Maulana Abul Kalam Azad University of Technology, West Bengal

(Formerly West Bengal University of Technology)

Syllabus for B. Tech in Electrical Engineering

(Applicable from the academic session 2018-2019)

Name of the course		**ECONOMICS FOR ENGINEERS**	
Course Code: HM-EE-601		**Semester: 6th**	
Duration: 6 months		**Maximum Marks: 100**	
Teaching Scheme		**Examination Scheme**	
Theory: 3 hrs/week		Mid Semester Exam: 15 Marks	
Tutorial: 0 hr/week		Assignment & Quiz: 10 Marks	
Credit Points: 3		Attendance: 05 Marks	
		End Semester Exam: 70 Marks	
Objective:			
1.	To understand the process of economic decision making		
2.	To understand th basic financial management aspects		
3.	To develop the skills to analyze financial statements		
4.	To understand the basic of accounting		
Pre-Requisite			
1.	Basic understanding of Engineering processes		
Unit	Content	Hrs	Marks
1	Economic Decisions Making – Overview, Problems, Role, Decision making process. Engineering Costs & Estimation – Fixed, Variable, Marginal & Average Costs, Sunk Costs, Opportunity Costs, Recurring And Nonrecurring Costs, Incremental Costs, Cash Costs vs Book Costs, Life-Cycle Costs; Types Of Estimate, Estimating Models - PerUnit Model, Segmenting Model, Cost Indexes, Power-Sizing Model, Improvement & Learning Curve, Benefits.	06	
2	Cash Flow, Interest and Equivalence: Cash Flow – Diagrams, Categories & Computation, Time Value Of Money, Debt repayment, Nominal & Effective Interest. Present Worth Analysis : End-Of-Year Convention, Viewpoint Of Economic Analysis Studies, Borrowed Money Viewpoint, Effect Of Inflation & Deflation, Taxes, Economic Criteria, Applying Present Worth Techniques, Multiple Alternatives. Cash Flow & Rate Of Return Analysis – Calculations, Treatment of Salvage Value, Annual Cash Flow Analysis, Analysis Periods; Internal Rate Of Return, Calculating Rate Of Return, Incremental Analysis; Best Alternative Choosing An Analysis Method, Future Worth Analysis, Benefit-Cost Ratio Analysis, Sensitivity And Breakeven Analysis. Economic Analysis In The Public Sector - Quantifying And Valuing Benefits & drawbacks.	10	
3	Uncertainty In Future Events - Estimates And Their Use In Economic Analysis, Range Of Estimates, Probability, Joint Probability Distributions, Expected Value, Economic Decision Trees, Risk, Risk vs Return, Simulation, Real Options. Depreciation - Basic Aspects, Deterioration & Obsolescence, Depreciation And Expenses, Types Of Property, Depreciation	10	

	Calculation Fundamentals, Depreciation And Capital Allowance Methods, Straight-Line Depreciation Declining Balance Depreciation, Common Elements Of Tax Regulations For Depreciation And Capital Allowances.		
4	Replacement Analysis - Replacement Analysis Decision Map, Minimum Cost Life Of A New Asset, Marginal Cost, Minimum Cost Life Problems. Inflation And Price Change – Definition, Effects, Causes, Price Change With Indexes, Types of Index, Composite vs Commodity Indexes, Use of Price Indexes In Engineering Economic Analysis, Cash Flows that inflate at different Rates.	08	
5	Accounting – Function, Balance Sheet, Income Statement, Financial Ratios Capital Transactions, Cost Accounting, Direct and Indirect Costs, Indirect Cost Allocation.	06	

Text book:

1. Sociology & Economics for Engineers, Premvir Kapoor, Khanna Publishing House.
2. Engineering Economics, James L.Riggs, David D. Bedworth, Sabah U. Randhawa 4e , McGraw-Hill Education.
3. Engineering Economics Analysis, Donald Newnan, Ted Eschembach, Jerome Lavelle , OUP
4. Principle of Engineering Economic Analysis, John A. White, Kenneth E.Case,David B.Pratt , Wiley

Reference books

1. Engineering Economy, Sullivan and Wicks, Koelling, Pearson
2. Engineering Economics, R.Paneer Seelvan, PHI
3. Engineering Economics Analysis, Michael R Lindeburg, ,Professional Pub

Course Outcome:

After completion of this course, the learners will be able to

1. evaluate the economic theories, cost concepts and pricing policies
2. explain the market structures and integration concepts
3. apply the concepts of financial management for project appraisal
4. explain accounting systems , the impact of inflation, taxation, depreciation
5. analyze financial statements using ratio analysis
6. explain financial planning, economic basis for replacement, project scheduling, legal and regulatory issues applied to economic investment and project-management problems

Special Remarks (if any)

The above-mentioned outcomes are not limited. Institute may redefine outcomes based their program educational objective.