



GAYATRIVIDYAPARISHADCOLLEGE OFENGINEERING (Autonomous)
(Approved by AICTE, Affiliated to JNTU, Kakinada) Madhurawada, Visakhapatnam-530048

DEPARTMENT OF MANAGEMENT STUDIES
COURSE DESCRIPTION

Course Title	MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS			
Course Code	15HM1101			
Regulation	R-2015			
Semester	III			
Course Structure	Lectures	Tutorials	Practicals	Credits
	4	0	-	3
Course Coordinator	Ms.S.Sipra Kumari			

I. COURSE OVERVIEW:

The present course is designed in such a way that it gives an overview of concepts of Economics. Managerial Economics enables students to understand the micro environment in which business operates. Break Even Analysis is very helpful to the Business Concern for Decision Making, controlling and forward Strategic Planning. Financial Analysis gives a clear idea about concepts, conventions and accounting procedures along with introducing students to the fundamentals of ratio analysis and interpretation of financial statements. Ratio analysis gives an idea about financial forecasting, financial planning, controlling the business and decision making.

Level	Credits	Periods/Week
UG	3	4

II. COURSE OBJECTIVES:

At the end of the course, the students will be able to:

- 1) To understand the concepts of managerial economics and financial analysis that helps in optimal decision making in business environment.
- 2) To be familiar with demand concepts, types of methods or techniques of demand and those are used by the entrepreneur or producer.
- 3) To have a thorough knowledge on the production theories and cost while dealing with the production and factors of production.
- 4) To introduce the concepts of cost and significance, limitation of Break even analysis.
- 5) To provide the optimal decisions acquiring the knowledge on financial accounting and its analysis

III. COURSE OUTCOMES:

After completing this course the student will be able to:

CO1	To adopt the Managerial Economic concepts for decision making and forward planning. Also know law of demand and its exceptions, to use different forecasting methods for predicting demand for various products and services.
CO2	To assess the functional relationship between Production and factors of production and list out various costs associated with production and able to compute breakeven point to illustrate the various uses of breakeven analysis.
CO3	To outline the different types of business organizations and provide a framework for analyzing money in its functions as a medium of exchange.
CO4	To adopt the principles of accounting to record, classify and summarize various transactions in books of accounts for preparation of final accounts
CO5	To implement various techniques for assessing the financial position of the business.

correlation Course Outcome versus Program Outcomes:

COs	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9	PO10	PO11	PO12	PSO1	PSO2	PSO3
CO-1									2		3				
CO-2									2		3				
CO-3									3		3				
CO-4									2		2				
CO-5									2		2				

Scheme of Course Work

Teaching-Learning and Evaluation

Week	Topic/Contents	Course Outcomes	Sample Questions	Teaching Learning Strategy	Assessment Method/Schedule
1-2	Definition, Nature and Scope of Managerial Economics, Demand Analysis, Demand Determinants, Law of Demand and its exceptions	CO1	<ol style="list-style-type: none"> Define Managerial Economics? Explain its nature, scope & relation with other fields of study. Define Law of Demand. Explain its assumptions and exceptions. 	Lecturing- BB, Group Discussions PT	AI, QI, MI

2-3	Definition, Types, Measurement and Significance of Elasticity of Demand, Demand Forecasting, Factors governing demand forecasting, Methods of demand forecasting (Survey method, Statistical method, Expert opinion method, Test marketing, Controlled experiment, Judgmental approach).	CO1	<ol style="list-style-type: none"> 1. Define various types of elasticity of demand. Explain the significance of elasticity of demand. 2. Define demand forecasting. Explain various types of demand forecasting. 	Lecturing- BB, Group Discussions PPT	AI, QI, MI
3-4	Production Function – Law of variable proportions Isoquants and Isocosts, MRTS, Least cost combination of inputs, Cobb-Douglas production function, laws of returns.	CO2	<ol style="list-style-type: none"> 1. Explain Law of Diminishing Marginal Return or Law of Variable Proportion. 2. Explain the concept of Isoquant and Isocost. 	Lecturing- BB, Group Discussions PPT	AI, QI, MI

