



## **Cooperative Education Report**

### **Analytical Investment Tools at iCapital Pvt. Ltd.**

**Written by:**

**Mr. Yubaraj Thapa**

**Student ID: 6008040093**

**This Report Submitted in Partial Fulfillment of the Requirements for  
Cooperative Education, Faculty of Business Administration**

**Academic Semester 2/2020**

**Siam University.**

**Title:** Analytical Investment Tools at iCapital Pvt. Ltd.

**Written by:** Yubaraj Thapa (Student ID: 6008040093)

**Department:** Bachelor of Business Administration (Finance & Banking)

**Academic Advisor:** Asst. Professor Dr. Maruj Limpawattana

We have approved this cooperative report as partial fulfillment of the cooperative education program semester 2/2020.

Oral Presentation Committees



(Asst. Prof. Dr. Maruj Limpawattana)

Academic Advisor



(Mr. Sumit Man Singh Baniya)

Job Supervisor



(Dr. Chanatip Suksai)

Cooperative Education Committee



(Asst. Prof. Dr. Maruj Limpawattana)

Assistant President and Director of Cooperative Education

### **Declaration**

I, the undersigned, to the best of our knowledge, declare that the study entitled ‘Analytical Investment Tools at iCapital Pvt. Ltd.’ is a result of my internship carried out in the year 2020. It contains neither materials that are previously published by other people nor the material that has been accepted for the award of any other degree of the university, except where due acknowledgement has been made in the text.

Yubaraj Thapa

Batch of 2017-2021



**Project Title** : Analytical Investment Tools at iCapital Pvt. Ltd.  
**Credits** : 6  
**By** : Mr. Yubaraj Thapa  
**Advisor** : Asst. Prof. Dr. Kanjana Mahattanatawee  
**Degree** : Bachelor of Bachelor of Business Administration  
**Major** : Finance and Banking  
**Faculty** : Business Administration  
**Semester / Academic year:** 2/2020

### **Abstract**

This cooperative education entitled “Analytical Investment Tools at iCapital” is a detailed overview of my internship journey at iCapital Pvt Ltd. This report focused on the “Stock Market of Nepal” and how different micro and macroeconomics factor affect the company’s share value of an industry.

The objective of the study includes i) to evaluate the different stocks of an industry. ii) To examine the balance sheet and income statement as an equity analyst. iii) To look at the behavioral pattern of the stock during the dividend period. iv) To examine how the market responds to the festival and Macroeconomics.

After examining the various data, I came across various result related to research. We could notice some huge change on the trade volume of some stock prior week to dividend announcement and later on two weeks prior we could see the same stock being traded or dumping which indicated inside information. Another thing we could conclude is that, mutual fund in Nepal responds to the Nepal Stock Exchange (NEPSE) index. It follows the same pattern as NEPSE, but in some cases some mutual fund is increasing while NEPSE index is decreasing.

This research is important for any kind of investor or trader who is looking forward for some passive income through NEPSE. This research not only see the financial pattern but also shows behavioral pattern of stock in certain time. In my case, we saw the pattern of stocks during the biggest festival of Nepal. Overall, it is great insight research for new comers as well as some old traders.

**Keywords:** NEPSE, NRB, Macroeconomics, Financial Institutions.

### **Acknowledgement**

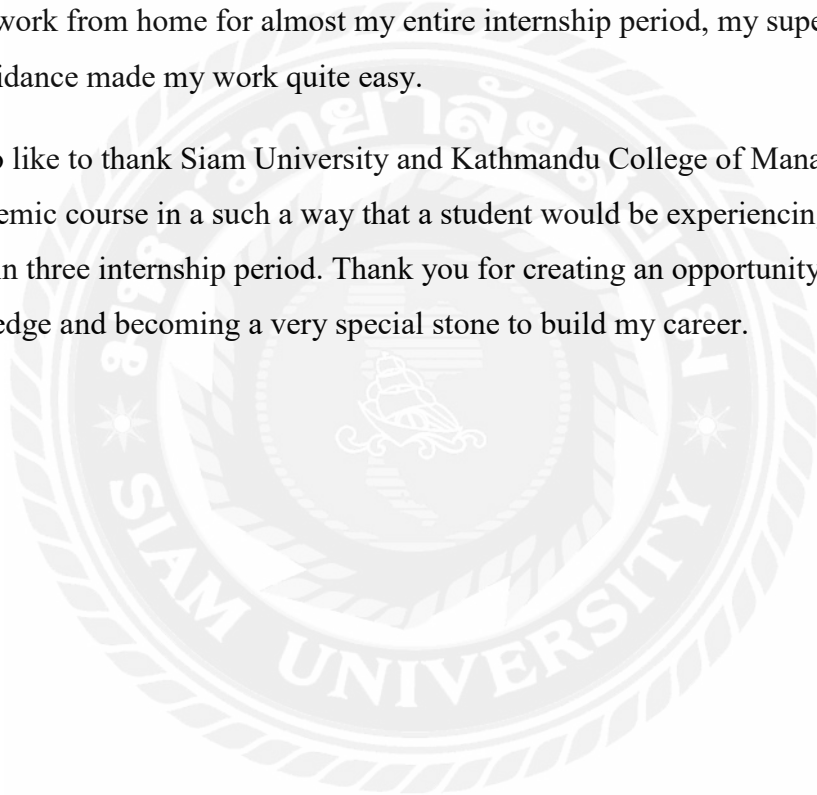
The cooperative education opportunity I had with iCapital Pvt. Ltd was a great opportunity to implement my theoretical knowledge into practical world. It not only gave me a chance to learn but also act as a stepping stone to my career.

First and foremost, I would like to thank iCapital Pvt Ltd for giving me a great opportunity to be a part of your team and assigning me with different work in order to grasp the knowledge of 'The stock market in Nepal'. My deepest gratitude to Mr. Sumit Singh Baniya, Equity Analyst, who taught me different analytical tool keeping many things into consideration. Although, it was a work from home for almost my entire internship period, my supervisor, Mr Baniya constant guidance made my work quite easy.

I would also like to thank Siam University and Kathmandu College of Management for planning their academic course in a such a way that a student would be experiencing different work environment in three internship period. Thank you for creating an opportunity for me to enhance my knowledge and becoming a very special stone to build my career.

Yubaraj Thapa

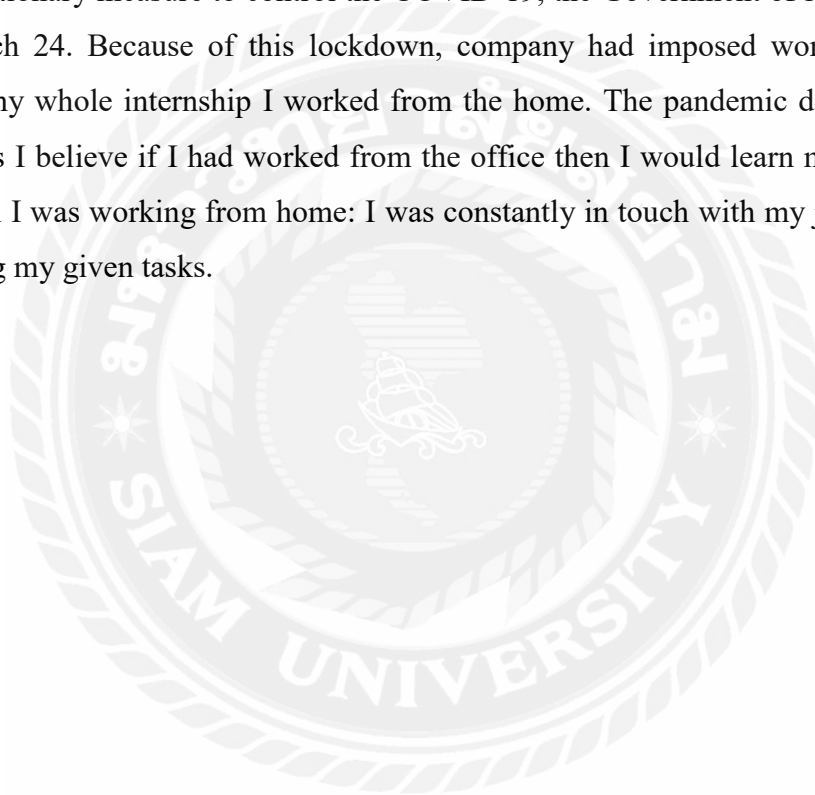
6008040093



**Important note:****How covid-19 has affected the company and your internship?**

Covid-19 is a serious pandemic that has created a global crisis. It has affected everyone's daily routine and our lifestyle. Due to the crisis, people around the world have adopted social distancing and lockdown as a safety measures to reduce and control the spread of the virus.

