



## **COOPERATIVE EDUCATION REPORT**

**Study on the Guidelines and Limitations of Digital Payments  
Cojoined with Sipradi Trading Pvt. Ltd**

**WRITTEN BY**

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**Title** : Study on the Guidelines and Limitations of Digital Payments Cojoined  
With Sipradi Trading Pvt. Ltd

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**Degree:** Bachelor of Business Administration

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### **Abstract**

This report is a summarization of my 16 weeks Co-operative study period as an Accounts and Finance Intern in Siprodi Trading Pvt. Ltd. Siprodi Trading Pvt. Ltd., the exclusive distributor for Tata Motors in Nepal, is a practical instance of digital payment regulations functioning in one of the leading automotive sectors within the nation. Siprodi Trading, a leading auto part company with a dedication to providing unparalleled customer service, is looking into the application of digital payment solutions. The main objectives of writing this report are to understand the workings of digital payments in STPL, study about current guidelines by Nepal Rastra Bank regarding digital payments and to conduct a study about the current digital payments used by the company.

This report consists of numerous responsibilities I undertook during my internship period in Siprodi Trading Pvt. Ltd. The internship was a connection between the theoretical knowledge and the actual application. By the end of this internship, I was able to get to a clearer understanding of the real world of corporate finance. This involved gaining the hands on of the financial operations and the day to day running of the office.

Briefly, this report gives an idea about the digital payment area of the automotive trade in Nepal as observed through the lens of Siprodi Trading Pvt. Ltd. Additionally, it talks about the new experience and skill acquired in the company's Account and Finance Department as an intern.

**Keywords:** Digital payments, guidelines, limitations, Nepal Rastra Bank, STPL

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Additionally, I would like to express my sincere thanks to Mr. Suman Paudel, my internship supervisor, for his continuous support and direction during the Co-operative Education program. His constant support and criticism were crucial to my growth and learning. I also want to express my gratitude to the entire staff at Sipradi Trading Pvt. Ltd. for their willingness to share their knowledge and for their significant assistance. Their spirit of cooperation and encouraging atmosphere made the Co-op Education experience incredibly beneficial.

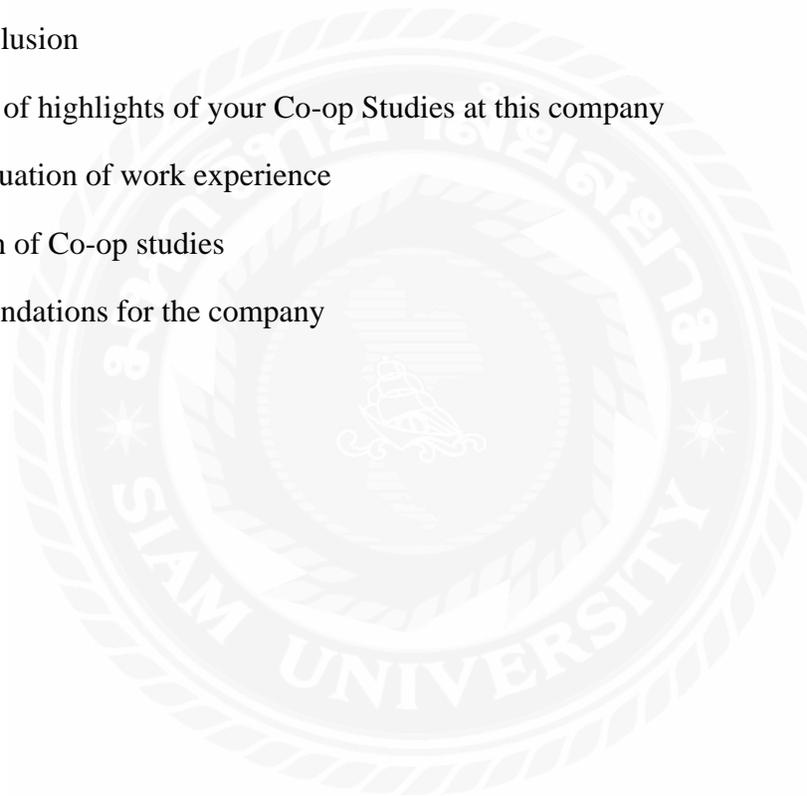
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### **List of Acronyms**

STPL: Siprodi Trading Pvt. Ltd

AFD: Accounts and Finance Department

RTGS: Real Time Gross Settlement

LC: Letter of Credit

NRB: Nepal Rastra Bank

NCHL: Nepal Clearing House Ltd.

POS: Point of Sale

CIT: Citizen Investment Trust

SSF: Social Security Fund

NPI: Nepal Payment Interface

SWIFT: Society for Worldwide Interbank Financial Telecommunications

## Chapter 1: Introduction

### 1.1 Company's Profile



Figure 1: Sipradi Trading Pvt. Ltd. Logo

Sipradi Trading Pvt. Ltd. (STPL), is a company known for leadership in the Nepalese vehicle industry. Tata Motors is their exclusive distributor and they provide a variety of passenger and commercial vehicles. STPL makes parts and after-sales care available to the customers, through its wide network, and offers various essential auto maintenance supplies to address the customers' every need. It currently employs over 750 people and over 650 support staff working towards a common goal of producing quality products and services that enhance the overall brand value.

Sipradi Trading Pvt. Ltd. has been a sole distributor of TATA motors in Nepal since 1982. It is without a doubt that STPL reigns in the Nepali market for more than 40 years by paying the top priority to customer's satisfaction. The company has a vast market presence in Nepal in terms of networks with 36 sales network offices and 32 service centers for both commercial and passenger vehicles along with 300 spare parts outlets in different parts of the country.

STPL has proved to be more than just about winning awards. The business has become the winner of the 2017 Super Platinum award for business excellence in Nepal and the South Asia best practice award for customer value leadership. Furthermore, they have been rewarded by various organizations with "Distributor of the Year" and "Best Managed Company 2017" awards.

Today, Sipradi distributes a wide array of TATA products in Nepal, expanding from the country's sole distributor to a substantial market player. This firm now runs compatible business Sipradi Hire Purchase, Sipradi Assured and Sipradi Autoparts indicating their flexibility in the automotive industry. In addition, their work at Sipradi Electric Vehicle and Sipradi Earthmovers shows their willingness to explore new markets and technology.

