

**A CASE STUDY ON
INVESTMENT ANALYSIS OF SANA KISAN MULTIPURPOSE
CO-OPERATIVE LIMITED, PUNARWAS, KANCHANPUIR**

A Project Work Report

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Group Account

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DECLARATION

I hereby declare that the project work "INVESTMENT ANALYSIS OF SANA KISAN MULTIPROPOSE CO-OPERATIVE LTD., PUNARWAS-8, KACHANPUR" submitted to the faculty of management .Tribhuvan University Kathmandu is an original piece of work under the supervision of Amdan Swarnkar faculty member of JANATA CAMPUS PUNARWAS is submitted in partial fulfillment of the requirement for of the degree of Bachelor of business studies (BBS) .This project work report has not been submitted to any other university on institution for the award of degree or diploma.

Signature: .....

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Date: 2080-01-26



JANATA CAMPUS PUNARWAS

BBS 4th Year Programme

FACULTY OF MANAGEMENT

Punarwas-6, Kanchanpur

RECOMMENDATION

The project work report entitled "INVESTMENT ANALYSIS OF SANA KISAN MULTIPURPOSE CO-OPERATIVE LTD. PUNARWAS-8, KANCHANPUR" submitted by Dammar Singh Thakuri of Janata Campus Punarwas is prepared under my supervision as per the procedure and formal requirements laid by the faculty of management, Tribhuvan University as partial fulfilment of the requirements for the award of the degree of Bachelor of Business Studies (BBS). I therefore recommended the project work report for evaluation.

Signature

Mr. Amdan Swarnkar (Internal Supervisor)

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Punarwas-6, Kanchanpur

Date: 2080-01-20



JANATA CAMPUS PUNARWAS

BBS 4th Year Programme
FACULTY OF MANAGEMENT
Punarwas-6, Kanchanpur

ENDORSEMENT

We hereby endorse the project work report entitled "INVESTMENT ANALYSIS OF SANA KISAN MULTIPURPOSE CO-OPERATIVE LTD. PUNARWAS-8, KANCHANPUR" submitted by Dammar Singh Thakuri of Janata Campus Punarwas, punarwas-6, Kanchanpur partial fulfilment of the requirements for the award of the degree of Bachelor of Business Studies(BBS) for external evaluation.

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Finally I am also grateful to all the lecturer and library staff for proving me suggestions and information which is necessary for completing this field work report.

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ABSTRACT

The Student's of BBS Program of Tribhuvan University must carry out a field work study of two weeks by visiting the organization. The result of past your show those student are not able to follow the requirement of the faculty of management in writing the report of their field. So, this study attempts to uncover the common mistakes and their causes while writing the fieldwork report. They lack the habit of reading related books do not get appropriate, effective, and intensive orientation to equip themselves with research skills.

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ABBREVIATION

ADVS-Advertisement

BBS-Bachelor of Business Studies

BS -Bikram Sambat

FIG -Figure Number

LTD -Limited

NO -Number

SBS -Strategic Business Unit

TU -Tribhuvan University

CHAPTER I

INTRODUCTION

1.1 Background of the Study

The development of any country largely depends upon economic conditions. Now days, the financial institutions are viewed as catalyst in the process of economic growth. Co-operative and other financial institution collect immobilized money in the form of deposit from every corner and parts of the country. This will be provided as capital for industrial development, trade and business promotion and other resources utilization sectors. Co-operative formulate sensible investment polices to make it more effective, which eventually contribute to the economic development of country. Formulation of the sound polices and co-ordinated and planned effort puts forward the process of economic growth. The term investment has primary significance in 'Financial Sector' which refers to the process of determining the proper area in order to lodge a firm's fund to procure expected gain or profit.

Investment decision have mainly have two aspect they are the evaluation of the prospective profitability of new investment and the measurement of cut –off rate against the prospective return of the new investment that could be compared. Future is always uncertain; nobody can tell what will be happen tomorrow, so the amount of risk is umpire cognitive as well. Investment, in its broadest sense, means the sacrifice of current money for future money. Two different attributes are generally involved time and risk. The sacrifice takes place in present and is certain. The reward comes later which is uncertain. Investment objectives should be stated in terms of both risk and returns.

Co-operative are voluntary organizations, Open to all person able to use their services and willing to accept the responsibilities of membership. Co-operative are democratic organization, controlled by their member who actively participate in setting their policies and making decision. A co-operative is a business organization run by the people who work for it or owned by the people who use it.

