

ABSTRACT

Population rate in Indonesia has been increasing significantly along with the need and dependency of oil crude, whereas today's world's oil price is hiking to US\$ 80 / barrel. Energy replacement is becoming very important now. One of them is vegetable fuel. Therefore, the need for an industry of vegetable fuel is required which can replace kerosene.

This thesis is about assessing if the vegetable fuel business industry has a prospective. Until now, there is no businessman sell vegetable fuel in the market.

Indicators used for this assessment are Net Present Value (NPV), Internal Rate of Return (IRR), Payback Period (PP) and Profitability Index (PI). Other indicators are market analysis, industrial trends, resources and technology which influence this business assessment.

This thesis applies sensitivity analysis to selling price and product change composition. As well risk management may occurred in this type if business.

The business plan is showing that vegetable fuel industry would have a profitable prospective and eligible to run, though on this planning it concern more on people's interest, in which its profit reduction will due course of pressed down selling price to meet with the people's buying power.

Later stage, it should asked to our conscious that this business will focus on people or just profit centre.

It becomes our hopes that this will be beneficial to Indonesian people and its business investment.