



PROGRAM	Master of Business Administration
SEMESTER	1
COURSE TITLE	Economics for Managers
COURSE CODE	04MB1102
COURSE CREDITS	3
COURSE DURATION	42 Hrs (42 sessions of 60 minutes each)

COURSE OUTCOMES:

- ❖ To impart knowledge, with respect to principles and applications of Managerial economics in the market conditions.
- ❖ To address business problems in a globalized economic environment.
- ❖ To enhance the understanding capabilities of students about micro and macro-economic principles for decision making with the help of economic aspects
- ❖ To apply economic analysis for decision making process
- ❖ To use economic reasoning to solve the problems of business.

COURSE CONTENTS:

Unit No	Unit / Sub Unit	Sessions
I	Demand and The Firm: Demand: Demand function and its Demand distinctions, Supply - Market equilibrium Consumers' Equilibrium using cardinal and ordinal utility (Indifference curves). Demand forecasting, Demand forecasting of new products. Elasticity of demand – types, measurement and empirical estimation.	08
II	Production, Cost Analysis and Market Structure: Theory of Production – Production function – Laws of Returns to a factor & returns to scale – Economies of scale and Economies of scope. Cost Analysis – Cost concepts, Classification of costs; Short run and long run cost functions. Market structure and price - output decisions: pricing under perfect competition - competitive equilibrium and economic efficiency - market failures and role of government. Pricing under monopoly - Deadweight loss.	10
III	Price Discriminations and Market Imperfections: Price Discriminations -pricing under discriminating monopoly. Pricing under monopolistic competition, Shapes of AR, MR curve and their relationship in different market forms. Market Imperfections–Monopolistic, Collusive oligopoly, Monopsony and Oligopsony and price discrimination in different stages of market structure.	8
IV	Pricing, Fiscal-Monetary Policy and Macroeconomic Market: Fiscal and Monetary Policy: Instruments of Fiscal Policy - Monetary Policy Instruments of Monetary Policy, Measuring the cost of living: Consumer Price Index - Inflation Rate using CPI Product market: Saving and Investment function, Consumption function, Aggregate supply and Aggregate demand, Investment multiplier, foreign trade and budget multiplier. Money market: Motive for holding money; Liquidity preference, Money demand, Money market equilibrium.	8

V	Open Economy and Trade Cycles: Open economy: Determination of Exchange Rate. Effects of changes in trade on exchange rate. Purchasing Power Parity and Exchange Rates: Fixed and Flexible. Net Export and Output in an open economy. Impact of trade on GDP. Open economy multiplier. Trade Cycles: Theories of trade cycles and Aggregate demand	8
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EVALUATION:

The students will be evaluated on a continuous basis and broadly follow the scheme given below:

	Component	Weightage
A	Continuous Evaluation Component (Assignments / Presentations/ Quizzes / Class Participation/ etc.)	20% (C.E.C.)
B	Internal Assessment	30% (IA)
C	End-Semester Examination	50% (External Assessment)

SUGGESTED READINGS:
Textbooks:

Sr. No	Author/s	Name of the Book	Publisher	Edition & Year
T-01	N Gregory Mankiw	Principles of Economics	Cengage Publication	6th Edition
T-02	Dominic Salvatore and Siddhartha K. Rastogi	Managerial Economics	Oxford	8 th Edition
T-03	Geetika Piyali Ghosh and Purba Roy Choudhury	Managerial Economics	McGraw Hill Education	3 rd Edition
T-04	Robert J. Gordon	Macroeconomics	Pearson	12 th Edition

Reference Books:

Sr. No	Author/s	Name of the Book	Publisher	Edition & Year
R-01	Fredrick S. Mishkin	Macroeconomics	Person	Second Edition
R-02	Rudiger Dornbusch, Stanley Fischer and Richard Startz	Macroeconomics	McGraw Hill Education	11 th Edition – Indian Edition



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R-03	Lipsey & Chrystal	Economics	Oxford	13 th Edition – International Edition
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