Principal of Co- operative

Generally Principal reforms to the code of conduct that governs lift and activity of human being similar co- operative principal are the set of rules and regulations to regulate and govern the activity cooperative Every economic system is based on certain fundamentals principal Co-operative as on economic system is not an exception to these principal Internal Co-operative Alliance prescribed the following principal of Co-operative.

1.2 Brief Profit of Sana Multipurpose Co-operative

Sana Kisan Multipurpose Co- Operative Limited to operative the banking of our country .Sana Kisan Co- Operative Limited establishment in 2066-9-20 BS for western development region of Nepal in Punarwas-8, kanchanpur, kagau. Now a days various co- operative banking organization were include due to the bad performance for the welfare of the societies some of them have closed. But Sana Kisan Multipurpose Operative is running with good performance .it plays a vital role in poverty alleviation. this co- operative encourage people to development habit of saving .This cooperative conduct training programmed time to time .it provide loan to its member .This co-operative have 1530 total membership. And out of total 530 male female 1000 and 50 samuha. Five employees are working in this co -operative. total share capital paid Rs3,07,05,500 total deposit Rs 13,00,705 total loan investment amount Rs 50,30,500. The scope of the study find out what is deposit and saving position of the co - operative in different types of interest rate

This co -operative cooperate different saving account child saving woman saving senior citizen saving at appropriate interest rate The main objectives of this co -operative is to provide the bank facilities for the people in the country and to make easy access of lending for the agriculture .industrial and commercial sectors

Equality

There is a provision of free entry and free exist of the members which is set by co-operative act a co -operative society doesn't discriminate any one on the basis of caste color or political sex and religious .All member are treated equal

Active Participation

All the members are eligible to participate in the policy making and decision making of the co-operative organization. In these respect difference of caste, sex wealth, color do not affect this statue or position of individual members so far as organization and management are concerned. Member of primary societies enjoy equal rights of voting (one member can one vote) and participation in decisions making.

Economic Participation

All the members in the co-operative have equal right to participate in the economic Development activities. A co-operative make a provision for different kinds of reserve funds to participate in economic activities of co-operative organization.

Co- Operation among Co-Operatives

The source of co-operative largely depends upon their co-ordination integration, mutual understanding and interdependence among co-operatives. C o-operative is organized to each other's to make the co-operative strong at the local, regional, and international sphere.

1.3 Objectives of the study

The primary objectives of the study is to analyse the investment policy of sana Kisan Multipurpose Co-operatives limited. the main objectives of the study are as given below:

- To know investment policy in term of income.
- To evaluate the profitability and risk position, liquidity position and asset management efficiency of Sana Kisan Multipurpose Co-operative.
- To evaluate the empirical relationship between total investment, deposits' & loan and advances.

1.4 Rational of the Study

This study "investment policy of Sana Kisan Multipurpose Co-operative limited deserve many importance." These fields provide a useful feedback for academic institutions, bank employees, trainees and investor and also for financial person, policy making bodies. This study will serve to be a guide to the management of co-operatives and financial institutions, related parties, general public (customers, depositors and creditors) etc. Inventors always invest their money in the hope of getting good return. It doesn't mean that always they will

get good return but sometime they failed to receive good return. Due to many reason like lack of strategy developed, lack of management, failed to analyse risk and return etc. without investment policy bank and institution cannot run properly. Because every institution need finance to run properly their institution. The purpose of the study is to analyse the investment policy of Sana Kisan Multipurpose co-operative.

This research can make great way to stockholders to identify liquidity, profitability, capital structure of the co-operative. This study will help and feedback to the concerned organization to maximize their revenue and expenditure. It may help such organization which has same working criteria.

1.5 Review of Literature

This chapter is basically concerned with review of literature relevant to the investment policy of Sana Kisan Multipurpose Co-operative Limited. Review of literature is reviewing research studies or other relevant prepositions in the relate area of the study so all the past studies their conclusion and efficiencies may be known and further research can be conducted, furthermore, an extensive or even exhaustive process of such review may offer vital links with the various trends and phases in the research in one's area of specialization, familiarizing which the characteristics precepts, concepts and interpretation with the special terminology which the characteristics precepts, concepts and interpretation which the special terminology whit the rational understanding one's proposed investigation. This chapter highlights the literature available relating to a present study with conceptual review of related studies. The researcher had reviewed books, journals, articles, related regulation and acts and annual report of sampled co-operative. Review of literature provides a foundation of knowledge for under taking the result more clearly and standard.

