## **ABSTRACT**

The present study is concerned with the production of extracellular lipase by *Yarrowia lipolytica* NRRL-Y-1095 using submerged fermentation. Different fermentation media were evaluated for the optimization of enzyme production. Among all, M-3 was found to be optimal for the production of enzyme. Temperature 30°C, pH 6.0 and rate of incubation 48 h was found optimal for extracellular lipase production. The size and age of inoculum (4 ml, 16 h old) was also optimized. Urea and olive oil was found the best nitrogen and carbon source for lipase production. The optimal level of urea and olive oil was found to be 2.0 and 1.5 (% w/v) respectively, for the production of extracellular lipase.