As a precautionary measure to control the COVID-19, the Government of Nepal imposed lockdown on March 24. Because of this lockdown, company had imposed work from home environment. So, my whole internship I worked from the home. The pandemic did hamper my learning method, as I believe if I had worked from the office then I would learn more than I do know. Even though I was working from home: I was constantly in touch with my job supervisor and was performing my given tasks.

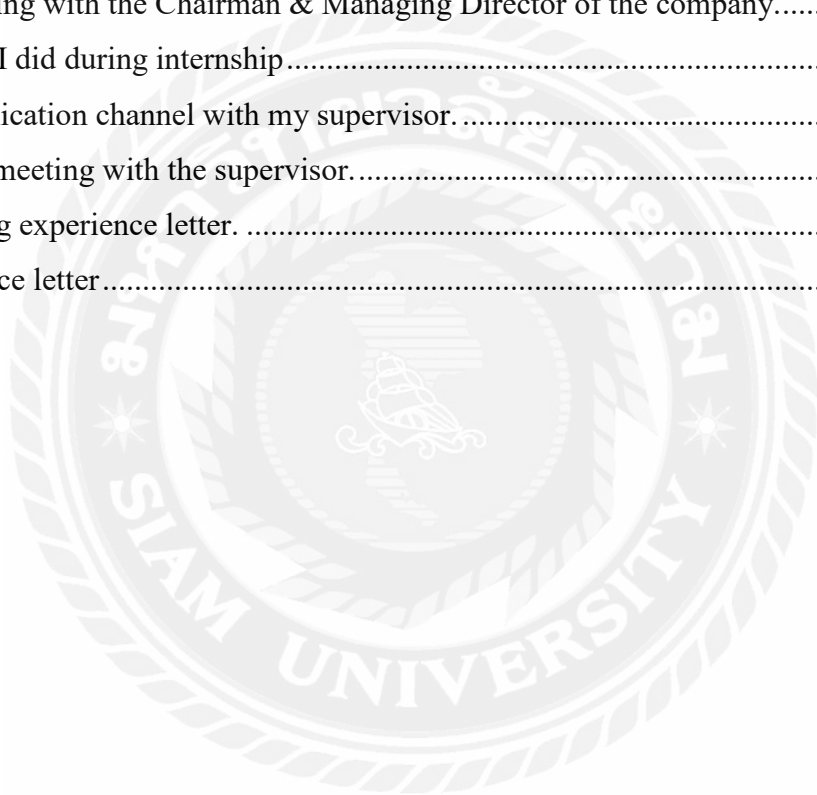


## Table of Contents

<b>ACKNOWLEDGEMENT.....</b>	<b>4</b>
<b>ABSTRACT.....</b>	<b>5</b>
<b>LIST OF FIGURES .....</b>	<b>8</b>
<b>LIST OF ABBREVIATION.....</b>	<b>9</b>
<b>CHAPTER 1: INTRODUCTION.....</b>	<b>10</b>
1.1 COMPANY PROFILE.....	10
1.2 ORGANIZATIONAL STRUCTURE .....	11
1.3 INTENTION TO CHOOSE THE COMPANY .....	12
1.4 SWOT ANALYSIS OF ICAPITAL .....	13
1.5 STATEMENT OF THE REPORT .....	13
1.6 OBJECTIVE OF THE STUDY .....	14
<b>CHAPTER 2: INTERNSHIP ACTIVITIES .....</b>	<b>15</b>
2.1 JOB DESCRIPTION, RESPONSIBILITIES AND WORK DUTIES .....	15
2.2 CONTRIBUTIONS AS A CO-OP STUDENT IN THE COMPANY .....	1
<b>CHAPTER 3: LEARNING PROCESS.....</b>	<b>6</b>
3.1 PROBLEMS FACED DURING INTERNSHIP .....	6
3.2 HOW DID PROBLEM WAS SOLVED.....	6
3.3 RECOMMENDATION TO THE COMPANY .....	7
3.4 WHAT HAVE I LEARNED DURING THE CO-OP STUDIES.....	7
3.5 HOW DID I APPLY MY COURSEBOOK KNOWLEDGE DURING CO-OP STUDIES .....	8
3.6 SPECIAL SKILLS AND NEW KNOWLEDGE LEARNED FROM THIS CO-OP STUDIES .....	8
<b>CHAPTER 4: CONCLUSION.....</b>	<b>9</b>
4.1 SUMMARY OF HIGHLIGHTS OF CO-OP STUDIES AT ICAPITAL PVT. LTD. ....	9
4.2 SELF-ASSESSMENT OF THE WORK EXPERIENCE .....	9
4.3 LIMITATIONS OF MY CO-OP STUDIES .....	10
4.4 RECOMMENDATIONS FOR THE COMPANY .....	10
<b>ANNEX .....</b>	<b>11</b>
SCREENSHOTS OF WORK.....	11
<b>REFERENCE.....</b>	<b>17</b>

## List of Figures

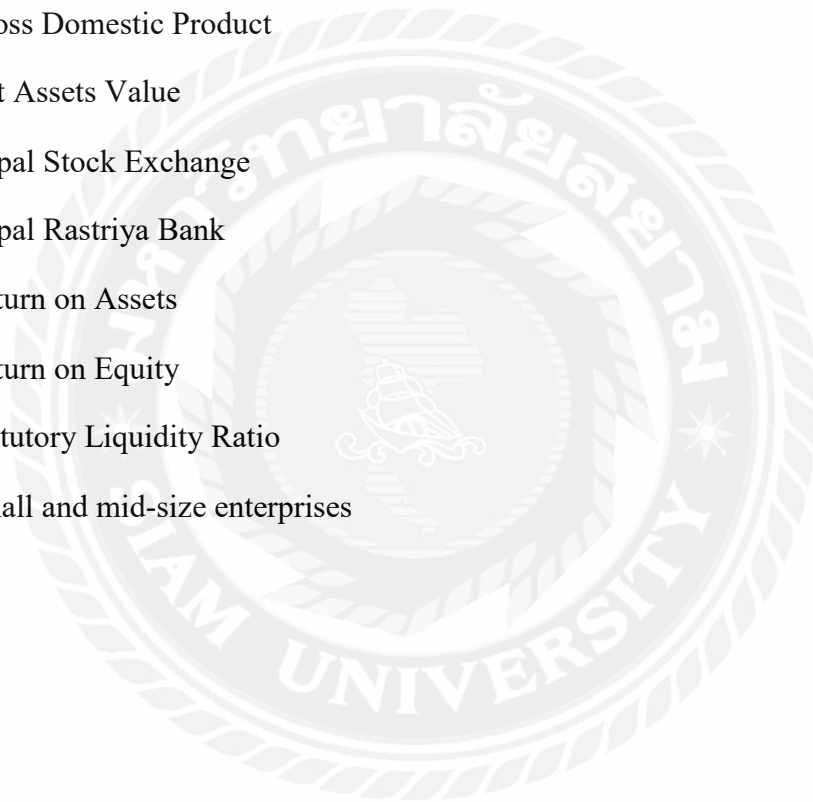
Figure 1 Organization Structure of iCapital.....	11
Figure 2 Job Process Diagram .....	16
Figure 3 NEPSE Index and NAV of Mutual Fund .....	4
Figure 4 Looking at the behavior finance during festival time of 5 years .....	4
Figure 5 Effective interest rate of Development Bank .....	5
Figure 6 Calculation of different ratio of Sana Kisan Bikash Bank Limited of 5 years.....	5
Figure 7 Internship Agreement with iCapital .....	11
Figure 8 First meeting with the Chairman & Managing Director of the company.....	12
Figure 9 The work I did during internship.....	13
Figure 10 Communication channel with my supervisor. ....	14
Figure 11 The last meeting with the supervisor.....	15
Figure 12 Receiving experience letter. ....	15
Figure 13 Experience letter.....	16





### **List of Abbreviation**

BVPS	: Book Value Per Share
CAR	: Capital Adequacy Ratio
CDD	: Core Capital plus Deposit
CMD	: Chairman and Managing Director
CIO	: Chief Investment Officer
EPS	: Earning Per Share
GDP	: Gross Domestic Product
NAV	: Net Assets Value
NEPSE	: Nepal Stock Exchange
NRB	: Nepal Rastriya Bank
ROA	: Return on Assets
ROE	: Return on Equity
SLR	: Statutory Liquidity Ratio
SME	: Small and mid-size enterprises



## **Chapter 1: Introduction**

### **1.1 Company Profile**

iCapital was established in 2013 to mobilize private funds in the stock market and SMEs. It consists of a team of 10 people which is head by Mr. Ajay Shrestha who is a Founder/CMD of the company. The company is committed to generating compounding returns for valued clients through assets management and advisory services. It follows the “value investing” philosophy which makes the company passionate about generating high returns. The company is geared towards using well-designed and disciplined investment management tools and techniques to optimize the portfolio returns of our clients. Ethics and transparent communication are at the forefront in all the decisions and actions of iCapital Team. iCapital invest in businesses that contribute to change the industry it is in. One of iCapital’s goals is to invest in businesses that contribute to the growth of the nation. The company has found great businesses to invest in which serve diverse industries such as health, education, fintech food and beverage, trading, and hydropower. iCapital’s strength lies in the stock market and real estate investments. The company provides extensive research information to the clients in helping them make their investment decisions. (iCapital, 2013)

#### **Vision**

The main vision of the company is to become the pioneer asset management and advisory company in Nepal with NPR 5 billion in assets under management and advisement combined by 2025.

