

GANPAT UNIVERSITY										
FACULTY OF MANAGEMENT STUDIES										
Programme		Master of Business Administration				Branch/Spec.		Marketing/Finance/HR/International Business/Entrepreneurship/SCM		
Semester		I				Version		1.0.0.3		
Effective from Academic Year			2024-25			Effective for the batch Admitted in			2024	
Subject code		4IA03MEC		Subject Name		Managerial Economics				
Teaching scheme					Examination scheme (Marks)					
(Per week)	Lecture (DT)		Practical (Lab.)		Total		CE	SEE	Total	
	L	TU	P	TW						
Credit	4	-	-	-	4	Theory	60	40	100	
Hours	4	-	-	-	4	Practical	-	-	-	
<b>Pre-requisite:</b>										
The student should be having basic awareness about economics terminologies.										
<b>Objective:</b>										
This course helps students with the concepts and managerial aspects of micro and macro-economic theory that are useful to managers in making decisions at the firm level with the understanding of real-life applications at domestic and global level.										
<b>Learning Outcomes:</b>										
4IA03MEC.CO1: Understand core economic principles, market dynamics, and government interventions for managerial decision making.										
4IA03MEC.CO2: Apply production and cost concepts to analyze the relationships among revenue, costs, and profit for effective managerial decision making.										
4IA03MEC.CO3: Analyse different market structures and pricing strategies to assess their effects on competition, efficiency, and social welfare.										
4IA03MEC.CO4: Evaluate macroeconomic indicators and policies to assess their collective impact on economic growth, stability, and global integration.										
<b>Theory syllabus</b>										
<b>Unit</b>	<b>Content</b>								<b>Hrs</b>	
<b>1</b>	Ten principles of economics; Micro and macro-economic; Positive versus normative economics; Nature and scope of managerial economics; The market forces of supply and demand; Demand schedule and demand curve; Market demand versus individual demand; Determinants of demand, Shifts in the demand curve; Supply schedule, Supply and demand– equilibrium, analysing changes in equilibrium. Elasticity and its application; Demand Forecasting. Consumer surplus; Producer surplus; Market efficiency and market failure. The theory of consumer choice; The budget constraint; Preferences – representing preferences with indifference curves, four properties of indifference curves, two extreme examples of indifference curves; diminishing marginal utility, Taxes in the demand-supply Framework; Government Intervention in the market								<b>15</b>	
<b>2</b>	Production Theory and Estimation; Cost theory and estimation; The costs of production, total revenue, total cost and profit, costs as opportunity costs, cost of capital as an opportunity cost, economic profit versus accounting profit; the production function, various measures of cost – FC, VC, AC, MC, cost curves and their shapes and relationship; Costs in the short run and long run – relationship between SR and LR ATC, Isoquant, Isocost, economies and diseconomies of scale, learning curve, Production Possibility Frontier, Law of Diminishing Returns								<b>15</b>	
<b>3</b>	What is a competitive market; Different market structures; monopoly, oligopoly, perfect competition, duopoly, monopolistic; short run, the long-run equilibrium; Price and output decisions; The welfare cost of monopoly – deadweight loss, social cost; Public policy towards monopolies, oligopolies; Price discrimination – the analytics of price discrimination, cartels; Game theory and the economics of cooperation –prisoners' dilemma, nash equilibrium pricing strategies, monopolistic versus perfect competition: excess capacity, mark up over marginal cost								<b>15</b>	
<b>4</b>	GDP; Measuring the cost of living; per-capita income; Business Cycles, Phases; The consumer price index; inflation, Impact of Inflation on various sections of society- producers and consumers; unemployment, Economic growth and public policy; The monManagerietary system, The meaning of money; Functions and Kinds of Money, The international flow of goods and capital: exports, imports, net exports, net foreign investment; real and nominal exchange rates; theory of exchange-rate determination; purchasing power parity; The influence of monetary and fiscal policy on aggregate demand; the theory of liquidity preference; the								<b>15</b>	

	multiplier effect, a formula for the spending multiplier, other applications of the multiplier effect, The short-run trade-off between inflation and unemployment; The Phillips Curve; Economic Transition in India, Liberalization, Privatization and Globalization; Foreign Direct Investment(FDIs); WTO, IMF, G20, ADB
<b>Text Books</b>	
	Dominick Salvatore and Siddhartha K. Rastogi by Managerial Economics: Principles and Worldwide Applications, Ninth Edition, Oxford Higher Education
<b>Reference Books:</b>	
1	Gupta, G.S., Managerial Economics: Micro Economic, Tata McGraw Hill.
2	N. Gregory Mankiw, Principles of Microeconomics, Cengage Learning India Pvt. Ltd., ISBN- 978-9386668295
3	N. Gregory Mankiw & Mark P. Taylor, Macroeconomics, Cengage Learning India Pvt. Ltd.; 4th edition, ISBN-978-9386668424
4	Truett & Truett (2004), Managerial Economics, John Wiley & Sons Inc.
5	Christopher R. Thomas & S. Charles Maurice (2006), Managerial Economics, Tata McGraw Hill, New Delhi.
6	Petersen, H. Craig & Cris, L W (2004), Managerial Economics, Pearson Education
7	Chaturvedi, D.D. & Gupta S.L. (2003), Managerial Economics: Text & Cases, Brijwasi Book Distributors and Publishers.
8	Dholakia, R.H. & Oza, A.N., Micro Economics for Management Students, OUP, New Delhi.
9	Ahuja, H. L. 2117. Managerial Economics, Ninth Edition, S Chand Publishing. ISBN: 978- 9352535187.
10	Lewis, W.C., Jain, S.K., Petersen, H.C. 2105. Managerial Economics, Prentice Hall of India, Fourth Edition, New Delhi. ISBN: 9788177583861.
11	Mote, V.L., Paul, S. and Gupta, G. 2117. Managerial Economics, New Edition, McGraw Hill Education. ISBN: 78- 0070965188.

Note:

Version 1.0.0.0 (First Digit= New syllabus/Revision in Full Syllabus, Second Digit=Revision in

Teaching Scheme, Third Digit=Revision in Exam Scheme, Forth Digit= Content Revision)

L=Lecture, TU=Tutorial, P= Practical/Lab., TW= Term work, DT= Direct Teaching, Lab.= Laboratory work

CE= Continuous Evaluation, SEE= Semester End Examination

### Mapping of CO with PO and PSO :

Semester 1: Course Name: MANAGERIAL ECONOMICS							
Course outcomes	PO1	PO2	PO3	PO4	PO5	PO6	PO7
4IA03MEC. CO 1	3	1	2	1	3	1	3
4IA03MEC.CO 2	2	3	2	1	2	-	3
4IA03MEC .CO 3	3	2	2	2	3	1	2
4IA03MEC.CO 4	3	3	2	3	2	-	3

**Semester 1: Course Name: MANAGERIAL ECONOMICS**

<b>Course outcomes</b>	<b>PSO1</b>	<b>PSO2</b>	<b>PSO3</b>
<b>4IA03MEC.CO 1</b>	1	2	2
<b>4IA03MEC .CO 2</b>	3	2	2
<b>4IA03MEC. CO 3</b>	1	2	2
<b>4IA03MEC .CO 4</b>	3	3	3