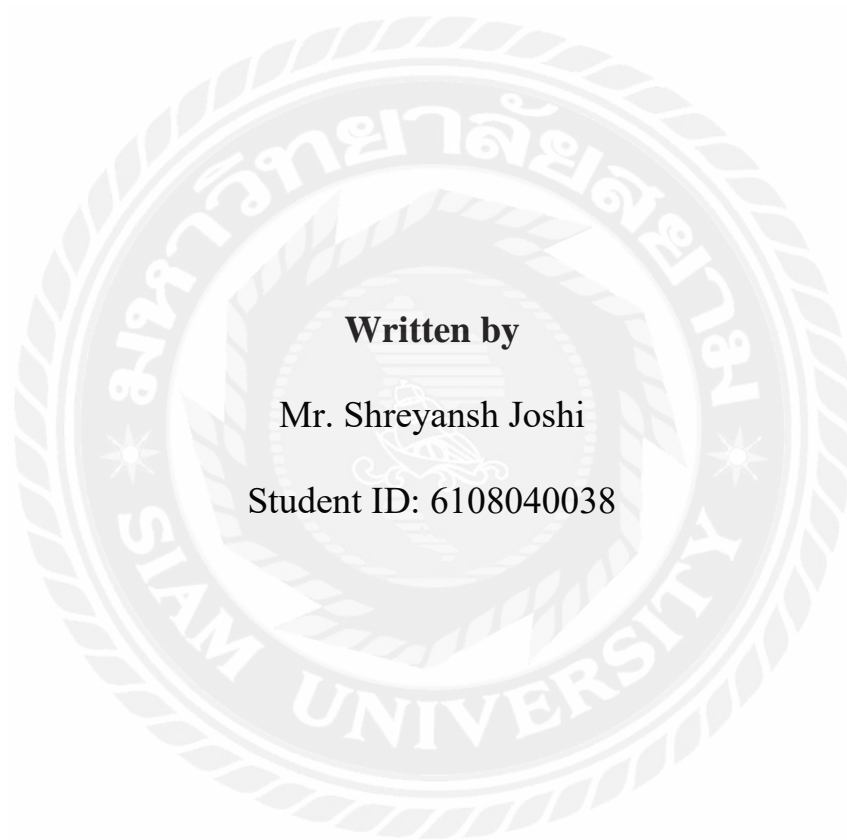Cooperative Education Report

Application of Value Investment philosophy in the Nepalese Stock Market

Written by

Mr. Shreyansh Joshi

Student ID: 6108040038

This Report is submitted in Partial Fulfillment of the Requirements for

Cooperative Education, Faculty of Business Administration,

Academic Semester 2/2021, Siam University

Title: Application of Value Investment philosophy in the stock market of Nepal

Written by: Shreyansh Joshi

Department: Bachelor's in Business Administration, Finance

Academic Advisor: Dr. Chanatip Suksai
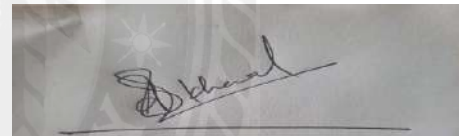
We have approved this cooperative report as partial fulfillment of the cooperative education program of class of 2018-2022.

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Oral Presentation Committees

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Project Title:	Application of Value Investment philosophy in the stock market of Nepal
Credit:	5 Credits
Author:	Mr. Shreyansh Joshi
Advisor:	Dr. Chanatip Suksai
Degree:	Bachelor of Business Administration
Major:	Finance
Faculty:	Business Administration
Semester/Academic year:	2/2021

Abstract

This cooperative education report primarily focuses on how Khanal Pradhanang Investment Services (KPIS), an investment and portfolio management firm, analyzes stocks to invest in using the principles of Value Investment. This is an account of four months long internship at the firm. Business analysis is at the heart of Value Investing. One cannot deduce the value of a company without properly understanding the fundamentals of the business. While analyzing a company, it is imperative to know the type of assets it owns, the value of these assets and the degree of uncertainty about this value (Farooq & Thyagarajan, 2015). In these few months of cooperative education, the concept of Value Investment was studied in detail and practiced in real life. The major objective of this cooperative education was to learn the basics of value investment and perform it real time in real world. Major duty performed as an intern in this company was carrying out fundamental analysis of stocks. Under this analysis, in-depth qualitative factors such as quality of the management and competitive advantages of the company were studied and on the other hand, in quantitative analysis financial statement analysis was done in order to arrive at an investment decision. I have learned to analyze businesses in great detail and perform valuations and invest following the principles of Value Investment i.e. buy stocks below their actual value. I have been able to justify that this style of investment works just about anywhere in the world because the fundamentals of investment activities remains the same around the globe.
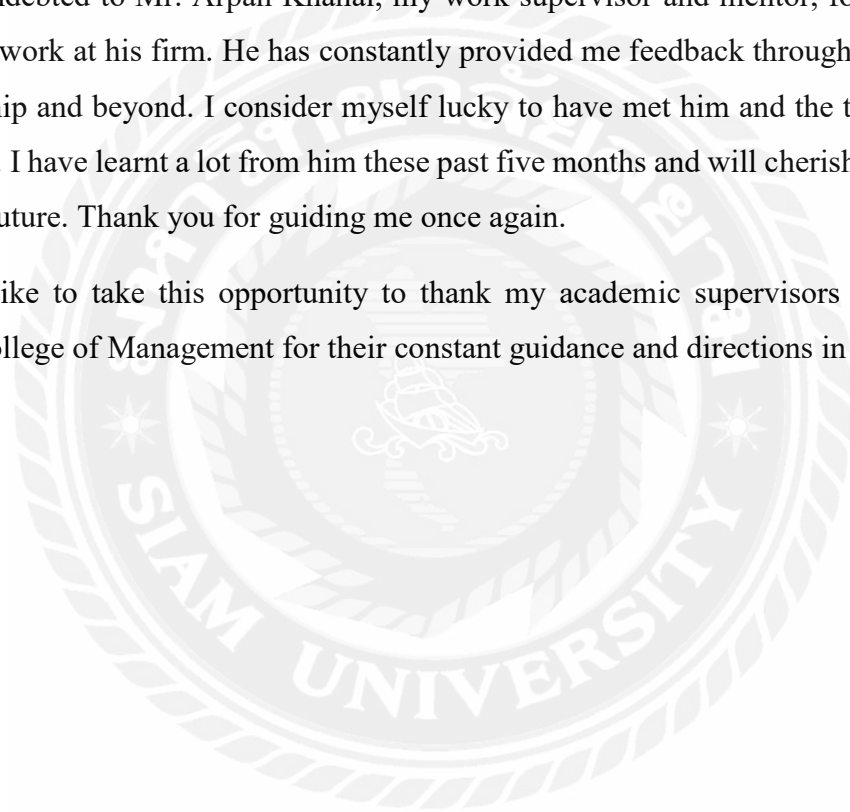
Keywords: Value Investing, Portfolio Management, Fundamental analysis, Stock Market

