
Course Plan

Course Title: Managerial Economics	Course Code: 21LBLH103
Programme: I B.B.A.LL.B	Semester: 1 st
Credits:4	L-T-P: 3-1-0
ISA Marks: 50	ESA Marks:50
Course Teacher: Chandrakala.P	Date of Preparation: 04/09/2021
Course Plan Reviewer: Dr. Manojkumar	Date of Review: 06/09/2021

Course Objectives:

- 1) To understand the concepts of managerial economics -related concepts this helps in optimal decision making in a business environment.
- 2) To become familiar with demand ,Supply & market equilibrium concepts, types of methods or techniques of demand forecasting those are used by the entrepreneur or producer.
- 3) To have a fair knowledge of production and cost concepts while dealing with the production and factors of production.
- 4) To introduce the concepts of cost and significance, limitation analysis.
- 5)To understand the pricing and output decisions under various market structures.
- 6) To help students understand and apply the various decision tools to understand the market structure.
- 7) To provide the optimal decisions acquiring the knowledge on financial / Capital Budgeting and its analysis

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Course Outcomes (COs)

Learning Outcomes:

1. outlines the meaning and scope of Managerial economics
2. Appraise the importance of managerial economics in decision making
3. Apply the knowledge and mechanics of Demand and supply attain market equilibrium
4. Describe how changes in demand and supply affect markets
5. Understand the choices made by a rational consumer & producer
6. Explain relationships between production and costs
7. Assess the relationships between short-run and long-run costs.
8. Analyse features different competitive markets their pricing and output determination
9. Identify and analyse different strategies of pricing.
10. Comprehend the role of Capital budgeting Process to Decision make under risk and uncertainty

Mapping of Course Outcomes (COs) with Program Outcomes

	Course Outcomes (COs)	Relevant Program Outcomes (POs)
1	Outlines the meaning and scope of Managerial economics	12
2	Appraise the importance of managerial economics in decision making	12
3	Apply the knowledge and mechanics of Demand and supply attain market equilibrium	11
4	Describe how changes in demand and supply affect markets	11
5	Understand the choices made by a rational consumer & producer	13

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6	Explain relationships between production and costs	11
7	Assess the relationships between short-run and long-run costs.	11
8	Analyse features different competitive markets their pricing and output determination .	11
9	Identify and analyse different strategies of pricing.	11
10	Comprehend the role of Capital budgeting Process to Decision make under risk and uncertainty.	11

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Course Content

Unit Contents	Number of Sessions
Unit – I: Nature and scope of Managerial Economics Definition, Nature, Scope and Significance of Managerial Economics, Types of Business Decisions, Managerial Decision-Making Process, Role and Responsibility of Managerial Economists, Coase's View – Firm as an agent of production.	09
Unit – II: Demand analysis and Consumer's Choice Utility: Law of Diminishing Marginal Utility, Law of Equi-Marginal Utility, Demand Analysis and Demand Forecasting, Concept of Demand, Factors Determining Demand, Law of Demand, Exceptions to the Law of Demand. Demand Forecasting: Meaning, Need and Importance, Methods of Demand Forecasting – Survey and Statistical Methods.	14
Unit – III: Production and Cost Analysis Law of Supply, Production Function, Law of Diminishing Returns, Law of Returns, Isoquants, Economies of Scale, The concept of cost: Opportunity Cost, Accounting Cost and Economic Cost, Cost function: Short Run and Long Run Cost.	11
Unit – IV: Market and Pricing Techniques Price determination under different market conditions under: Perfect Competition, Monopoly, Oligopoly and Monopolistic Competition, Non price competition: Advertising expenditure (under monopolistic and oligopolistic competition), Objectives and Policies of Pricing, Methods of Pricing: Cost Plus Pricing, Going Rate Pricing,	19

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Limit Pricing, Price over the product life cycle: Market Skimming and Penetration Pricing, Block Pricing, Bundling Pricing, Peak Load Pricing; Price Controls: Support Prices and Administered Prices.	
Unit – V: Capital Budgeting Meaning and Significance of Capital budgeting, Steps in Capital Budgeting Process, Decision making under risk and uncertainty, Cost benefit Analysis, Use of cost benefit analysis, General steps of cost benefit analysis and its importance.	7
Total	60

Prescribed Books:

1. Dr H.L.Ahuja, (2014). Managerial Economics – Analysis of Managerial Decision Making, S Chand and Company Pvt Ltd.
2. R. Cauvery and U. K. Sudhanayak -Managerial Economics- S Chand and Company Ltd. New Delhi
3. Varshney, R. L. and K. L. Maheswari.: Managerial Economics, Sultan Chand & Sons, New Delhi.
4. Managerial Economics, Geetika, Piyali Ghosh, Purba Roy Choudhury

Reference Books:

1. P. L. Mehta: Managerial Economics: Analysis, Problems and Cases, Sultan Chand and Sons, New Delhi.
2. M. Craig Peterson and W. Cris Luis: Managerial Economics. Max wel Macmillan International Editions, New York.
3. M.L Jhingan and J K Stephen- Managerial Economics, Vrinda Publications (P) Ltd, New Delhi.

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Unit Wise Plan

Unit Number: I	Planned Sessions: 09
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Unit Learning Outcomes

Unit Learning Outcomes	COs	BL
Define managerial economics and scope	1	2
Discuss the role of managerial economics in decision making	2	2
Identify and appraise the role and responsibilities of Managerial economist	2	3 - 5

Topic Wise Plan

S.No.	Topic	Number of Sessions	Pedagogy
1	Definition, nature, scope and significance of managerial economics.	2	Discussion with PPT presentation
2	The types of Business Decisions, managerial decision making process.	2	Lecture with PPT presentation
3	Role and responsibility of managerial economists.	2	Lecture with PPT presentation
4	The Firm as an agent of Production. Existence of Firm- Coase's View	3	Lecture with PPT presentation

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Prescribed Reading(s) / Learning Resource(s)

1. Managerial Economics – by R Cauvery, Dr Sudha Nayak, Dr M Girija, Dr R Meenakshi, S Chand and Company, New Delhi
2. Managerial Economics, Geetika, Piyali Ghosh, Purba Roy Choudhury

Additional Reading(s) / Learning Resource(s)

1. Managerial Economic by Dr H. L. Ahuja, 8th revised edition, S Chand and Company, New Delhi,

Unit Wise Plan

Unit Number: II	Planned Sessions: 14
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Unit Learning Outcomes

Unit Learning Outcomes	COs	BL
Comprehend the concept of diminishing marginal utility and Equi marginal utility	3	2
Define demand and identify the demand determinants	3	2-3
Discuss & Analyse demand law and its relations with prices	4	2-4
Comprehend the concept of demand forecasting and methods of DF	3	2
Apply the different methods of demand forecasting	4	3

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Topic Wise Plan

S.No.	Topic	Number of Sessions	Pedagogy
1	Law of diminishing marginal utility	2	Lecture with PPT presentation
2	Law of Equi marginal utility	2	Lecture with PPT presentation
3	Concept of Demand, factors determining Demand, Law of Demand, and Exceptions to the law of Demand.	3	Lecture with PPT presentation
4	Demand Forecasting: Meaning, need and importance.	2	Lecture with PPT presentation
5	Methods of Demand Forecasting - Survey - Consumer interview method, opinion survey, Experts opinion, Delphi method.	2	Survey method - project Lecture with PPT presentation
6	Statistical Methods- Trend projection, Barometric, Moving averages.	3	Calculation

Prescribed Reading(s) / Learning Resource(s)

1. Managerial Economics - by R. Cauvery, Dr Sudha Nayak, Dr M Girija, Dr R Meenakshi, S Chand and Company, New Delhi.
2. Managerial Economics, Geetika, Piyali Ghosh, Purba Roy Choudhury.

Additional Reading(s) / Learning Resource(s)

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Unit Wise Plan

Unit Number: III	Planned Sessions: 11
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Unit Learning Outcomes

Unit Learning Outcomes	COs	BL
Define supply and identify the supply determinants	3	2
Discuss & Analyse supply law and its relations with prices	5	2-4
Comprehend the concept of production function, Economies of scale	6	2
Apply cost calculations	7	5

Topic Wise Plan

S.No.	Topic	Number of Sessions	Pedagogy
1	Law of Supply	1	Lecture & PPT
2	Production Function	1	Lecture & PPT
3	Law of Variable proportions	1	Lecture & PPT
4	Law of returns to scale	1	Lecture & PPT
5	Isoquants	2	Lecture & PPT

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6	Economies of Scale	2	Lecture & PPT
7	The concept of cost: opportunity cost, Accounting cost and economic cost.	1	Lecture & PPT
8	Cost function- short run and long run cost.	2	Numerical Calculation

