

23 AN 106: MANAGERIAL ECONOMICS

Course Code	23 AN 106	Course Delivery Method	Classroom / Blended Mode
Credits	4	CIA Marks	30
No. of Lecture Hours / Week	5	Semester End Exam Marks	70
Total Number of Lecture Hours	75	Total Marks	100
Course Focus	Employability	Entrepreneurship	Skill Development.

COURSE OUTCOMES: By the end of this course, student will be able to

- CO-1 Understand various managerial economic concepts related to Demand, Production, Cost, Market, Profit etc.
- CO-2 Understand various macroeconomic concepts related economic fundamentals, Inflation, trade cycles.
- CO-3 Estimate the demand, Output, production costs, profit.
- CO-4 Analyze price-output decisions in different markets.
- CO-5 Apply the knowledge of the phase's trade cycle to understand different economies.

COURSE CONTENT

UNIT-I: Managerial Economics: Definition, Nature, Scope; Concepts of Managerial economics; Functions and Responsibilities of a Managerial Economist; Market Demand, Determinants, Law of Demand and its exceptions, Theory of Demand, Indifference Curves; Elasticity of Demand, Types of Elasticity of Demand and their Managerial Uses; Demand Forecasting, Methods of Forecasting for Existing and New Product. **(15 Hours)**

UNIT-II: Firm Theory & Production Analysis: Economic Theory of Firm, Profit maximization, Managerial theories: Baumol's Model, Behavioural theories, Production Function, Law of production, Law of Variable Proportions, Iso - quants and Iso-costs, Least Cost Factor Combination, Law of Returns to Scale, Economies and Diseconomies of Scale, Law of supply - determinants. **(15 Hours)**

UNIT- III: Cost, Profit & Market Structures: Cost Concepts, Short-run and Long-run Cost Curves, Determinants of Short-Term & Long Term Profits, Measurement of Profit Break Even Analysis; *Demand and Supply*: Market Equilibrium, Market Structures, Concept of Price, Pricing and Output Determination under Perfect Competition, Monopolistic Competition and Monopoly. **(15 Hours)**

UNIT-IV: Recent changes in Indian Economy: Macro Economic Aggregates and

Concepts, National Income, GDP, GNP, NNP, WPI, CPI; **Types of Inflation:** Demand Pull and Cost Push Inflation, Philips curve, Stagflation, Measurement of Inflation, Economics of Risk & Finance, Monetary Policy & Fiscal Policy. **(15 Hours)**

UNIT-V: Trade Cycles: Phases, Theories, and Corrective Measures: Behavioral and Technical Function: Aggregative Demand and Supply, Consumption Function, and Investment Function, Keynesian Theory **(overview)** **(15 Hours)**

Case Study (Not exceeding 300words) Or Problem from either Unit-2 or Unit-3

PRACTICAL COMPONENTS:

1. Study of demand elasticity for a product when there is a price increase or price decrease.
2. Demand forecasting—Mini project may be given to students to assess the demand for a product or a service using any method.
3. An in-depth study of economic indicators on the growth rate.
4. Analysis of recent budget, fiscal discipline, and disinvestment proposals of the GOI.

REFERENCES:

1. Joel Dean, *Managerial Economics*, Prentice Hall.
2. Mote & Paul, *Managerial Economics*, Tata McGraw Hill.
3. Gupta, *Managerial Economics*, Tata McGraw Hill.
4. Gupta, *Macro Economics, Theory & Applications*, Tata McGraw Hill.
5. Mehta P.L, *Managerial Economics –Text and Cases*, S. Chand &Co.
6. Peterson & Lewin, *Managerial Economics*, Prentice Hall of India.
7. Person H.Craig, Lewis W.Ch and Jain Sudhir K, *Managerial Economics*, Pearson Education