



Andhra Loyola Institute of Engineering and Technology

Teacher/Instructor: Dr. CH.VIJAYA LAKSHMI Assistant Professor

MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS

Lesson Plan for a Day

Term/Semester/Year: Sem- I Syllabus 2019-20

Main Objectives






- To understand the concept and nature of Managerial economics and its relationship with other disciplines and also to understand the concept of demand and demand forecasting.
- To familiarize about the production function, input output relationship, cost-output relationship and cost-volume-profit analysis.
- To understand the nature of markets methods of Pricing in the different market structures and to know the different forms of business organization and the concept of business cycles.
- To learn different Accounting systems preparation of financial statements and uses of different tools for performance evaluation.
- To understand the concept of capital, capital budgeting and the techniques used to evaluate capital budgeting proposals.








Course Outcomes:

| | | |
|---|------------|--|
| 1 | Factual | Lesson Objectives: 'Introduction to managerial Economics' will help the students in managerial decision making in the business organization, and also the Financial Analysis helps in analyzing profit and loss, and investment decisions. |
| 2 | Conceptual | To familiarize about the concept of demand, production function, types of markets, accounting terminology and capital budgeting methods. |
| 3 | Procedural | Students will be able to learn the terms of managerial economics and financial statements and accepting project proposals with the help of capital budgeting methods. |
| 4 | Applied | Students will be able to take business decisions with the help of tools and techniques of Managerial Economics and Financial Analysis |

Detailed Text: Lesson1: Introduction To Managerial Economics& Demand Analysis:

Schedule and Sequence: lesson-1 Introduction to Managerial Economics & Financial Analysis. Total classes-8

| Session/w eek/ unit-1 Total Classes-9 | Topic | Objectives | Before Class - Videos, e-Books, Case studies | In-Class – Activities, Quiz | Post Class - Assignment, Discussion Forum |
|--|--|--|--|--|---|
| Day-1 | Introduction to managerial economics | Gain the knowledge on economics and managerial economics |  MEFA.docx | Subject title introduction: 10 min.  DAY 1 MEFA PPT (1).pptx Introduction to managerial economics 40 min Discussion board 10min | Learning outcome – Able to understand the economics, managerial economics its purpose in business decision. |
| Day-2 | Scope of managerial economics | Scope of the study helps in decisions in different areas of business |  MEFA.docx | discussion board  DAY 2 MEFA PPT (1).pptx | Learning outcome – Able to understand how the managerial economics helps in finding the optimal solution |
| Day-3 | Demand and determinants of demand | Able toknow the changes in demand and its determinants | |  DAY 3 &4 MEFA PPT (1).pptx | Able to analyze the changes in the demand along with the other demand determinants |

| | | | | | |
|--------------|----------------------------------|--|--|--|--|
| Day-4 | Law o f Demand | Understandin g the relation between the demand and the price | |  DAY 3 &4 MEFA PPT (1).pptx | Able to analyze the changes in the demand and its relation with price |
| Day-5 | Elasticity of demand | able to evaluate the rate of change in the demand | |  day 5&6.pptx | Able to evaluate the rate of change in the demand |
| Day-6 | Demand forecasting | able to forecast the demand for future, based on the past and present information | |  day 5&6.pptx | Able to understand the factors affecting demand forecasting |
| Day-7 | Methods of demand forecasting | Based on the nature and size of the market the forecasting methods were selected for demand estimation |  MEFA.docx | | Able to analyse and estimate the demand with methods of forecasting |
| Day-8 | Supply and law of supply | able to know the supply in relation with determinants of demand |  MEFA.docx |  day 8.pptx | Able to understand the concept of supply and law of supply |
| day-9 | Law of supply | able to know the supply in relation with determinants of demand | |  day 8.pptx | Able to understand the concept of supply and law of supply |

Unit -2 : Theory of Production and Cost Analysis:


| | | |
|---|------------|--|
| 1 | Factual | Understanding production function, and cost-output relationship. |
| 2 | Conceptual | PPT related to production and cost analysis |
| 3 | Procedural | Activity Quiz Discussion board |
| 4 | Applied | Able to analyse the input and output relationship in production and profit-related decisions |


| Session/week/ unit-2 Total Classes-9 | Topic | Objectives | Before Class - Videos, e-Books, Case studies | In-Class – Activities, Quiz | Post Class - Assignment, Discussion Forum |
|--|---|--|---|--|--|
| Day-1 | Production and production function | Able to understand factors of production | |  MEFA UNIT 2 PPT (1).pptx | Students are able to analyze production function in case of one variable |
| Day-2 | Two variable production function | Able to understand the iso quant and iso cost | | | Students are able to analyze the relationship between the factor of production in relation to output |
| Day-3&4 | Economies of scale and cobb-douglas production function | Able to gain knowledge when it is economical and diseconomical |  Unit 2 mefa notes.docx |  MEFA UNIT 2 PPT (1).pptx | Students are gaining the skill of maximum utilization of resources |
| Day-5 | Multiple variable Production function and cost analysis | Able to understand the combination of variables in relation to output | | | Students gain knowledge different combination of variables and its output |
| Day -6 | Cost concepts | Able to know different types of costs | |  MEFA UNIT 2 cost concepts.pptx | Students gain knowledge on different types of costs. |
| Day -7 | Cost in the Long run and short run | Able to know about the cost -output relationship | | | Students gain knowledge on cost in the short run and costs in the long run |