Investment management is crucial aspect for all the co-operatives and financial institution. Co-operative activities regarding to investment, directly influenced other transaction of the co-operative too. Different authors of the book have defined investment in various ways. But there is no actual definitions of the investment policy, under the basic of following definitions, given by the writers, in view of investment.

1.5.1 Reviews of Previous Works

Singh (2013) He has conducted her study entitled "A Study of Investment policy of Rato Guras co-operative Limited To evaluate the liquidity. Assets management and profitability position of ratio Guras co-operative Limited. He also emphasizes the significance of the deposit in co-operative. From her study her major findings were the liquidity position is good. Which is greater than theoretical norms the position of assets management in normal position. The interest collection of loan disbursement is satisfactory for the financial sectors and dividend per share of this co-operative is increasing at lower rate

Niraula(2014) He presented some ideas on his unpublished thesis "Investment policy of Sana Kisan Multipurpose Co-operative Limited Butwal . The main objective of the study were to evaluate the investment policy of Sana Kisan Multipurpose Co-operative . There were some major findings of the study. These co-operative were established for good financial position of deposit . The liquidity position was good but the profitable ratio was not good.

Appropriate for the co-operative all the period of the study . The assets turnover ratio is better which covers the total interest earned to total interest expenses is good for the co-operative.

Kanchan (2015) She has presented some ideas on her unpublished thesis "Investment Analysis of Punarbas Co-operative limited Punarbas-8 kanchanpur. The main objectives of the study were to evaluate the investment Analysis of Punarbas co-operative limited . She also emphasizes the significance of the deposit in co-operative. This cooperatives established for good financial position of deposits.

1.6 Research Methodology

The basis of the study is to find the relationship between investment and other variables which affect the investment analysis of Sana Kisan Multipurpose Co-operative Limited providing suggestive framework for its improvement methodology in research method used to hypothesis and analysis as well as interprets the data processed Research methodology means how the research objective will be reached and how the problem encountered in the research will be tackled. This chapter discussed about the conceptual background of the study and builds a concrete methodology for research study a practical a practical one.

Appropriate research methodology has to be followed to achieve desired objective .The research methodology adopted for the present study has been outline in this chapter which deals with research design. Source of data tools and techniques of analysis of data variables of the data.

1.6.1 Research Design

Research design is conceptual structure within which research is conducted in other words .It is a plan structure and strategy of investigations conceived so as to obtain answer of research question and to control variance .Research design is the most important aspect of any research word . it is blueprint of whole research process . The main function of research design is to explain how one will find answer ones research problems.

The basic principal of research design are reliability generalizability .validity situation. Feasible efficient .it signifies the structure and strategy used in an investigation. The research design followed in this study is descriptive as well as analysis of Sana Kisan Multipurpose Co-operative Limited.

Punarwas kanchanpur. The study will simply describe the investment analysis of Sana Kisan Multipurpose Co-operative Limited situation of co -operative limited for the period of five year from 2074-2075 to 2078-2079.

The present study follows the combination of Historical and case study research design. The study tries to explore the true investment policy of sampled company i.e Sana Kisan Multipurpose Co-operative limited.

1.6.2 Population and sample

The Word population or study population refers not only to people but also to all items or things that have been chose for the study. This relate to investment policy of Sana Kisan multipurpose co -operative Punarwas-8, Kanchanpur. At present there appeared about 45,125 saving and credit co-operative societies. By sample we mean position of the chosen for the study.

1.6.3 Sources of Data

Data are facts and figures that on their own have no meaning data can be any alphanumeric characters i.e. text number, symbols, etc .there are two types of data they are: primary data and secondary data.

The data are originally collected by the researcher himself/herself as per the objectives of the researcher are known as primary data .data that are developed by others in the past for their purpose and used by researcher in the present are known as secondary data.

In the course of the study basically secondary data have been used i.e. financial statement and annual report and other official records of Sana kisan Multipurpose Co-operative Ltd. Besides. The study also incorporates the views opinions and clarification received.

1.6.4 Data Processing Procedures

Data processing procedures means converting the collected data into required homogeneous nature to fulfill the research objectives. By doing so, the data are managed more meaningful and understandable to readers. The data which are processed and refined highlighted. Liabilities, assets, profit and loss during the Study period in analysable form. The information obtained from the secondary data will be presented in an appropriate tabulated form and will be analysed.

1.6.5. Data Analysis Tools

The analysis of data is done according to pattern of data available. To obtain answer to research questions to exhibits the true investment analysis of Sana Kisan Multipurpose Co-operative Limited punarwas-8, Kanchanpur. The data obtain from the financial accounts; the companies have been used for the purpose of analysis. Tools of analysis utilized in the present study include.