Acknowledgement

I would like to extend my utmost gratitude towards Kathmandu College of Management and Siam University for these four years of my college life in general. I would like to thank Siam University for making us participate in internship programs in the last semester of our BBA program as a part of curriculum. It was a humbling experience. I have truly learned a lot and have grown mentally and emotionally with all the experiences that I have accumulated thus far.

I am forever indebted to Mr. Arpan Khanal, my work supervisor and mentor, for giving me the opportunity to work at his firm. He has constantly provided me feedback throughout the duration of this internship and beyond. I consider myself lucky to have met him and the team at the right time in my life. I have learnt a lot from him these past five months and will cherish this experience always in the future. Thank you for guiding me once again.

I would also like to take this opportunity to thank my academic supervisors from Siam and Kathmandu College of Management for their constant guidance and directions in this journey.

Contents

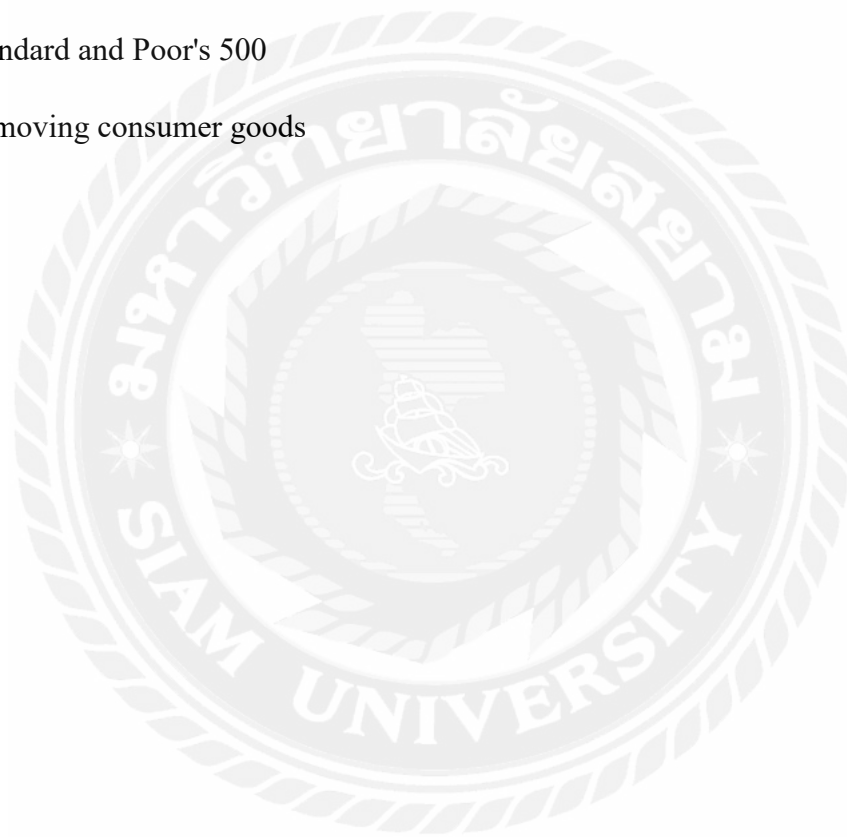## List of Acronyms

BOD – Board of Direcors

PMS – Portfolio Management Services

NEPSE – Nepalese Stock Exchange

SENSEX – Stock Exchange Sensitive Index

S&P 500 – Standard and Poor's 500

FMCG – Fast moving consumer goods

Chapter 1- Introduction

1. Company Profile

Khanal Pradhanang Investment Services (KPIS) was founded by Mr. Arpan Khanal, CFA and Mr. Sumit Pradhanang, CA. KPIS was initially set up as a private company with strong research foundation to select attractive & investable businesses into the company's Investment Fund. During their investment research and market studies, the founders realized that the equity research, advisory, and management industry in Nepal was a highly disorganized space, due to which, many retail and institutional investors had lost money. They saw a gap which they could fulfil through their expertise in research and analysis of stocks and a long term mindset which is rare for many investors especially in emerging markets like that of Nepal's.

The company already had a strong research unit comprised of experienced and academically qualified professionals, thus it developed various products and services to help retail and institutional investors create wealth from the stock market.

The company's investment principles, processes, and offerings are greatly influenced by the value investment philosophy set out by famous investors Warren Buffet and Charlie Munger. Through research, the company seeks to identify growth-oriented companies with strong competitive moats in attractive industries run by motivated managers which will create wealth for shareholders. (Arpan Khanal , 2019)

1.1 Mission
- To help people, families, and organizations create wealth so as to enhance their financial prosperity

1.2 Vision
- To create an institution which manages people's money ethically
- To grow the value investment community in Nepal

