

20HS7701A - MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS

Offering Branch	ME		
Course Category:	Humanities and Social Sciences Elective	Credits:	3
Course Type:	Theory	Lecture-Tutorial-Practical:	3-0-0
Prerequisites:	NIL	Continuous Evaluation:	30
		Semester End Evaluation:	70
		Total Marks:	100

Course Outcomes

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

CO1	Understand basics of managerial economics, demand forecasting, cost analysis, industrial organization, financial accounting and capital and capital budgeting.	K2
CO2	Apply the managerial economics, e-commerce, demand forecasting and cost analysis techniques in economics related problems.	K3
CO3	Summarize different types of industrial organization	K3
CO4	Analyze the financial accounting and depreciation related problems.	K4

Contribution of Course Outcomes towards achievement of Program Outcomes

	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9	PO10	PO11	PO12	PSO1	PSO2
CO1	3					2		2			3			
CO2	3					2		2			3			
CO3	3					2		2			3			
CO4	3					2		2			3			
Avg.	3					2		2			3			

1- Low

2-Medium

3-High

Course Content

UNIT-1	<p>INTRODUCTION TO MANAGERIAL ECONOMICS: Introduction to Managerial Economics & Demand Analysis: Definition of Managerial Economics, Characteristics and Scope – Managerial Economics and its relation with other subjects- Basic economic tools in Managerial Economics. Demand Analysis: Meaning- Demand distinctions- Demand determinants- Law of Demand and its exceptions.</p> <p>ELASTICITY OF DEMAND & DEMAND FORECASTING: Definition -Types of Elasticity of demand - Measurement of price elasticity of demand: Total outlay method, Point method and Arc method- Significance of Elasticity of Demand. Demand Forecasting: Meaning - Factors governing demand forecasting - Methods of demand forecasting (survey of buyers' Intentions, Delphi method, Collective opinion, Analysis of Time series and Trend projections, Economic Indicators, Controlled experiments and Judgmental approach) - Forecasting demand for new products- Criteria of a good forecasting method.</p>	CO1 CO2
UNIT-2	<p>THEORY OF PRODUCTION AND COST ANALYSIS- INTRODUCTION TO MARKETS-PRICING POLICIES & E-COMMERCE: Production Function- Isoquants and Isocosts, MRTS, Law of variable proportions- Law of returns to scale- Least Cost Combination of Inputs, Cobb-Douglas Production function- Economies of Scale</p> <p>COST ANALYSIS: Cost concepts, Opportunity cost, Fixed Vs Variable costs, Explicit costs Vs. Implicit costs, Out of pocket costs vs. Imputed costs.- Determination of BreakEven Point (Simple problems) - Managerial Significance</p>	CO1 CO2

	and limitations of BEP. Market structures: Types of competition, Features of Perfect Competition, Monopoly and Monopolistic Competition. Internet Pricing Models: Flat rate pricing, Usage sensitive pricing, Transaction based pricing, Priority pricing, charging on the basis of social cost, Precedence model, Smart market mechanism model. Introduction to e-commerce-types of e-commerce; M-commerce.	
UNIT-3	TYPES OF INDUSTRIAL ORGANIZATION & INTRODUCTION TO BUSINESS CYCLES: 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
UNIT-4	FINANCIAL MANAGEMENT AND INTRODUCTION TO FINANCIAL ACCOUNTING: 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
UNIT-5	DEPRECIATION: Introduction, common methods of depreciation: straight line method, Declining balance method, sum of year's digits method. CAPITAL AND CAPITAL BUDGETING: 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	<ol style="list-style-type: none"> ENGINEERING ECONOMICS, R. Panneerselvam, 2nd Edition, PHI Learning Pvt. Ltd., 2013. Managerial Economics and Financial Analysis, by J.V.Prabhakar Rao, Maruthi Publications, 2011.
Reference Books	<ol style="list-style-type: none"> Managerial Economics and Financial Analysis, by A R Aryasri, TMH 2011 Financial Accounting, SN Maheswari, SK Maheswari, Vikas Publishing House Pvt Ltd., New Delhi, 4th Edition, 2006 Managerial Economics by Suma damodaran, Oxford 2011 Managerial Economics and Financial Analysis by S.A. Siddiqui & A.S. Siddiqui, New Age International Publishers, 2011. Engineering economy- Theusen & Theusen, 8th edition, 1993, Prentice Hall.
E-Resources & other digital Material:	<ol style="list-style-type: none"> www.tectime.com www.exinfm.com www.economywatch.com