

## **ABSTRACT**

*There are several ways for companies to develop their business, one of which is by investing. Investment is an investment made by the company to get profit in the future. PT. XYZ is one of the companies engaged in the manufacturing industry, namely machinery services such as grinding solution, gear solution, and knife industry solution to produce a component or part for motorcycles that is collar. PT. XYZ invests in machines in order to develop its business. PT. XYZ has planned an investment in adding this machine aimed at meeting customer needs, because so far PT. XYZ subcontract and considered less efficient, therefore the management of the company proposes to make investments or addition of machines that are grinding solution machines. Based on the investment plan of the machine, it will be conducted a feasibility analysis that aims to find out whether the investment in the addition of the machine is worth running or not. The feasibility analysis is reviewed based on market aspects, technical aspects, financial aspects, and sensitivity analysis. The calculation result of financial aspects, there is a Net Present Value (NPV) of Rp 319.064.800 the value of Payback Period (PBP) is 2,91 years, the internal rate of return (IRR) is 45,64%, and the Value of Benefit Cost Ratio (BCR) is 1,25. Due to the results of  $NPV > 0$ ,  $PBP < \text{the economic life of investment}$ ,  $IRR > MARR$ , and  $BCR > 1$ , the investment plan carried out by PT. XYZ can be said to be feasible.*

**Keywords: Investment, Feasibility Analysis, Sensitivity Analysis**