### **1.1.1 Goods and Services:**

- Automobiles: STPL is Tata Motors' exclusive distributor which provides a variety of passenger and commercial vehicles marketed in Nepal.
- Service and Spare components: The goal of STPL is to raise the number of cars it sells beyond the factory itself, which is why the company provides its clients with different replacement components and post-purchase assistance. Customers get easy access to these important parts and maintenance services through the wide network, highly sophisticated UPS systems and inverter batteries.
- Lubricants: STPL provide exceptional engine oils, gear oils and full range of the commodities needed for uninterrupted operations of the vehicles with Mak Lubricants; its single distributor.
- Batteries: STPL has a long-term partnership with Exide which is a reputable top battery manufacturer. Exide supplies a diverse range of batteries that can be used in different car models, ranging from sedans to big cars. These artists have made specialized batteries for e-rickshaws, tractors, and motorbikes and they are additional products in their lineup. In addition to such product lines, Exide supplies top-notch UPS systems and inverter batteries.

### **1.1.2 Mission of Siprodi Trading Pvt. Ltd.**

- First option for customers in all categories
- First preference of the staff
- Supply chain management excellence, operational efficiency, safety, stakeholder management, and corporate social responsibility
- Investments and initiatives focused on growth

### **1.1.3 Vision of Siprodi Trading Pvt. Ltd.**

“To enhance and protect our market leader position of being the biggest and most trusted automotive distributor along with its allied ventures here in Nepal”

## 1.2 Organizational Structure



Figure 2: Organizational Structure of STPL

### 1.2.1 Job Position

Currently, I am an Accounts and Finance Intern in the fund management department under the wing of Senior Deputy Manager Mr. Suman Paudel from February 4, 2024 to May 20, 2024.

### 1.3 Intention and Motivation to join the company

My internship in the Accounts and Finance Department (AFD) of STPL, a well-known automaker in Nepal, gave me access to useful financial information. Daily financial tasks like checks, payments to vendors, and bank reconciliations are handled by the AFD. Additionally, I gained knowledge of money management, real-time gross settlements (RTGS), and letter of credit (LC) processing. This internship gave me invaluable first-hand experience with vendor payment

procedures, corporate finance/accounting procedures, and Nepalese auto import/export laws. My future career will benefit from this exposure to various fields. The internship experience was further enhanced by STPL's professional and disciplined work atmosphere.

#### **1.4. SWOT analysis of Siprodi Trading Pvt. Ltd.**

##### **1.4.1 Strengths:**

- **Strong market presence:** Tata Motors Ltd's India's distributorship exclusivity of 38 years has generated a large number of clients who know the brand and have a wealth of respect for our company.
- **Product portfolio diversification:** The corporation aims to meet the need of multiple customers for diverse utilities by supplying automobiles that are applicable for different purposes such as utility vehicles, commercial vehicles, and passenger automobiles.
- **Well-established distribution network:** Siprodi Trading has a wide range of dealerships, service facilities, and spare parts availability all over Nepal, which helps in improving after-sales support and customer accessibility.
- **Reputation of brand:** Siprodi Trading has earned a legendary status for high reliability, quality and customer service among genuine foreign distributors of top-notch brands.
- **Good financial performance:** During all those days the organization has constantly proved to be financially effective and stable as a result of soaring goodness of both operational efficiency and financial performance.

##### **1.4.2 Weakness**

- **Brand dependence:** Siprodi Trading's operations are mostly centered around a particular car brand, which puts the company at risk from this brands' performance in the marketplace and any alterations to their business plans.
- **Vulnerability to economic variations:** Consumer purchasing power and the demand for automobiles can be impacted by economic downturns or volatility in the Nepalese market, which can have an effect on sales and revenue for the company.

- Lack of product innovation: In the quickly changing automotive sector, a company may have difficulties if it is unable to launch novel goods. As a result, it may lose market share to rivals that provide more sophisticated features.

### **1.4.3 Opportunities**

- Growing demand for electric vehicles: Siprodi Trading has an opportunity to introduce such models and take market share in this segment as there is a growing demand for electric and hybrid vehicles in Nepal due to rising environmental concerns and government incentives for electric vehicles.
- Strategic alliances and partnerships: Siprodi Trading may be able to obtain new technologies, increase the range of products it offers, or improve its distribution network by partnering with other businesses or establishing strategic alliances with technology companies.
- Expansion of after-sales services: Long-term business growth can be facilitated by investing in improving after-sales services like maintenance, repair, and spare parts availability. This will also increase customer satisfaction and loyalty.

### **1.4.4 Threats**

- Competitive environment: Nepal has a fiercely competitive automobile sector. Robust competition may put pressure on margins and prices, which could affect profitability.
- Regulatory changes: The dynamics of the automobile sector may be impacted by modifications to import/export laws, tax laws, or government restrictions, which could raise operating costs or cause supply chains to break.
- Technological disruption: Traditional business models and consumer preferences may be upset by the swift advances in automobile technology, such as connected features and driverless cars. This could be dangerous for businesses that can't adjust quickly.

## **1.5 Objectives of the Study**

The purpose of this research is to critically examine the organization's most current plans and actions in relation to Nepal's developing digital payments market. Giving a thorough understanding of the legal framework controlling digital payment systems in the Nepalese environment is a key goal. Some objectives are mentioned in the report below:

- To understand the workings of digital payments in STPL
- To study about current guidelines by Nepal Rastra Bank (NRB) regarding digital payments
- To conduct a study about the current digital payments used by the company



## Chapter 2: Co-op Study Activities

### 2.1 Job Descriptions

Digital payments are becoming more and more popular in Nepal, and STPL is actively utilizing these technologies. Typical duties for interns working in this department include keeping track of the check register, receiving and organizing paperwork, and performing other as-needed duties. I did, however, get the chance to go further during my internship. My supervisor gave me the task of conducting a thorough investigation on the policies and procedures that the Nepal Rastra Bank (NRB) has established for digital payments, with an emphasis on transaction limits. Furthermore, STPL's reconciliation procedure incorporates digital payment platforms including Fonepay, Nepal Pay, and point-of-sale (POS) systems in addition to standard bank statements. This exposure offered insightful information about how digital payments are developing in Nepal.

### 2.2 Job Responsibilities

My internship at STPL gave me an extensive learning experience that included study and real-world experience in the finance division.