- Profitable growth by providing dedicated services to clients

1.3 Strategies of the company

The most fundamental strategy of the company is to find great stocks from the stock market adhering to the principles of Value Investing. The philosophy of Value Investing is to buy great companies at cheap prices with a good margin of safety and then hold them for a long time as if the company would operate till eternity. KPIS invests clients' money only in those stocks which they themselves have put their personal money into so that there is a sense of communal responsibility and proof of work to the investors of the fund.
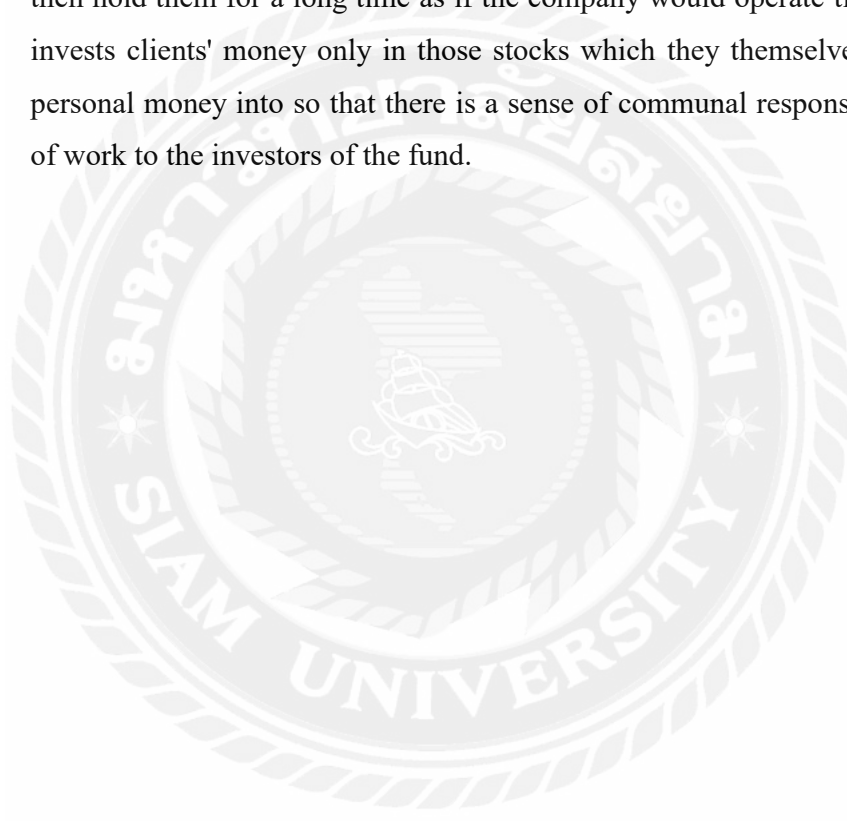
2. Organizational Structure

2.1 Diagram of organizational structure
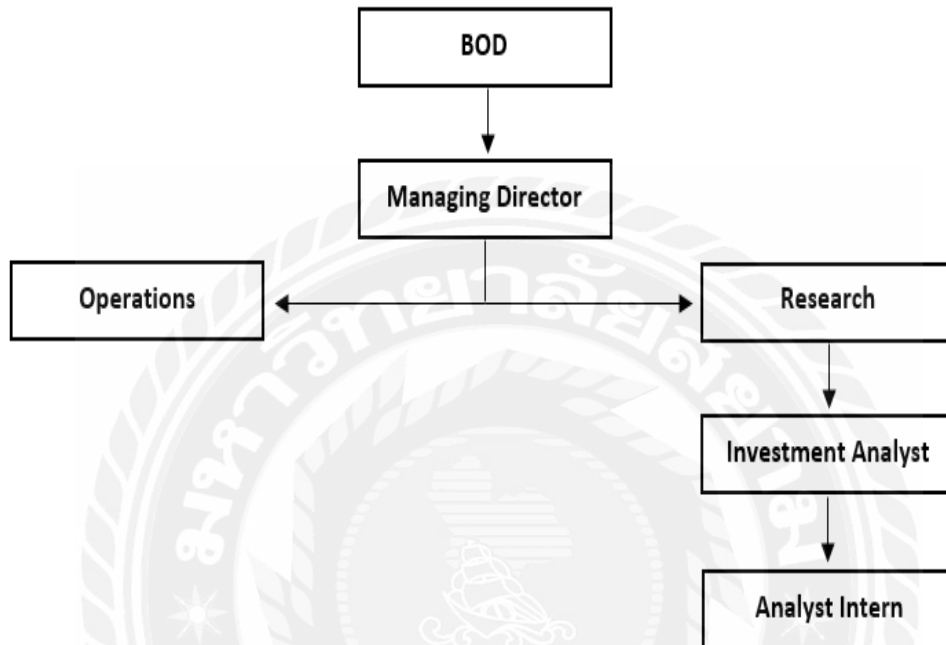
2.2 Job position

My job position is that of a stock analyst. My work is to research publicly listed companies in the Nepalese stock market and analyze them – quantitative and qualitatively – in order to arrive at an investment decision.

2.3 Job position in the company's organizational structure

The organization I am working at is a small one and is free from rigid hierarchies. My job position as a stock analyst is directly under the founder and managing director, Mr. Arpan Khanal. He is also my internship supervisor. In certain projects, I work together with other investment analyst, Mr. Jenesh Shrestha. He is a full-time employee who has been working at the organization for almost a year now.

3. Intention to choose KPIS as Co-op studies workplace

I have always been very keen on investing in the stock market. I have personally been investing in the stock market since the first year of college which has been more than three years now. I have enjoyed this process of investing my personal savings in the market and wish to carry it forward. This interest of mine, in fact, motivated me to work for a company like KPIS. With its strong research background and enthusiastic team of investors, I knew that I would be able to learn to analyze different businesses across a vast universe of industries using different lens of perspectives. The importance of business analysis in investing cannot be understated. Researching a business and investing money in their stocks at a discount to their value provides investors like me comfort in times of crisis and panic in the market. This has been the reason to choose KPIS as my workplace which has been able to make me a better investor and an even better stock analyst.

4. Analysis of the Company

SWOT Analysis

♦ **Strength**: The major strength of our company is the strong research focused method of value investing. The company focuses on a lot of research of businesses before investing on them. This provides clients' of the company a backbone to lean on in times of stock market crashes and panic sales.

