

University of Mumbai



No. UG/ 109 of 2019-20

CIRCULAR:-

Attention of the Principals of the Affiliated Colleges, Directors of the recognized Institutions in Science & Technology Faculty is invited to this office Circular No. UG/191 of 2016-17 dated 03rd December, 2016 relating to the revised syllabus as per the (CBCS) for S.Y.B.A. (Sem. III & IV) F.Y.B. Sc. (Sem. I & II) Degree Programmes in Microeconomics (Sem. I & II).

They are hereby informed that the recommendations made by the Board of Studies in Economics at its meeting held on 07th June, 2019 have been accepted by the Academic Council at its meeting held on 26th July, 2019 **vide** item No.4.23 and **vide** item No.4.24 that in accordance therewith, the revised syllabus as per the (CBCS) for the F.Y. B.Sc. (Sem. I) Paper II Micro Economics – II and F.Y. B.Sc. (Sem. I) Paper I Micro Economics – I has been brought into force with effect from the academic year 2019-20, accordingly. (The same is available on the University's website www.mu.ac.in).

MUMBAI – 400 032
13th September, 2019

(Signature)
(Dr. Ajay Deshmukh)
REGISTRAR

To

The Principals of the affiliated Colleges, and Directors of the recognized Institutions in Science & Technology Faculty. (Circular No. UG/334 of 2017-18 dated 9th January, 2018.)

A.C/4.23 & 4.24/26/07/2019

No. UG/ 109 -A of 2019-20

MUMBAI-400 032

13th September, 2019

Copy forwarded with Compliments for information to:-

- 1) The I/c Dean, Faculty of Science & Technology,
- 2) The Chairman, Board of Studies in Economics,
- 3) The Director, Board of Examinations and Evaluation,
- 4) The Professor-cum-Director, Institute of Distance and Open Learning (IDOL),
- 5) The Director, Board of Students Development,
- 6) The Co-ordinator, University Computerization Centre,

(Signature)
(Dr. Ajay Deshmukh)
REGISTRAR

UNIVERSITY OF MUMBAI



Revised Syllabus for the F.Y.B.Sc. (Sem I) Paper I

Microeconomics – I

Course: Economics

(As Per Choice Based Credit System with effect from the academic
year 2019-20)

Subject: Economics
Microeconomics – I

F. Y. B. Sc. Semester – I Paper I
(Academic Year: 2019 - 20)

Preamble: This course is designed to expose the students to the basic principles of microeconomic theory. The emphasis will be on the development of analytical thinking with the help of statistical tools among the students and develop the skill of application of microeconomics concepts to analyze the real life situations.

Module - I: Introduction to Microeconomics **(12 Lectures)**

Microeconomics: Meaning, Scope, Nature, Importance and Limitations; Basic Economic Problems; Role of Price Mechanism in a Market Economy; Positive Economics and Normative Economics; Concepts of Equation, Functions, Graphs, Diagrams, Line, Slope and Intercept

Module - II: Ten Principles of Economics **(12 Lectures)**

Trade-Off Faced by the Individuals; Significance of Opportunity Cost in Decision Making; Thinking at the Margin; Responses to incentives; Benefits from Exchange; Organization of Economic Activities through Markets and its Benefits; Role of Government in improving Market Outcomes; Dependence of Standard of Living on Production; Growth in Quantity of Money; Inflation and Unemployment Trade Off

Module - III: Markets, Demand and Supply **(12 Lectures)**

What is a Market; What is Competition; Demand Curves: Market Demand versus Individual Demand, Movements along the Demand Curve, Shifts in the Demand Curve; Supply Curves: Market Supply and Individual Supply, Shifts in Supply Curve; Market Equilibrium - Three Steps to Analyze Changes in Equilibrium; Price Elasticity of Demand, Methods of Measuring Price Elasticity of Demand – Total Outlay Method, Percentage Method and Point Method; Concepts of Income Elasticity of Demand, Cross Elasticity of Demand and Promotional Elasticity of Demand

Module IV: Consumer's Behavior **(12 Lectures)**

Introduction to Cardinal and Ordinal Approaches; Indifference Curve Analysis - Properties of Indifference Curves, Budget Line, and Consumer's Equilibrium; Income, Price and Substitution Effect; Derivation of Demand Curve; Consumer's Surplus: Strong Ordering and Weak Ordering

Reference

1.N.Gregory Mankiw, (2015), "Principles of Microeconomics" 7th edition- Cengage Learning.

2. Sen Anindya, (2007), "Microeconomics Theory and Applications" Oxford University press, New Delhi.
3. Salvator D, (2003) "Microeconomics Theory and Applications" Oxford University press, New Delhi.
4. M.L.Jhingan, (2006) "Microeconomics Theory", 5th edition Vrinda Publication (P) Ltd.
5. H.L.Ahuja, (2016) "Advance Economics Theory" S.Chand & Company Ltd.
6. Paul Samuelson and W. Nordhaus, (2009): Economics, 19th Edition McGrawHill Publications.

UNIVERSITY OF MUMBAI



Revised Syllabus for the F.Y.B.Sc. (Sem I) Paper II

Microeconomics – II

Course: Economics

(As Per Choice Based Credit System with effect from the
academic year 2019-20)

Subject: Economics
Microeconomics - II

F. Y. B. Sc. Semester – I Paper II
(Academic Year: 2019 - 20)

Preamble:

As a logical sequence to Microeconomics Paper I, this paper is aimed at giving supply side knowledge of Economics to the learner which will enhance their knowledge about aspects of production, cost and revenue analysis, theories of distribution and understanding about the market structure.

Module I: Production Analysis **(12 Lectures)**

Production Function: Concept And Types; Concepts of Total, Average and Marginal Product; Law of Variable Proportion and Returns to Scale, Isoquant and Producer's Equilibrium

Module II: Cost & Revenue Analysis **(12 lectures)**

Concepts of Costs: Money and Real Cost, Social Cost, Private Cost, Explicit and Implicit Cost, Opportunity Cost; Relationship between Average, Marginal and Total Cost; Derivation of Short Run and Long Run Cost Curves; Concepts of Revenue: Types and Interrelationship

Module III: Factor Pricing **(12 lectures)**

Marginal Productivity Theory of Distribution; Rent: Ricardian Theory of Rent, Modern Theory of Rent, Quasi Rent; Wages: Modern Theory of Wages; Collective Bargaining; Supply Curve of Labour; Interest: Classical Theory of Interest, Loanable Funds Theory of Interest; Profit: Risk and Uncertainty Theory, Innovation Theory

Module IV: Equilibrium in Different Market Structure **(12 Lectures)**

Concept Of Equilibrium: TR - TC And MR - MC Approach; Features of Perfect Competition; Monopoly and Monopolistic Competition, Short Run and Long Run Equilibrium of Firm and Industry under each Market Condition; Selling Cost and Wastages under Monopolistic Competition

Note: we may include case studies and numerical examples for modules 1, 2 and 4 from examination point of view.

Reference

1. A. Koutsoyannis, (2015), Modern Microeconomics, 2nd edition, Palgrave Macmillan.
2. Paul Samuelson and W. Nordhaus, (2009), Economics, 19th edition: Economics, McGrawHill Publications.
3. Mankiw M.G (2015), Principles of Micro economics 7th edition - Cengage Learning.
4. Anindya Sen, (2006), Microeconomics, OUP India Publisher.
5. M.L.Jhingan, (2006), “Microeconomics Theory”, 5th edition, Vrinda Publication (P) Ltd.
6. H.L.Ahuja, (2016), “Advance Economics Theory” S.Chand & Company Ltd.