- **Investigating the Digital Payment Environment:**

Researching the changing digital payment scene in Nepal in-depth was a major part of my internship experience. This study covered a range of electronic payment methods, such as well-known e-wallets including Khalti, e-Sewa, I also looked at the capabilities of the National Payment Interface (NPI), Point of Sale (POS) systems, and Nepal Clearing House Ltd. (NCHL).

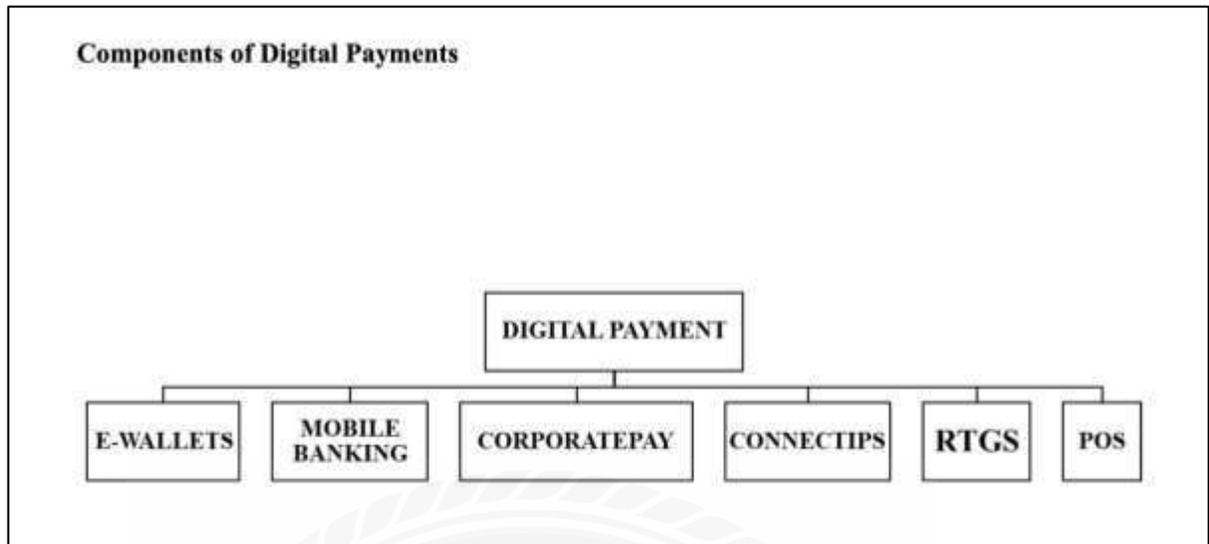


Figure 3: Components of digital payments researched during internship period

- **Participating in Financial Operations**

I actively took part in a variety of jobs that promoted the company's financial operations in addition to my research. This involved carefully entering into the system business data such as travel expenses, and mobile expenses. In addition, I helped with bank reconciliation, making sure it was completed accurately and on schedule. In addition, I helped with general ledger maintenance for the business. I also helped with the distribution and issue of checks,

### 2.3 Activities in coordinating with co-workers

As an intern in STPL, I had to coordinate with my co-workers for various tasks. A Positive Environment: During my internship at STPL, I was lucky to land on an ambiance that was filled with friendliness and encouragement. Employees were very friendly and they answered my questions and concerns effectively. The major tasks are mentioned below:

- **Cooperation to Complete Tasks:** My internship has been very team-oriented; therefore, I couldn't avoid working with the supervisors on different tasks. This was especially vital in my study on digital payments for good back and forth with my supervisor was imperative. Brand new areas where I lacked information made me seek help from my colleagues in

order to compose the technical report. By working with my colleagues to find scenarios from the daily workplace, I provided examples of how payment standards are utilized in the real world.

- **Interdepartmental Coordination:** As a part of internship, I handled the objectives which involved making teamwork with people out of my department. For instance, I didn't have authorization to access any banks, so I just worked with my co-workers to get a monthly bank statement for reconciliation. I assisted in this procedure by checking with a colleague to update the records and providing supporting documents. In a similar scenario; in the market, it was necessary to obtain vendor payment sheets along with management permissions, before issuing checks. Another way of keeping the company's general ledger consisted of working altogether with checking the whole distribution of checks just as they are being made.

#### 2.4 Job Process Diagram



Figure 4: Job Responsibility for research in digital payments

- **Research on guidelines published by NRB**

Understanding the compliances that banks and financial institutions have to follow is the first step that I had to take. The NRB intervenes in financial institutions, banks, and even the NCHL, which creates the money transfers possibility between banks. To begin with, I had to acquire and correctly interpret every imperative of NRB regulation.

Each digital payment tool has its own set of rules, including e-wallets, mobile banking, and POS card use. These principles may be exceptions and restrictions, causing confusion in the understanding sometimes.

I personally experienced the working mode of digital payment systems in Nepal while on my internship. It was quite an interesting experience. I was certainly privileged not only to see that laws in banks and other payment institutions are necessary, but also how everything is kept under control and order.

(१) अनुमतिपत्रप्राप्त सञ्चाले डिपार्टमेन्टल स्टोर, माटे, होटल, पबल लगायतका मर्चेन्टवाट Point of Sale (POS)/Point of Transaction (POT) मेशिन मार्फत गरिएको कारोबारमा घाहकसँग कुनै पनि प्रकारको अतिरिक्त शुल्क लिन नपाउने व्यवस्था मिलाउनुपर्ने छ ।

(४) नेपाल सरकार, राजस्व व्यवस्थापन सूचना प्रणाली (RMIS) मा आबद्ध भएका भुक्तानी सेवा प्रदायकले सञ्चालन गरेको वालेट मार्फत गरिने राजस्व भुक्तानीसम्बन्धी कारोबारमा सम्बन्धित सेवा प्रदायकले अधिकतम देहायवर्गीकरणको शुल्क लिन सक्नेछन् ।

क्र.सं.	कारोबार रकम	प्रति कारोबार अधिकतम सेवा शुल्क
१	रु.५,००० सम्म	रु.५
२	रु.५,००१ देखि रु.१०,००० सम्म	रु.६
३	रु.१०,००१ देखि माथि	रु.१०

(२) बैंक तथा वित्तीय संस्थाका घाहकहरूले मोबाइल एप्लिकेशन (App) वा इन्टरनेट बैंकिङ मार्फत विद्युतीय रकमान्तर Inter Bank Fund Transfer (IBFT) गर्दा सेवा प्रदायकहरूले प्रति कारोबार अधिकतम रु.१० सम्म सेवा शुल्क लिन सक्नेछन् ।