♦ **Weakness**: One weakness, in a sense that it would be an area for improvement for the company, would be to have an inclination towards current day technology which could be used to make the research process, especially quantitative, a lot more easier and efficient. Although a lot of the analysis of stocks are subjective on who is performing the analysis, there are some objective areas which could be performed better through the use of technological resources and know-hows.

♦ **Opportunity**: In context of Nepal, knowledge and interest on personal finance and investments have exponentially risen post-COVID as people were engaged in learning about investing from the internet. This is quite evident from the fact that Nepalese stock Exchange (NEPSE) stock index reached an all-time high during COVID in its history of operation of 25 plus years. In my opinion, there is a great opportunity for firms like KPIS to manage people's money especially at this particular time where public participation and enthusiasm is relatively higher. Another major opportunity is in the field of financial literacy through digital medium. Content creation in personal finance skyrocketed after 2020 and still has been on the rise. I see an opportunity, especially for nascent markets like Nepal's, in the space of personal finance video contents, preferably through YouTube. There would two advantages if KPIS would make video contents – one is they would earn through YouTube content and other is free marketing of the firm among the viewers.

♦ **Threats**: A major threat to the firm could be from new entrants. As mentioned in the point above, due to the rising interest in the stock market of the general

public, a lot of new entrants have been operating in this space of portfolio management and investment analysis space. The barriers for entry for new firms are extremely low in this industry. Although, this could lead to a healthy competition in the industry which in turn makes the industry more efficient, too many players fighting over a limited group of customers could result in a threat.

PESTEL Analysis

- ❖ **Political Factors**: Since Nepal is a country where financial management domain has been developing in recent times, for a portfolio management company like KPIS, there can be a number of political benefits from tax exemptions to policy making by the Government in favor of investment management firms in order to boost public participation in investments. Firms in this industry could even be allowed to manage government's money in the future which would open up a new area of opportunity.

- ❖ **Economic Factors**: PMS services are directly related to economic factors of a nation. When economy is growing and doing good, people earn more and thus save more. This means people are more likely to invest more and when they invest more they make the economy stronger. In fact, it is a chain-effect as to how this works.

- ❖ **Social Factors**: From a social standpoint, culturally we are moving towards an investment friendly environment especially post-2020's lockdown as Nepal's stock exchange saw a record high participation from the general public in this period. Slowly, people from non-finance backgrounds are gaining interest and getting financially educated. This will only improve in the near future. Therefore, personally, I see a bright future for portfolio management companies like KPIS in the coming future of Nepal.

- ❖ **Technological Factors**: Technology has become a fundamental requirement for any company these days, let alone companies in the finance field. Although most of the work related to operations happen with the use of technology, some aspects of business research is still manual – specifically the financial number

punching in MS Excel. This is one area where use of technology, although difficult, would result in massive increase in the efficiency of the research process for KPIS.

❖ **Legal Factors**: From a legal standpoint, managing other people's money always comes with regulatory hassles and scrutiny. But as the participation from the public in the stock market grows stronger, eventually it will be a much convenient space to work in for all the stakeholders – be it the portfolio management company or the regulatory bodies or the general public.

❖ **Environmental Factors**: In my opinion, there are not much environmental factors to be considered for a portfolio management firm as there are no direct association with the physical environment directly – either in a good way or a bad way.

5. Objective of the study

The objectives of this co-op study are outlined below.

(a) To understand and apply the concepts of Value Investing
(b) To reconcile financial concepts learned in class by implementing it on the real world
(c) To gain an experience in the field of portfolio management

Chapter 2- Co-op Study Activities

1. Job description

My work during the internship revolved around researching publicly listed companies from the stock market. Most of my days would be spent reading a number of reports, articles, and academic papers. Subsequently, I move on to quantitative analysis using MS Excel as an analysis tool to help me analyze the financial statements and numerical part of my thesis. In quantitative analysis, I dive deep into the financial statements of the companies and try to gauge their historical performance using key indicators. I also try to check whether the numbers make sense from a qualitative perspective and I try to see if the same trend can continue in the future and make the business profitable for the shareholders. Finally, I prepare an investment thesis encompassing the major points I have found while analyzing the business and give recommendation on whether to invest in the stocks of the company. If my research deems the company investable, we put a portion of our clients' money into it after the inspection by the managing director.

2. Job responsibility, work duties

My daily work centered around researching businesses that are listed on the stock exchange. My major duties as a stock analyst are enlisted below.

(a) Reading Reports and compilation of data

Once my supervisor assigns me a project, the first step in the research phase is reading annual reports, credit rating agency reports and whatever that can be found about the stock on the internet. I gather all the reports and readings for at least the past five years in order to understand the business holistically and cut out the abnormal performances. I read through them in detail in the following couple of days. While analyzing a business, a lot of information must be gathered in order to conduct a thorough analysis of the stock in the next phase. Therefore, I keep notes of the important points which needs to be revisited time and again. I also compile data from financial statements in MS Excel and use the tools in Excel to later analyze the financial performance of the business.

(b) Fundamental Analysis

In this phase of my work, I try to gauge the performance of the company historically and analyze whether they will be able to perform in the future as well. A lot of intellectual energy is spent in this phase as it is one of the most important task of all. A lot of reading between the lines needs to be done because a lot of things are not apparent in the annual reports. Qualitative factors like economic moats or in simple terms, sustainable competitive advantages are identified. Businesses with sustainable economic moats are the ones that perform in the long term. It is one of the criteria we look at. Another major factor to analyze is the quality of the management because management runs the company either towards prosperity or towards doom. A lot can be said about a company by its management. Some practices that crooked and bad management do are accounting malpractices to boost profits, engaging in related party transaction by buying/selling goods or services from the promoters/directors of the company at unreasonable prices in order to profit their promoters and short change the shareholders by eroding shareholders wealth. There are multiple other red-flags to be cautious about but aforementioned points are the repetitive ones. In conclusion, many factors that we analyze is about deducing information that is not apparent from what is being presented by the company.

