**ANDHRA PRADESH STATE COUNCIL OF HIGHER EDUCATION**

**with effect from Academic Year 2023-24**

**MINOR**

**ECONOMICS**

**SEMESTER – II**

**1. MICROECONOMICS**

**Unit–1: Introduction to Economics**

1. Economic Activities and Economic System; Definition, Scope and Importance of

Economics

1. Fundamental problems of economics: Scarcity and Choice, Production Possibilities

Curve

1. Meaning and Scope of Microeconomics; Differences between Micro and Macro

Economics

1. Principles of Microeconomics: Equilibrium, Optimization, Welfare ; Methodology in

Economics : Positive and Normative

**Unit -2: Demand and Consumption**

1. Demand: Meaning, Types and Factors; Law of Demand
2. Elasticity of Demand: Meaning, Price, Income and Cross Elasticities
3. Utility: Meaning, Types, Importance; Marginal Rate of Substitution (MRS), DMRS
4. Indifference Curves (IC): Concept, Properties; Budget Line; Consumer Equilibrium

under IC

**Unit -3: Production and Supply**

1. Firm: Concept and Objectives; Production and Factors of Production; Concepts of
2. Production, Cost and Revenue: Total, Average, Marginal
3. Production Function: Meaning and Types; Cobb- Douglas Production Function
4. Law of Variable Proportions; Laws of Returns to Scale
5. Supply: Meaning, Factors, Law of Supply, Elasticity of Supply

**Unit-4: Markets**

1. Market: Concept and Classification; Perfect Competition: Characteristics, Equilibrium of

Firm and Industry

1. Monopoly: Characteristics, Equilibrium, Price Discrimination
2. Monopolistic Competition: Characteristics, Equilibrium, Selling Costs
3. Oligopoly: Characteristics, Types, Kinked Demand Curve Model

**Unit - 5: Distribution**

1. Distribution: Meaning, types and importance
2. Rent: Ricardian Theory of Rent, Marshallian Quasi Rent
3. Theories of Wage: Subsistence Theory, Modern Theory
4. Theories of Interest: Classical Theory, Loanable Funds Theory
5. Theories of Profit: Risk and Uncertainty Theory, Innovations Theory