

## **ABSTRACT**

*Lampung Province is currently the largest producer of cassava in Indonesia. The last few year the area of land used for cassava plantation is 367.966 ha. With increasing use of land for cassava plantation, makes the cassava processing plant grows. However, the current situation is the selling price of cassava is controlled by the plant and it's relatively low. This is the trigger for the establishment of cassava's Corporate Farming PT. XYZ in Tanjungsari village, Central Lampung Regency. Corporate Farming is a farming system by adopting the cultivation of a relatively broad area together with farmers in the management of the system by a company or corporation. Corporate Farming can get farmers's opportunity to increase the selling price of cassava. After collecting and processing the data, it was determined that 3 factories would be the target market, which are located near by areable land.*

*The expenditure in the financial aspects, such as the need for investment funds, estimated revenues, operating expenses, state income, cash flow, and balance sheet which will be used to calculate the value of investments such as Payback Period, Net Present Value (NPV) and Internal Rate of Return (IRR) of the economic life of the business financial projection is set to 5 periods.*

*Calculation of Pay Back Period (PBP), Net Present Value (NPV) and Internal Rate of Return (IRR) was conducted to determine the feasibility of the level of investment value. The calculation's result value of the investment rate is: NPV = 2.457.563.398,92, IRR = 68,11% dan PBP = 1,772 years. Establishment of Corporate Farming cassava PT. XYZ declared eligible for the IRR is greater than the value of MARR and the NPV is positive.*

*Keywords: Feasibility Analys, NPV, IRR, PBP, Establishment Cassava's Corporate Farming PT. XYZ*