

Amonrat Suwannasri 2010: Investment Analysis and Business Strategy of Innovative Extra Virgin Coconut Oil. Master of Arts (Agribusiness), Major Field: Agribusiness, Department of Agricultural and Resource Economics.

Thesis Advisor: Assistant Professor Winai Puttakul, Ph.D. 159 pages.

The objective of this study is to analyze the financial worthiness of an investment on Extra Virgin Coconut Oil. The analysis is based on data obtained from Thai Pure Coconut Co.Ltd., a company which receives partial financial support from The National Innovation Agency in 2005. This study also analyzes the environment that impacts on the business in order to formulate the business strategies for the entrepreneur.

The results of Cost – Benefit analysis when the discount rate is 7.5% indicate that the investment project is cost-effective. The values of all financial measures used in the investment analysis are found favorable : NPV is 165,073,577 baht, BCR is 1.63, IRR is 49.12% and payback period is 4 years and 2 months. The sensitivity analysis under the assumption that the cost is increased by 20% or income is decreased by 20% or the cost is increased by 20% and income is decreased by 20% indicates that the project is still worth in investment. When analyzing the variation of cost and benefit at 7.5% discount rate, the cost can be increased by 62.63% or the income can be decreased by 38.51% in order that net present value of cost equals net present value of income. This result indicates that this project has the risk at low level.

The appropriate strategies formulated from the environment analysis are : adopting technology for increasing new customers and also boosting the participation in the exhibition fair to increase the customer perception on the value and quality of products.

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