

SARDAR PATEL UNIVERSITY
PROGRAMME: B.COM. (HONS') (3 Years)
(International Accounting and Corporate Banking & Insurance)
(Under Choice Based Credit System Based on UGC Guidelines)
Syllabus with effect from: June-2019
Semester: III

Paper Code: UB03GCOH21	Total Credits: 3
Title of Paper: Managerial Economics - I	
Objectives: Managerial economics is very much helpful to the students to analyze goods or services and make business decisions from these subjects. It also helps students to identify themes and trends that could be the cause and effect of good and bad business decisions.	

Unit No.	Description in Detail	Weightage
1	Introduction Meaning and definitions, Nature and Scope of Managerial Economics, Nature and scope of Managerial Economics, Steps involved in decision making and Forward planning, Different objectives of a firm – profit maximization, sales maximization, revenue maximization etc.	25%
2	Indifference Curve Analysis & Elasticity Of Demand Indifference Curve, its properties, Marginal rate of substitution, Budget Line, Consumers' Equilibrium Income effect, Price effect and Substitution effect Price elasticity – Concept, types, methods of measurement and uses. Concept, measurement, types and uses of Income elasticity and Cross elasticity.	25%
3	Production Function Concepts of production function Law of variable proportions Iso-cost lines Isoquants curve – properties, Economies to scale, Producers equilibrium, Law of Returns to scale	25%
4	Cost And Revenue Concept Cost Concepts – short run costs (Total cost, Fixed Cost, Variable Cost, Average cost, Marginal cost), derivation of long run average cost, Opportunity cost, economic cost, accountant cost, incremental cost, sunk cost, common production cost, replacement cost, social cost, private cost. Revenue concept – Total Revenue, Average Revenue and Marginal Revenue in perfect and imperfect markets. Break Even Analysis - Concept, Assumption, limitations and application.	25%

Evaluation : Internal: 40 Marks (Theory)
: External: 60 Marks (Theory) – Two Hours Examination

Reference Books:

- Managerial economics- Samuel Paul
- Introduction to ME- Savage and Small
- Advance Economic theory- H.L.Ahuja
- Managerial economics- P.L.Mehta
- Managerial Economics- Gopal Krishna
- Managerial Economics- G.S. Gupta
- Principles of Management- I.M.Pandey