Course Code	Course Title	L	T	P	C
OLMBA502	Managerial Economics	3	1	0	4
Pre-requisite	NIL	Syllabus version			
		1.0			

Course Objectives:

1. Make rational decisions on demand and supply situation pertaining to behaviour of buyer/seller.
2. Analyze cost-revenue relationship and how it affects the producer.
3. Estimate cost of production and through which pricing decisions.
4. Analyze the competitive market conditions and strategy formulation.

Course Outcomes:

1. To understand the fundamental concepts of economics and to understand the buyer/seller behaviour in a market.
2. To analyse and forecast the demand in the market using demand forecasting methods.
3. To analyze the supply and production function under long run and short run.
4. To develop critical thinking and analytical skills in estimating the cost-revenue relationship and how it affects the producer.

Module:1	**Introduction**	
Nature and Scope of Economics, Fundamental Concepts of Business economics, Consumer’s Behaviour – Consumer’s Equilibrium – Consumer Surplus, Business Goals, Economics and Ethics.		
Module:2	**Demand Analysis and Forecasting**	
Law of demand, Demand determinants and Distinctions, Types of Demand, Exceptions, Elasticity of Demand, Demand Forecasting for established Products and new Products.		
Module:3	**Supply, and Production Function**	
Law of Supply, Determinants of Supply, Elasticity of Supply, Producer’s behavior, Production & Productivity, Fixed Factors, Variable Factors, Production Function, Short-run Production function, Long-run Production function, Law of Returns, Law of Returns to scale.		
Module:4	**Cost and Revenue Analysis**	
Cost of Production – Fixed, Variable and Marginal Cost – Cost Curves – Long run & Short run Cost curves – Average, Marginal and Total Revenue – Break Even Point Analysis.		
Module:5	**Market structure**	
Definition of Market – Understanding Markets and Industry Changes – Market Structure (Perfect Competition, Imperfect Competition) – Price Determination – Firm’s Equilibrium in Perfect Competition, Monopoly, Monopolistic.		
Module:6	**Economic Indicators**	
Inflation, Unemployment, Currency, Interest rates, Exchange rates, Consumer price index, Wholesale price index.		
Module:7	**National Economy**	
National Income, Measurement of GDP; income, expenditure and circular flow; real vs nominal GDP; price indices; balance of payments; current and capital accounts; Current Context.		
	Total Hours	**120 Hrs.**

<table>
<tr><td colspan="4">Text Book(s)</td></tr>
<tr><td>1.</td><td colspan="3">McConnel Campbell R, Brue Stanley L., Flynn Sean M., Chaudhuri Bibek Ray (2021), Economics (SIE) McGraw Hill, 22nd Edition.</td></tr>
<tr><td>2.</td><td colspan="3">Christopher R. Thomas, S. Charles Mourice., (2020), Managerial Economics: foundations of business analysis and strategy, McGraw Hill, 12th Edition</td></tr>
<tr><td>3.</td><td colspan="3">Gupta, G.S. (2017), 'Managerial Economics'. McGraw Hill, 2nd Edition.</td></tr>
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<tr><td>2.</td><td colspan="3">Mehta, P.L. (2014), 'Managerial Economics: Analysis, Problems and Cases', SultanChand & Sons, 20th Edition.</td></tr>
<tr><td colspan="4">Mode of Evaluation: Quiz/ Assignment/CAT/FAT</td></tr>
<tr><td colspan="2">Recommended by Board of Studies</td><td colspan="2">02-11-2023</td></tr>
<tr><td colspan="2">Approved by Academic Council</td><td>No. 72</td><td>Date: 13-12-2023</td></tr>
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