

Principles of Engineering Economics and Management (HSMC-18101)

External Marks: 60

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Internal Marks: 40

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Total Marks: 100

OBJECTIVES: The students should understand economics, demand, production cost, factor pricing, cost estimate of projects, costing, investment alternatives, techniques for optimal utilization of resources.

Part A

Basic concepts and definition

(2 hrs)

Demand, supply, cost, price, profit, fixed cost, variable cost, total cost, average cost, marginal cost, total productivity, marginal productivity, average productivity, Definition of economics.

Theory of demand

(2 hrs)

Law of Demand, Elasticity of demand, Indifference curve analysis, Consumer surplus and Engel's law of economics, Giffen's paradox.

Production and cost

(3 hrs)

Factors of production, Law of returns to scale, law of variable proportions, Internal and external economies and diseconomies, cost analysis

Factor Pricing

(2 hrs)

Marginal productivity theory, Modern theory of factor pricing

Part B

Management

Definition & Principles of Management (F.W Taylor & Henry Fayol)

(1 hr)

Cost accounting

(4 hrs)

Costing and aid to management, general principle of cost accounting, cost analysis, concepts, classification and cost sheet, economic order quantity

Marginal costing

(2 hrs)

Marginal costing and Break-even analysis, Breakeven chart

Chidambaram
- V. S. S.

Replacement Studies

(4 hrs)

Reasons for replacement, factors to be considered in replacement Studies, payback method, average rate of return, internal rate of return, present value method, challenger and defender

TEXT BOOKS

1. Principles of Economics by P.N. Chopra
2. Principles of Economics by H.L. Ahuja
3. Elementary economic theory by K.K. Dewett
4. Cost and management accounting by S.P. Jain, K.L. Narang
5. Accounting and financial management by Shashi K. Gupta, Dr.R.K. Sharma, Anju Gupta

REFERENCE BOOKS

1. Labour Problems and Social Welfare (K. Math & Co. Meerut) by R.C. Saxena
2. Economics of Labour and Industrial Relations (Sahitya Bhawan Agra) by T.N. Bhagoliwal
3. Managerial Economics by K K Seo, Richard D Irwin 1992.
4. Economics, P A Samuleson, Tata McGraw Hill Publishers New Delhi 1997.
5. Micro Economics Analysis By A. Koutsoyiannis
6. Management Accounting By Charles T Harngren

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