#### **Mission**

The company holds two missions and they are:

- To create and manage a portfolio of funds and achieve at least 15% compounding return on investment.
- To serve our individual and institutional clients by providing or executing investment strategies through a shared commitment to our valued based investment philosophy, long-term perspective, disciplined approach and delivering lasting value.

## Core Values

The core values of iCapital are the word “FAITH”. To elaborate more on this word. “F” stands for Focus which states us the members of iCapital to be focused on our mission. “A” stand for Aspire where the people have to build an aspiration in order to reach the goal. “I” stand for Integrity, company believes to walk your talk towards your job or task, not just talk the talk. “T” stands for Teamwork. “H” stands for Honesty, where member of the company should be honest to themselves, their work and towards nation.

## 1.2 Organizational Structure

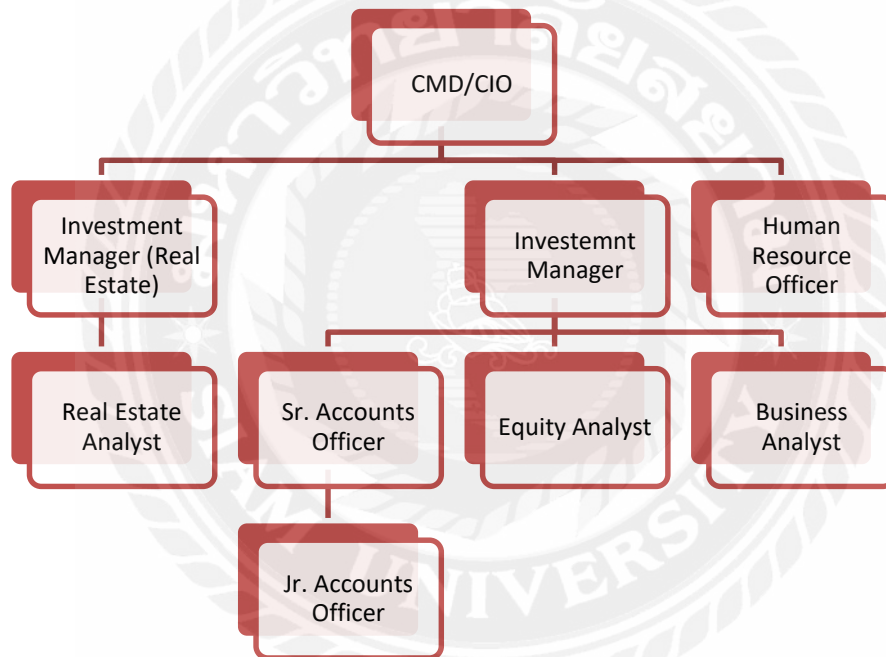


Figure 1 Organization Structure of iCapital

iCapital Pvt. Ltd. has consistently strived to be the pioneer in venture the executives and advisement industry and it has a similar outlook with respect to hierarchical structure. The chain of command as appeared in the above chart has been kept up just for responsibility reason to relieve operational danger. Two-way data stream has consistently been the standard and cross departmental data stream is supported and polished through week-by-week responsibility gatherings. Further, all faculty are considered as colleagues and are consistently reminded about the general vision and mission. With the thought process in general development of colleagues'

numerous obligations have been appointed to a solitary individual. For instance, HR official additionally functions as real estate analysts.

### **1.3 Intention to Choose the Company**

During my under-graduation lecture, I acknowledged the potential growth in the Nepal stock market (NEPSE). It influenced me to dive into the market and learn about it. We had an opportunity to learn and invest in the market through one of the sessions of finance faculty named as “KUBERWIZZ” session. We had a group of friends investing in the market with 50 percent debt and 50 percent equity of a total NPR 30000 from each student. We had an opportunity to learn, but due to lack of practical knowledge made us hard to know about the market in a limited time.

Another reason to choose this company as my internship place because of the MD who is Mr Ajay Shrestha. He was one of the ex-students of KCM and one of the role models for many of the students in KCM. I wouldn't miss the chance to work under his guidance and supervision. Our finance faculty had suggested us to work in iCapital a way before in our second year. I kept it in my final year in order to use all my knowledge and learning into an internship and come out in the market with a confidence and knowledgeable person.

Again, an opportunity came across in the form of an internship where I would learn about the market more precisely. iCapital provided me with the opportunity to learn about the NEPSE and widen my knowledge. That's why I wouldn't miss this opportunity, and I chose iCapital to finish my four-month internship program.

#### 1.4 SWOT Analysis of iCapital

Strength	Weakness
<ul style="list-style-type: none"> <li>• Professional Staff</li> <li>• Core team members</li> <li>• Great communication skills</li> <li>• Provides an opportunity for new comers to put their view.</li> <li>• Having a network with many Nepalese entrepreneur and industrialist</li> </ul>	<ul style="list-style-type: none"> <li>• Limited information of the NEPSE.</li> <li>• Limited team members</li> <li>• Limited scalability</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Growing market of NEPSE</li> <li>• Limited investment companies</li> </ul>	<ul style="list-style-type: none"> <li>• Weak barrier to enter into this sector</li> <li>• Broker office of Nepal</li> <li>• Increase in number of independent investors and group of investors.</li> </ul>

#### 1.5 Statement of the report

With great pleasure, I, Yubaraj Thapa, hereby declare that the presented internship report titled as “Analytical Investment Tools at iCapital” working as an intern in this organization I used to work as an equity analyst. It was a great experience to work in this business environment both theoretically and practically. My supervisor Mr. Sumit Singh Baniya helped me a lot as he guided me in every step. I also confirm that the report is prepared for my academic requirement not for any other purpose.

### 1.6 Objective of the study

- To evaluate the different stocks of an industry.
- To examine the balance sheet and income statement as an equity analyst.
- To look at the behavioral pattern of the stock during the dividend period.
- To examine how the market responds to the festival and Macroeconomics.



## **Chapter 2: Internship Activities**

The four-months of internship in iCapital was worth working with a great supervisor and colleagues. Although, my entire internship went online and I had to visit to the temporary office of company only twice, one at the beginning while signing a contract with the company and at the end while receiving experience letter from my supervisor. Every week I would be assigned with a task and had a certain deadline to finish those tasks with explanation to my supervisor.

### **2.1 Job description, responsibilities and work duties**

I had an interest in stock trading and decided to learn more about it, which is why I applied to iCapital's equity analyst department. Mr. Sumit Singh Baniya, one of iCapital's young stock analysts, named me to him. He made it known that the bulk of my work would revolve around data analysis and organization, with occasional interpretations tossed in for good measure. To begin, I was given the task of evaluating an organization solely on the basis of my own level of expertise, so that he may consider my point of view and where I stood.

Since the job process, resources used, templates created, and decisions taken were largely private, I was not provided complete access to information as an intern, but rather was shown a direction and given tasks that would broaden my horizons and enable me to improve myself. As a result, the rest of my jobs consisted of one-off assignments that had to be performed within a certain period of time. Every month, I was given the task of updating a formatted sheet, which was my only daily responsibility. Aside from that, I had regular online meetings with my boss, during which he assigned my next assignment.

Research on budget allocation in various sectors, as well as gathering financial details of various companies, is among the activities allocated to me. Such as collecting financial data of various companies for periods of five to ten years, collecting insurance product information and comparing them to all those that are available in the market, monthly update of statistics of the financial industry, collecting index and sub index data to calculate monthly, quarterly and yearly return as well as turnover movement and research on the circuit breaker determinants that are implemented in markets all around the world.

