ABSTRAK
Investment Feasibility Analysis in Refinery Industry
Case Study at PT Astra Agro Lestari Tbk
Eko Setyono
The objective of this study is to analyze investment feasibility of establishment of refinery plant in Java (Surabaya or Semarang) from business aspect and financial aspect. Analysis on business aspect feasibility is done by reviewing market aspect, production and operation aspect, organization and human resource aspect, and industrial environmental aspect. Analysis on market aspect is done by reviewing consumption growth of branded cooking oil, sales growth branded cooking oil from sendok brand and competitor, marketing mix strategy from sendok brand. Analysis production and operation aspect is done by reviewing chosen location, source of raw material (CPO), chosen production capacity, processing of cooking oil. Analysis on organization and human resource aspect is done by reviewing organization structure, the category of labor, the qualification of labor, training program. Industrial environmental analysis is done on five strengths methods that support industrial competitiveness which are buyers, suppliers, substitute product, new products and inter-industrial competition. Analysis on financial aspect is done with calculation of investment criteria, net present value (NPV), internal rate of return (IRR), Profitability index (PI), and payback period. The result of business aspect feasibility analysis, and financial aspect recommend to establish refinery plant with capacity of 500 tons CPO per day as raw material in Surabaya by PT Astra Agro Lestari Tbk.