TECHFEST 2023-24

Cashflow Modelling

Introduction

Edelweiss Tokio Life is the first of a new generation of Insurance companies, creating its Insurance solutions around a deep understanding of the diverse financial needs of the Indian consumer. As a part of its customer centric corporate philosophy, Edelweiss Tokio Life Insurance has invested in understanding its potential customers; and based on this, developed a unique need-based selling approach designed to benefit consumers through all their life stages. The company ensures that whatever the life insurance solution provided to the customer, it is best suited to his need. The company is a joint venture between Edelweiss, one of India's leading diversified financial services companies, and Tokio Marine, one of the fastest-growing Life Insurance companies in Japan. Set up with a start-up capital of INR 550 Crore, Edelweiss Tokio Life Insurance is dedicated to building a long-term sustainable business focused on a consumer-centric approach. Background in every organisation there is a process by which vendors generate and share invoices for payments against services rendered (CapEx and Opex). The invoices go through internal approval processes and finally gets handed over to the Finance team for review and payment transfer to vendor account. Finance team keeps the amount under provision for any payments due. There is currently no tracking mechanism for the credit period of different vendors and payments are made as and when invoices are raised basis the provisioned amount. Hence it becomes very critical to manage the cash efficiently basis different credit periods – any additional cash available for any number of additional days earns investment income for the organization. Hence it becomes pertinent that provisions need to be kept optimally and blocked only for optimal number of days to get maximum leverage of cash utilization.

Problem Statement:

Cash Flow Management: To strategize the invoice payment process to improve the cash flow management and achieve additional investment income for the organization.
The **illustrative data** provides the various invoices processed in the last 7 months.

Following are the objectives of the project:

- Create Model (s) that would forecast the Cash Flow and investment income by utilizing the cash efficiently – considering various parameters like payment terms, vendors etc.
- Come up with the scenario analysis to highlight the benefits/investment income and recommend the best strategy / payment terms to achieve maximum efficiency in cash utilization.

• Run the model on the last 7 months data with the recommended strategy and arrive at the benefit that we would have achieved in last 7 months.

Competition Stages:

1. Draft Submission

At the draft submission stage, there will be an elimination. The teams selected for the Finale will then present their work at TechFest and winners will be selected.
Draft Submission
Participants are required to provide a comprehensive summary of their comprehension of the Problem Statement. This summary should encompass a thorough understanding of the challenges and objectives laid out in the Problem Statement document. Participants are expected to outline the methodology they intend to employ, scenario analysis and a draft of the overall solution to attain the desired level of accuracy in addressing the Problem Statement.
Report can be submitted in desired format through this **Google Form**

2. Finale

This stage will involve a physical demonstration, during which the chosen teams will present the functionality of their model. Students will be required to demonstrate the functionality of their model on the data provided, the scenario analysis and present their recommendations.

Shortlisting:

a. Top 5 teams (depending on the feasible ideas) will be selected post the draft submission and would get a chance to present and or demonstrate their model in the Final Round.
b. Participants will get a slot for presenting their model to the Judges based on which they will be evaluated.

Eligibility:

1. Individuals or teams from the following categories are allowed:
   a. Students/research scholars of authorized schools/institutions (students must submit their Valid School/College ID)
   b. Up to 2 years old pass-outs.
2. A team is allowed to have a preferably maximum of 4 members.

COMPETITION TIMELINE

Last Date of Registration	**7th December 2023**
Round 1 Submission Deadline	**8th December 2023**
First Round Results Announcement	**13th December 2023**
Submission of Final Presentation	**25th December 2023**
Final Round at IIT Bombay	**29th December 2023**

PRIZE

The prize money will be awarded to top 3 winners via NEFT and will be processed within 30 working days after receiving the prize money from sponsors. Top 10 participants will get a certificate of excellence, and the top 60% participants will get a certificate of participation. Winners have to mail the following information (immediately after the announcement of results) to akshat@techfest.org

Format of Mail
Subject: Competition, Team Id, Position
(example- “CASHFLOW MODELLING, CASH-211003, 1st Position”)

Body of mail
The body of the mail should contain relevant bank account details of the team leader. The exact details required will be conveyed to the winners as soon as the results are declared.