Company analysis especially fundamental analysis was one of the important things which was a desert during internship tenure. It aids in assessing the market worth of a company as well as determining whether it is undervalued or overvalued. The fundamental analyst would love to buy the stock if the present market price is below its intrinsic value, and would sell it if the selling price rises far above its intrinsic value. As a result, fundamental research is critical in stock selection. The true test would be determining the company's financial independence and willingness to pay back debts. Regardless about how good or poor management or other considerations are, financial success is what matters in the end. People prefer to ignore stock research because of the many complications inherent with fundamental analysis. One common blunder in the market is that after purchasing a stock without doing any analysis, people begin to perform research until the price has corrected.

One of the most critical questions an investor can pose before looking at a company's financial records or doing some investigation is, "What exactly does the company do?" This is known as a business model, and it describes how an organization makes profits. Fundamental analysis examines the industry and the general economy, predicting the movement of a security's price. Fundamental analysts attempt to forecast future prices based on a set of criteria.

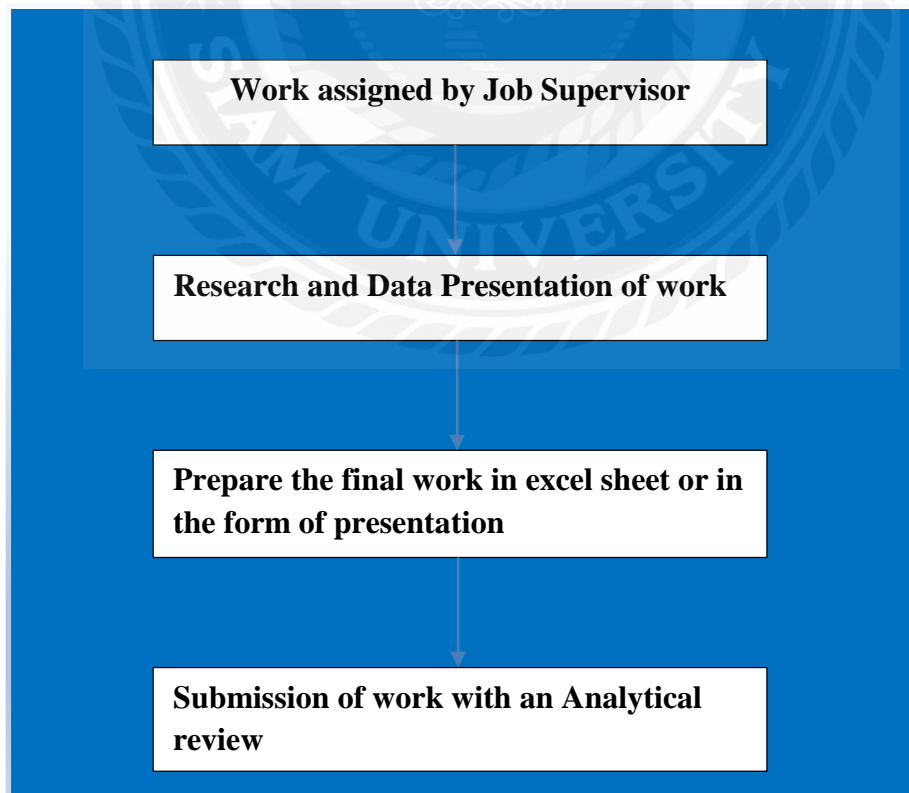


Figure 2 Job Process Diagram



## **2.2 Contributions as a Co-op student in the company**

On the interview day, I was told that most of my internship period will be based on the research work. From the day one itself, I started my internship days with a research of the right share of NLG Insurance. Followed with the research on the different product of Non-Life Insurance Industries in Nepal. Then slowly, I was asked to analyze the portfolio of all the Mutual Fund companies listed in the NEPSE. Along with it, I was asked to see the mutual fund pricing with respond to the NEPSE index. Adding to NEPSE index, me and my colleague were asked to research on the stock market of different countries with the circuit breaker rule. I was also asked to do research on how the stock market responds during the Dashain, whether the investor pulls out the money from the market or not. Finally, I was asked to find the stock price and turnover of Life Insurance and Non-Life Insurance companies in Nepal with responds to the dividend announcement.

Regarding news factor I was asked to follow the stock market and specially post the news of four commercial bank of the month September and October. The name of the banks was: Bank of Kathmandu Limited, Global IME Bank Limited, Machhapucchhre Bank Limited and Sunrise Bank Limited. As many of the investors invest in commercial bank because it is highly regulated by Nepal Rastriya Bank and it won't default out.

Any company or broker office investing in the stock market or as a venture capitalist need to analyze the company before investing. No investors would invest their money without proper research and analysis. As part of my work, I was train to analyze the company at last but before that I was taught what are the factors that I need to look at before analyze. Before analyzing the company, there should be a proper research. As without proper research we couldn't be able to analyze the company.

I was assigned to have a deep research in the banking industry, insurance and mutual funds. Regarding banking industry, I analyze the interest rates, deposit rates and base rate of all class banks in Nepal. I was also asked to look at the balance sheet and income statement of the bank for last 5 years which helped to analyze the banking industry well. Another assignment given to me was analyzing Mutual Funds with NEPSE index, where I discovered that even if the NEPSE index goes down, it won't impact the mutual funds very strongly. In some case, few mutual companies

NAV increases when NEPSE decreases. Finally, I started my internship work with the research on the Insurance Industry. We, me and my colleagues, were asked to analyze the different product provided by the different insurance companies. We were also asked to differentiate the new product of the company. Later on, I was told to analyze at the breakdown of premiums of the different non-life insurance companies.

One of the data was very important which was the dividend announcement and how did it affect the stock prices of the company. Dividends may have a number of effects on the price of the underlying stock. If a stock's dividend history influences its appeal in general, the announcement and payment of dividends has a clear and stable impact on share prices. Dividends are a common source of investment income for investors. They are a means for the issuing corporation to re-distribute gains to shareholders as a way of thanking them for their patronage and encouraging further spending. Dividends are also a public declaration of a company's prosperity. Since dividends are paid by a company's remaining profits, only the most prosperous firms pay dividends on a regular basis.

Macroeconomics modelling and policy discussion assign a relatively minor role to the stock market in investment decisions. As an assignment I had to fill up the data of Macroeconomics indicator of every month which was available from the NRB website. As a learning I came across few analyses while researching on the macroeconomic indicators.

An indicator of macroeconomics states the country's economy. With respond to the economy situation, the NRB reacts on the interest rate and imposed on the all the banking industry. According to the historical data and various research work, it is clear that interest rate is the determining variable of the stock market in Nepal. The direction of movement to stock market prices with interest rate is opposite.

Another indicator of macroeconomics such as GDP, money supply and exchange rates can positively define in the short run while only money supply holds positive relationship in long run. An increase in money supply causes stock market holds positive. As a research suggested, an increase in money supply leads to economic expansion through increased cash flows and stock price would benefit by expansionary monetary policy. In conclusion, Nepalese stock market or NEPSE index is highly determined by macro-economic variable in long run.

Nepal is a landlocked country with the two biggest countries at the border. Nepal imports many things which are needed for development and to build infrastructure such as steel, high equipped machineries, iron and also fuel. At the time of lockdown, there was almost no import and export of the products in Nepal. Therefore, a huge amount of the market was not invested on trade, so to find out whether the amount used in trade was invested in the stock market. I look upon the data of import and export of the first two months of fiscal year 2077/78 and compare with corresponding data of last year.

In a conclusion, import was reduced by -22.07% and export did increase by 10.49%. Although import rate did decrease but there was still a trade deficit of -24.93%.

Most of the time, I was involved in the balance sheet and income statement. Even if I close my eyes, I can see the balance sheet and income statement of many banks and other institutions. Financial Statements provide an information of a corporation's financial health at a particular point of time, providing insight into its performance, operations, cash flow and overall conditions. As an investor as well as an equity analyst, financial statement provides us a good insight of the particular company and helps us to make a decision on the investment.

Extracting the important data from the balance sheet was one of the key works of an analyst. Example: If I was provided with a balance sheet of bank then I would be looking at the deposits, reserve and surplus, loans and advances and total assets from the balance sheet. From income statement, I would extract the number of interest income, net interest income, operation profit, net profit/loss and operating expenses. I would at least collect the data of 5 years and average it. I would also look at the growth of each components mentioned above. Then I would calculate various ratios such as ROA, ROE, EPS, BVPS, CAR, Non-performing loan to total loan which would help me understand the company very well.