(c) Valuation of the stock

One of my most important tasks and one that is very central to the Value Investment strategy is performing valuation of a company because we only buy those companies from the stock market which are trading below its value or in a simple sense – its actual worth. This phase of work is the most difficult and time consuming. There are different methods of valuing a company among which two methods stand out – relative valuation and discounted cash flow valuation. Relative valuation, also called price multiple valuation, is the idea of comparing price of a stock with similar stock in the market. This is one of the

most famous and widely used approached to valuation. However, as Value Investors, we are more concerned about the true value of a business rather than what price it is trading at. Therefore, we tend to use the other method of valuation which is the discounted cash flow method. A lot of financial modeling is done in MS Excel in order to arrive at a value of a stock. Predicting the company's financial performance over the long term is the core idea. This is where all the knowledge and research about the business comes into play. In order to predict cash flows, an analyst must know the business on a deeper level which requires a lot of research. Once the value has been determined for a stock, an investment decision is made. If the current price of the stock is greater than the value of the stock derived from our analysis, we do not buy that stock and keep it on our list when the market corrects that stock and it is available at a discount to its value.

(d) Preparation of investment thesis

Finally, after most of the work has been done in terms of research, analysis and valuation of a stock, a power point presentation about the stock is prepared in the form of an investment thesis. An investment thesis must include decision to either buy or not buy the stock. Most of the times, prices of the stocks are way above its value, however, the stock market sometimes provides opportunities to buy stocks below their value especially in market downturns which is why we keep record of all the investment thesis in order to review it in the future when we see an window of opportunity come up.

(e) Presentation

Once the investment thesis is done, it was my duty to present it in front of to the whole team. After every presentation, we tend to have discussions about the stock to bring everyone's perspectives to the table. Different perspectives are put forward on the table for an informed decision making and it is decided whether the stock is good enough and cheap enough to include in our portfolios.

3. Activities in coordinating with co-workers.

Most of the times, I am solitarily involved in covering the companies, however, from time to time, I am working alongside another analyst which requires me to regularly discuss my research with them. When working together, we usually carry our research separately and exchange our notes in the discussion phase and prepare an investment thesis together towards the end of our analysis.

4. Contribution as a Co-Op student in the Company

(a) Research and analysis of Shivam Cement

My first project as an intern was to research Shivam Cement's stock. I aided one of the other analysts, Mr. Jenesh Lal Shrestha, in this task. I read through past three years of the company's annual reports, credit-rating agency reports, multiple research reports from different government ministries on cement manufacturing and news articles and reports. I gathered all the financial data in MS Excel in order to use tools provided by Excel to conduct an analysis of the stock. I also had to learn about Cement industry from scratch as we cannot properly analyze companies without first understanding the nuances of its industry. After feeling like I had made a good enough base for my understanding of the cement industry at large, I moved deeper into fundamental analysis of the stock. In conclusion, Shivam Cement seemed to be a good company with good economic moats and future potential, however, due to high valuations we did not execute on the stock.

(b) Analysis of Citizen Investment Trust

This was my first solo project. I did everything from research to analysis to presentation of investment thesis on a stock named Citizen Investment Trust (CIT). CIT is a retirement fund management company listed in the Nepalese stock exchange. By following the aforementioned method, research and analysis of the company was done. In the end, my analysis resulted in a decision to NOT BUY

CIT's stock because it was extremely overvalued. However, we will keep monitoring this stock so that if the market provides with us an opportunity where this stock is trading below its value, we shall buy it.
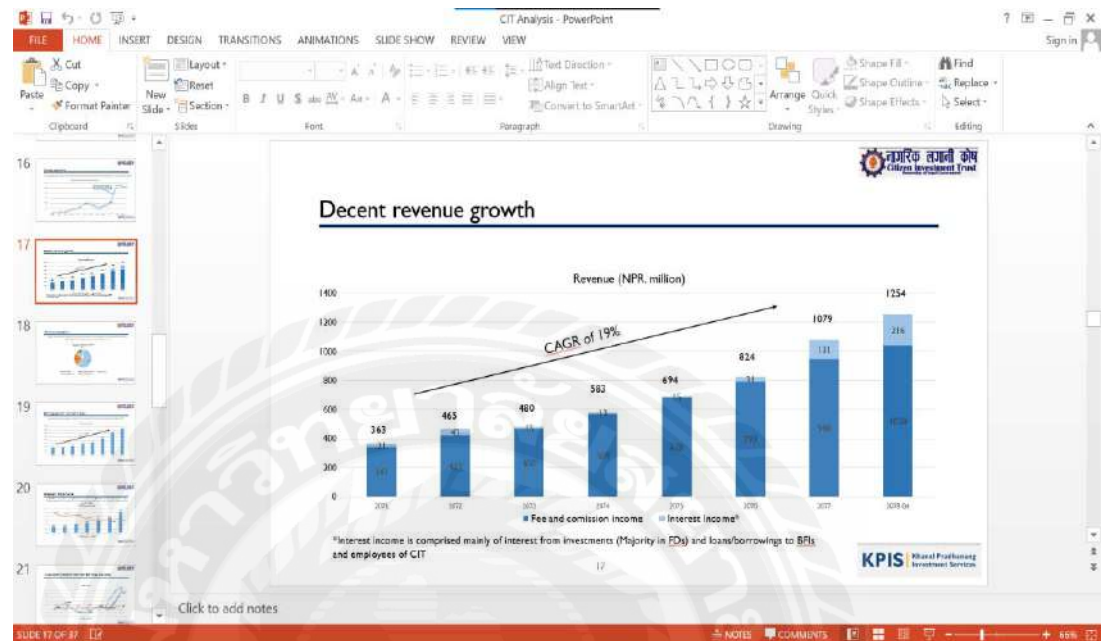

Image: A slide from CIT's investment thesis which showcases its revenue growth in the last decade

(c) Analysis of Sanima Mai Hydropower Company (SHPC)

