



SARDAR VALLABHBHAI PATEL EDUCATION SOCIETY'S  
**R. N. G. PATEL INSTITUTE OF TECHNOLOGY - RNGPIT**

An Autonomous Institute u/s UGC Act 1956

Approved by AICTE & affiliated to Gujarat Technological University

Bardoli - Navsari Road, At: Isroli (tarpore), Po: Afwa, Tal: Bardoli, Dist: Surat, Pin - 394620  
Phone: 95129 00457, 95129 00458 • Email: Info@rngpit.ac.in • Website: www.rngpit.ac.in

**Program Name:** MBA  
**Level:** Post Graduation  
**Branch:** Logistics & Supply Chain Management  
**Course / Subject Code:** 1MB1102  
**Course / Subject Name:** Economics for Manager

w. e. f. Academic Year:	2024-25
Semester:	I
Category of the Course:	Core Course (CC)

<b>Prerequisite:</b>	
<b>Rationale:</b>	

**Course Outcome:**

After Completion of the Course, Student will able to:

No	Course Outcomes	RBT Level
01	Illustrate how markets work, under the workings of supply, demand, and equilibrium.	N
02	Define elasticity of supply and demand, taxes, and subsidies.	U
03	Analyze the pricing and selling decisions under different types of competitive pressures	N
04	Understand the applications of economic theories in business decisions.	U
05	Apply importance of economic approaches in managerial decision making.	A

\*Revised Bloom's Taxonomy (RBT)

**Teaching and Examination Scheme:**

Teaching Scheme (in Hours)			Total Credits L+T+ (PR/2)	Assessment Pattern and Marks				Total Marks
L	T	PR		C	Theory		Tutorial / Practical	
			SEE (TH)		IAT	CCE	SEE (P)	
4	0	0	4	70	30	50	00	150

SEE: Semester End Examination

IAT: Internal Assessment Test



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CCE: Continuous and Comprehensive Evaluation

**Course Content:**

Unit No.	Content	No. of Hours	% of Weightage
1.	<b>Introduction</b> Nature, scope and uses of managerial economics – economic theory and managerial economics - Managerial economist's role and responsibilities.	8	20%
2.	<b>Demand Analysis:</b> Individual and market demand functions – law of demand – determinants of demand – Elasticity: Price, Income and Cross Elasticity - Factors that affect the elasticity of demand – using elasticity in managerial decisions - Taxes in the demand-supply Framework – Buyers and Sellers surplus – Government Intervention in the market: The Welfare Loss.	12	30%
3.	<b>Production and Cost</b> Production Functions – Total, Average and Marginal Product – Returns to Scale - Productivity and the Aggregate Production Function –Economic Analysis of Costs	10	25%
4.	<b>Market Structure</b> Different types of Market – Perfectly Competitive Market – Profits in a Perfectly Competitive Market – Perfect competition in the long run – Monopoly – Profits in a Monopolistic Market – Sources of Monopoly Power – The Multi-product firms – Monopolistic Competition – Oligopoly – Different Models of Oligopoly – Why do markets Fail – Game Theory: a Strategic Understanding – Overview of National Income.	10	25%
5.	Students will be engaged in practical activities such as case study analysis, role-play, field assignments, workshops, guest lectures, and field visits. These activities will help them in application of economic theory and methodology to address practical business problems. It helps students to make decisions regarding demand analysis, cost analysis, pricing, profit management, and capital management. Specifically, it provides frameworks for demand forecasting, cost-output analysis, determining optimal prices and pricing strategies, profit planning and measurement, and evaluating capital investment projects.	--	30 Marks
<b>Total</b>		<b>40</b>	<b>100</b>

**Suggested Specification Table with Marks (Theory):**



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**Distribution of Theory Marks (in %)**

R Level	U Level	A Level	N Level	E Level	C Level

Where R: Remember; U: Understanding; A: Application, N: Analyze and E: Evaluate C: Create (as per Revised Bloom's Taxonomy)

**Evaluation:**

Students shall be evaluated on the following components:

A	Continuous and Comprehensive Evaluation	(Internal Assessment – 50 Marks)
	Practical activities suggested in Module V	30 Marks
	Class Presence & Participation	10 Marks
	Quiz	10 Marks
B	Internal Assessment Test	(Internal Assessment-30 Marks)
C	Semester End Examination	(External Assessment-70 Marks)

**References/Suggested Learning Resources:**

**(a) Books:**

1. Gregory Mankiw Economics: Principles & Applications Cengage Latest Edition
2. D. M. Mithani, (2017), "Managerial Economics - Theory and Application", Himalaya Publishing House, Eighth Edition.
3. R.L. Varshney and K.L.Maheshwari (2023), "Managerial Economics – Text, Problems and Cases", Sulatan Chand & Sons.
4. Damodaran, (2006), "Managerial Economics", Oxford University Press.

**(b) Open source software and website:**

1. <https://nptel.ac.in/courses/110101005>
2. [https://en.wikipedia.org/wiki/Managerial\\_economics](https://en.wikipedia.org/wiki/Managerial_economics)

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