Financial assignment and excel assignment, semester – 1

Qs 1)

Cash flows have been generated for the year 2022-2032 i.e of 10 years considering all the data of the cashflows, no of participants, expenses and the revenues for both the cases (considering the alternium and also excluding it). The numbers in bold signify the data considering the alternium. and the numbers and headings which are not in bold signify the data for without alternium in the table structured. The data above the table, is stated in general for both the cases.

On analysing the cash flows we can assume that the company has made a good amount of profit , through the project.

(red colored text shows the negative cashflows and green colored text shows the positive cashflows)

Qs 2)

As the company is about to get sold after 10 years the value of the amount invested in infrastructure and servers has been calculated according to the book value and with the help of goal seek method irr is found to be approximately 96%

Qs 3)

Assumption is taken that the company goes on till 2040 i.e 8 more years , and also the cost of capital , participation growth percentage , etc are all considered the same as mentioned in qs 1 ,

After 18 years , considering the present value of the cashflows irr is calculated with the help of goal seek method and is found to be approximately 99%.