

IV. MAJOR COURSE- MJ 15:**MANAGERIAL ECONOMICS**

Marks: 25 (5 Attd. + 20 SIE: 1Hr) + 75 (ESE: 3Hrs) = 100

Pass Marks: Th (SIE + ESE) = 40

(Credits: Theory-04) **Theory: 60 Lectures****Course Objectives:**

The objective of this paper is to provide basic understanding of economic concepts, principles and tools of micro economics that can be applied to business decision making. The aim is to help the students promote the development of analytical and critical thinking skills about the market conditions and ability to forecast the future economic conditions. The students are acquainted how the differences in market structure affect the prices and output.

Course Learning Outcomes:

After completion of the course, learners will be able to

1. Develop an understanding of the applications of managerial economics.
2. Interpret regression analysis and discuss why it's employed in decision-making.
3. Discuss optimization and utility including consumer behavior.
4. Assess the relationships between short-run and long-run costs.
5. Analyze perfectly competitive markets including substitution.
6. Explain uniform pricing and how it relates to price discrimination and total revenue.
7. Analyze a chosen company to include the above, but to further make recommendations for the company based upon the weekly topics.

Course Content:**Unit-1 Introduction**

Definition, Nature and scope of Managerial Economics, Basic Economic Principles. Relationships of Managerial Economics with Other disciplines

Unit-2 Demand and Supply

Demand Function, Law of Demand, Determinants of Demand, Types & Significance of Elasticity of Demand, Measurement Techniques of Price Elasticity. Demand Forecasting and Its Techniques. Theories of Demand– Indifference and Revealed, Preference approach, Income and distribution effect. Law of supply, determinants and factors influencing supply, elasticity of supply.

Unit-3 Production and Cost Analysis

(a) Production Analysis: Law of Variable proportions– production function in the short run And long run, returns to scale and Return to Factors, iso-quants, and iso-costs. CobbDouglas Production Function. Economies of Scale and Diseconomies of scale.

(b) Cost Analysis: Cost functions determination of costs, cost forecasting, short run And long run costs. Types of costs–analysis of risk and uncertainty

Unit-4 Market Analysis

Market structure–Perfect competition, Imperfect competition, Monopoly, Price Discrimination, Monopolistic competition, Duopoly and Oligopoly. Pricing and employment Of inputs under different market conditions.

Unit-5 National Income, Employment, and Investment

Nature, Concept, and measurement of National Income. Classical and Keynesian approaches to income, Employment, and Investment.

Unit-6 Economic Development

Business Cycles, Phases–Management of Cyclical fluctuations.

Inflation: Types, Causes and Measurement of Inflation, Philips curve, Stagflation

Overview of NITI Aayog and GST.