This was another joint project done by intern Mr. Subrit Bajracharya and I. We worked on the stock research and fundamental analysis of Sanima Mai Hydropower's stock. With similar method as previously mentioned in the first project, we completed our analysis and presented our investment thesis in front of the team. Although the fundamentals of the business were good, our unanimous decision was to NOT BUY the stock because of it's extremely high valuation. According to our valuation, we derived an intrinsic value of NPR. 140 whereas the stock was trading at Rs. 350 in the market.
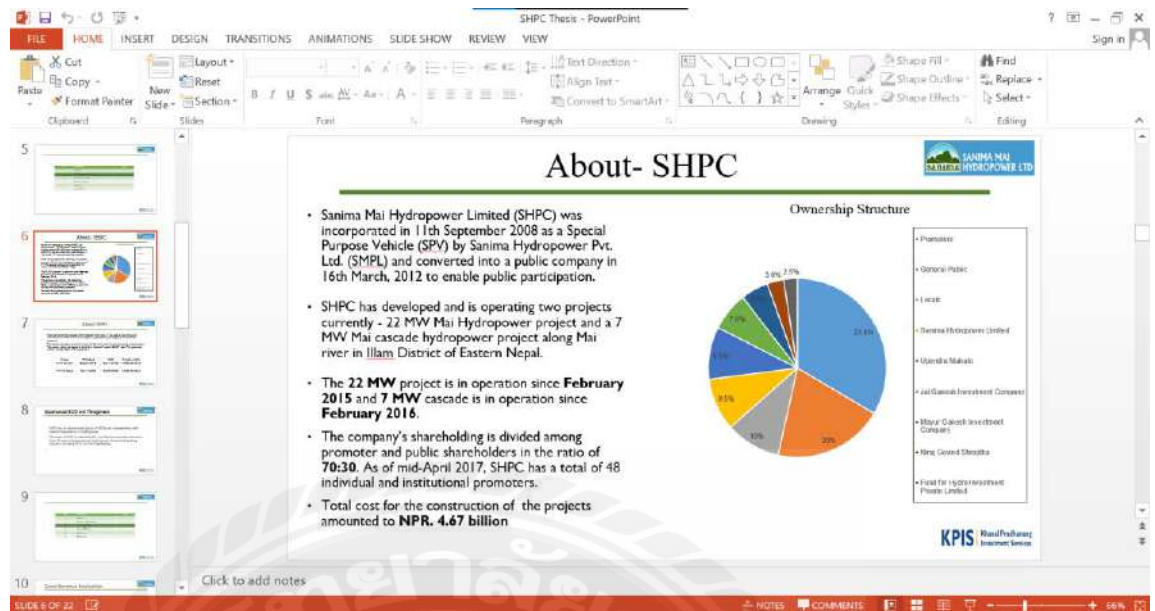
Image: A slide from SHPC Investment thesis showcasing the ownership structure of the company

Image: Financial statements analysis of SHPC

(d) Portfolio Evaluation of a client

This was a short project where our company had to recommend a client to downsize his portfolio of approximately $1.5 million to around $1 million in order to pay off his debts. I along with other analyst, Mr. Nitesh Gautam, worked on it for a week and finally came up with our elaborate recommendation to sell some of his

underperforming and overvalued stocks from his portfolio. The client had a lot of banks in his portfolio which is why we had to take a look in detail of each of the companies in his portfolio. We gathered all the financial information on those banks then filtered out the low performing banks on the basis of the industry average metrics like loan book growth, deposit growth, average Retrun on Equity over the last five years among others.

(e) Research on correlation between Nepalese, Indian and American stock markets

This was a small side project conducted by me to check the correlation between indices of Nepal, India and US namely NEPSE, SENSEX and S&P 500, respectively. It was found that no significant and uniform correlation existed between NEPSE, SENSEX and S&P 500 indices over the last seven years of data that were analyzed.

Image: One of the sheets from the spreadsheet file showing the correlation between NEPSE, SENSEX and S&P 500

Chapter 3- Learning Process

1) Problems/Issues of the Company

Problems	Solutions	Result after solution is applied
Rigid approach of investment - Th ,me company seemed to have a little too rigid process of analysis. It may have been an effective one too but personally I felt a bit bounded by the approach as I could not find a lot of variation in creativity. In my opinion, liberty to use different methods to reach the desired outcomes should be encouraged at any organization.	Adaptation of other schools of investment would add to the ideal decision-making process.	Better output in terms of investment decisions.
Low penetration of technology in the work-process.	Use of technology like Python & Panda.	Error-free financial modeling and valuation supplemented with efficiency increase among employees.

2) Recommendation to the company

Incorporating new technology and testing its practicality must be at the heart of any organization in today's modern times. Adopting to the new technology may or may not be done but at least one should try out what the world of technology has to offer. For instance, instead of relying solely on MS Excel for data retrieval, analysis and manipulation, we can alternatively use a programming language called Python. Python is a general-purpose programming language that allows its users to automate data and conduct data analysis like that of MS Excel. It is also the second-most popular programming language among programmers according to a research firm Red Monk (Stephen O'Grady, 2021). One of the best things about Python compared to MS Excel is that errors within the worksheet and copied worksheets from other datasets are easily found which is difficult to do through Excel. These minor errors during analysis can transfer into decision-making process while investing in the stock market. It can potentially mess up all the financial modelling and lead to bad decision making. For example, in 2012, one of the world's biggest investment banks, JP Morgan Chase, lost $2 billion partly because of the result of an error in Excel (Linette Lopez, 2013). In another case, economists Kenneith Rogoff and Carmen Reinhart, made an Excel coding mistake which led to the understatement of growth rates for countries with debt to GDP ratio surpassing 90% (Joe Weisenthal , 2013). User error leads to a lot of problems to many organizations that use Excel. Although it is a convenient tool, Python could be a much better substitute especially for tedious data inputs because of its ability to, with a few lines of code, strip data directly from the web without cutting and pasting. In addition to that, it can also be used as a rigorous and error-free data analysis tool.

The other recommendation would be incorporating of different investment approaches with Value Investing. Although Value Investment is a solid strategy of investment, supplementing it with approaches like growth investing and taking into account factors like macro-economic data and projections would, in my opinion, provide a better decision-making and give the firm a competitive advantage over firms that only rely on Value Investing. It is practical enough to get the best of both worlds by combining investment philosophy and styles as it is possible to find growth stocks without undermining the strategy of Value Investing according to a piece written by Economic Times (Economic Times, 2019). Rather than sticking up with a single

approach, looking out for changes that are taking place rapidly in the financial world and adhering to these changes by countering them with newer approaches on top of Value Investing would be the best thing to do.

