ABSTRACT

FEASIBILITY ANALYSIS OF BUSINESS DEVELOPMENT MANGOSTEEN FARM IN PEKon MENGgALA SUB IN EAST DISTRICT KOTAAGUNG TANGGAMUS

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The research was aimed: (1) To analyze the financial feasibility of mangosteen business farm in Pekon Menggala Sub In East District Kotaagung Tanggamus, (2) To analyze the sensitivity effect of the changes in fertilizer prices, price and production of mangosteen business farm feasibility in Pekon Menggala Sub In East District Kotaagung Tanggamus, (3) Mangosteen business farm in Pekon Menggala Sub In East District Kotaagung Tanggamus.

The study shows that mangosteen cultivation system has been implemented by the farmers properly. Data used consist of primary and secondary data. Primary data were collected by questionnaire and direct interviews to mangosteen farmers. Secondary data were obtained from various literatures, printed media and some agencies such as the Central Bureau Statistic and the Department of Agriculture. The data acquisition was conducted in March until September 2009. Analysis of feasibility was conducted by calculating the Net B / C Ratio, Gross B / C Ratio, NPV, IRR, payback period, and sensitivity, as well as breakeven analysis to determine the position of the break event point of mangosteen business farm.

The results showed that: (1) the mangosteen business farm in Pekon Menggala Sub In East District Kotaagung Tanggamus was financially profitable and feasibly developed at the current interest rate (i.e. 14%), (2) The business of mangosteen was found as a stable business unit even at an increase of fertilizer prices up to 9.17%, or a decline in selling prices and production by 18.18% and 15% respectively, (3) The business farm of mangosteen would be very prospectively developed and expanded in Pekon Menggala Sub In East District Kotaagung Tanggamus, considering the aspect of market, technical, organizational and management, social and environmental, as well as financial aspects.

Keywords: Financial Feasibility, mangosteen, Prospect Development,

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