

# MANAGERIAL ECONOMICS

**COURSE NO. CP: 103**

Max. Marks (Ext. Exam): 80  
Min. Pass Marks : 32

## **OBJECTIVES :**

The objectives of this course is to acquaint the students with concepts and techniques used in Micro – Economic Theory and to enable them to apply this knowledge in business decision-making. Emphasis is given to changes in the nature of business firms in the context of globalisation.

## **COURSE CONTENTS :**

- Unit – I Concepts and Techniques – Nature and Scope of Managerial Economics, Application of Economics in Managerial Decision Making – Marginal Analysis; Theory of Demand – demand functions, income and substitution effects, demand forecasting.
- Unit – II Production and Cost – returns to scale, cost curves, break-even analysis; economies of Scale, Theory of firm – profit maximization, sales maximization.
- Unit – III Market Structure – Price and output decision under different market structures, price discrimination, non-price competition.
- Unit – IV Macro Economics–Aggregates and Concepts, GNP and GDP, Concept and Measurement of National Income: Determination of National Income,
- Unit – V Money Supply and Monetary Policy, Fiscal Policy: Aggregate Consumption – Gross Domestic Savings, Gross Domestic Capital Formation – WPI, CPI and Inflation. Consumption Function.

## **SCHEME OF EXAMINATION:**

Total Marks : (Internal 20, External 80) = 100 marks

## **PATTERN FOR EXTERNAL EVALUATION:**

Sec. A: (Short Answers)	4 out of 8	4 x 8 = 32 Marks.
Sec. B: (Essay type & case)	3 out of 5	3 x 16 = 48 Marks.

## **SUGGESTED READINGS :**

1. Adhikary, M. 'Business Economics', New Delhi, Excel Books, 2000.
2. **Chopra, O.P. 'Managerial Economics'. New Delhi Tata McGraw Hill 1985.**
3. Divedi D. N. , 'Managerial Economics', Vikas Publication.
4. Varshney R.L. & Maherhwari R. L., 'Managerial Economics'.
5. Koutsoyiannis, A. 'Modern Mico-Economics', New York, Macmillan, 1991