer's problem, demand estimation, production function, cost function and market analysis. It illustrates how concepts of microeconomics can be applied to analyze real-life economic situations.

Course Learning Outcomes

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

Lesson Plan:

Unit No.	Learning Objective	Lecture No.	Topics to be covered
Unit-1: Introduction	Developing the understanding of scarcity and choice, and functioning of markets	1-12	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
Unit-2: Consumer Theory	Understanding the Consumer's decision making process logically	13-21	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.
Unit 3:	Understanding firm's output	22-33	Production: behaviour of profit maximising firms,

Production & Cost	decision and cost		production process, production functions, law of variable proportions, choice of technology, isoquant and isocost lines, cost minimizing equilibrium condition 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.
Unit 4: Perfect Competition	Understanding the competitive markets	34-42	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.

Evaluation Scheme:

No.	Component	Duration	Marks
1.	Internal Assessment		25
	• Class Test-1 (10 marks)		
	• Class Test-2/Presentation (10 marks)		
	• Attendance (5 marks)		
2.	End Semester Examination	3 Hrs.	75

Details of the Course		
Unit	Contents	Contact Hours
Unit 1	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	12
Unit 2	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.	09
Unit 3	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 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.	12

Unit 4	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.	09
	Total	42
Recommended Readings		
S. No.	Name of Authors/Books/Publishers	Year of Publication/Reprint
1.	<i>Mankiw, N.G. (2018). Principles of Microeconomics 8th ed. Cengage Learning.</i>	2018
2.	<i>Bernheim, B., Whinston, M. (2009). Microeconomics. Tata McGraw-Hill</i>	2009
Mode of Evaluation:	<i>Internal Assessment / End Semester Exam</i>	