

# **AMMS20 MINE ECONOMICS & FINANCIAL MANAGEMENT**

## **UNIT-1 INTRODUCTION TO MANAGERIAL ECONOMICS AND DEMAND ANALYSIS**

- 1.1 Definition of Managerial Economics
- 1.2 Scope of Managerial Economics and its relationship with other subjects
- 1.3 Concept of Demand, Types of Demand,
- 1.4 Determinants of Demand schedule, Demand curve, Law of Demand and its limitations- Elasticity of Demand, Types of Elasticity of Demand and Measurement
- 1.5 Demand forecasting and Methods of forecasting, Concept of Supply and Law of Supply.

## **UNIT-2 PRODUCTION AND COST ANALYSES**

- 2.1 Concept of Production function- Cobb-Douglas Production function
- 2.2 Leontief production function - Law of Variable proportions
- 2.3 Isoquants and Isocosts and choice of least cost factor combination
- 2.4 Concepts of Returns to scale and Economies of scale
- 2.5 Different cost concepts: opportunity costs, explicit and implicit costs
- 2.6 Fixed costs, Variable Costs and Total costs- Cost- Volume-Profit analysis
- 2.7 Determination of Breakeven point (simple problems)
- 2.8 Managerial significance and limitations of Breakeven point.

## **UNIT-3 INTRODUCTION TO MARKETS, THEORIES OF THE FIRM & PRICING POLICIES**

- 3.1 Market Structures: Perfect Competition, Monopoly, Monopolistic competition and Oligopoly- Features- Price and Output Determination
- 3.2 Managerial Theories of firm: Marris and Williamson's models- other Methods of Pricing: Average cost pricing, Limit Pricing, Market Skimming Pricing,
- 3.3 Internet Pricing: (Flat Rate Pricing, Usage sensitive pricing) and Priority Pricing.

## **UNIT-4 TYPES OF BUSINESS ORGANIZATION AND BUSINESS CYCLES**

- 4.1 Features and Evaluation of Sole Trader, Partnership, Joint Stock Company
- 4.2 State/Public Enterprises and their forms
- 4.3 Business Cycles: Meaning and Features- Phases of a Business Cycle.

## **UNIT-5 INTRODUCTION TO ACCOUNTING & FINANCING ANALYSIS**

- 5.1 Introduction to Double Entry Systems- Preparation of Financial Statements
- 5.2 Analysis and Interpretation of Financial Statements-Ratio Analysis
- 5.3 Preparation of Funds flow and cash flow statements (Simple Problems)

## **UNIT-6 CAPITAL AND CAPITAL BUDGETING**

- 6.1 Capital Budgeting: Meaning of Capital-Capitalization Meaning of Capital Budgeting-Time value of money

- 6.2 Methods of appraising Project profitability: Traditional Methods(payback period, accounting rate of return) and modern methods(Discounted cash flow method,  
6.3 Net Present Value method, Internal Rate of Return Method and Profitability Index)

**Reference Book:**

1. Dr. B. Kuberudu and Dr. T. V. Ramana: Managerial Economics & Financial Analysis, Himalaya Publishing House, 2014.
2. V. Maheswari: Managerial Economics, Sultan Chand.2014
3. Suma Damodaran: Managerial Economics, Oxford 2011.
4. VanithaAgarwal: Managerial Economics, Pearson Publications 2011.

