

Managerial Economics

Course Code	21BA1T2	Year	I	Semester	I
Course Category	Core	Branch	Business Administration	Course Type	Theory
Credits	4	L-T-P	4-0-0	Prerequisites	Nil
Continuous Internal Evaluation	30	Semester End Evaluation	70	Total Marks	100

Course Outcomes

Upon successful completion of the course, the student will be able to:

CO1	Understand the micro economic concepts include economic principles, role of managerial economist that is useful in business decision making.	L2
CO2	Apply the various business situations with the help of theory of demand, production concepts and various economic concepts.	L3
CO3	Analyze the application of modern principles and methods of microeconomics to real-world business problems in different contexts like production, cost analysis as well as theories of profit.	L4
CO4	Analyze the pricing strategies that result from different market situations and understand how and why firms come to be price takers, price makers or price shapers in the business world.	L4
CO5	Articulate the macroeconomic concepts, role and consequences of government policy in a market economy.	L3

Contribution of Course Outcomes towards achievement of Program Outcomes & Strength of correlations (3-High, 2-Medium, 1-Low)

	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9	PO10	PO11	PSO1	PSO2
CO1	3	3	3	-	-	-	-	-	-	-	-	3	3
CO2	3	3	3	-	-	-	-	-	-	-	-	3	3
CO3	3	3	3	-	-	-	-	-	-	-	-	3	3
CO4	3	3	3	-	-	-	-	-	-	-	-	3	3
CO5	3	3	3	-	-	-	-	-	-	-	-	3	3

SYLLABUS

Unit No.	Contents	Mapped CO
I	Introduction to Managerial Economics: Definition- Nature and Scope- Relationship with other areas in Economics; Basic economic principles – Concept of opportunity cost- Incremental concept- Scarcity- Marginalism, Equi - Marginalism - Time perspective – Discounting principle - Risk and uncertainty, the role of managerial economist and Managerial decision making	CO1 CO2
II	Theory of Demand: Demand analysis, Demand determinants - Elasticity of demand – Types and significance of elasticity of demand – Measurement of price elasticity of demand - Need for demand forecasting - Forecasting techniques; Supply analysis – Supply function, the law of supply, Elasticity	CO1 CO2 CO3

	of supply.	
III	Production & Cost Analysis: Production function- Marginal Rate of Technical Substitution - Production functions with one/two variables - Law Returns to Scale- Cobb Douglas Production Function and Returns to Factors. Cost concepts – cost output relationship in the short run and long run – Saucer shaped short-run Average cost curves–Average total cost curve.	CO1 CO3
IV	Market Structure and Pricing practices: Features and Types of different Markets – Price output determination in Perfect competition, Monopoly, Monopolistic competition and oligopoly both in the long run and short run; Pricing methods in practice.	CO3 CO4
V	Profit Management & Macro Economic Variables: Profit - Nature and Scope - Theories of profit including modern theory - Macro economic variables - National income Measurement policies – Economic Indicators - Business cycles.	CO3 CO4 CO5
Case Study Compulsory. Relevant cases have to be discussed in each unit.		

Learning Resources

Text Books:

1. Ahuja H.L.: “Managerial Economics”, S Chand & Company Limited, New Delhi, 2017.
2. Varshney R.L. and Maheswari, K L: “Managerial Economics”, Sultan Chand and Sons, New Delhi, 2014.
3. Justin Paul, Leena Kaushal, Sebastian VJ,” Managerial Economics”, Cengage Learning, New Delhi, 2012.
4. Siddiqui S. A., Siddiqui A S: “Managerial Economics and Financial Analysis”, New Age International Publishers, New Delhi, 2013.

Reference Books:

1. Mehta, P.L., Managerial Economics Analysis, Problems, Cases, Sultan Chand and Sons, New Delhi, 2016.
2. Stephen P. Robbins and Mary Coulter, 'Management', Prentice Hall of India, 2018.
3. Charles W L Hill, Steven L McShane, 'Principles of Management', Mcgraw Hill Education, Special Indian Edition.
4. Petersen, Lewis and Jain: Managerial Economics, Pearson/PHI
5. Dominic Salvatore, Managerial Economics, Thomson
6. Keat, Managerial Economics: Economic Tools for Today’s Decision Makers, Pearson Education, 2007
7. Froeb: Managerial Economics - A Problem Solving Approach, Thomson, 2007.
8. James L. Pappas and Engene F. Brigham: Managerial Economics, Pearson Education, New Delhi, 2006.

e- Resources & other digital material:

1. <https://nptel.ac.in/courses/110/101/110101005/>