There are few examples of my work during my period of cooperative education which is below:

NEPSE INDEX	April 14 - July 16	July 17- Oct 17	Oct 18 - Jan 14	Jan 15- April 12	april 13- july 15											
QUARTERLY	Asad 2076	Asoj 2076	2076	Chaitra - 76	Asar 2077											
Average NEPSE INDEX	1,259.01	1,137.75	1,263.38	1,251.45	1362.34											
Mutual FUND	Asad	Shrawan	Badhra	Asoj	Karthik	Mangsi	Poush	Magh	Falgun	Chaitra	Baishak	Jestha	Asad			
Global IME Samunnat Scheme 1	8.92	8.76	8.14	8.08	7.94	8.24	9.27	10.04	9.96	9.04	8.82	8.85	10.41			
Laxmi Equity Fund	9.1	8.92	8.41	8.35	8.40	8.61	9.29	9.82	10.06	9.47	9.22	9.3	10.42			
NIBL Pragati Fund	8.28	8.21	7.67	7.63	7.63	7.87	8.75	9.63	9.73	8.84	8.51	8.54	9.86			
NIBL Samridhhi Fund 1	10.69	10.56	10.09	9.44	9.38	9.67	10.57	11.3	11.44	10.67	10.36	10.39	11.6			
NMB Hybrid Fund I-1	11.01	10.04	9.85	9.84	9.87	10.11	10.6	11	11.11	10.8	10.69	10.72	11.48			
Nabil Equity Fund	9.02	9.01	8.65	8.59	8.59	8.77	9.63	10.23	10.41	9.92	9.75	9.75	10.66			
Sanima Equity Fund	11.03	10.92	9.58	9.59	9.69	9.84	10.56	11	11.19	10.43	10.11	10.11	11.39			
Siddhartha Equity Fund	11.24	11.09	9.68	9.7	9.61	9.91	10.58	11	11.11	10.5	10.22	10.26	11.17			
Citizens Mutual Fund-1	11.35	11.43	11.21	10.39	10.25	10.37	10.81	11.42	11.11	11.11	10.93	10.96	11.68			
NIC Asia Growth Fund	11.18	11.11	9.67	9.65	9.64	9.95	10.72	11.33	11.62	11.02	10.78	10.81	11.75			
Nabil Balanced Fund-2	10.04	10	9.98	9.96	9.92	10.12	10.48	10.8	10.91	10.62	10.49	10.53	11.09			
Citizens Mutual Fund-2	11.35	11.43	11.21	10.39	10.25	10.37	10.81	11.27	11.42	11.11	10.93	10.96	11.68			
NMB 50			9.97	10.04	10.07	10.15	10.37	10.54	10.62	10.56	10.4	10.42	10.9			
Siddhartha Investment Growth Scheme -2			9.84	9.85	9.85	9.99	10.47	10.83	10.94	10.36	10.09	10.13	11.08			
NIC ASIA Balanced Fund			9.99	10.04	10.06	10.16	10.47	10.72	10.88	10.48	10.29	11.08	10.33			
Sunrise First Mutual Fund					9.94	10	10.21	10.42	10.56	10.29	10.15	10.21	10.94			
OPEN END																
NIBL SAHABHAGITA FUND	9.96	9.95	9.88	9.92	9.97	10.16	10.42	10.61	10.62	10.08	9.91	10.05	11.07			

Figure 3 NEPSE Index and NAV of Mutual Fund

S.N	INDEXES	Year	Day of Fulpati	Change in Index During Dashain										
				10 Days Prior	5 Days Prior	Day of Fulpati			5 days after Dashain					
				Index	Index	Index	Point Change Prior to 10 days	Percentage Change	Point Change Prior to 5 days	Percentage Change	Index	Points Change	Percentage Change	
1	NEPSE	2076	5th Oct 2019	1139.25	1125.14	1149.4	10.15	0.89%	24.26	2.16%	1137.03	-12.37	-1.08%	
		2075	16th Oct 2018	1241.36	1217.93	1241.63	0.27	0.02%	23.7	1.95%	1249.93	8.3	0.67%	
		2074	27th Sept 2017	1523.26	1543.7	1549.46	26.2	1.72%	5.76	0.37%	1501.89	-47.57	-3.07%	
		2073	8th Oct 2016	1730.64	1763.78	1819.88	89.24	5.16%	56.1	3.18%	1787.89	-31.99	-1.76%	
		2072	20th Oct 2015	1183.48	1143.88	1127.42	-56.06	-4.74%	-16.46	-1.44%	1092.04	-35.38	-3.14%	
2	Hydropower Sub- Index	2076	5th Oct 2019	932.59	918.89	944.69	12.1	1.30%	25.8	2.81%	942.05	-2.64	-0.28%	
		2075	16th Oct 2018	1399.25	1368.34	1360.47	-38.78	-2.77%	-7.87	-0.58%	1361.53	1.06	0.08%	
		2074	27th Sept 2017	1751.06	1782.28	1794.54	43.48	2.48%	12.26	0.69%	1787.13	-7.41	-0.41%	
		2073	8th Oct 2016	2335.71	2337.47	2367.47	31.76	1.36%	30	1.28%	2352.4	-15.07	-0.64%	
		2072	20th Oct 2015	2040.6	1981.35	1990.82	-49.78	-2.44%	9.47	0.48%	1948.87	-41.95	-2.11%	
3	Life Insurance Sub - Index	2076	5th Oct 2019	5037.52	4969.89	5053.87	16.35	0.32%	83.98	1.69%	4992	-61.87	-1.22%	
		2075	16th Oct 2018	5612.59	5498.06	5564.78	-47.81	-0.85%	66.72	1.21%	5575.46	10.68	0.19%	
		2074	27th Sept 2017											
		2073	8th Oct 2016											
		2072	20th Oct 2015											
4	Non-Life Insurance Sub - Index	2076	5th Oct 2019	4273.68	4149.48	4256.08	-17.6	-0.41%	106.6	2.57%	4206.53	-49.55	-1.16%	
		2075	16th Oct 2018	5816.42	5641.35	5784.85	-31.57	-0.54%	143.5	2.54%	5746.43	-38.42	-0.66%	
		2074	27th Sept 2017											
		2073	8th Oct 2016											
		2072	20th Oct 2015											

Figure 4 Looking at the behavior finance during festival time of 5 years

S.No	Name of Bank	Deposit Rate		Fixed deposit rate	
1	Effective Date Corporate Development Bank	-	-	-	-
2	Effective Date Excel Development Bank	Asoj 1, 2077 2%-4%	Shrawan 27,2077 2%-4%	Asoj 1, 2077 7.50%-8.50%	Shrawan 27,2077 8%-8.50%
3	Effective Date Garima Bikas Bank	Asoj 1, 2077 4%-5%	Bhadra 8,2077 4%-5%	Asoj 1, 2077 8%-10%	Bhadra 8,2077 8%-8.75%
4	Effective Date Gandaki Bikas Bank	Jestha 5,2077 4.5%-5.5%	Magh 8,2076 9%	Jestha 5,2077 6.50%	Magh 8,2076 10%
5	Effective Date Green Development Bank Ltd.	-	-	-	-
6	Effective Date Jyoti Bikas Bank	Bhadra 2, 2077 4.5%-5.5%	Shrawan 22,2077 4.5%-5.5%	Bhadra 2, 2077 8%-9%	Shrawan 22,2077 8%-9%
7	Effective Date Kanchan Development Bank	Shrawan 8,2077 4.5%-5.75%	Magh 8,2076 7%-8.25%	Shrawan 8,2077 6.50%-8.25%	Magh 8,2076 10%-10.50%
8	Effective Date Kamana Sewa Bikas Bank Limited	Asoj 1, 2077 3.5%-5.5%	Bhadra 11,2077 3.5%-5.5%	Asoj 1, 2077 7%-9.5%	Bhadra 11,2077 8%-9%
9	Effective Date Lumbini Bikas Bank Ltd.	Asoj 1, 2077 4.75%-5.5%	Shrawan 27,2077 4.75%-5.5%	Asoj 1, 2077 7.50%-9%	Shrawan 27,2077 7%-9%
10	Effective Date Miteri Development Bank	Jestha 7,2077 5%-6.25%	-	Jestha 7,2077 9%-9.25%	-
11	Effective Date Mahalaxmi Bikas Bank Limited	Asoj 1, 2077 4%-5%	Bhadra 4,2077 4%-5%	Asoj 1, 2077 6%-8%	Bhadra 4,2077 6%-7%
12	Effective Date Muktinath Bikas Bank	Asoj 1, 2077 4%-5.5%	Bhadra 15,2077 4.5%-5.5%	Asoj 1, 2077 7%-9.75%	Bhadra 15,2077 8%-8.50%
13	Effective Date Shangrila Development Bank	Asoj 1, 2077 3.5%-5.5%	Bhadra 23,2077 3.5%-5.5%	Asoj 1, 2077 7.50%-10%	Bhadra 23,2077 7.5%-8.5%
14	Effective Date Saptakoshi Development Bank	Bhadra 6, 2077 4%-4.25%	-	Bhadra 6, 2077 8%-8.25%	-
15	Effective Date Sahayogi Bikas Bank	-	-	-	-
16	Effective Date Sahara Bikas Bank	-	-	-	-
17	Effective Date Shine Resunga Development Bank	Asoj 1, 2077 2%-4%	Bhadra 23,2077 3.5%-5%	Asoj 1, 2077 4%-7%	Shrawan 27,2077 6%-7.75%
18	Effective Date Sindhu Bikash Bank	Asoj 1, 2077 4.5%-5.5%	Shrawan 16,2077 4.5%-5.5%	Asoj 1, 2077 8%-9%	Shrawan 16,2077 8%-9%
19	Effective Date Tinau Mission Development Bank Limited	-	-	-	-