(५) विद्युतीय वालेटमार्फत हुने कारोबारमा घाहकसँग सम्बन्धित सेवा प्रदायकले प्रति कारोबार अधिकतम देहायवर्गीकरण शुल्क लिन सक्नेछन् :

क्र.सं.	कारोबारको विवरण	रकम	शुल्क
१.	एजेन्टमार्फत वालेटमा रकम लोड गर्ने र मिश्रण	रु.५,०००/- सम्म	रु.५
		रु.५,००१ देखि १५,०००/- सम्म	रु.१५
		रु.१५,००१ देखि २५,०००/- सम्म	रु.२५
२.	वालेटबाट बैंकमा रकमान्तर गर्ने		रु.१०

(३) Real Time Gross Settlement (RTGS) मार्फत कारोबार गर्दा देहायवर्गीकरण शुल्क लाग्नेछ ।

क्र.सं.	कारोबार समय	शुल्क
१.	Morning Exchange period	रु.१०
२.	Afternoon Exchange period	रु.२०
३.	Evening Exchange Period	रु.१००

Figure 5: NRB Directives regarding digital payment systems

Source: Unified Directives 2080 Final Upload

- **Study rules, limitations of digital payment companies associated with STPL**

Similarly, I had to read official reports and instructions very carefully from the NRB. As a major step of the research, the conformity of the specifications of STPL with the content particularities in the applicable regulations and restrictions was examined.

The only e-wallets which have been utilized frequently after COVID-19 are in Nepal, the NRB's norms also with this are just new and not old. This study involved the examination of NRB's regulation concerning e-wallet transaction limits and the interconnected rules based on the transaction size, transaction fees, and the frequency of allowed transactions. Settlement process was also part of my operations that dealt with e-wallet settlement. For instance, limits on payments as well as transfers among banks aren't only unique to different e-wallets (Khalti and e-Sewa), but also start to differ if you want to transfer money from one e-wallet to another.

I conducted research into two NCHL products that STPL uses on a regular basis: ConnectIPS and the CORPORATEPAY technologies. Regarding funds transfer, SSF, CIT, and custom payments all find a solution in CORPORATEPAY, which so adequately meets STPL's requirements Making instant money transfers and cashless payment services available on multiple platforms gives ConnectIPS the advantage of being able to make payments very fast. Lastly, I investigated how the brands entered the Nepal market.

STPL, the distributor of automobiles sells different cars and owing to this reason, they have a point-of-sale also to make it easier for their customers. Customers now easily make payment using the electronic cards at the STPL sites even for low value transactions. As part of the study, I reviewed point-of-sale transaction fees associated with every bank that STPL has a deal with. It is important to understand that these banks are offering special rates that are tailored for STPL.

- **Search articles showcasing loopholes in guidelines published by NRB:**

In addition to understanding the rules, I was tasked with the difficult assignment of identifying any loopholes in the regulations. It was my responsibility to verify that the various payment systems were adhering to the regulations established by the NRB, such as transaction limitations.

As per my findings, although the NRB establishes general restrictions, such as the maximum amount of money that e-wallets can manage, specific wallets such as e-Sewa and Khalti have marginally distinct limitations. However, these individual limits remain below the higher

limitation established by the NRB. These e-wallet companies appear to have a degree of flexibility under the primary regulations.

The different limits on different e-wallets could be a way for them to differentiate themselves from one another. They can draw in different clients by providing marginally distinct features.

**B. Wallet to Wallet Transfer:**

Verified users can do wallet-to-wallet (P2P) transfers as per the threshold below whereas unverified users cannot do wallet-to-wallet transfers.

	Sending limit				
	Amount Per Ten (NRs.)	Amount Per Day (NRs.)	Count per day	Amount per month (NRs.)	Count per month
Unverified	0	0	0	0	0
Verified	25,000	10,000	10	3,00,000	100

	Receiving limit				
	Amount Per Ten (NRs.)	Amount Per Day (NRs.)	Count per day	Amount per month (NRs.)	Count per month
Unverified	2500	2500	5	2500	5
Verified	25,000	10,000	10	3,00,000	100

**C. Cash in from eSewa 'Cash In' Agents:**

Users can do cash in transfers as per below limit threshold:

Description	Verified	Unverified
Maximum Transaction Amount Per Transaction	NRs. 10,000/-	NRs. 5000/-
Maximum Transaction Amount Per Day	NRs. 25,000/-	NRs. 5000/-
Maximum Transaction Amount Per Month	NRs. 1,00,000	NRs. 5000/-

Figure 6: Transaction Limitations of E-Sewa

**Limits on Bill Payments**

**For KYC Verified Users**

**Bill Payments:**

KYC Verified Users: Users can make payment to the amount billed by the merchant.

Merchant Payment	Per Transaction	Daily Limit
KYC User	Rs 3 Lakhs	Rs 3 Lakhs

However, users will not be allowed to hold more than Rs 50,000 in their accounts overnight. The extra balance more than Rs 50,000 in Wallet should be withdrawn before the day ends.

**For Unverified / Non-KYC Verified Users**

Payments	Per Transaction	Daily Limit	Monthly Limit
Non KYC User	Rs 5000	Rs 5000	Rs 5000

Figure 7: Transaction Limitations of Khalti

- Draft a report compiling all the research works

The last project of my internship at STPL marked the final step in the complex journey that I had undertaken to explore the digital payment system in Nepal. At the start I investigated the most common and preferred methods, which included e-wallets, CORPORATEPAY, ConnectIPS, mobile banking, and POS systems. The study was focused on the regulatory framework established by the Nepal Rastra Bank (NRB), the specific settlement processes used for each method and whether the customer can face any limitations during a transaction. I was able to refine my report writing skills by transforming this data into a clear and user-friendly report through effective information structuring, concise language and meticulous attention to accuracy and consistency. Undertaking the project was very beneficial in that I enriched my understanding of digital payments as well as acquiring important research and reporting skills that will be of use in the future.

