

LJ UNIVERSITY
Integrated MBA – 5 Years Program
(School Of Management Studies)
(W.E.F. Academic Year 2021-22)

Program & Semester: BBA- Semester 1

Subject Title: Fundamentals of Managerial Economic

Subject Code: 50160104

Course Credit: 04

Course Educational Objective:

CEO1	To make students understand the basics of economics
CEO2	To make the students learn the terminologies of economics
CEO3	To make the students learn the impact of one variable on another
CEO4	To make students understand the consumer behavior

Course Outcome: At the end of this course, students shall be able to

CO1	Students will understand the behavior and interaction of various economic agents
CO2	Students will understand the principles behind various theories of microeconomics
CO3	Students will understand the basics of the human behavior
CO4	Students will understand how theories can be used in various decision making

Course Content:

Sr. No.	Module	Content	No. of Sessions
1	Introduction	Meaning & Definition of Managerial Economics - Nature & Scope - Characteristics - Uses- Managerial Decision Making and Forward Planning; Basic economic tools used in managerial economics: Mathematical, Statistical etc.; The circular flow diagram; Difference between micro economics and macro economics; The scientific method: Observation, Theory and more observations; The production possibility frontier; The Role of Assumptions, Production Possibility Curve	10
2	Analytical Tools	Introduction to mathematical tools; Derivative and its meaning – Derivatives of standard functions – Laws of derivatives for sum, difference, product and quotient – Derivatives of composite, parametric and implicit functions – Second order derivatives – Criteria for maxima and minima – Simple applications in commerce and economics	5
3	Demand and Supply	Basics of demand, Market Demand Function, Industry Demand & Firms Demand, Factors influencing Demand, Movement and shifts in the Demand curve, Law of Demand, Factors influencing law of demand; Basics of Supply, Market supply function, Factors influencing supply, Industry Supply Versus Firm Supply, Law of Supply, Equilibrium, Elasticity of demand,	13

4	Theory of Consumer Behavior	Utility: Law of Diminishing Marginal Utility; Indifference curve: Law of Diminishing Marginal Rate of Substitution (LDMRS), Consumers Equilibrium & Theory of Consumer Surplus; Utility analysis: Cardinal and Ordinal Utilities, Consumer's Equilibrium; Consumer's Surplus	12
5	Practical	Case_Study Workshop: Case: Global Warming (From: Managerial Economics by Nick Wilkinson) Readings, Case discussion & PPT presentation	5

Prescribed Text:

1. Mankiw, N.G., Principles of Economics, Cengage Learning, 6/e (**Softcopy available**)
2. Dwivedi, D., N., Micro Economics by D. N., S. Chand 8/e (**Softcopy available**)
3. Chiang, Alpha C., *Fundamental Methods of Mathematical Economics*, McGraw-Hill, 4/e, 2005 (**Softcopy available**)

Case to be used:

1. Source: Managerial Economics-Nick Wilkinson 2005-Cambridge university press. Page no.4

Reference books and other reading material:

1. Sloman, John, Economics, Pearson, 8/e
2. Ahuja, H.L., Managerial Economics, S. Chand
3. Mithani, D.M., Principles of Economics, Himalaya Publishing House
4. Agarwal, Vanita, Managerial Economics, Peason Education India
5. Dwivedi, D., N., Microeconomics Economics by S. Chand
6. Steven, E.L., Price Theory by Michael B. Mercier

Journal/ Periodical/News papers

1. Economic & Political Weekly
2. The Economists
3. The Mint
4. The Economics Times
5. Business Standard