

VASAVI COLLEGE OF ENGINEERING
DEPARTMENT OF HUMANITIES AND SOCIAL SCIENCES

ECONOMICS AND FINANCE FOR ENGINEERS

(ADMITTED IN 2021-22) R-19

Instruction: 2 Hrs/week	SEE Marks: 60	Course Code: U19HS010EH
Credits: 2	CIE Marks:40	SEE: 3 hrs.

COURSE OBJECTIVES	<u>Course Outcomes</u>
The objective of the Course is to equip the prospective engineers with the concepts and tools of economics, finance, cost and taxes that facilitate business decisions.	<ol style="list-style-type: none"> 1.Enable students to identify the essential components such as production quantity limits, elasticity, demand and supply in business decision making. 2. Facilitate students in calculation of cost components to enable control of costs. 3.Make better investment decisions both in short and long run by understanding the financial viability of given investment proposals. 4.Analyze the given financial statements of a firm to understand the past performance and to make decisions for future. 5.Identify the impact of the new tax policies on the company's financial structure/ individual's incomes.

Unit I: Basics of Economics:

Scarcity Definition of Economics - Macro and Micro Economics -Managerial Economics - Meaning of a Firm - Objectives of a Firm - Demand Concept and Law of Demand -Price Elasticity of Demand (types), Income elasticity - cross elasticity - advertising elasticity - Meaning of Supply - Equilibrium Price and Quantity - Production - Cobb Douglas Production Function - Economies of Scale. (Simple problems on computation of elasticity)

Unit II: Cost and Price:

Cost - Meaning -Classification of Costs -Short run and Long run costs -Cost Sheet - Break even Analysis - Methods of Pricing (Problems on Cost Sheet, Breakeven Analysis and Methods of Pricing can be asked).

Unit III: Sources and uses of Finance:

RBI and its role - Commercial Banks - Functions - Capital Budgeting -Discounting and Non discounting Techniques (including simple problems) - Working Capital Management - Concepts and Components of Working Capital – determinants of working capital - Operating Cycle - estimation of working capital.

UNIT IV: Understanding Financial Statements:

Financial Statements- Meaning - Types - Purpose - Ratios (Liquidity, Solvency & Profitability Ratios including problems)

Unit V: Direct & Indirect Taxes:

Heads of Income - Income from Salaries - Income from House Property - Income from Business - Income from Capital Gains -Income from Other Sources – old and new regime tax rates and calculation of tax - Latest Tax Rates - GST -CGST - SGST - IGST - GST network.

Learning Resources:

1. S.P.Jain and K.L.Narang., “Cost Accounting”, Kalyani Publishers, Twentieth Edition Revised– 2008.
2. S.P.Jain and K.L. Narang., “Financial Accounting”, Kalyani Publishers –2002.
3. Mehta P.L.,“Managerial Economics: Analysis,Problems and Cases”, Thirteenth Edition, Sultan Chand and Sons, Nineteenth Edition - 2013.
4. M.Y.Khan and P.K. Jain., “Financial Management – Text, Problems and Cases”, Mc Graw Hill Education Private Limited, New Delhi.
5. Vinod KSinghania and Kapil Singhania., “Direct Taxes Law and Practice”, Taxmann Publications, Sixtieth Edition - 2018.
6. Dr,Vinod K Singhania., “Students’ Guide to GST and Customs Law”, Taxmann Publications, Edition - 2018.
7. Muralidharan., “Modern Banking”, Prentice Hall of India.
8. Accounting for Managers by Narayana swamy

Reference Books:


1. M. L. Seth., “Micro Economics”, Lakshmi Narain Agarwal.
 2. Dr. R.P. Rustagi., “Fundamentals of Financial Management”Taxmann Publications.
 3. Dr. D.M. Mithani, “Money Banking International Trade & Public Finance”, Himalaya Publishing House - 2014.
 4. Rajesh., “Banking Theory and Practice”, Tata Mc Graw Hill Publishing
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The break-up of marks for CIE:

Internal Tests (2)	Quiz Tests (3) + Assignments (3)
No. of Internal Tests : 2	Max. Marks for Internal Test: 30
Duration of Internal Test :	120 Minutes

Chairperson BOS-VCE
(Dr. Jacqueline Amaral)

Member of BOS-VCE
M.Jyothi


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