Figure 5 Effective interest rate of Development Bank

Ratios	2075/76	2074/75	2073/74	2072/73	2071/72	2070/71
EPS	49.14	50.01	52.60	44.38	53.43	49.45
ROE	20.25%	19.95%	20.58%	17.15%	15.60%	13.47%
ROA	2.24%	2.04%	2.25%	1.87%	1.74%	1.73%
Book Value Per Share	242.67	250.70	255.64	258.79	342.48	367.02
Net Interest Income Margin	4.19%	3.91%	4.34%	4.09%	4.05%	3.49%
Operating Profit Margin	37.36%	38.39%	47.55%	46.57%	42.86%	40.19%
Net Profit Margin	24.69%	24.47%	30.34%	29.74%	27.59%	27.95%
Operating Expense/ Operating Profit	13.68%	15.58%	16.56%	20.14%	27.26%	33.10%
Capital Adequacy Ratio	10.6	10.38	10.15	10.07	9.75	11.53
Non-Performing Loan to Total Loan	0.04	0.04	0.1	0.07	0.17	0.11
Weighted Average Spread rate	4.08	4.42	4.69	4.7	4.9	4.42
No of Shares	10,002,294.26	7,860,349.12	6,288,279.30	5,030,623.44	2,883,528.75	2,306,823.00
Shareholders Equity	2,427,304,921.46	1,970,611,199.95	1,607,540,788.72	1,301,866,202.47	987,554,384.63	846,647,646.93

Figure 6 Calculation of different ratio of Sana Kisan Bikash Bank Limited of 5 years

## Chapter 3: Learning Process

### 3.1 Problems faced during internship

One of the problems faced by me is update of website of NEPSE or any website related to share. This is a problem faced by many Nepalese Student or any other profession while collecting the data. The website of many Nepalese site isn't updated on time. While doing research also, it gives the student very hard job while collecting the secondary data. For me, while looking at the latest financial statements of company, it wasn't updated on the websites which took my time. Not only the updates but it is also very hard for me to collect the historical data of the companies.

This is one of the biggest problems I have faced during my internship. As I was working from home, my parents thought I was free and had interrupted me with their works. In these four months, I worked in two different organization one is iCapital and another is Home. Every day, I was assigned some work by my parents regarding the banks and dad business. Although it was a great experience learning from both places but it was really distracting for me, as my priority would be iCapital.

Interruptions didn't come from the parents only but I myself had distracted myself from working. Although work from home gave me a great experience but I feel that working in office is more effective. There is pros and cons on the both side of table, but for me working from home made me lazy and didn't provided with the learning which I would get working from office.

### 3.2 How did problem was solved

When you are working from home, you need to set a schedule to prioritize work and to organize yourself well. There are two kind of problems, one is systematic problem and another one is unsystematic problem. Systematic problem is a problem in the industry which a particular company cannot solve. Whereas, unsystematic problem is related to the specific company or person which can be solve. As I have differentiated the two problems, lets distinguish the problem I have faced during internship and how I solved my unsystematic problems. Besides, update of NEPSE site or website related of stock which I needed for the data collection others all the problems faced by me is an unsystematic risk.

One of the important things I adapted is the time management, research and analysis and collaboration. How did I excel in these factors? As one of the values of the company is, “Walk your talk”. This really helped me build these factors. I followed the Priority Matrix of Eisenhower Matrix. I always evaluated the task on its importance and urgency’s. (Markey, 2019). It allows you to imagine all of your activities in a matrix of importance/urgency. Most of my assignments, I finished in a restaurant named ‘JHAMEL BEATS’. Doing this solved two problems at once: staying organized and interruptions, just like killing two birds one stone.

### **3.3 Recommendation to the company**

There is no such recommendation that I would recommend to the company. The company was following work from home I wouldn’t experience working with a whole team in an office. If I had an opportunity working to work in an office itself, I would come up with recommendation regarding the communication flow or the timing or the management. That’s why I would rate my experience in iCapital 4.5 out of 5. iCapital has given me the opportunity to learn and make mistake while learning as well, which had encouraged me to finish all the assigned work on time.

### **3.4 What have I learned during the Co-op studies**

16 weeks of cooperative education blessed me with a vast knowledge on the stock market of Nepal and different financial institutions and mutual funds of Nepal. It opened the door for me to take a next step on my career path. It also helped me to step into stock market and investment sector. Although, I had few knowledges on the stock market and analytical tools but iCapital broadened my knowledge with all the work they had assigned to me. Not, only on the present scenario but also, they have helped for the future and gave the hint on changes that may occur in the future stock market. My supervisor made me familiar with Joel Greenblatt’s magic formulae which was completely new for me. This magic formula provides us with the value investing using ROA and Earning Yields of company over the years.

Another thing I learned during cooperative education is that, stock doesn’t always fluctuate with numbers but the behavior pattern of the investors in certain time. In case of Nepal, the time was during the biggest festival in Nepal which is Dashain and Tihar where people spend a lot of money. So, behavioral financing also important as the normal financing.

Although, we studied macroeconomics in the first semester, we knew the components and their definition. I had almost forgot those terms but during these cooperative educations I was revive with the knowledge of macroeconomics and its component. Also, it's impact on the Nepalese Economic Sector and I also got to learn how changes made on the macroeconomic components effect the stock market.

### **3.5 How did I apply my coursebook knowledge during Co-op studies**

All the classes and lectures I attended during under graduation helped me during co-op studies. Macroeconomics indicator such as GDP, Import and Export, Government Regulation and Fiscal Policy and Interest rate which I was familiar with was very useful for me when I was extracting the data of Macroeconomics of Nepal (Mankiw, Principles of Microeconomics 6 th Edition, 2011). In the second year, the concept of financial ratio's help me better to understand the ratio's while analyzing the company's performance. Even, the knowledge of financial institutions management helped me to get to obtain the knowledge the banking sector of Nepal pretty well. The banking term like CDD ratio, SLR, CAR and base rate which was need to be known while interpreting the stock of banking industry. (Cornett & Saunders, 2019). The rough knowledge on the stock market of Nepal also guided me during my co-op studies which I would gain during the one of the sessions of KUBERWIZZ. The use of statistical tool such as regression & normal mean helped me during analyzing the impact of dividend announcement on the price and turnover over of the company. (Levin & Siddiqui, 2017)

### **3.6 Special skills and new knowledge learned from this co-op studies**

As I was appointed as an intern in equity analyst. One of the important works of an equity analyst is to extract the perfect data and interpreting it. Although we were taught how to do research in financial industry, but the company gave me the platform as well as taught me more on extracting the data. I learned new skills on how to interpret the data without using statistic tools such as correlation and regression. Another thing, I obtained the knowledge of Joel Greenblatt's Magic Formula. Also, because of co-op studies I learned about the Priority Matrix of Eisenhower Matrix.



## **Chapter 4: Conclusion**

### **4.1 Summary of highlights of Co-op studies at iCapital Pvt. Ltd.**

Four months in iCapital, groomed the raw knowledge which I had into a fine one. From the very first day of internship, I gained new knowledge regarding the NEPSE from the supervisor as well as our CMD. During co-op studies, neither I build the knowledge on the financial world of Nepal but taught me the importance of time management, effective communication, interpersonal relationship which is very important for a student to develop its personality.

Overall, co-op studies at iCapital acted as a bridge for me to use the theoretical knowledge and the practical exposure including new knowledge into the financial market of Nepal.