As a portfolio management company, KPIS needs to regularly communicate with their clients in forms of quarterly performance reports and annual letters along with day to day operational management activities/inquiries. Therefore, investing in technology would help small firms like KPIS to better communicate with their clients (Forbes, 2018).

Chapter 4- Conclusion

1) Learnings during the Co-op Studies at KPIS

On technical side, I had the opportunity to do a lot of fundamental analysis of business from different industries ranging from FMCG to cement manufacturing to hydropower. A lot of the analysis part is done by the help of quantitative analysis tool like MS Excel. I have improved my Excel skills a lot in these past months using it almost every day. Other part of my job requires me to clearly sort out my thoughts about a company which requires a great deal of mental clarity and the ability to look at the bigger picture by zooming out of the smaller fragmented perspectives that we normally tend to hold.

One major quality any good analyst should have is the ability of reading between the lines or in simple terms, figuring out stuffs that are not apparently stated. Over the course of the internship, I have figured out some major red flags of the stocks that I had analyzed and reinforced this analytical skill. My analytical thinking has improved sharply during this internship. My research skills have also become extremely efficient after doing it almost every day. I can easily figure out necessary information from the unnecessary ones and am able to streamline the research process.

A major part of investing is reading a lot of information from a wide range of topic. After reading multiple annual reports of the companies, sometimes mundane, I have become a much better reader and my habit of constantly reading has improved a lot. Reading through rather unexciting annual reports and business articles sometimes can give you that edge over other investors in terms of key valuable information. Most of the investors in the market don't even bother to skim the annual reports – they prefer looking at the numbers only instead. I have learned that while analyzing companies, financial analysis is just a part of it and an equally important part to the analysis is the qualitative side which often gets neglected by many investors. Management's plan and actions are discussed in great detail in those annual reports along with important chairman's message. To get into a depth of analysis, qualitative side is an integral part of the overall analysis of the stock. Among all the skills I have developed, reading is one skill that I will forever use till the entirety of my life.

All in all, after this holistic experience of analyzing a number of companies in the last few months, I certainly have become a better analyst. I now look at businesses in a whole different way than I did before.

I have applied the concept of value investing in my own portfolio. As discussed in the previous chapters, it is too early to gauge the results of the application of Value Investment in my portfolio as the very fundamental philosophy is about owning great businesses as if it would continue to operate till eternity and let compounding do its work. I have invested my personal money only in great businesses that too with a great margin of safety. Margin of safety is the difference between a stock's market price and its intrinsic value. Theoretically, the further below the stock market price is from its intrinsic value, the greater will be the margin of safety against the uncertainty in the business, if any (Vishal Khandelwal, 2016). I am confident about the returns on my investments as I wish to hold the stock in my portfolio for a long till unless there are some fundamental changes to the companies.

2) Knowledge from coursework applied in real world situations

During college, we had been taught a great deal about financial statement analysis and business analysis, theoretically. Due to lack of implementation of academic theories, I could not fully understand and relate to the concepts. However, at KPIS, I have not just revisited and revised a lot of core financial concepts used in investing but also have had the opportunity to see the implementation of your work. For example, I learned to perform valuation of stocks using discounted cash flow models. In this concept of valuation of a business, we try to find the actual worth of a business by predicting its future cash flows with the assumption that the business would operate till eternity. Subsequently, the cash flows are discounted back to its present value i.e. its value in today's date to determine the stock's value. This is by far one of the key concepts in Value Investing required for the decision-making or execution of a stock, whether to buy, sell or hold. Although, we had been taught valuation of stocks using discounted cash flow models in college, I did not have any idea of its practicality until I did it myself for a real company which in turn impacted my decision to buy or sell the company's stock. I have

found that a lot of academic concepts taught in college become really simple and intuitive once I start using it pragmatically. I felt that I had been lagging in the use of a lot of those financial concepts and found an ample practical experience in these past four months of my internship. Using knowledge from course work in real life provided me a deeper and meaningful understanding of how these concepts affect our investment decisions which in turn narrate our life in general. Observing the result of your decisions based on these concepts was truly inspiring and motivating to see.

3) Self-assessment of my work experience

This internship experience has been a great one. I have been able to learn a lot in such a short period of time. I am really grateful for this experience because it has made me a better business analyst and a professional in general.

The experience has taught me to be patient in times of uncertainty in investing. One should have his investment thesis always ready to be evaluated especially in times of crises. When there is panic in the market, no matter how strong you are as an investor, the panic might start to affect your decisions and that is the time you should be able to stick with your thesis and your instinct.

Total accountability of your work is one of the qualities that I will take away from this experience. Taking credit for the good work and being accountable for the mistakes and lacking in your work is an integral part in being a professional. Qualities like punctuality is a must-have for professionals and I certainly have improved on this regard as well.

The internship experience helped understand and realize the importance of a team and working efficiently as a unit of a team. This process has helped me grow both as a professional and a person.

Another major aspect of value this internship has taught me is to constantly seek for feedback and guidance. Feedback is essential in doing a great work. Being too afraid to ask for guidance, clarification and feedback can put you up for a long and quality-less work. Always have an open mind to incorporate knowledge and ideas. I am more oriented towards seeking feedback in my professional work now that I have realized its importance in quality work.

More importantly, this journey has taught me worldly values which I consider to be far important in life than technical skill sets.

4) Benefits from this internship for my future career

I am hopeful that the lessons and experiences gained from KPIS will help me in my future endeavors in the field of finance. My near term goal is to work for an investment bank abroad. The technical skills in data analysis that I have accumulated over the last four months and the financial concepts that I have learned and implemented real-time has honed me to become a better financial analyst and investor. These skills and learnings will definitely lead me closer to my goal and I am hopeful that my experience here will be of great value to me and my future firm. The analytical skills I have developed here will not just be important in my future career in areas like investment banking or management consultancy but will be useful in my daily life as well.

