

## **PROGRAMME OUTCOME**

PO1: Management Knowledge-Apply knowledge of management theories and practices to solve business problems.

PO2: Decision Making -Foster analytical and critical thinking abilities for data-based decision making.

PO3: Value Enhancement and Communication skill - Ability to develop value based environment with effective communication skills.

PO4: Analytical Ability- Ability to understand, analyze and communicate global, legal and ethical aspects of business.

PO5: Team and Leadership Ability- Ability to lead themselves and others for the achievement of organizational goals, contributing effectively to a team environment.

PO6: Entrepreneurial Skills -Management graduates to acquire in-depth knowledge of business management and entrepreneurship embedded with ethics and a sense of social commitment and to strive towards personal victory and value creation to society.

PO7: Multidimensional approach in problem solving- Students studying management to be passionate about multidisciplinary approach for problem solving, critical analysis and decision making by giving due importance for lateral thinking so that they see things from a perspective which are not just simple but effective.

Program Specific outcomes (PSOs):

PSO1: To guide and channelize the transformation process of every management graduate by providing in-depth knowledge of business management and entrepreneurship embedded with ethics.

PSO2: To enable them towards personal and professional achievements and value creation to society and a sense of social commitment.

PSO3: To ignite a passion for multidisciplinary approach for problem solving, critical analysis and decision making by giving due importance for lateral thinking so that management graduates see things from a perspective which are not just simple but effective.

## Subject Name: MANAGERIAL ECONOMICS

### Subject Code: MB 101

CO1 Students will be able to remember the concepts of micro economics and also able to understand the various micro economic principles to make effective economic decisions under conditions of risk and uncertainty.

CO2 The students would be able to understand the law of demand & supply & their elasticities , evaluate & analyse these concepts and apply them in various changing situations in industry . Students would be able to apply various techniques to forecast demand for better utilization of resources

CO3 The students would be able to understand the production concept and how the production output changes with the change in inputs and able to analyse the effect of cost to business and their relation to analyze the volatility in the business world

CO4 The students would be able to understand & evaluate the different market structure and their different equilibriums for industry as well as for consumers for the survival in the industry by the application of various pricing strategic

### **‘Low’ correlation -1, ‘Medium’ correlation - 2, High correlation – 3**

CO	PO 1	PO2	PO 3	PO 4	PO 5	PO 6	PO 7	PSO 1	PSO 2	PSO 3	PSO 4
CO 1	3	3	2	2	1	1	2	2	1	2	2
CO 2	3	3	1	1	1	1	2	2	1	2	2
CO 3	3	3	1	1	1	1	2	2	1	2	2
CO4	3	3	1	1	1	1	2	2	1	2	2
AVG	3	3	1.3	1.3	1	1	2	2	1	2	2

## MB 101: MANAGERIAL ECONOMICS (MICRO)

### MODULE I

#### 1. Introduction to Managerial Economics [2L]

- (a) Basic problems of an economic system
- (b) Goals of managerial decision making
- (c) Resource allocation using PPC

## 2. Demand Analysis [10 L]

- [A.] Demand Functions - Law of Demand, Explaining the law of demand, Violations of the Law of Demand, Shifts in Demand; Elasticity of Demand: Price Elasticity (at a point and over and interval), Factors affecting price elasticity, Price elasticity and Change in Total Revenue, AR, MR and Price elasticity, Range of Values of Price Elasticity; Income Elasticity, Inferior, Superior and Normal goods, Income Elasticity and Share in Total Expenditure; Cross-Price Elasticity, Substitutes and Complements  
[B]. Indifference curves, budget line and consumer equilibrium  
[C]. Introduction to methods of demand estimation (concepts only)

## 3. Production and Cost Analysis [14L]

- [A]. Production Function, Short Run and Long Run, Production with One Variable Input, Total Product, Average and Marginal Products, Law of Variable proportions, Relationship between TP, AP and MP.  
[B]. Short Run Costs of Production, Fixed and Variable Costs, Short Run Total, Average and Marginal Cost and Relationship between them, Short Run Cost Curves, Relationship between AVC, MC, AP and MP; Long run cost curves, Relationship between LAC and SAC, Economies of Scale and Scope.  
[C]. Production with Two Variable Inputs, Isoquants – Characteristics, Marginal Rate of Technical Substitution, Laws of Returns to Scale, Isocost Curves, \* # Finding the Optimal Combination of Inputs, Production of a given output at Minimum Cost, Production of Maximum Output with a given level of Cost, Expansion Path, Finding the Long Run Cost Schedules from the Production Function,  
[D]. Law of supply, elasticity of supply, market equilibrium, changes in equilibrium.

## MODULE II

### 4. Alternate Goals of Managerial Firms [2 L]

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- A) Profit maximization
- (B) Revenue maximization
- (C) Managerial utility maximization

### 5. Managerial Decision Making under Alternative Market Structures [6 L]

- A. Characteristics of Perfect Competition, #Profit Maximization in Competitive Markets, Output Decision in the Short Run, Shut Down Point, Short Run Supply for the Firm and Industry; Output Decision in the Long Run, Break Even Point, Long Run Supply for the Perfectly Competitive Industry  
B. Price and output decision under different market structure – Monopoly, Monopolistic Competition, Oligopoly – cartel, price leadership.

### 6. Pricing Decisions [6 L]

- A. Price Discrimination under Monopoly, Transfer Pricing.
- B. Market Failure
- C. Game theory & Asymmetric information

### Suggested Readings:

1. Damodaran, Suma – Managerial Economics – Oxford University Press
2. Lipsey & Chrystal – Economics – Oxford University Press
3. Peterson & Lewis – Managerial Economics – Pearson Education.

4. Pindyck and Rubinfeld - Micro Economics – Pearson Education
5. H.L. Ahuja- Managerial Economics, S. Chand
6. D.N. Dwivedi- Managerial Economics, Prentice Hall.

[lesson plan MB 101 \(1\).xlsx](#)