

Objectives:

The objective of this subject is to give understanding of the basic concepts and issues in business economics and their application in business decisions.

Detailed Curriculum:

Unit- I: Nature and Scope of Managerial Economics:- Meaning, characteristics, scope and subject matter relationship with other disciplines- decision making and forward planning.

Unit- II: Fundamental principles of managerial economics: - Opportunity cost principle- incremental principal, principle of time perspective, discounting principle and equi-marginal principle.

Unit-III: Demand Analysis: Meaning and definition of demand, determinants of demand, law of demand, exception to the law of demand, elasticity of demand.

Demand Forecasting, Meaning and definitions- methods of demand forecasting, criteria of good forecasting methods.

Unit-IV: Production Analysis: - Concept of production function – cost– meaning, money, real, opportunity, implicit and explicit, short–run costs, total cost, fixed cost economics of scale. Revenue – meaning – total revenue, average revenue and marginal revenue- Break even analysis- break even chart.

Unit- V: Market Structures: - Meaning of a market and market structure-Classification of markets: Perfect competition, Monopoly, Monopolistic and Oligopoly-meaning, definition and Price Output determination.

Recommended Text Book(s):

1. Dr.D.M.Mithani, Managerial Economics, Himalaya Publishing House, Mumbai, 2007
2. Shankaran, Managerial Economics, Margam Publications, Chennai, 2006.

Recommended Reference Books:

1. P.L. Mehta, Managerial Economics, S.Chand & Sons, New Delhi, 2007.
2. D.N. Dwivedi , Managerial Economics, Vikas Publications, New Delhi-2007.
3. Varshaney and Maheshvari, Managerial Economics, , S.Chand & Sons, New Delhi, 2006.
4. Mote, Paul Gupta, Managerial Economics, Tata McGraw Hill, 2006
5. Adhikary, M. Managerial Economics, Khosla Publishers, 2009.
6. H.L.Ahuja, Managerial Economics, McGraw Hill, 2008.