## MCC104 - ENGINEERING ECONOMICS AND COSTING(3-0-0)

**Module-I (12 hours)**
Engineering economics- Nature and scope, The theory of demand, demand function, law of demand and its exceptions, Elasticity of demand, Law of supply and elasticity of supply. Determination of equilibrium price under perfect competition (Simple Numerical problems to be solved).
Theory of production and cost, Law of variable proportion, Law of returns to scale,

**Module-II (12 hours)**
Time value of money-Simple and Compound Interest, Cash Flow Diagram, Principle of Economic Equivalence Evaluation of Engineering projects- Present worth method, Future worth method, Annual worth method, Internal rate of return method, Cost-benefit analysis in public projects. Depreciation Policy, Depreciation of capital assets, Causes of depreciation, Straight line method and declining balance method.

**Module- III (12 hours)**
Cost Concepts, Elements of costs, Preparation of cost sheet, Segregation of costs into Fixed and variabele costs. Break-even Analysis-Linear Approach. (Simple Numericalproblems to be solved).
Banking: Meaning and functions of commercial banks, function of Reserve Bank of India. Overview Indian Financial System.

**Text Books:**


1. Riggs, Bedworth and Randhwa , "Engineering Economics", McGraw Hill Education India
2. C. T. Horngreen, " Cost Accounting ", Pearson Education India
3. R. R. Paul , "Money banking and International Trade", kalyani publuisher, New-Delhi
4. H.L. Ahuja , "Principle of Economics", S. Chand & Co