| | | | | | |
|-------|---------------------|--|--|--|--|
| Day-8 | Break even analysis | Able to understand no profit no loss area | | | Students are able to analyze the Break-Even-sales |
| Day9 | Application areas | Abe to understand about product add or drop decision | | | Students are able to give suggestion to continue or exit with the product. |

Unit -3 Types of Markets and Pricing Strategies:

| | | |
|---|------------|---|
| 1 | Factual | Understanding the Types of Markets and pricing Strategies |
| 2 | Conceptual | PPT related to Markets and Pricing Strategies |
| 3 | Procedural | Activity Quiz Discussion board |
| 4 | Applied | Able to analyze the price output determination and pricing strategies |

| Session/week/ unit-3 Total Classes-9s | Topic | Objectives | Before Class - Videos, e-Books, Case studies | In-Class – Activities, Quiz | Post Class - Assignment, Discussion Forum |
|---|--|--|---|---|--|
| Day-1 | Markets introduction and market structure | Able to understand the markets and its types |  UNIT 3 mefa notes.docx | Discussion board case studies and quiz | Able to understand the different types of competitors in the market |
| Day-2 | Perfect market and its features and price output determination | Able to understand the perfect market | | Discussion board case studies and quiz | Students are aware of the products of perfect market |
| Day-3 | Imperfect market features | able to understand about the imperfect market | | Discussion board case studies and quiz | Students are aware of the imperfect competition |
| Day-4 | Monopoly market its features and price determination | able to understand the monopoly importance in the economy | | Discussion board case studies and quiz | Able to recognize the role and importance of monopoly in the market |
| Day -5 | Monopolistic market and price output determination | Able to understand about the monopolistic competition in the market | | Discussion board case studies and quiz | Student gain the knowledge about the monopolistic competition in the market |

| | | | | | |
|--------|---|--|--|--|---|
| Day -6 | Oligopoly market and price output determination | Able to understand about the oligopoly |  UNIT 3 mefa notes.docx | Discussion board case studies and quiz | Student are aware of the oligopoly importance in the market |
| Day-7 | Pricing strategies | able to understand different pricing policies | | Discussion board case studies and quiz | Students gain the knowledge in pricing to the products |
| Day8 | Pricing strategies | able to understand different pricing policies | | Discussion board case studies and quiz | Students gain the knowledge in pricing to the products |
| Day-9 | Theories of the firm | Able to understand about the utilization of employees skills | | Discussion board case studies and quiz | Students gain the knowledge about the role of managers and employees in the organization. |

Unit -4 Types of business Organizations and Business Cycles:

| | | |
|---|------------|--|
| 1 | Factual | Understanding the different types of business organizations. |
| 2 | Conceptual | PPT related to types of business organizations and business cycles |
| 3 | Procedural | Activity Quiz Discussion board |
| 4 | Applied | Able to know the different forms of business organisation |


| | | | | | |
|--|-------|------------|--|--------------------------------|--|
| Session/w eek/ unit-4 Total Classes-6 | Topic | Objectives | Before Class - Videos, e-Books, Case studies | In-Class – Activities, Quiz | Post Class - Assignment, Discussion Forum |
|--|-------|------------|--|--------------------------------|--|

| | | | | | |
|--------|---|--|--|--|---|
| Day-1 | Introduction to business and features of business | Able to learn the types of business organization and its features | | Discussion board case studies and quiz | Students acquire knowledge about types of business organizations. |
| Day-2 | Sole trader and partnership | Able to know the features of sole trader | | Discussion board case studies and quiz | Students gain knowledge of sole trader and partnership |
| Day-3 | Kinds of partners and joint stock company | Able to know the kinds of companies | | Discussion board case studies and quiz | Students able to know the different kinds of companies and kind of partners |
| Day-4 | Kinds of companies and its documentation | Able to know the documents required to establish companies under companies act | | Discussion board case studies and quiz | Students acquire knowledge about preparing documentation for establishing company |
| Day -5 | HUF, Departmental undertakings | Able to know the departmental undertaking | | Discussion board case studies and quiz | Students able to gain knowledge of HUF and departmental undertaking |
| Day 6 | Business cycles | Able to understand the speculations in the business | | Discussion board case studies and quiz | Students gain the knowledge about the speculations in the market |