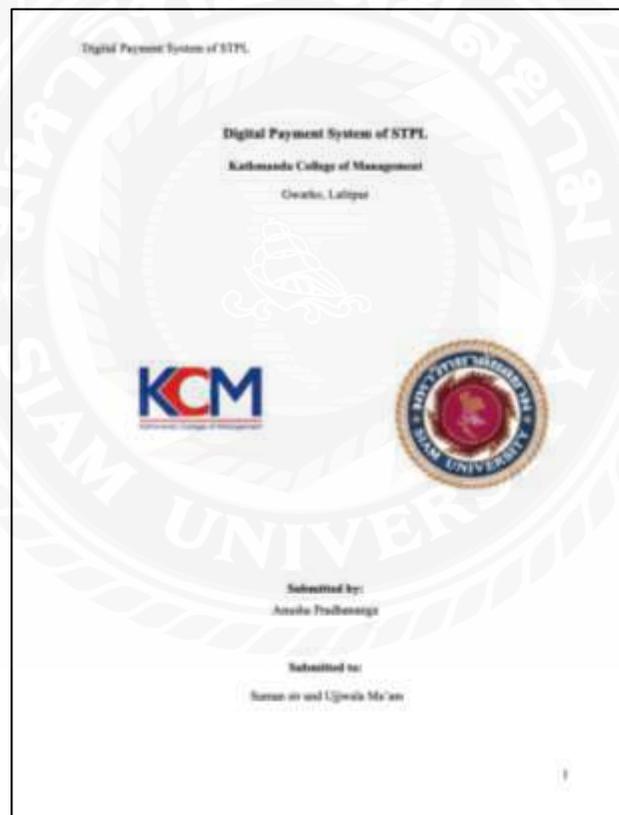


Figure 8: Front Page of the Final Report

## 2.5 Contribution as Co-op Student in the company

In addition to being a time of personal growth and learning, I think my internship at STPL had significant advantages for the business. The compilation of an extensive study on digital payment

companies connected to STPL was one of my main contributions. This report is an invaluable tool for the organization, allowing for effective oversight in accordance with agreements made.

- **Improved Usability and Simplified Compliance Tracking:**

Before the drafting of this report, it might be difficult to confirm that linked digital payment providers were abiding by agreements. It frequently required manually sorting through a large number of distinct reports, which was a tedious and ineffective procedure. By compiling the necessary information into a single, straightforward document, my report serves as a centralized resource. This makes it possible for authorized STPL staff to easily and swiftly confirm that agreements are being followed, protecting the company's interests.

- **Enhanced Productivity and Decision-Making:**

The paper encourages improved decision-making in addition to simplifying monitoring compliance with regulations. The report gives STPL the ability to make well-informed decisions about its partnerships with digital payment businesses by emphasizing important information. This makes it possible for STPL to deal with inconsistencies immediately and work with its partners to get better agreements.

My involvement in the internship evolved beyond only helping to create the report on compliance with digital payments. I took an active part in a number of additional duties that helped the company run efficiently.

- **Maintaining Financial Accuracy by Reconciliation:**

I was vital in reconciling the bank and payment systems at the end of each month. This required carefully comparing payment system data and bank statements with internal records in order to spot differences and assure accuracy. I was able to avoid mistakes and preserve the company's financial stability by participating in this procedure.

- **Simplifying the Payment Procedures:**

In order to help the business's payments process, run smoothly, I also helped write and distribute checks. By guaranteeing prompt payments with suppliers and other organizations, this promoted productive business transactions.

- **Assisting in the upkeep of the general ledger:**

I also helped to keep the general ledger for the business. This included things like gathering information on the distribution of checks and making sure the company's financial statements appropriately reflected these records.



## Chapter 3: Learning Process

### 3.1 Problems/ issues of the company:

The problems/ issues of the company I noticed as an intern there are mentioned below:

- **Technical glitches:**

Digital wallets are becoming more and more popular, and STPL has adopted this technology. But occasionally, technological issues have led to unsuccessful consumer transactions, which presents a big problem for the business. Due to technical glitches, there have been double payments to the same vendor. There have also been cases where the customer's account has been debited but the company's account has not been credited.

- **Monotonous workload**

Employees at a large company like STPL frequently carry out the same set of duties every day. This can guarantee efficiency and uniformity in fundamental operations, but in the long run, it can also become monotonous. Work that is repetitive has the potential to lower engagement among workers and reduce efficiency.

### 3.2 Solutions

The solutions for above problems based on literature review is mentioned below:

- **Strengthen technological infrastructure**

Use multilayer security to protect the data in your firm from online attacks. This covers multi-factor authentication, strong password policies, and staff access limitations. A transparent internet usage guideline reduces security threats and further teaches staff members. Having an IT expert on call also guarantees quick problem-solving in an emergency. Last but not least, keeping networks and devices up to speed with software updates, hardware inspections, and possible upgrades helps keep systems functioning smoothly and prevents problems. (Koifman, 2024)

- **Employee wellbeing and productivity**

Initially, these breaks will give little boosts for workers to increase their speed and efficiency, as well as their mood that can transform their work into a brighter and happier one. Lastly, with such certainty that comes with stepping away from the life that they lead, they will be able to fully appreciate the holidays. Next are external learning methods through which the team members are enabled to attend follow-ups, webinars, conferences or even seminars for information transfer. It is hard to identify who matters among the members of the team, when people come together each member of the team can enjoy much more value resulting from the newly obtained insight. (Guthrie, 2023)

### **3.3 Recommendations**

During my internship at STPL, I gained invaluable insights into the company's operations and had an overall beneficial experience. I had the privilege to learn from highly qualified experts and have a personal grasp of the opportunities and problems they encounter throughout my stay there. In light of these findings, I would like to provide the following suggestions for development:

#### **i. Maximizing the Task:**

Even though Sipradi is a well-known business with a wide customer base, it seems that employees occasionally have an excessive amount of work to do. This may impede general productivity and result in burnout. In order to tackle this problem, I think hiring more employees would be a good idea. Increased workforce size allows for more efficient workload distribution, which helps workers concentrate on their work and increase productivity.

#### **ii. Modernizing the Technology**

Purchasing accounting software that is easier to use and more effective could greatly increase the accuracy and speed of data processing. A more advanced software program would simplify processes and enable staff members to perform better, which would ultimately result in an accounting process that is more effective and efficient.

### **3.4 What you have learned during CO-op studies**

The Co-op opportunity at STPL being to teach me so much more than I expected, acts as the turning point in my professional growth. Here's a breakdown of the key insights I gained:

#### **i. Corporate Culture and Operations:**

I experienced STPL's organizational culture first-hand and worked with its employees hands-on every day. Implementing these practices enabled me to add to theoretical knowledge with the experience of actual workflow.