### **4.2 Self-assessment of the work experience**

This cooperative education has been a great platform to apply the knowledge from the classroom to real world experience. As saying goes, “you never learn until you implied” applying those knowledges in an intern opened the door to explore different career paths and specializations that I am interested in. Cooperative educations have provided me the taste of professionalism, it had built my problem-solving skills, communications and team work more. As an intern, I got an opportunity to gain a lot of experience and help me build my professional network. This cooperative education has prepared me well for the future whether it’s a personal world or professional. It has taught me a time management in my personal life as well as keeping my work schedule side by side.

From kindergarten to college, I had a great deal of academic achievement. I won several honors, recognition, and appreciation as a result of my performance. For me, this led to an "entitlement approach." I felt entitled to a promising future, despite the fact that I lacked any of the qualifications required to achieve and sustain success in the marketplace. If the drive for diversity had centered more on equality of opportunities rather than equality of results, I think I would have been well positioned for the business world.

Since there is such a strong emphasis on ensuring that everybody has a chance to succeed in education, textbooks are being dumbed down and grades are being increased. This can contribute to the creation of a complacent/entitlement mentality in gifted students. I can see how, if academia ignores the fact that 50% of students are below average and undermines the growth of skills such as competitiveness, responsibility, drive, and ambition, a disparity between professionals' aspirations and the skills of the young generation of finance students will continue to exist.

Therefore, the great thing about cooperative educations is that it teaches young professionals about the specific industries and companies they are interested in. It teaches students the required professionalism and develops practicality whereby students can further clarify any doubts. Similarly, self-confidence is one of the most important attributes of a working professional which help us to develop our career. Throughout the journey of my cooperative education, I have learnt to be more confident in taking responsibility in the tasks assigned to me and communicating with people and improving my networks.

#### **4.3 Limitations of my Co-op studies**

In four months of my Co-Op studies, there was only one limitation which is “In-person” experience. I could have gained more knowledge if I could attend office and learn from supervisors and the whole team of iCapital. It would enhance my knowledge as well as my experience which I would carry forward for my career.

#### **4.4 Recommendations for the Company**

There is no such recommendation that I would recommend to the company. The company was following work from home I wouldn't experience working with a whole team in an office. If I had an opportunity working to work in an office itself, I would come up with recommendation regarding the communication flow or the timing or the management. That's why I would rate my experience in iCapital 4.5 out of 5. iCapital has given me the opportunity to learn and make mistake while learning as well, which had encouraged me to finish all the assigned work on time.

## REFERENCE

Cornett, M., & Saunders, A. (2019). *Financial Markets & Institutions*. SI: MC Graw Hill Publications.

iCapital. (2013). *iCapital*. Retrieved from iCapital.com.np: <http://icapital.com.np/>

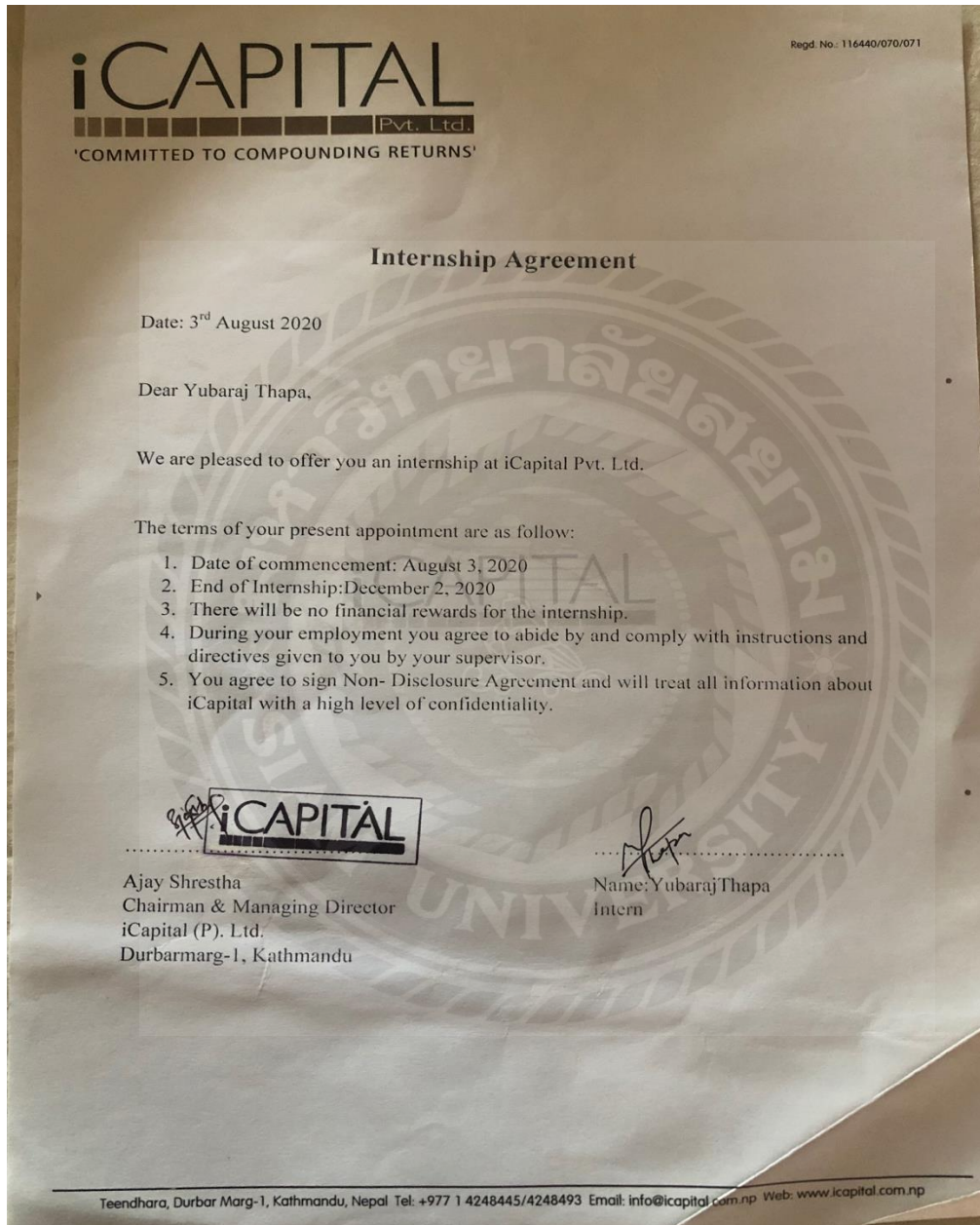
Levin, R. I., & Siddiqui, M. H. (2017). *Statistics for management*. Mankiw: Pearson.

N. G. (2011). *Principles of microeconomics* (6th ed). SI: Cengage Learning.

Markey, B. (2019, 06 10). *What is the eisenhower matrix, and how can it help with time Management?* Retrieved from Training Industry:  
<https://trainingindustry.com/articles/strategy-alignment-and-planning/what-is-the-eisenhower-matrix-and-how-can-it-help-with-time-management/>