Unit -5 Financial statement Analysis:

| | | |
|---|------------|--|
| 1 | Factual | Understanding the process of preparing accounting statements |
| 2 | Conceptual | PPT related to financial accounting |
| 3 | Procedural | Activity Quiz Discussion board |
| 4 | Applied | Able to know the profit and loss of abusiness |

| Session/w eek/ unit-5 Total Classes-14 | Topic | Objectives | Before Class - Videos, e-Books, Case studies | In-Class – Activities, Quiz | Post Class - Assignment, Discussion Forum |
|---|--|--|--|---------------------------------|--|
| Day-1 | Introduction to accounting and branches of accounting | Able to understand the accounting and its branches | | Discussion board and quiz | Students will familiarize with accounting and branches of accounting |
| Day-2 | Accounting principles | Able to know the accounting principles |  UNIT 5 Accounting and Financial Analy | Discussion board and quiz | Students to acquire knowledge of concepts and conventions |
| Day-3 | Accounting terminology | Able to learn the terminology and rules for writing accounts | | Discussion board and quiz | Students gain knowledge about accounting terminology and rules for accounting |
| Day-4 | Preparing journal entries | Able to know about the journal entries | | Discussion board and quiz | Students will familiarize in posting journal entries |
| Day -5 | Journal entries | Able to prepare journal entries | | Discussion board and quiz | Students will familiarize in posting journal entries |
| Day -6 | Ledger accounts | Able to know about t format account | | Discussion board and quiz | Students will familiarize in posting ledger accounts |

| | | | | | |
|--------|--|---|---|---------------------------|---|
| Day-7 | Ledger and trailbalance | Able to know about the ledger account and trailbalance | | Discussion board and quiz | Students able to prepare ledger and trailbalance |
| Day8 | Ledger TB and trading account proforma | Able to know about the ledger account and trailbalance | | Discussion board and quiz | Students will familiarize in posting trail balance |
| Day-9 | Trading account, profit and loss account proforma and problems | Able to know about the format of trading and P&L account | | Discussion board and quiz | Students will familiarize preparing trading profit and loss account |
| Day 10 | Preparing final accounts | Able to know the process of preparing final accounts | | Discussion board and quiz | Students will familiarize in preparing final accounts |
| Day 11 | Ratio analysis | Able to know the ratio analysis importance |  UNIT 5 Financial Analysis trough Rati | Discussion board and quiz | Students gain the knowledge of ratio analysis |
| Day 12 | Ratio analysis problematic part | Able to know the ratio analysis importance | | Discussion board and quiz | Students will familiarize in ratio analysis |
| Day13 | Ratio analysis and cashflow statement | Able to know the ratio analysis and cashflow statement importance | | Discussion board and quiz | Students gain the knowledge about ratioanalysis and cashflow statement. |

| | | | | | |
|-------|------------------------------------|---|--|---------------------------|--|
| Dy 14 | Cash flow and funds flow statement | Able to know about the cash flow and funds flow statement process of accounting preparation | | Discussion board and quiz | students gain the knowledge about the cash flow and funds flow |
|-------|------------------------------------|---|--|---------------------------|--|

Unit-6 Capital and Capital Budgeting:

| | | |
|---|------------|---|
| 1 | Factual | Understanding techniques of capital budgeting |
| 2 | Conceptual | PPT related capital budgeting |
| 3 | Procedural | Activity Quiz Discussion board |
| 4 | Applied | Able to select the best project proposals |

| Session/w eek/ unit-6 Total Classes-8 | Topic | Objectives | Before Class - Videos, e-Books, Case studies | In-Class – Activities, Quiz | Post Class - Assignment, Discussion Forum |
|--|--|---|--|---------------------------------|--|
| Day-1 | Capital and capital budgeting introduction | Able to know about capital and capital budgeting importance | | Discussion board and quiz | Students able to know about the capital budgeting decision |
| Day-2 | Importance of capital budgeting and its project selection procedure | Able to evaluate project proposals | | Discussion board and quiz | Students able to select the best project proposals |
| Day-3 | Methods of capital budgeting | Able to know about the capital budgeting methods | | Discussion board and quiz | Student able to now the process for select best projects |
| Day-4 | Traditional methods | Able to calculate traditional methods | | Discussion board and quiz | Students able to calculate the traditional methods |
| Day -5 | Traditional methods | Able to calculate traditional methods | | Discussion board and quiz | Students able to calculate the traditional methods |
| Day -6 | Modern methods | Able to calculate the modern methods | | Discussion board and quiz | Able to calculate the Net Present values method. |
| Day-7 | Modern methods of capital budgeting | Abe to calculate the profitability of the projects | | Discussion board and quiz | Students able to calculate the profitability of the projects |

| | | | | | |
|------|---------------------------------------|---|--|---------------------------------|---|
| Day8 | Capital budgeting methods Revision | Able to know about the process of selection of the projects | | Discussion board and quiz | students able to select the best projects. |
|------|---------------------------------------|---|--|---------------------------------|---|