ANNEX

Image 1: Mr. Shibesh Sapkota, one of the summer interns, presenting his investment thesis on Nabil Bank Ltd.
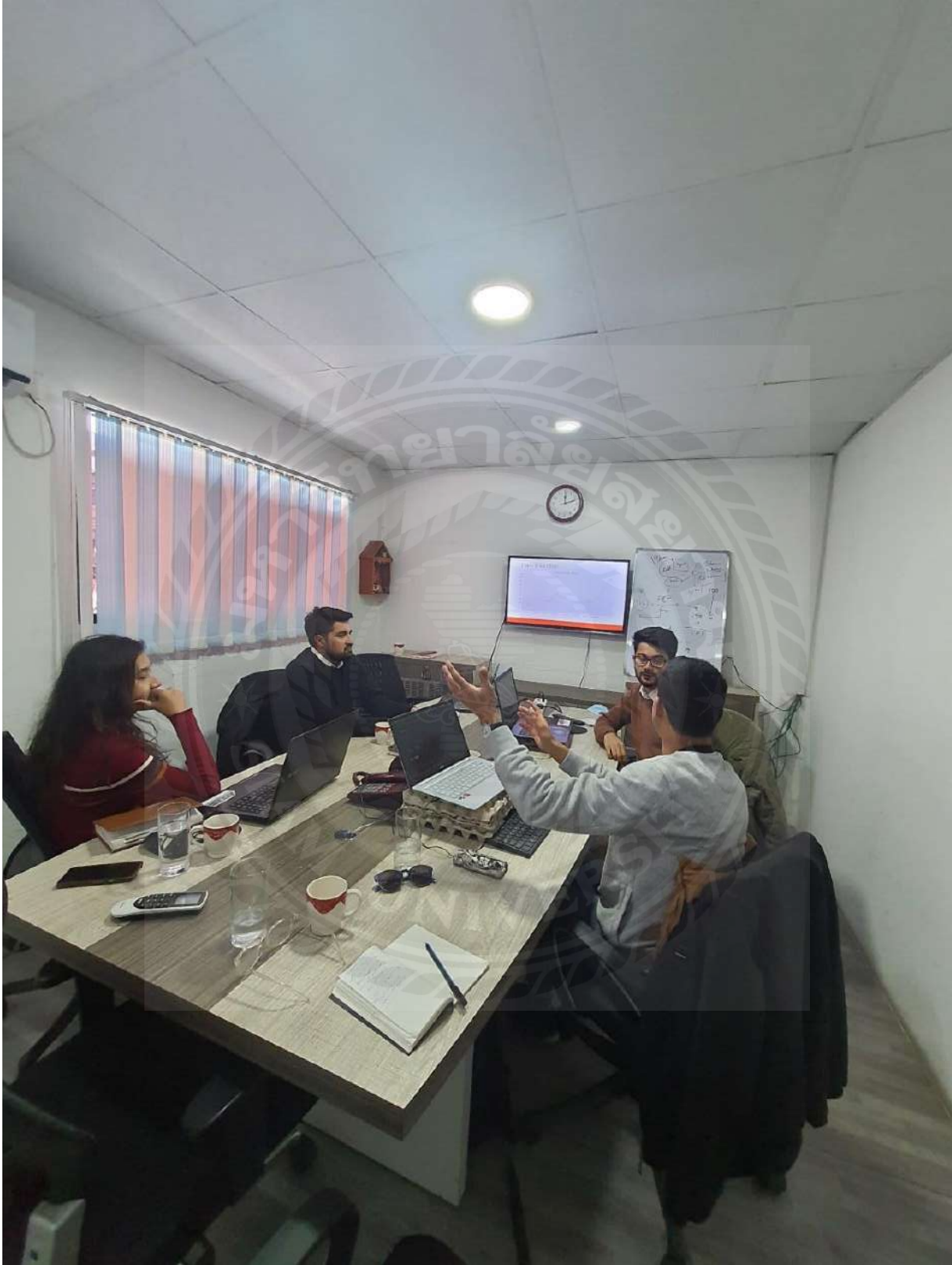
Image 2: Mr. Jenesh Lal Shrestha, an employee at KPIS, presenting his investment thesis on NIC Asia Bank

Image 3: All the interns together on the final day of the summer internship

Image 4: Mr. Subrit Bajracharya, one of my classmates and co-worker, working on a hydroelectricity company Sanima Mai Hydropower

Image 5: Mr. Subrit Bajracharya and I during our work together on a hydropower company
analysis

Image 6: Mr. Nitesh Gautam, an employee at KPIS, teaching us some important financial statement analysis concepts
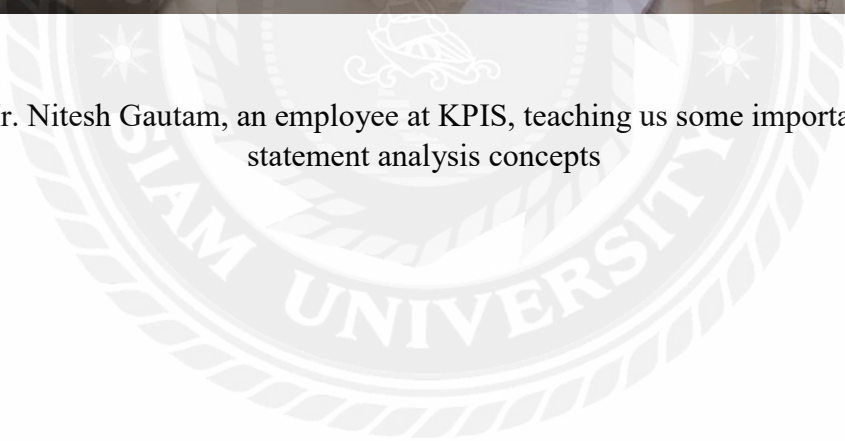
Image 7: Brainstorming ideas during the analysis process of Sanima Mai Hydropower

Image 8: Reading Sanima Mai Hydropower's annual report

Image 9: Office Space

Image 10: Doing some maintenance work at the office in free time

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