ABSTRACT

Project Development of Surabaya-Mojokerto toll road is an alternative to reduce congestion due to the density of vehicles in the city of Surabaya and Mojokerto. The realization of the construction of this highway is not in accordance with the planned schedule, it is caused due to a delay in land acquisition impact on the cost and time of implementation of the project.

This final project aims to determine the influence on investment decisions that occurred because of a delay in land acquisition. Investment analysis is computed using NPV method (Net Present Value), PP method (Payback Period), IRR method (Internal Rate of Return) and sensitivity analysis.

The investment of this toll road construction project generates NPV value of Rp 290,751,281,310,724.00 and an IRR percentage of 0.71%. From the sensitivity analysis, it is known that the project is still feasible if the rate of decline in income is not more than 25.60% and land acquisition delays is not more than 19 years. The retardation affects income value. Based on the analysis, it was found that the delayed revenue would generate increasingly smaller NPV. It shows the delay in land acquisition influences the investment decision.

Keywords: Investment, Retardation of land exemption, Toll road