

Parichat Tengsuwan 2006: A Feasibility Study of Investment on Artificial Wood Factory from Residual Sawdust and Plastic in Changwat Rayong. Master of Economics (Business Economics), Major Field: Business Economics, College of Graduate Studies. Thesis Advisor: Associate Professor Sri-on Somboonsup, M.S. 102 pages. ISBN 974-16-1932-4

The objectives of this thesis are to study feasibility of Artificial Wood Factory from residual sawdust and plastic emphasizing on market and financial aspects of the project. The project employs the discount rate of 12 percent to get Net Present Value (NPV), Benefit Cost Ratio (BCR) and Internal Rate of Return (IRR) in order to make a decision on the investment. The sensitivity analysis is performed by using a switching value test method.

The study results showed that the technical aspect on producing Artificial Wood from residual sawdust and plastic is feasible with several techniques and materials. Marketing aspect seems to be favorable on Artificial Wood because solid wood is more expensive and less supply than before.

Financial, analysis showed that an investment on Artificial Wood from residual sawdust and plastic in project period 20 years was not feasible. With a discount rate of 12 percent per year, the net present value (NPV) was calculate to be -1,405,935 bath with a benefit cost ratio (BCR) of 0.97 and internal rate of return was (IRR) was 9.09 percent. Hence, it can be concluded that investment on Artificial Wood Factory from residual sawdust and plastic in Changwat Rayong was not investment worthy. The switching value test indicate that if the project cost decrease by more than 3.4 percent or the benefit of the project increase by more than 3.52 percent, the project is feasible.

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