

**Eastern Mediterranean University**  
**Department of Industrial Engineering**

**IENG323/MANE323 - Engineering Economy**  
**Spring 2019-2020**  
**Project Guidelines**

A Project report, other than Cover Page, Table of Contents, References, and Appendix, has to contain three main sections: Introduction, Calculations, Conclusion (results & discussions).

(Font size: 12 points, Margins: all 2cm except top margin: 2.5cm and line spacing: 1.5 lines)

**Introduction:**

Describe the company/organization you have selected for analysis. *The company that you have made your Industrial Training will not be accepted.* This section has to include 1) the address, 2) year established, 3) present activities 4) brief information on the 'problem' and how are you planning to solve it.

**Calculations:**

1. List at least 5 alternatives together with their data, in detail.
2. List all the assumptions you have made
3. Draw a cash flow diagram for each alternative.
4. Evaluate the alternatives by performing the following analysis:
  - a. Present Worth
  - b. Future Worth
  - c. Annual Worth
  - d. Capitalized Cost
  - e. Rate of Return (ROR)
  - f. Incremental Rate of Return
  - g. B/C ratio and Incremental B/C ratio
  - h. Inflation and its effects
5. Calculate Payback Period for each alternative.
6. Make a Replacement study on the alternative selected
7. Make a Breakeven analysis on the alternative selected

**Conclusion:**

This section includes an interpretation of your findings. The result of the calculations done in the previous section should be repeated as a list. You can end the report with the final remarks and your decision(s).

Last day for [report + its CD] submission is 18<sup>th</sup> May 2020, Monday before 5 pm.  
Detailed schedule on project presentations will be planned and announced in advance for the following days. Late submissions will be penalized by 50 percent per day.