#### **ii. Practical Skills Development:**

My experience has been more practical than theoretical since I have been doing bank reconciliations. It was not only gratifying but also helped me apply my theoretical knowledge in practice. Additionally, my report writing skills developed during the different projects and tasks I completed.

#### **iii. Financial Instruments in Business:**

I learned that RTGS - which occurs in the actual and instantaneous clearing and settlement of payments - is an efficient tool of bank transfers that are instant. The fact that I comprehend properly the workings of RTGS helps me to have better knowledge of monetary systems.

Letters of credits (LC) also are another point; I learnt a lot about it. I found out that LCs are used as means of paying safely when doing international trade transactions and they guarantee that both buyer and the seller are safe. a LC provides that upon complying with specific conditions such as delivery of goods and presentation of all relevant documents, the seller gets the payment in good time. This protects both parties: there will be a deadline for the buyer to either receive the product by the given date or else get a full refund. The process of preparing LCs taught me, especially, a great deal about the fundamental trade documents.

Required Document	What to Check??
Letter of Credit	LC No. LC Issue Date (Amendment Date if any) LC Value/Invoice Value LC Issuing Bank Name (Address if mentioned in LC) Tenor of LC (Sight/Usance) Applicant Name Applicant PAN Invoice Date (Date of Shipment)
Bills of Exchange	LC No. LC Issue Date (Amendment Date if any) LC Value/Invoice Value LC Issuing Bank Name (Address if mentioned in LC) Tenor of LC (Sight/Usance) Applicant Name Applicant PAN Invoice Date (Date of SHIPMENT)
Invoice	Applicant Name Applicant PAN Description of goods as per LC Unit Price, Discount, VAT and Total value of Goods as per LC LC No. LC Issue Date (Amendment Date if any) Delivery Terms (DDP/DDU) Incoterms (if any) Programme Invoice No and Date LC Issuing Bank Name and Address
Goods Receipt Note	Applicant Name Applicant PAN Description of goods as per LC Engine No, Chassis No as per Invoice LC No. LC Issue Date (Amendment Date if any) LC Issuing Bank Name and Address Shipment Date Goods Receipt Date Freight: Prepaid Consigned to: Issuing Bank Name and Address Shipment Details: From and To (as per LC)

Note:

1. All document must be later than LC issue date or amendment date if any
2. Shipment must be done with in latest date of shipment listed in LC
3. Document must be presented within a date mentioned in LC and validity.
4. Ensure that the invoice is original
5. All the documents must be authenticated with stamp and signature

Figure 9: Letter of Credit Document Check List

#### iv. Risk Management Tools:

On top of this, the application of various guarantees (assurance) only helped me form a clear idea as to the principles of business risk management.

- **Bank guarantee:**

The company utilizes the bank guarantee to deal with the risk of trading in different transactions. In essence it is a commitment by the bank that should the other one not does their duties the original bearer of the check will have his obligations fulfilled. This is supposed to guard the beneficiary and stimulate participation in the new projects or projects with high risks. Collateral banks assist in obtaining loans, undertaking projects and ensuring the security of vendors in their trade relations with the customers.

- **Bid guarantee:**

Bid bonds serve the purpose of a deposit in the project bidding process, promoting project viability and mitigating risks. Small financial guarantee, to be submitted for approval to a surety company, is usually an appropriate requirement for potential bidders to show that they are committed and not just making wild bids. This protects project owners. When the lowest bid is awarded but the bidder leaves the work uncompleted, the project owner can claim the compensation for unsafe (resources) from the guarantee company. A successful bidder as well as any unsuccessful bidder (without any pre-withdrawals) will automatically be relieved of their guaranteed liberation upon contract award. In essence, bid bonds play this responsible role of ensuring that bidders do make bids responsibly while ensuring that the project owners do not suffer because bid bonds also help them remain safe from this.

- **Performance Guarantee**

A performance guarantee similarly serves as a sort of financial insurance for a project owner. It helps contractors to stick to their agreed terms of service. In case the project is not successful (delayed, mediocre quality, or not finished), the owner is entitled to a termination payment to cover the costs or take on another contractor. This leads to better job execution, since the guarantee amount at risk from a contractor in case of contract violation will ensure the satisfaction of the client. Here by, the performance guarantees ensure a secure environment for contracting between the two parties.

In summary, my internship at STPL not only broadened my understanding of the industry but also provided me with particular use of the skills I obtained. The experience of the corporate culture, the application of obtaining practical knowledge, and the skills of financial instruments will be very useful for my future career.

### **3.5 Application of knowledge from coursework to real life**

The STPL internship didn't only teach general finance theory to me; it provided an opportunity to use my coursework in practical scenarios and real-life situations. The assignment

to the AFD, specifically the fund management team, was the key that made it all change. Here's how the internship bridged the gap between theory and practice:

In STPL internship, I was given a chance to apply the research paper writing skills learned during my sixth semester in the subject Research in Finance. The learning in that class provided me with the skills and knowledge that helped me to improve my writing competence in a formal and professional way.

Before the internship, my knowledge on bank reconciliation statements was mainly from what I had learned in my 1st Year Accounting. For me it was at STPL where I had the opportunity to take part in the reconciliation process.

Hands-on experience of using Letters of Credit and SWIFT network in STPL gave me a practical knowledge about the mechanisms of the backbone of the international trade finance which I had to study in the subject International Business. LC is assurance for both buyers as well as sellers that they will be able to complete the transaction peacefully and their rights will be preserved. On the other hand, SWIFT standardized framework enables secure, standardized, and seamless communication between banks, which is of paramount importance for a timely settlement of transactions of this kind. It has been the most significant as of my skills on international finance and practical solutions for global trade which also include the challenges encountered during the process.

Not being limited to that I also got to apply my taxation knowledge from 3<sup>rd</sup> Year Taxation course in real day to day corporate works. In the course we had studied about VAT, TDS. In the company I got to learn the application of 13% VAT, 1.5% TDS, 10% TDS on rent and so on.

### **3.6 Special skill and knowledge learned from this Co-op**

- **Microsoft Excel Skill**

My STPL internship was not only about business concepts but also about the real-life use of those concepts. As a result, the technical skills of my Excel also greatly sharpened up. Even though I had a basic understanding of the program before, the internship was my gateway to the real situation. I was actively using the keyboard shortcuts to save time in moving around and manipulating the spreadsheets to be able to do it faster. Through prolonged practice, I got to be very good at Excel and could comfortably apply

different features and pass on the information visually. In general, the internship made possible the bridging of the theory-practice gap, becoming my Excel from the ordinary to the fine-tuned, effective, and flexible - an important equipment for my subsequent future.

