

Approved Syllabus for PG Entrance in Economics for the session 2023 & onwards

Note: The syllabus prescribed for the entrance test has been devised into fifteen (15) units. Each unit carries a weightage of four (04) marks. Paper setters are requested to set (04) Multiple Choice Questions (MCQ's) from the unit keeping in line with the references provided with this syllabus.

Unit-I: Introduction to Microeconomics

Problems of scarcity and choice: scarcity, choice and opportunity cost; production possibility frontier; economic system. demand and supply: law of demand, determinants of demand, shift of demand curve versus movements along a demand curve, market demand, law of supply, determinants of supply, shift of supply curve versus movements along a supply curve, market supply, and market equilibrium. Applications of demand and supply: consumer surplus, producer surplus. Elasticity of demand: price, income and cross, degree of elasticity, determinants of price elasticity.

Unit-II: Consumer Theory

Utility- concept, diminishing marginal utility, consumer choice: indifference curves, properties. Budget constraint, consumer's equilibrium, derivation of demand curve from indifference curve and budget constraint.

Unit-III: Production and Costs

Production functions- properties; law of variable proportions, returns to scale, isoquant and iso-cost lines, cost minimizing equilibrium condition – single product firm.
Costs: costs in the short run, costs in the long run, revenue-concept and relation, revenue and profit maximization, minimizing losses, economies and diseconomies of scale.

Unit-IV: Market Structure

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.

Unit-V: Imperfect Competition

Market Structure-concept of imperfect competition; monopoly-characteristics; short run and long run price and output decisions of a monopoly firm; concept of a supply curve under monopoly; comparison of perfect competition and monopoly; types of monopoly; economic and social cost of monopoly; price discrimination-concept. Monopolistic competition: characteristics; short run and long run price and output determinations under monopolistic competition. Oligopoly: concept and characteristics of oligopolistic markets; oligopoly models: Cournot, Chamberlin and Kinked demand curve.

