

21MC205	MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS						R21
Semester	Hours / Week			Total hrs	Credit	Max Marks	
	L	T	P			CIE	SEE
II	3	0	0	48	3	40	60
Pre-requisite:							
						100	

COURSE CONTENT		
MODULE – 1	INTRODUCTION TO MANAGERIAL ECONOMICS DEMAND	10 H
Managerial Economics – Definition – Nature & Scope - Contemporary importance of Managerial Economics - Demand Analysis - Concept of Demand - Demand Function - Law of Demand - Elasticity of Demand - Significance - Types of Elasticity - Measurement of Elasticity of Demand - Demand Forecasting - Factors governing Demand Forecasting - Methods of Demand Forecasting - Relationship of Managerial Economics with Financial Accounting and Management.		
MODULE -2	THEORY OF PRODUCTION AND COST ANALYSIS	10 H
Production Function – Least-cost combination - Short-run and Long-run Production Function - Isoquants and Isocosts, MRTS - Cobb-Douglas Production Function - Laws of Returns - Internal and External Economies of scale – Cost & Break Even Analysis - Cost concepts and Cost behavior - Break-Even Analysis (BEA) - Determination of Break-Even Point (Simple Problems) - Managerial significance and limitations of Break-Even Analysis.		
MODULE-3	INTRODUCTION TO FORMS OF BUSINESS ORGANIZATIONS AND MARKETS	9 H
Market structures - Forms of Business Organizations - Sole Proprietorship - Partnership - Joint Stock Companies - Public Sector Enterprises-Types of Markets - Perfect and Imperfect Competition - Features of Perfect Competition – Monopoly - Monopolistic Competition – Oligopoly - Price-Output Determination - Pricing Methods and Strategies.		
MODULE-4	CAPITAL AND CAPITAL BUDGETING	9 H
Concept of Capital - Significance - Types of Capital - Components of Working Capital Sources of Short-term and Long-term Capital - Estimating Working capital requirements – Cash Budget - Capital Budgeting – Features of Capital Budgeting Proposals – Methods and Evaluation of Capital Budgeting Projects – Pay Back Method – Accounting Rate of Return (ARR) – Net Present Value (NPV) – Internal Rate Return (IRR) Method (simple problems)		
MODULE-5	INTRODUCTION TO FINANCIAL ACCOUNTING AND ANALYSIS	9 H
Accounting Concepts and Conventions - Introduction Double-Entry Book Keeping, Journal, Ledger, and Trial Balance - Final Accounts (Trading Account, Profit and Loss Account and Balance Sheet with simple adjustments). Financial Analysis - Analysis and Interpretation of Liquidity Ratios, Activity Ratios, and Capital structure Ratios and Profitability.		
Total hours: 48hours		

Text Book(s):

1. Managerial Economics, Varshney & Maheswari, Sultan Chand, 2013.
2. Business Economics and Financial Analysis, Aryasri, 4th edition, MGH, 2019