- **Communication Skill**

The supportive environment at STPL wasn't about technical or business learning only; it also enhanced my communication skills to a great extent. I had the confidence to ask for help when needed and so I learnt how to network with experienced professionals as well as how to overcome challenges. On top of that, engaging with my co-workers and senior staff members prepared me for the professional communication styles I was exposed to and they helped me develop my own approach. Last but not least, the internship improved my listening skills through meetings, discussions and exchanges with my fellow colleagues. In essence, STPL helped to build me a comprehensive set of skills with regard to technical and business knowledge as well as improving my communication skills, which made me more confident and better professional.

- **Collaboration Skill**

My STPL internship was not a solo act; it provided me with the opportunity to develop the skills of collaboration. For example, the monthly bank statements could not be accessed directly by me, so the reconciliation of them was teamwork with co-workers. This also enabled me to significantly develop communication as well as problem-solving skills, because together we made sure the accuracy we achieved was of high quality. In the same way, my digital payment report which was my main project in this course required me to work with my supervisor to review the content. The process enabled me to grasp their know-how and make my writing more proper through mutual communication and criticism. In short, STPL's environment highlighted the essentiality of teamwork, and I found myself equipped with excellent communicating and working skills that I will use in future interests.

- **Report Writing Skill**

A major job during the STPL internship was writing a report on digital payments in Nepal, which is a highly relevant topic to the company. The undertaking considerably strengthened my report writing and communication competencies. I got hands-on experience in writing reports, sorting data, and making information easily understandable. Additionally, this writing experience enabled me to develop language competence like the proper grammar and the exact terms in the digital payment area. Eventually, my supervisor's comments and suggestions had the effect of shaping the quality of the report as well as helping me improve my writing and research skills. In other words, this project helped me to transition from theory to practice, thus, I became more confident and efficient in report writing.



## Chapter 4: Conclusion

### 4.1 Summary of highlights of your Co-op Studies at this company

#### i. Learning through Finance

I conducted an internship at STPL, which gave valuable experience in the crucial department role in the company's daily work. The internship program I was in focused on finance which is my field of expertise, so it was of great help for my professional development. Here's a glimpse into what I learned:

- **Exposure to Financial Activities:** When I was with the AFD team, I was in an environment where I had the advantage of observing and learning about the various financial services that are pertinent to the company's operations. This demonstrated to me what spending and saving mean in reality instead of limited to theoretical notions.
- **Professional Development:** The AFD environment was instrumental in my professional development as it gave me a chance to put into practice the knowledge I had in a real-world scenario.

#### ii. Refining Report Writing Skills

In the course of my internship, the major task in which I was involved was a report writing for the AFD. This task encompassed several aspects that helped refine my report writing skills:

- **Editing and Formatting:** Through the modifying and formatting process, I gained practical knowledge in putting together information in a clear, professional, and well-structured way.
- **Research Skills:** The report demanded the use of relevant documents, which improved my research abilities and my capacity to discern and use trustworthy financial information sources.

Certainly, I had a great deal to learn from the internship at the department of AFD. I am working on the real-life application of finance, uplifting my professional appeal and sharpening my reports skills through revising, correcting and researching. This will surely be a good point in my career in the field of finance.

#### **4.2 Your evaluation of work experience**

The internship in STPL was my greatest educational experience in terms of being a finance student of course. On the other hand, I completely turned my point of view on finance. Among the most important things for me was that I was able to see how the theoretical financial concepts could be applied in real life. From budgeting and cash flow management to financial statement analysis and the role of finance in strategic decision-making, I gained a better understanding of how financial theory works in the real world.

The internship went beyond observation and gave me supervised practical experiences as well. Working with the experienced professionals I was able to comprehend not only the financial concepts but also apply them to the real-world problems. This real-world experience intensified my learning and gave me a glimpse of the challenges and the advantages of the finance career.

The internship has not only supported my knowledge pertaining to finance but has also blossomed my passion in this field. STPL was an introduction to financial topics that were way beyond the limits of my initial academic track. Whether it was diving into the details of import regulations, especially for vehicles and spare parts, or comprehending the technicalities of corporate check issuance and distribution, the internship expanded my knowledge of the different aspects of corporate finance.

The time spent at STPL encompassed much more than just finance. I got to learn about other important business functions that were not so related to the topic I was studying, such as Nepal's digital payment landscape. We pinpointed the regulations that apply, including the watchdog Nepal Rastra Bank's rules, regulations and limitations as well as the regulatory framework for digital money acts. This wide-range exposure to different business processes reflects multi-sided perception of how business works together as a whole. The insight on how finance and the other departments such as import and digital payments interact was the key to get the whole picture of how a company operates.

The positive and supportive workplace of STPL, and one which offers practical implementation, forms the basis for an effective learning process. I wasn't only acquiring knowledge in corporate finance during that internship but also new technical financial concepts that are going to be absolutely useful for me as I go further with my studies. It was a great opportunity to get a better general knowledge and to gain a good foundation for my future work in finance.

#### **4.3 Limitation of Co-op studies**

Although my internship period in STPL was quite fruitful, yet I noticed the following limitation in Co-op studies

- Repetitive Tasks: Interns may be mainly engaged in doing the same things over and over again, thus, limiting their exposure to the whole range of departmental functions.
- Limited Responsibility: Job supervision frequently is part of internship duties, impairs work ownership and may limit one's ability to feel the real burden of ownership.
- Limited Feedback: When it comes to performance improvement areas, it might be difficult to get feedback, thus hindering a greater development of an intern.

#### **4.4 Recommendations for the company**

The company could apply the following procedures to make internships for others individuals to be more productive.

- STPL might look into allocating roles that have value to actual projects, even in a smaller size. This could allow interns to see tangible results and to gain a better understanding of what their contribution to the organization is.
- The Co-op program of STPL could be improved by a rotation system in which interns move through different departments or projects. This would result in wider exposure and makes them aware of the operations of the company in all aspects.

- Frequent and useful feedback from the administrators will ensure that interns continue to be more effective and motivated. This will also help them to work more effectively.
- Working in diverse areas and taking on some responsibilities will fasten intern learning and development.