## ANNEX

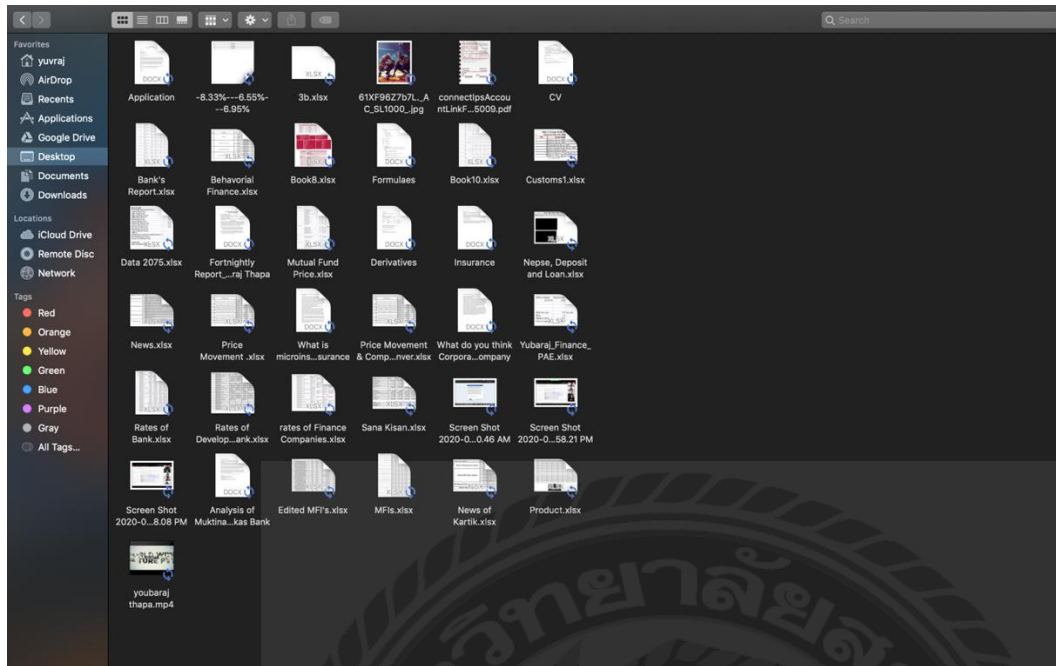
## Screenshots of work



**Figure 7 Internship Agreement with iCapital**

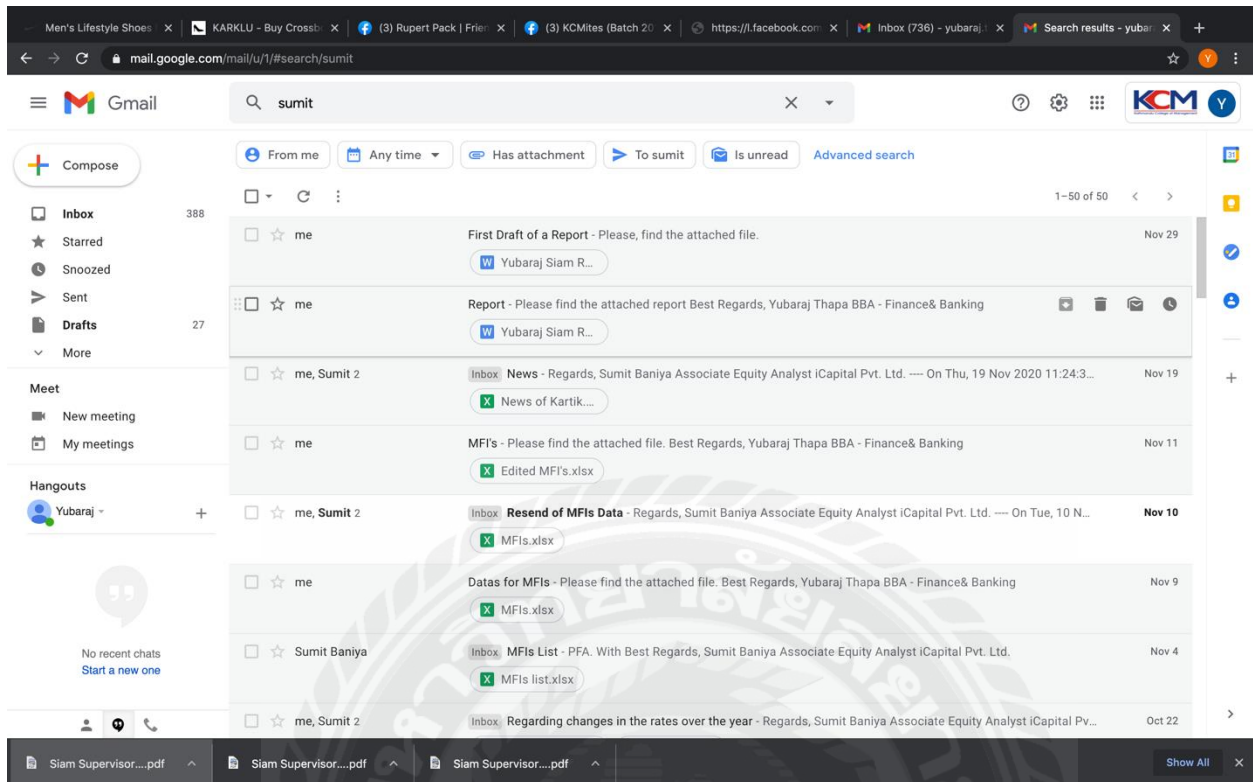
On August 3 2020, I started my internship journey with iCapital where we discussed the core objective of the company.





**Figure 9 The work I did during internship**

These are the list of work, that I was assigned during my internship program.



**Figure 10 Communication channel with my supervisor.**

I shared the work in a Gmail which was assigned to me. This was one of the communication channels between me and the internship supervisor.



**Figure 11 The last meeting with the supervisor.**

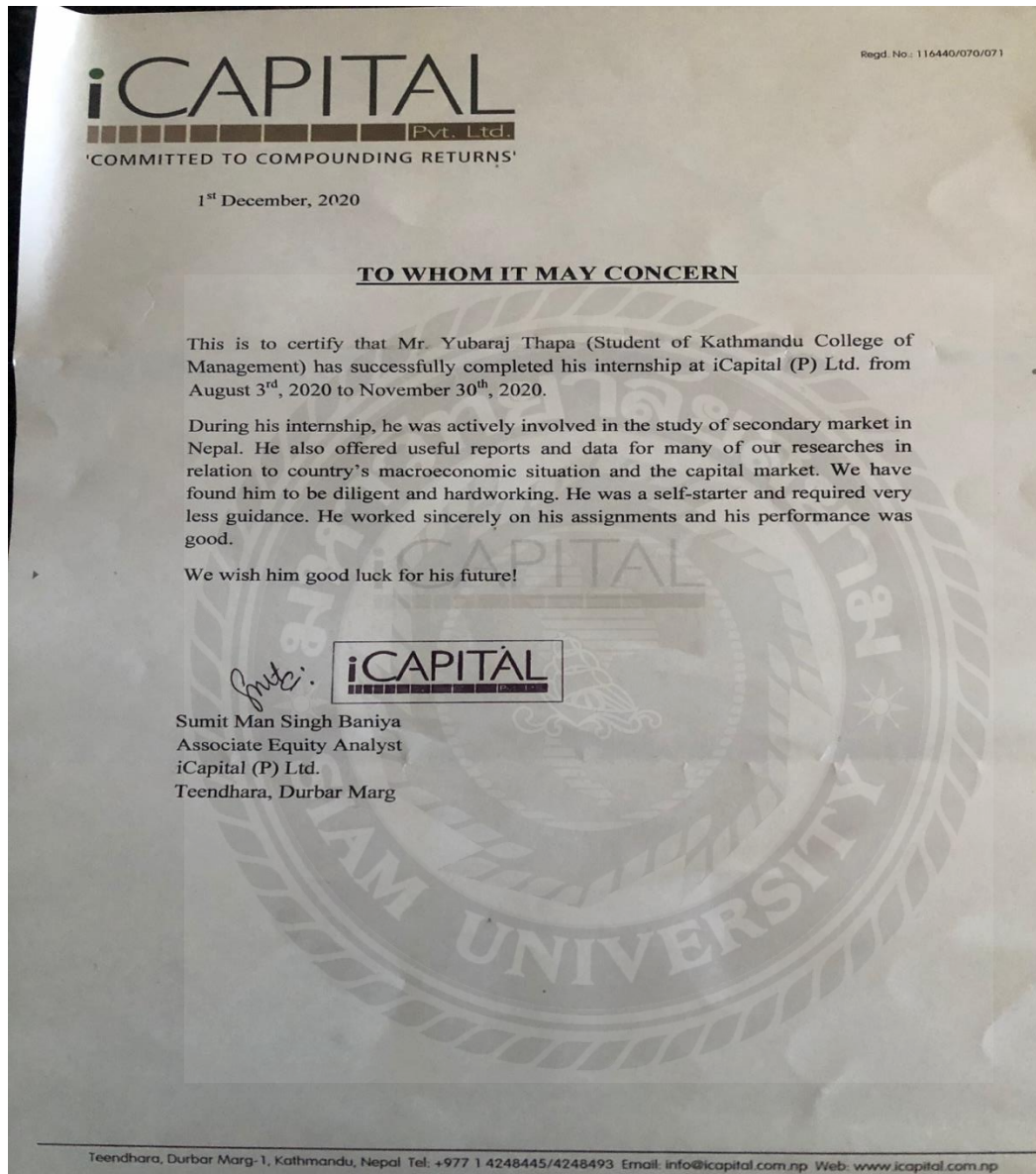
We had our closing meeting on the Zoom, where we showed our gratitude to our supervisors. Our supervisor also gave us the feedback to us.



**Figure 12 Receiving experience letter.**



The last meet with the supervisor in the temporary workplace of iCapital where experience letter was provided to me by my supervisor.



**Figure 13 Experience letter**

This is the experience letter, where my internship supervisor stated my work and my discipline of work.