

203.MANAGERIAL ECONOMICS

1. Economics: Introduction, Definition, Nature and Scope of Economics, Micro and Macro Economics – Concept, Types, Difference and Interdependence of Micro and Macro Economics. Central Problems: PPC, Economic Fundamental Principles, Objectives of a Firm: Profit Maximization.
2. Utility Analysis, Cardinal Analysis: Law of Diminishing Marginal Utility, Law of Equi-Marginal Utility. Ordinal Utility Analysis: Indifference Curve Analysis: Concept, Properties and Consumer's Equilibrium. Demand and Law of Demand, Reasons for the Down-ward slope of the Demand Curve. Exceptions to the Law, Concept and Law of Supply, Factors Affecting Supply.
3. Changes in Demand Elasticity of Demand – Concept, Degree and Methods of Measuring the Elasticity of Demand and their Types. Factors Determining Price Elasticity, Methods of Measurement. Income Elasticity Demand, Cross Elasticity Demand.
4. Accounting Costs and Economic Costs, Short Run Cost Analysis: Fixed, Variable and Total Cost Curves, Average and Marginal Costs, Long Run Cost Analysis: Economies and Diseconomies of Scale and Long Run Average and Marginal Cost Curves. Revenue Concepts - Total Revenue, Marginal Revenue, Average Revenue and their Relationship. Production Function, Law of Variable Proportions, Laws of Returns, Economies of Scale, Producer's Equilibrium with the help of ISO-Quant's and ISO-Cost Lines.
5. Types of Market: Market Structure- Perfect Competition, Price and Output Determination, Monopoly- Price Output Determination, Price Discrimination Monopolistic Competition, Price and Output Determination. Selling Costs. Product Differentiation- Oligopoly, Price Determination in an Oligopoly (Collusive Pricing, Price Leadership, Kinked Demand Curve).

Suggested Readings:

1. Ahuja, H.L.: Business Economics, S. Chand & Co., New Delhi
2. Dwivedi, D.N.: Vikas Publishing House Pvt. Ltd.
3. Mehta, P.L.: Managerial Economics - Analysis, Problems, Cases: Sultan Chand and Sons.
4. Mithani, D.M.: Business Economics, Himalaya Publishing House.
5. Varshney&Varshney: Managerial Economics Sultan Chand and Sons.