ABSTRACT

Corn is one of the important agricultural commodities in Indonesia and is one of the sources of income for farmers. In running corn farming, the availability and utilization of capital is an important factor because farmers must be able to meet production costs and earn profits that can support the sustainability of their farming. This study aims to analyze the ability to utilize corn farming capital in Singgamanik Village, Mute District, Karo Regency. The study used a quantitative descriptive method by collecting data through interviews with 27 corn farmers as respondents. Data analysis was carried out using analysis of farming income, Revenue Cost (R/C) Ratio, Break Even Point (BEP), Net Profit Margin (NPM), and Return on Investment (ROI). The results of the study show that corn farming in Singgamanik Village is able to utilize capital well and efficiently. The R/C Ratio value ranges from 2.17–2.42, which indicates that farming is profitable and feasible. BEP analysis shows that production, prices, and receipts are above break-even, so that the revenue obtained by farmers is able to cover production costs. Furthermore, the NPM value ranges from 54%–59%, which indicates the ability of farmers to generate a net profit from revenue, while the ROI value ranges from 117.4%–142.4%, which indicates a high rate of return on capital. The highest ROI value was obtained by farmers with a land area of less than 0.5 ha, which was 142.4%. Based on these results, it can be concluded that the ability to utilize the capital of corn farming in Singgamanik Village is relatively good and efficient and is able to generate a return greater than the capital used.

Keywords: capital utilization ability, corn farming, npm, roi