CONTENTS

UNIT-I: DEMAND AND CONSUMER BEHAVIOUR

1. DEMANDANALYSIS

Meaning of Demand; Demand Functions; Types of Demand; Demand Curve and Nature of Curve; The Market Demand Schedule and Curves; The Law of Demand; Law of Income Demand; Law of Cross Demand; Determinants of Demand; Importance of Demand in Business; Exercises.

2. THE CONCEPTS OF REVENUE

Total, Average and Marginal Revenue; Relation Between *AR* and *MR* Curves Under Different Market Conditions; Importance of Revenue Curves in Business; Exercises.

3. THE ELASTICITY OF DEMAND

Introduction; Price Elasticity of Demand; Cross Elasticity of Demand; Income Elasticity Of Demand; Advertising or Promotional Elasticity of Demand; Importance of Elasticity of Demand in Business Decisions; Application of Elasticity in Business Decisions; Exercises.

4. THE INDIFFERENCE CURVES ANALYSIS OF CONSUMER BEHAVIOUR

Introduction; Meaning of Indifference Curve; Law of Diminishing Marginal Rate of Substitution (DMRS); Properties of Indifference Curves; Price-Income Line or Budget Line; Consumer's Equilibrium; The Income effect : Income Consumption Curve; Income Consumption Curve and Engel Curve; The Substitution Effect; The Price Effect : Price Consumption Curve; Separation of Substitution and Income Effects From The Price Effect; To Derive Demand Curve from Price-Consumption Curve; Usefulness of Indifference Curve Analysis in Business; Criticisms of Indifference Curve Analysis; Exercises.

UNIT-II : PRODUCTION AND COST

5. **PRODUCTION FUNCTION**

Introduction; The Production Function; Uses of Production Function in Business; The Law of Variable Proportions or Diminishing Returns; Exercises.

6. **PRODUCTION ISOQUANTS**

Meaning; Isoquants Vs. Indifference Curves; The Principle of Marginal Rate of Technical Substitution (MRTS); The Ridge Lines : The Economic Region of Production; Isocost Curves and Expansion Path; The Law of Variable Proportions: Production Function with one Variable Input; The Laws of Returns to Scale; Relation Between Returns to Scale and Returns to a Factor; Producer's equilibrium or Optimal Combination of Resources; Exercises.

7. COST OF PRODUCTION

Introduction; Cost concepts; Social and Private Costs of Production; The Cost Function; Short-Run and Long-run Costs of Production; Exercises.

8. MARKETANALYSIS

Introduction; Meaning of Market; Features of Market; Types of Markets and Their Characteristics; Exercises.

UNIT-III : PERFECT COMPETITION

9. EQUILIBRIUM OF THE FIRM AND INDUSTRY UNDER PERFECT COMPETITION

Meaning of Perfect Competition; Assumptions of Perfect Competition; Meaning of Firm and Industry; Equilibrium of the Firm; Equilibrium of the Industry under Perfect Competition; Exercises.

10. THE LONG-RUN SUPPLY CURVE OF THE INDUSTRY AND PRODUCER EQUILIBRIUM UNDER PERFECT COMPETITION The Long-run Supply Curve; Measuring Producer Surplus Under Perfect Competition; Exercises.

UNIT-IV : MONOPOLY

11. MONOPOLYPRICING

Meaning of monopoly; Sources And types Of Monopoly; Monopoly equilibrium in short-run and long-run; Comparison between Monopoly And Perfect Competition; Shifts in Demand Curve and the Absence of Supply Curve in Monopoly; Monopoly Power and Its Measurement; The Rule of Thumb for Pricing; Exercises.

12. INTEGRATION: HORIZONTAL AND VERTICAL

Meaning of Integration; Motives for Integration; Types of Integration; Horizontal Integration; Motives for Horizontal Integration; Vertical Integration; Motives for Vertical Integration; Exercises.

UNIT-V : IMPERFECT COMPETITION

13. PRICING UNDER MONOPOLISTIC COMPETITION

Meaning; Price Determination of a firm Under Monopolistic competition; Monopolistic Competition and Economic Efficiency; Differences Between Perfect Competition And Monopolistic Competition; Differences Between Monopoly and Monopolistic Competition; Exercises.

14. PRICINGUNDER OLIGOPOLY

Meaning; Oligopoly and Interdependence; The Barometric Price Leadership Model; The Cournot Model; The cournot Model in Terms of Reaction Curves; Exercises.