Prescribed Reading(s) / Learning Resource(s)

1. Managerial Economics - by R Cauvery, Dr Sudha Nayak, Dr M Girija, Dr R Meenakshi, S Chand and Company, New Delhi.
2. Managerial Economics, Geetika, Piyali Ghosh, Purba Roy Choudhury

Additional Reading(s) / Learning Resource(s)

1. Managerial Economic by Dr H. L. Ahuja, 8th revised edition, S Chand and Company, New Delhi,

Unit Wise Plan

Unit Number: IV	Planned Sessions: 19
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Unit Learning Outcomes

Unit Learning Outcomes	COs	BL
Comprehend the meaning and features of different market structure	8	2
Analyse the mechanism of price and output determination of different market structure	8	4
Discuss & Analyse the different methodologies of pricing	9	2-4

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Topic Wise Plan

S.No.	Topic	Number of Sessions	Pedagogy
1	Price determination under different market conditions under: Perfect Competition	3	Discussion & PPT
2	Monopoly	1	Discussion & PPT
3	Monopolistic Competition	2	Discussion & PPT
4	Oligopolistic Competition	2	Discussion & PPT
5	Non price competition: Advertising expenditure	2	Discussion & PPT
6	Objectives and Policies of Pricing	1	Discussion & PPT
7	Methods of Pricing: Cost Plus Pricing, Going Rate Pricing, Limit Pricing,	2	Discussion & PPT
8	Price over the product life cycle -Market Skimming and Penetration Pricing	3	Discussion & PPT
9	Block Pricing, Bundling Pricing, Peak Load Pricing	2	Discussion & PPT
10	Price Controls - Support Prices and Administered Prices.	1	Discussion & PPT

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1. Managerial Economics – by R Cauvery, Dr Sudha Nayak, Dr M Girija, Dr R Meenakshi, S Chand and Company, New Delhi.
2. Managerial Economics, Geetika, Piyali Ghosh, Purba Roy Choudhury

Additional Reading(s) / Learning Resource(s)

1. Managerial Economic by Dr H. L. Ahuja, 8th revised edition, S Chand and Company, New Delhi,

Unit Wise Plan

Unit Number: V	Planned Sessions: 7
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Unit Learning Outcomes

Unit Learning Outcomes	COs	BL
Define and discuss the meaning and significance of capital budgeting	10	2
Analyse the cost benefit mechanism	10	4

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Topic Wise Plan

S.No.	Topic	Number of Sessions	Pedagogy
1	Meaning and significance of Capital budgeting, steps in capital budgeting process	3	Lecture with PPT
2	Decision making under risk and uncertainty.	2	Lecture with PPT
3	Cost benefit Analysis- use of cost benefit analysis, general steps of cost benefit analysis and its importance	2	Lecture with PPT

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1. Managerial Economics – by R Cauvery, Dr Sudha Nayak, Dr M Girija, Dr R Meenakshi, S Chand and Company, New Delhi.
2. Managerial Economics, Geetika, Piyali Ghosh, Purba Roy Choudhury.

Additional Reading(s) / Learning Resource(s)

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Industry/Professional Skills, Human Values, Service Learning

Industry/Professional Skills	The course is designed to bring application of economics in business based on theoretical economics concepts, it thus inculcates the skill of decision making in business management
Human Values	Business ethics
Service Learning (if any)	Project on Demand forecasting

Evaluation Scheme for ISA

Assessment	Weightage in Marks
Mid-Term Exam	25
Teacher Chosen Assessment	25
Total	50

Teacher Chosen Assessment Method

Component	Details	Weightage
Concept Mapping	Concept Mapping	10
Assignment	Presentation + Assignment	10(5+5)
Attendance		5

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Weightage of Course Outcomes

	(COs)	Weightage in Assessment
1	Outlines the meaning and scope of Managerial economics	10
2	Appraise the importance of managerial economics in decision making	10
3	Apply the knowledge and mechanics of Demand and supply attain market equilibrium	10
4	Describe how changes in demand and supply affect markets	10
5	Understand the choices made by a rational consumer & producer	10
6	Explain relationships between production and costs	10
7	Assess the relationships between short-run and long-run costs.	10
8	Analyse features different competitive markets their pricing and output determination .	10
9	Identify and analyse different strategies of pricing.	10
10	Comprehend the role of Capital budgeting Process to Decision make under risk and uncertainty.	10
	Total	100

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