



Rajeev Gandhi College of Management Studies

Managerial Economics

Semester I

I> Course Content:

Semester	1
Subject	Managerial Economics
Course Code	MMSC103
Credits	2
Duration	30 hours

Module (Syllabus as per new Syllabus):

Sr. No.	Content	Course Outcomes
1	Introduction: Concept of Economy, Economics, Microeconomics, Macroeconomics. Nature and Scope of Managerial Economics, Managerial Economics and decision- making - The basic process of decision making; Concept of Firm, Market; Objectives of Firm: Profit Maximization Model, Economist Theory of the Firm, Cyert and March's Behavior Theory, Marris' Growth Maximisation Model, Baumol's Static and Dynamic Models, Williamson's Managerial Discretionary Theory	MMSC103.1
2	Consumer Behaviour & Utility Analysis: Cardinal utility approach, equi- marginal utility principle, ordinal utility analysis	MMSC103.2
3	The Basics of Demand and Supply: Determinants of Demand / Supply, Law of Demand and Supply, Individual Demand / Supply and Market Demand /Supply, Exception to Law of Demand; Determinants of Supply, Change in Demand / Supply, market mechanism and price determination, Impact of Price Ceiling & Price Floor Demand forecasting: Significance of demand forecasting, Various approaches to demand forecasting	MMSC103.2
4	Elasticity of Demand and Supply: The concept of elasticity of demand, Types of elasticity of demand, types of price and income elasticity of demand, factors affecting elasticity of demand. Elasticity of supply,	MMSC103.2

	factors determining elasticity of supply.	
5	Production Function: Production function, Law of Diminishing Marginal Return (short run), Laws of Returns to scale (long run), Isoquant, Optimization analysis.	MMSC103.2
6	Cost Analysis: Types of cost, Estimation of cost function, Cost- output analysis - Short run cost curves & Long run Cost curves, traditional theory of cost, modern theory of costs, Learning Curve, Economies of Scale; Break- Even Analysis; Determination of Break-even level, Breakeven chart	MMSC103.3
7	Revenue Analysis: Revenue concept, Relation between price and revenue under perfect competition and imperfect competition.	MMSC103.3
8	Market Structure 1 - Perfect and monopoly competition: Short run equilibrium of the competitive firm, long run equilibrium of the firm and industry. Monopoly: Types & Sources of monopoly, Monopoly Power, monopoly equilibrium in short run, Long run monopoly equilibrium, Monopoly wisdom.	MMSC103.4
9	Markets Structure 2 – Oligopoly Monopolistic Competition: Oligopoly - Kinked demand curve, Cournot’s Oligopoly model, Game Theory application in Oligopoly, Cartels Monopolistic Competition - Product differentiation, Selling cost & advertising outlay, equilibrium output and price under monopolistic competition	MMSC103.4
10	Price Discrimination: Forms of price discrimination, degree of discrimination, Dumping, economic effects of price discrimination.	MMSC103.5

Managerial Economics
Sem I

II> Course Outcomes

<u>Course Code</u>	<u>Course Outcomes</u> Students will be able to....	<u>Cognition</u>
MMSC103.1	Understand the basic concepts of Managerial Economics	Understand
MMSC103.2	Analyze the concepts like consumer behaviour, Utility analysis demand, supply, production etc.	Analyze
MMSC103.3	Apply the principles of Managerial Economics in business decisions for attaining objectives of the firms.	Apply
MMSC103.4	Analyze the different types market	Analyze
MMSC103.5	Understand the forms of price discrimination and its concepts	Understand

Recommended Books

S.No	
1	Managerial Economics: Theory and applications: D.M.Mithani- Himalaya Publishing House.
2	Managerial Economics- Prof. A.K.Seth and Dr. Shalini Devi-International book house pvt.ltd
3	Managerial Economics- principles and worldwide applications-Dominick Salvatore- Oxford university press
4	Managerial Economics- Dr.S.L.Gupta-International book house pvt.ltd
5	Managerial Economics- Suma damodaran-Oxford university press.