

**MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS**

<b>Course Code</b>	20HS7701A	<b>Year</b>	IV	<b>Semester</b>	I
<b>Course Category</b>	<i>Humanities and Social Science Elective</i>	<b>Offering Branch</b>	ME	<b>Course Type</b>	Theory
<b>Credits</b>	3	<b>L-T-P</b>	3-0-0	<b>Prerequisites</b>	Nil
<b>Continuous Internal Evaluation</b>	30	<b>Semester End Evaluation</b>	70	<b>Total Marks</b>	100

**Course Outcomes:** Upon successful completion of the course, the student will be able to

	<b>Statement</b>	<b>Skill</b>	<b>BTL</b>	<b>Units</b>
<b>CO1</b>	Understand basics of managerial economics, demand forecasting, cost analysis, industrial organization, financial accounting and capital and capital budgeting.	Understand	L2	1,2,3,4,5
<b>CO2</b>	Apply the managerial economics, e-commerce, demand forecasting and cost analysis techniques in economics related problems.	Apply	L3	1,2
<b>CO3</b>	Summarize different types of industrial organization	Apply	L3	3
<b>CO4</b>	Analyze the financial accounting and depreciation related problems.	Analyze	L4	4,5

**Contribution of Course outcomes towards achievement of Program outcomes  
& Strength of correlations (High:3, Medium: 2, Low:1)**

	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9	PO10	PO11	PO12	PSO1	PSO2
<b>CO1</b>	3					2		2			3		3	
<b>CO2</b>	3					2		2			3		3	
<b>CO3</b>	3					2		2			3		3	
<b>CO4</b>	3					2		2			3		3	

**Syllabus**

<b>UNIT</b>	<b>Contents</b>	<b>Mapped CO</b>
<b>I</b>	<b>INTRODUCTION TO MANAGERIAL ECONOMICS:</b> Introduction, characteristics, scope & definition of Managerial Economics, its relation with other subjects, Basic economic tools in Managerial Economics. Demand Analysis: Meaning- Demand distinctions- Demand determinants- Law of Demand and its exceptions. <b>ELASTICITY OF DEMAND &amp; DEMAND FORECASTING:</b> Definition -Types of Elasticity of demand - Measurement of price elasticity of demand and it's significance: Total outlay method, Point method and Arc method. Demand Forecasting: Meaning - Factors governing demand forecasting - Methods of demand forecasting.	<b>CO1 CO2</b>
<b>II</b>	<b>THEORY OF PRODUCTION AND COST ANALYSIS-INTRODUCTION TO MARKETS-PRICING POLICIES &amp; E-COMMERCE:</b> Production Function- Isoquants and Isocosts, Law of variable proportions- Law of returns to scale- Least Cost Combination of Inputs, Cobb-Douglas Production function-Economies of Scale <b>COST ANALYSIS:</b> Cost concepts, Determination of Break Even Point (BEP) with simple problems, Managerial Significance and	<b>CO1 CO2</b>

	limitations of BEP. Market structures: Types of competition, Features of Perfect Competition, Monopoly and Monopolistic Competition. Pricing strategies.	
III	<b>TYPES OF INDUSTRIAL ORGANIZATION &amp; INTRODUCTION TO BUSINESS CYCLES:</b> Characteristic features of Industrial organization, Features and evaluation of Sole Proprietorship, Partnership, Joint Stock Company, State/Public Enterprises and their types. Changing business environment in post-liberalization scenario.	CO1 CO3
IV	<b>FINANCIAL MANAGEMENT AND INTRODUCTION TO FINANCIAL ACCOUNTING:</b> Functions of financial management, simple and compound interest, Methods of evaluating alternatives- Present Worth method. Future worth Method, Annual equivalent method. Introduction to Double-entry system	CO1 CO4
V	<b>DEPRECIATION:</b> Introduction, common methods of depreciation: straight line method, Declining balance method, sum of year's digits method. <b>CAPITAL AND CAPITAL BUDGETING:</b> Meaning of capital budgeting, Need for capital budgeting – Capital budgeting decisions (Examples of capital budgeting) - Methods of Capital Budgeting: Payback Method, Accounting Rate of Return (ARR), IRR and Net Present Value Method (simple problems).	CO1 CO4

### Learning Resources

#### Text Books:

1. Engineering economics, R. Panneerselvam, 2nd Edition, PHI Learning Pvt. Ltd., 2013 .
2. Managerial Economics and Financial Analysis, by J.V.Prabhakar Rao, Maruthi Publications, 2011.

#### Reference Books:

1. Managerial Economics and Financial Analysis, by A R Aryasri, TMH 2011.
2. Financial Accounting, SN Maheswari, SK Maheswari, Vikas Publishing House Pvt Ltd., New Delhi, 4th Edition, 2006.
3. Managerial Economics by Suma damodaran, Oxford 2011.
4. Managerial Economics and Financial Analysis by S.A. Siddiqui & A.S. Siddiqui, New Age International Publishers, 2011.
5. Engineering economy- Theusen & Theusen, 8th edition, 1993, Prentice Hall.

#### E-Resources & other digital Material:

1. [www.tectime.com](http://www.tectime.com)
2. [www.exinfm.com](http://www.exinfm.com)
3. [www.economywatch.com](http://www.economywatch.com)