

CONTENTS

Preface

UNIT - I

Chapter-1

Definition, Nature and Scope of Economics

Introduction

Wealth and Welfare Definitions

Scarcity Definition of Robbins

Growth-Oriented Definition

Scope of Economics

Relevance of Economics in Business Management

Exercises

Chapter-2

Utility Analysis

Introduction

The Theory of Diminishing Marginal Utility

The Equi-Marginal Utility Analysis Or Consumer's Equilibrium under Utility Analysis

Defects of Utility Analysis

Exercises

UNIT - II

Chapter-3

Demand Theory

Meaning of Demand

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
Exercises

Chapter-4

The Elasticity of Demand

Types of Elasticity of Demand
Price Elasticity of Demand
Factors Affecting Price Elasticity of Demand
Cross Elasticity of Demand
Importance of Cross Elasticity in Management
Income Elasticity Of Demand
Advertising or Promotional Elasticity of Demand
Importance of Elasticity of Demand in Management
Exercises

Chapter-5

The Indifference Curves Analysis

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
The Substitution Effect
The Price Effect
Separation of Substitution and Income Effects From The Price Effect
To Derive Demand Curve from Price-Consumption Curve
Superiority of Indifference Curve Technique Over Utility Analysis
Exercises

Chapter-6

The Concept of Consumer's Surplus

Statement of The Concept
Consumer's Surplus In Terms of Indifference Curve Analysis : Hicks' Formulation
Criticisms of Consumer's Surplus
Practical Usefulness of the Concept
Exercises

UNIT - III

Chapter-7

Production Function and Laws of Production

Introduction

The Production Function

Managerial Uses of Production Function

The Law of Variable Proportions or Diminishing Returns

The Law of Returns to Scale

Internal and External Economies and Diseconomies

Exercises

Chapter-8

The Equal-Product Analysis

Equal-Product curves

Equal Product curves Vs. Indifference Curves

The Principle of Marginal Rate of Technical Substitution

The Ridge Lines

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

Exercises

UNIT - IV

Chapter-9

Market Analysis

Introduction

Meaning of Market

Features of Market

Nature of Market or Market Structure

Types of Markets and Their Characteristics

Exercises

Chapter-10

Cost Theory

Introduction

Cost Concepts

The Cost Function
Cost-Output Relation
Exercises

Chapter-11

The Concept of Revenue

Total, Average and Marginal Revenue
Relation Between AR and MR Curves Under Different Market Conditions
Importance of Revenue Curves
Exercises

Chapter-12

Supply-Its Laws, Curves and Elasticity

Introduction
Supply
The Law of Supply
The Elasticity of Supply
Exercises

Chapter-13

Pricing Under Perfect Competition

Perfectly Competitive Market Equilibrium
Importance of Time Element in Price Theory
Exercises

Chapter-14

Equilibrium of the Firm and Industry under Perfect Competition

Meaning of Firm and Industry
Equilibrium of the Firm
Equilibrium of the Industry under Perfect Competition
Exercises

Chapter-15

Monopoly Pricing

Meaning
Sources And types Of Monopoly
Comparison between Monopoly And Perfect Competition
Exercises

Chapter-16

Price Discrimination under Monopoly

Meaning

Types of Price Discrimination

Conditions for Price Discrimination

Price Discrimination

Exercises

Chapter-17

Pricing Under Monopolistic Competition

Meaning

Price Determination of a Firm Under Monopolistic Competition

Selling Costs

Differences Between Perfect Competition And Monopolistic Competition

Differences Between Monopoly and Monopolistic Competition

Exercises

Chapter-18

Pricing Under Oligopoly

Meaning

Price Determination under Oligopoly

Exercises

UNIT - V

Chapter-19

Theories of Factor Pricing

Introduction

Personal Distribution and Functional Distribution

Factor Pricing Vs. Product pricing

Concepts of Factor Productivity and Factor Cost

The Marginal Productivity Theory of Distribution

Factor Pricing under Perfect Competition: Modern Theory

Factor Pricing Under Imperfect Competition

Exercises

Chapter-20

Theories of Rent

Meaning

The Ricardian Theory of Rent

The Modern Theory of Rent
Superiority of Modern Theory Over Ricardian Theory of Rent
Rent And Price
Quasi-rent
Exercises

Chapter-21

Theories of Wages

Meaning
Money Wages and Real Wages
The Modern Theory of Wages : Perfect Labour Market
Wage Determination under Imperfect Labour market
Collective Bargaining and Wages
Exercises

Chapter-22

Theories of Interest

Meaning
Gross and Pure or Net Interest
Variations In Interest Rates
The Classical Theory of Interest
The Neo-Classical or Loanable Funds Theory of Interest
Keynes' Liquidity Preference Theory of Interest
Exercises

Chapter-23

Theories of Profit

Gross Profit and Net Profit
Nature of Profit
Theories of Profit
Surplus and Normal Profits
Exercises

Chapter-24

The Concept of Profit Maximisation

Profit Maximisation
Exercise