4-5	Cost Analysis: Types of Costs, Break-Even Analysis (BEA) – Determination of Break-Even Point (Simple numerical problems) – managerial significance and limitations of BEA.	CO2	<ol style="list-style-type: none"> 1. Define Cost. Explain different types of costs. 2. Define Break-Even Point. Explain its managerial significance and its limitations. 3. Simple Numerical on BEP. 	Lecturing- BB, PPT	AI, QI, MI
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5-7	Features of Business organizations, Sole Proprietorship, Partnership and Joint Stock Company, Steps for formation and registration of a company.	CO3	1. Define Partnership. Explain its features, advantages and limitations. 2. Define Joint stock Company. Explain the steps involved in formation and registration of the company.	Lecturing BB, Group Discussions, PPT	AI, QI, MI
7-8	Monetary Economics: Inflation, GDP, Per capita Income.	CO3	Write Notes on: (a) GDP (b) Inflation. (c) Per Capita Income	Lecturing BB, Group Discussions, PPT	AI, QI, MI
9	MIDTEST-1				
10-12	Accounting: Principles, concepts, conventions, Double entry bookkeeping, Journal, Ledger, and Trial Balance	CO4	1. Explain the various concepts and conventions of accounting. 2. What do you mean by Double entry system of bookkeeping? What are its advantages and disadvantages?	Lecturing- BB, PPT	AII, QII, MII

12-14	FinalAccounts(TradingAccount,ProfitandLossAccountandBalanceSheetwithsimpleadjustments).	CO4	SimpleNumericalsonFinalAccountswithandwithoutadjustments.	Lecturing- BB,PPT	AII,QII,MII
14-15	FinancialStatementAnalysis(ComparativeandCommonsizestatements)	CO5	1.WhatismeantbyFinancialStatementAnalysis? 2.HowdoyouanalysethepositionofthebusinessthroughComparativeandCommonSizeStatement.	Lecturing- BB,PPT	AII,QII,MII
15-17	RatioAnalysis(Liquidityratios,Activityratios,SolvencyratiosandProfitabilityratios).	CO5	1.Explainthemanagerialuses,significanceandlimitationsofRatioanalysis. 2.Whatarethedifferenttypesofratioswhichindicatethefinancialpositionofthefirm?	Lecturing- BB,PPT	AII,QII,MII
18	MIDTEST-2				
	ENDEXAM				

LISTOFTEXTBOOKS/REFERENCES:

TextBooks:

1. A R Aryasri, "Managerial Economics and Financial Analysis", 4th Edition, TMH Publication, 2012.
2. S A Siddiqui & A. S. Siddiqui "Managerial Economics and Financial Analysis", 1st Edition, New Age Publishers, 2012.
3. P. K. Sharma & Shashi K. Gupta, "Management Accounting Principles and Practices," (12th Edition), Kalyani Publishers, 2004.
4. R. L. Varshney & K. L. Maheswari, "Managerial Economics", 22nd Edition, S. Chand Publishers, 2004.

Reference Books:

1. Dominick Salvatore, "Managerial Economics: Principles and Worldwide Applications", 7th Edition, Oxford University Press, 2012.
2. Ramachandran N, Ram Kumar Kakani, "Financial Accounting for Management", 2nd Edition, Pearson Education, 2007.
3. D N Dwivedi, "Managerial Economics", 8th Edition, PHI Publication, 2010.
4. S P Jain & K L Narang, "Cost and Management Accounting", 3rd Edition, Kalyani Publishers, 2004.
5. P Venkata Rao & J. V. Prabhakar Rao, "Managerial Economics & Financial Analysis", 1st Edition, Maruti Publications, 2012.
6. Carl E. Walsh, "Monetary Theory & Policy", 3rd Edition, The MIT Press Cambridge, 2010.

