

CH0401 Process Engineering Economics

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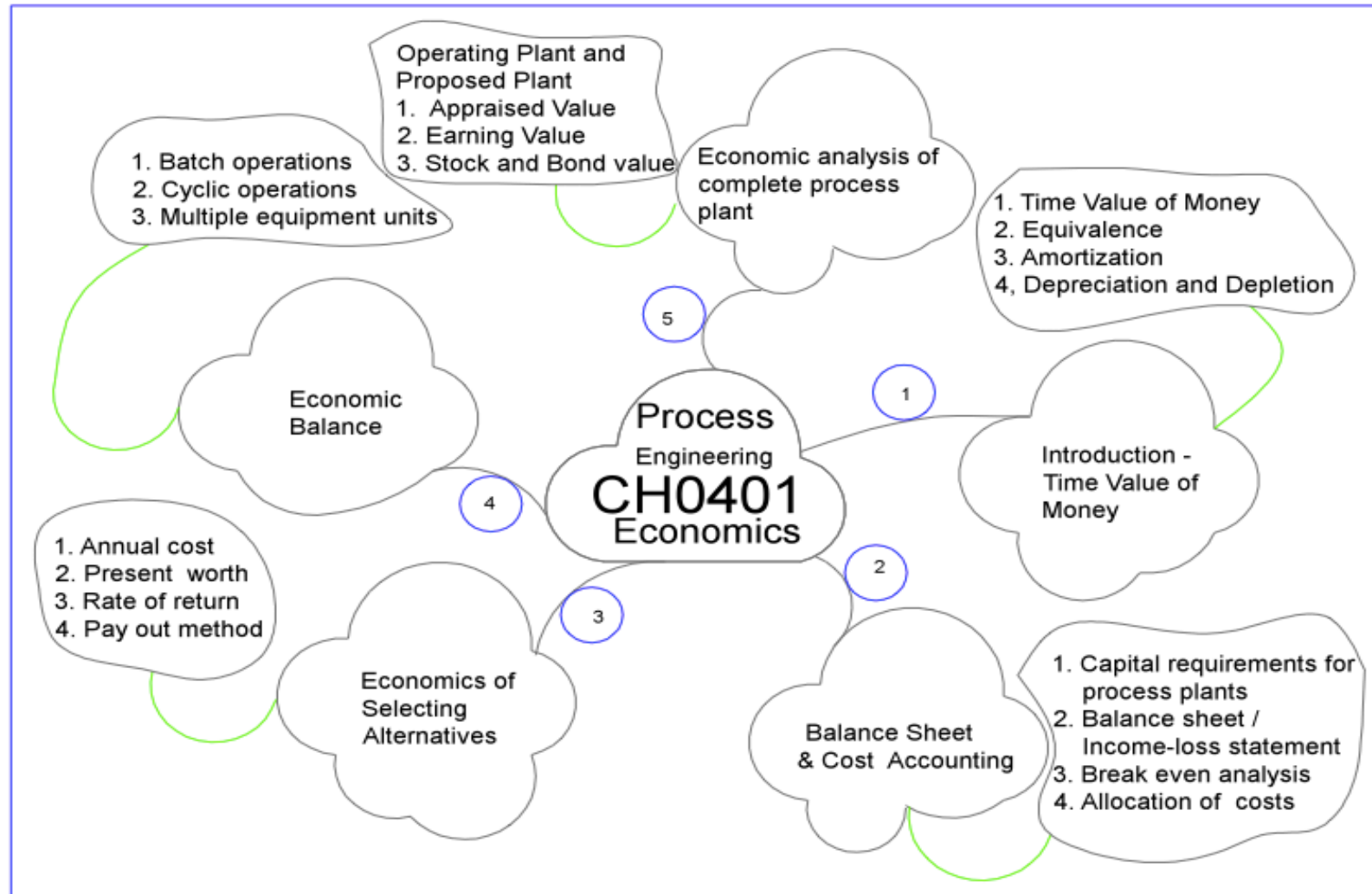
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Process Engineering Economics

- 1 Introduction – Time Value of Money
- 2 Balance Sheet and Cost Accounting
- 3 Economic of Selecting Alternatives
- 4 Economic Balance in Cyclic operation
- 5 Economic Analysis of Complete Process Plants

Process Engineering Economics – Syllabus





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Is a process engineer need the economics !

- The determination of optimum **operating conditions** for minimum cost
- The study of **alternates to replace process** to improve quality or yield
- The study of the **economic feasibility of new processes and products**
- The **evaluation and economic analysis** of research developments

*To perform these functions the process engineer uses certain **economic principles and accounting techniques as a tool***

Where the data's are available?

The raw data for economic studies are obtained from the **company accountants for the past operations** and additional data are obtained from the **engineer's, salesman or technical experts** for complete operations.

The process engineer relying on his experience and judgment estimates missing data and employs all the available information for making the economic analysis.

- Time value of Money
- Equivalence
- Equations for economic studies
- Amortization
- Depreciation
- Depletion