

**STELLA MARIS COLLEGE (AUTONOMOUS), CHENNAI-600086**  
**B.Com (A & F) DEGREE: ACCOUNTING AND FINANCE**

**SYLLABUS**  
**(Effective from the academic year 2015-2016)**

**MANAGERIAL ECONOMICS**

**CODE: 15CM/ME/ME55**

**CREDIT: 5**

**L T P: 4 1 0**

**TOTAL TEACHING HOURS: 65**

**OBJECTIVES OF THE COURSE**

- To understand the application of economic theory in modern business practices
- To anticipate the demand, cost, profit variables of the firm

**Unit 1**

**Introduction to Managerial Economics (10 hrs)**

- 1.1 Meaning and Definition
- 1.2 Nature, Scope and Importance of Managerial Economics
- 1.3 Role of Managerial Economist
- 1.4 Basic Tools of Managerial Economics

**Unit 2**

**Demand Analysis and demand forecasting (15 hrs)**

- 2.1 Meaning and Determinants of Demand
- 2.2 Elasticity of Demand
  - 2.2.1 Price Elasticity of Demand
  - 2.2.2 Income Elasticity of Demand
  - 2.2.3 Cross Elasticity of Demand
- 2.3 Demand Forecasting
  - 2.3.1 Meaning and Levels of Demand Forecasting
  - 2.3.2 Categories by Time Period and Nature of Goods
  - 2.3.3 Techniques of Demand Forecasting

**Unit 3**

**Production Analyses (15 hrs)**

- 3.1 Production function – Law of Variable Proportions
  - 3.1.1 Production Function with One Variable Input
  - 3.1.2 Production Function with Two Variable Inputs
  - 3.1.3 Marginal Rate of Technical Substitution
- 3.2 Returns to scale - Increasing returns to scale

#### **Unit 4**

##### **Cost Analyses**

**(15 hrs)**

4.1 Cost Concepts

4.2 Cost output relationship in the Long run and Short run

4.3 Economies and Diseconomies of Scale

#### **Unit 5**

##### **Profit Management**

**(10 hrs)**

5.1 Profit –Meaning and Nature

5.2 Profit Policies

5.3 Profit Planning and Forecasting

#### **BOOKS FOR STUDY**

Geetika, Piyali Ghosh and Purba Roy Choudary, “Managerial Economics”, Sultanchand, 2012.

R.L. Varshney & K.L. Maheswari, “Managerial Economics”, Tata Mcgraw Hill, 2011.

G.S. Gupta, “Managerial Economics”, Tata Mcgraw Hill, 2009.

D.N. Dwivedi, Managerial Economics, Vikas Publishing House Private, 1995.

#### **JOURNALS**

The IUP journal of Managerial Economics.

The International Journal of Economic and Management.

SS International Journal of Economics and Management.

#### **WEB RESOURCES**

[www.indianjournalofeconomicsandresearch.com](http://www.indianjournalofeconomicsandresearch.com)

[www.indianjournals.com](http://www.indianjournals.com)

[www.ssirn.com](http://www.ssirn.com)

#### **PATTERN OF EVALUATION**

##### **Total Marks: 50**

Section A – 7 x 2 = 14 Marks

Section B – 2 x 8 = 16 Marks (from a choice of three)

Section C – 7 x 2 = 14 Marks (from a choice of two)

#### **Third Component**

List of Evaluation modes:

Seminars

Quiz

Group discussion

Assignments

Class Presentation

**End Semester Examination:**

Total Marks: 100      Duration: 3 Hours

Section A – short answers (max. 50 words) -10 x 2 = 20 Marks

Section B – 5 x 8 = 40 Marks (from a choice of 7 – Max 500 words)

Section C – 2 x 20 = 40 Marks (from a choice of 4 -Max 1200 words)