



GUJARAT TECHNOLOGICAL UNIVERSITY

Bachelor of Engineering

Subject Code: 3140709

Semester – IV

Subject Name: PRINCIPLES OF ECONOMICS AND MANAGEMENT

Type of course: Undergraduate

Prerequisite: Linear and non-linear data structures, working experience of any one structured programming language

Teaching and Examination Scheme:

| Teaching Scheme | | | Credits C | Examination Marks | | | | Total Marks |
|-----------------|---|---|--------------|-------------------|---------|-----------------|---|----------------|
| L | T | P | | Theory Marks | | Practical Marks | | |
| | | | ESE (E) | PA (M) | ESE (V) | PA (I) | | |
| 3 | 0 | 0 | 3 | 70 | 30 | 0 | 0 | 100 |

Content:

| Sr. No | Topics | Hrs. | Module Weightage |
|--------|--|------|------------------|
| 1. | Introduction to Economics; Definitions, Nature, Scope, Difference between Microeconomics & Macroeconomics Theory of Demand & Supply; law of demand, law of supply, equilibrium between demand & supply Elasticity; elasticity of demand, price elasticity, income elasticity, cross elasticity | 5 | 12 |
| 2. | Theory of production; production function, meaning, factors of production (meaning & characteristics of Land, Labour, capital & entrepreneur), Law of variable proportions & law of returns to scale Cost; meaning, short run & long run cost, fixed cost, variable cost, total cost, average cost, marginal cost, opportunity cost. Break even analysis; meaning, explanation, numerical | 4 | 12 |
| 3. | Markets; meaning, types of markets & their characteristics (Perfect Competition, Monopoly, Monopolistic Completion, Oligopoly) National Income; meaning, stock and flow concept, NI at current price, NI at constant price, GNP, GDP, NNP, NDP, Personal income, disposal income. | 4 | 12 |
| 4. | Basic economic problems; Poverty-meaning, absolute & relative poverty, causes, measures to reduce Unemployment: meaning, types, causes, remedies Inflation; meaning, types, causes, measures to control | 4 | 12 |
| 5. | Money; meaning, functions, types, Monetary policy- meaning, objectives, tools, fiscal policy-meaning, objectives, tools Banking; meaning, types, functions, Central Bank- RBI; its functions, concepts; CRR, bank rate, repo rate, reverse repo rate, SLR. | 4 | 12 |
| 6. | Introduction to Management; Definitions, Nature, Management Difference between Management & administration, skill, types and roles of managers Management Principles; Scientific principles, Administrative principles, Maslow's Hierarchy of needs theory | 5 | 12 |
| 7. | Functions of Management; Planning, Organizing, Staffing, Directing, Controlling (meaning, nature and importance) Organizational Structures; meaning, principles of organization, types-formal and informal, line, line & staff, matrix, hybrid (explanation with merits and demerits), span of control, departmentalization, chain of command, centralization and decentralisation | 6 | 12 |
| 8. | Organisational culture of Environment concept of culture and its importance, | 4 | 10 |



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|----|---|----|----|
| | attributes culture, How does culture affect managers and employees | | |
| 9. | Corporate Social Responsibility; meaning, importance Business Ethics; meaning, importance. | 03 | 6% |

Reference Books:

1. Engineering Economics, R.Paneerselvam, PHI publication
2. Fundamentals of Management: Essential Concepts and Applications, Pearson Education, Robbins S.P. and Decenzo David A.
3. Economics: Principles of Economics, N Gregory Mankiw, Cengage Learning
4. Principles and Practices of Management by L.M.Prasad
5. Principles of Management by Tripathy and Reddy
6. Modern Economic Theory, By Dr. K. K. Dewett & M. H. Navalur, S. Chand Publications

Course Outcomes:

After learning the course the students will be able to

| Sr. No. | CO statements | Marks %Weightage |
|---------|--|---------------------|
| CO-1 | Analyze how elasticity affects revenue. | 25 |
| CO-2 | Relate production function and cost function. | 20 |
| CO-3 | Analyze the optimal quantity and pricing decisions of firms in different market structures (perfect competition, monopoly, monopolistic competition) to achieve profit maximization. | 20 |
| CO-4 | Describe the basic principles of management: planning, organizing, controlling, and directing | 25 |
| CO-5 | Analyze ethical dilemmas faced by business and managers | 10 |

Suggested Specification table with Marks (Theory):

| Distribution of Theory Marks | | | | | |
|------------------------------|---------|---------|---------|---------|---------|
| R Level | U Level | A Level | N Level | E Level | C Level |
| 0 | 0 | 20 | 55 | 25 | 0 |

Legends: R: Remembrance; U: Understanding; A: Application, N: Analyze and E: Evaluate C: Create and above Levels (Revised Bloom's Taxonomy)

Note: This specification table shall be treated as a general guideline for students and teachers. The actual distribution of marks in the question paper may vary slightly from above table.