

SEMESTER S3/S4

ECONOMICS FOR ENGINEERS

Course Code	UCHUT346	CIE Marks	50
Teaching Hours/Week (L: T:P: R)	2:0:0:0	ESE Marks	50
Credits	2	Exam Hours	2 Hrs. 30 Min.
Prerequisites (if any)	None	Course Type	Theory

Course Objectives:

1. To provide students with an understanding of fundamental economic principles essential for effective decision-making in engineering contexts.
2. To enable students to apply economic analysis to production decisions, cost management, and market strategies in engineering practice.
3. To equip students with the ability to evaluate macroeconomic scenarios, financial methods, and investment decisions relevant to engineering projects.

SYLLABUS

Module No.	Syllabus Description	Contact Hours
1	Basic economic problems – Production Possibility Curve – Utility – Law of diminishing marginal utility –Demand: Factors determining demand – Law of Demand – Demand curve- Price elasticity of demand- measurement of price elasticity and its applications – Supply: factors determining supply - Law of supply – Supply curve- Equilibrium price determination- Changes in demand and supply and its effects on equilibrium price and quantity Production: Production function - Law of variable proportion –Returns to scale- Cobb-Douglas Production Function	6
2	Cost: Cost concepts – Private cost and social cost – Sunk cost – Opportunity cost -Explicit and implicit cost –Short run cost curves –Long run average cost curve -Revenue concepts – Break-even point Market: Perfect Competition – Monopoly - Monopolistic Competition (features and equilibrium of a firm) - Oligopoly – Features – Kinked demand model	6

3	National income: Concepts (GDP, GNP and NNP)– Final goods and Intermediate goods - Methods of Estimation –output method – expenditure method-- Difficulties in the measurement of national income. Inflation: Causes and Effects – Measures to Control Inflation - Monetary and Fiscal policies – Repo and reverse repo rate	6
4	Value Analysis and value Engineering: Cost Value, Exchange Value, Use Value, Esteem Value - Aims, Advantages and Application areas of Value Engineering - Value Engineering Procedure Capital Budgeting: Time value of money - Net Present Value Method - Benefit Cost Ratio – Internal Rate of Return – Payback – Accounting Rate of Return.	6

Course Assessment Method
(CIE: 50 marks, ESE: 50 marks)

Continuous Internal Evaluation Marks (CIE):

Attendance	Assignment/Case Study/ Microproject	Internal Examination-1 (Written)	Internal Examination- 2 (Written)	Total
10	15	12.5	12.5	50

End Semester Examination Marks (ESE)

In Part A, all questions need to be answered and in Part B, each student can choose any one full question out of two questions

Part A	Part B	Total
• Minimum 1 and Maximum 2 Questions from each module. • Total of 6 Questions, each carrying 3 marks (6x3 =18 marks)	2 questions will be given from each module, out of which 1 question should be answered. Each question can have a maximum of 2 sub divisions. Each question carries 8 marks. (4x8 = 32 marks)	50

Course Outcomes (COs)

At the end of the course students should be able to:

Course Outcome		Bloom's Knowledge Level (KL)
CO1	Understand the fundamentals of various economic issues using laws and learn the concepts of demand, supply, elasticity and production function.	K2
CO2	Develop decision making capability by applying concepts relating to costs and revenue, and acquire knowledge regarding the functioning of firms in different market situations.	K3
CO3	Outline the macroeconomic principles of monetary and fiscal systems and national income.	K2
CO4	Make use of the possibilities of value analysis and engineering, and take investment decisions through capital budgeting techniques.	K3

Note: K1- Remember, K2- Understand, K3- Apply, K4- Analyse, K5- Evaluate, K6- Create

CO-PO Mapping Table:

	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9	PO10	PO11	PO12
CO1	-	-	-	-	-	1	-	-	-	-	1	-
CO2	-	-	-	-	-	1	1	-	-	-	1	-
CO3	-	-	-	-	1	-	-	-	-	-	2	-
CO4	-	-	-	-	1	1	-	-	-	-	2	-

Text Books				
Sl. No	Title of the Book	Name of the Author/s	Name of the Publisher	Edition and Year
1	Managerial Economics	Geetika, Piyali Ghosh and Chodhury	Tata McGraw Hill,	2015
2	Engineering Economy	H. G. Thuesen, W. J. Fabrycky	PHI	1966
3	Engineering Economics	R. Paneerselvam	PHI	2012
4	Financial Management	I M Pandey	Vikas Publishing House	2015

Reference Books				
Sl. No	Title of the Book	Name of the Author/s	Name of the Publisher	Edition and Year
1	Engineering Economy	Leland Blank P.E, Anthony Tarquin P. E.	Mc Graw Hill	7 TH Edition
2	Indian Financial System	Khan M. Y.	Tata McGraw Hill	2011
3	Engineering Economics and analysis	Donald G. Newman, Jerome P. Lavelle	Engg. Press, Texas	2002
4	Contemporary Engineering Economics	Chan S. Park	Prentice Hall of India Ltd	2001
5	Financial Management: Theory and Practice	Prasanna Chandra	Mc Graw Hill	2007