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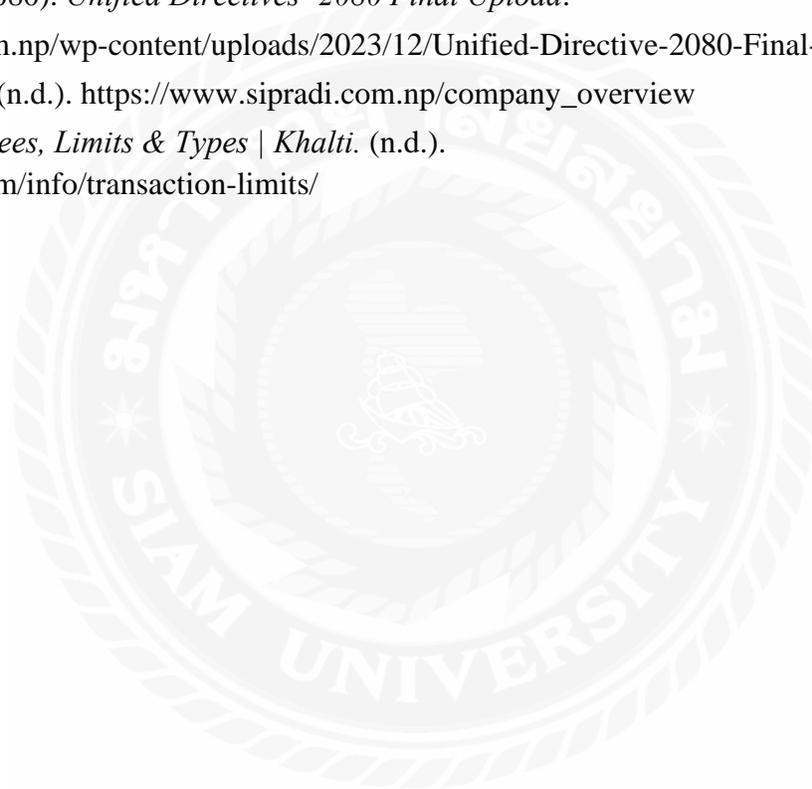
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## Appendix



Figure 10: Accounts and Finance Team of Sipradi Trading Pvt. Ltd



Figure 11: Passenger Vehicles Showroom in Thapathali, Kathmandu

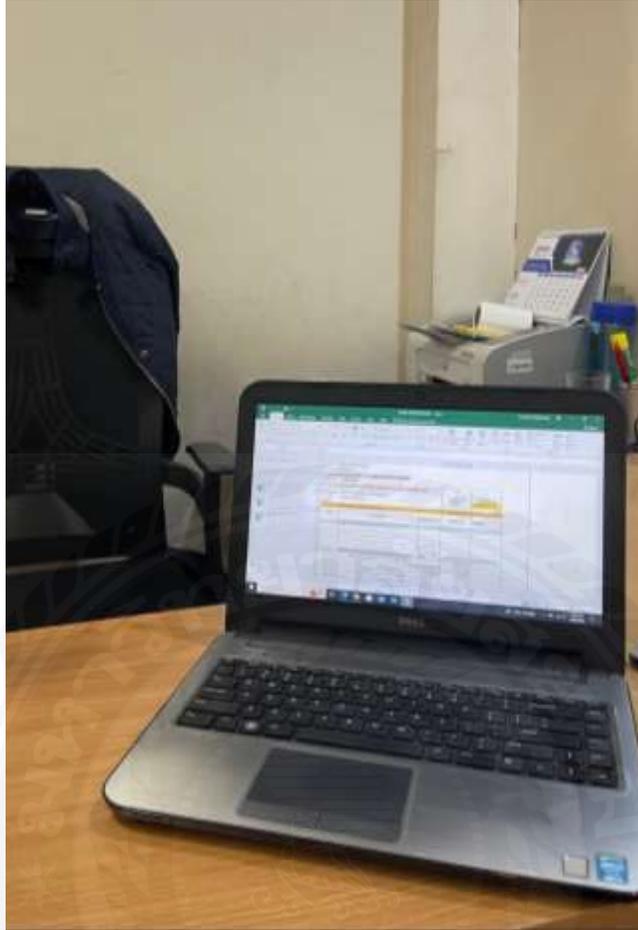


Figure 12: Doing reconciliation in working station at STPL



Figure 13: Working at my work station

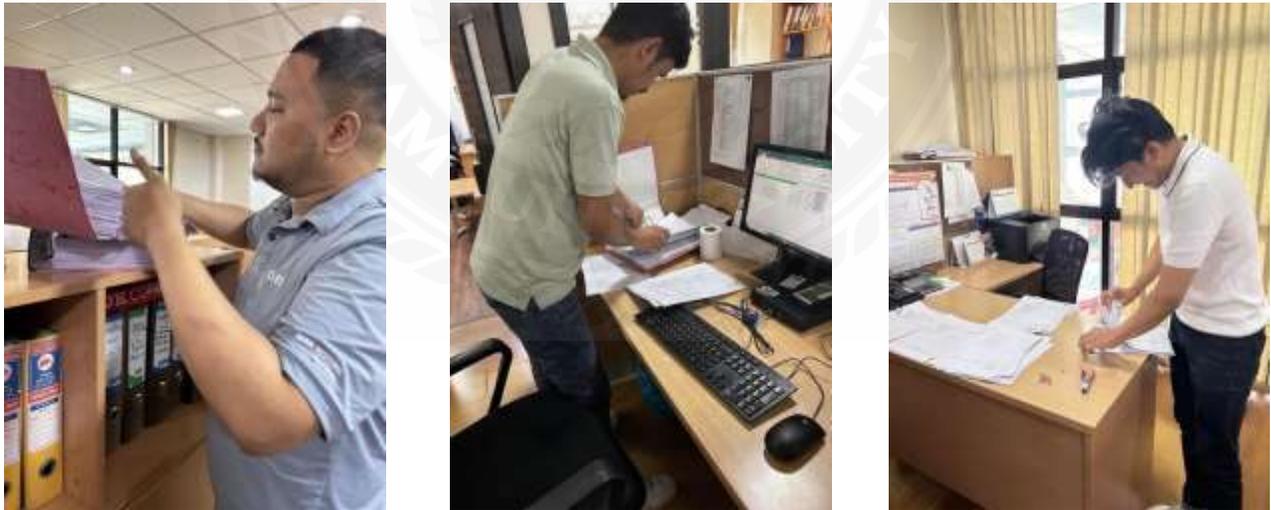


Figure 14: STPL Seniors on Filing Friday