

VEER NARMAD SOUTH GUJARAT UNIVERSITY

T.Y. B.A.

PAPER V (C)

MANAGERIAL ECONOMICS

Module I : Nature and Scope of Managerial Economics

Definition, Scope and subject matter of Managerial Economics, Comparison between General Economics and Managerial Economics, Decision making and Forward Planning the Role and Responsibility of a Managerial Economist.

Module II : Fundamental Concepts

The Incremental Concepts, Concept of Time Perspective the Discounting principle opportunity cost and the Equi-marginal principle.

Module III : Demand and Related Issues

Determinants of Demand – Demand Function, Types of Demand- Demand for Producer's Goods and Consumer's Goods – Demand for Durable and Non-durable Goods – Demand for a firm and for an Industry –Derived Demand – Short Term and Long Term Demand- Demand by Total Market and Demand by Market Segments.

Elasticity of Demand – Meaning, Determinants, Measurements and Uses- Measures of Price Elasticity of Demand- Arc Elasticity and Point Elasticity of Demand – Income Elasticity of Demand, Substitution (Cross) Elasticity of Demand , Advertisement Elasticity of Demand.

Demand Forecasting – Meaning Factors affecting Demand Forecasting- Purpose of Demand Forecasting – Methods of Demand Forecasting – Survey of Consumer's Intentions Collective, Opinion, Trend Projection- Demand Forecasting for a New Product, Criteria for an Ideal Method of Demand Forecasting.

Module IV : Cost Analysis

Concepts – Accounting Cost, Economic Cost, Social Cost, Opportunity Cost, Inventory Cost and Sunk Cost- Various Cost- Curves-in Their Interrelationship –Short run and long run Cost Curves. – Cost and Size of the Plant.

Module V : Production Analysis

Concept – Isoquant, Isocost curve (Budget line) – The Optimal Combination of Inputs- Expansion Path- Returns to Scale – (Economies and Diseconomies)

Module VI : Pricing

Theory – Determination of Price and Output under Different Markets Structures Perfect Competition Monopoly, Monopolistic Competition and Oligopoly- Kinked demand Curve. Pricing Practices- Objectives of a firm – Some Popular Pricing Practices- Cost –Plus Pricing, Marginal (Direct) Cost Pricing, Price Leadership, Administered Pricing and Price Discrimination.

Module VII : Break – Even Analysis

Concept – Assumptions, Limitations and Application

Module VIII : Cost Benefit Analysis

Concept – Private Cost and Social Costs and Benefits –Application of this Technique-
Limitations.

Module IX : Capital Budgeting

Meaning – Need for Capital Budgeting- Problems of Capital Budgeting Demand for Capital –
Supply of Capital Allocation of Capital.

References:

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2. Cauvery R, Sudha Nayak U.K.Girija M., Meenakshi R. “Managerial Economics” , S.Chand & Co N.D
3. Dean Joel “ Managerial Economics”, Prentice Hall N.D
4. Dholakia R.m Oza A.N “Micro –economics for Management”
5. Haynes, Mote & Paul “Managerial Economics”, Vakils , Feffer and Simons, Bombay.
6. Mehta P .L “Managerial Economics”, S.Chand & Sons , N.D
7. Mithani D.M “Foundations of Business and Managerial Economics”, Himalaya Publishing House , N.D
8. Sivayya K.V, Rao M.G and Rao V.S.P “ Business Economics” , Discovery Publishing House, N.D
9. Varshney R.L and Maheswari K.L “Managerial Economics”, S.Chand N.D.
10. Benamin Wall “Managerial Economics” ,Pitman Publishing Ltd. London.
11. Graham P. “Managerial Economics”, Addison Wesley Publishing Co. Massachuttes.
12. Hangel D.C. “Managerial Economics” , The English Language.
13. Kinigh and Weinwurn “Managerial Economics “ , Macmillan , N.Y.
14. Samuel Paul, Gupta C.S “Managerial Economics” ,Tata MacGerw Hill N.D
15. Savage C.I and Small J.R “Introduction to Managerial Economic” University Library Hutchinson & Co. London.
16. Zudak L.S. “Managerial Economics”, Harper and Row, N.Y.