1.6.6 Ratio Analysis

Ratio analysis is a widely and frequently used tool of financial analysis. It shows the relationship between two interrelated accounting figures of financial statements. It reflects the process of determining the significance of operating and financial characteristics of a firm accounting data and financial statement. We should use financial statement like balance sheet.

Profit and loss account and income statements to calculate ratio analysis, the judgment can also be assumed the risk of the firm with the help of ratio analysis so that it can be used to rank industries according to the degree of risks. Different authors have grouped ratio analysis under various categories Here the financial ratio can be classified into following categories following ratio are used for the study period.

1. Liquidity ratio
2. Assets management ratio
3. Profitability ratio

1.6.7 Investment and Investment Analysis of Co-operative

Investment is developing our saving in a manner that ensure safety of our money and provides a sustained return to supplement decision, which is basically operate. In financial implementation of financial sector, investment is concerned with management of investors wealth .Which is the sum of current income and the present value of all future income." An investment is a committed of money that is expected to generate additional money. Every investment entails some degree of risk; it requires a present sacrifice for a future uncertain benefit (Francis 1991).""Investment is any vehicle into which funds can be placed with the expectation that will preserve or increase in value and generate positive return."(Gilman and Joshnk)

Deposits

Deposits refer to The amount deposits in a current , saving and fixed account of co-operative or financial institution .Deposit is the major source of found that a co-operative uses to generate the earning .

Interest is the return for certain amount borrowed presently but repaid in future. Interest rate risk in the potential fluctuations in return affect the market make the interest changed. This type of risk depends upon demand and demand and supply of investment in market.

Liquidity Risk

Liquidity refers the discount and commission given to other for converting the high price security into a lower price due to market factors. Basically the co-operative accept certain security for the loan and the value of security also keeps changing time. Liquidity ratio measures the firm's ability to meet current obligations ratios are used to understand firm's

ability to meet short term financial strengths/solvency of a firm . The consequences of inadequate liquidity are very serious and therefore measure of such liquidity have been attached greater popular liquidity ratio

1.7 Limitation of the Study

Limitation of the study are follows

- The study is based on secondary data .sometimes data cannot fact
- The study covers only five fiscal year period.
- The study will be full based on topic

CHAPTER II

RESULT AND FINDINGS

In previous chapter the research has highlighted overall development and situation of Punarbas co-operative Limited Punarbas kanchanpur. In addition the relevant literature to this study has been reviewed and the research methodology has been discussed. To constitute the significant part of the chapter is related with analysis of the Investment analysis of Sana Kisan multipurpose co-operative limited with the help of different financial and statistical tools this is the most important section of the research study. In this chapter data and information collection from different source are classified. Tabulated analysed and interpreted following the research methodology describe in the third chapter. To achieve the objective of the research study collection data and information are presented and analysed. Comparatively for the analysis purpose several indicators. Tools and techniques are used they describe analysis of various financial of the respective sample co-operative is presented at first then other required analysis is presented.

2.1 Data presentation

Various financial ratios calculated and analysed which are related to the study. Ratios related to the fund mobilization and investment analysis are present and shown as per our report. These calculations are based on financial statement of Sana Kisan multipurpose co-operative limited.

Cash and Bank to Total Deposit Ratio

Cash and bank balance is said to be the first defines of every co-operative. The ratio between the cash and bank balance and total deposit measure the ability of the to meet the emancipated cash and all type deposit. Higher the ratio the greater will be the ratio ability to meet sudden demand of deposits but ever high.

Ratio is not describe since co-operative has to pay interest on deposit. This will also maximize the cost of fund of the co-operative. we haven

Cast and bank balance to total deposits ratio of Sana Kisan Multipurpose Co-operative Limited from the fiscal year 2074-2075 to 2078-2079 are given in below table no.

Table 2.1

Cash and Bank Balance to Total Deposit (Rs. 000)

Year	Cash and Bank Balance	Total Deposit	Ratio
2074- 2075	450560	1640800	27.46
2075- 2076	480900	1780905	27
2076- 2077	505000	2040900	24.74
2077- 2078	506000	2120500	23.86
2078- 2079	507000	2240900	22.62

Source: Annual Report of PCL from 2074-2075 to 2078-2079

The above table 2.1 clearly shows that ratio is in fluctuating trend. The ratio from the year 2074-2075 to 2078-2079 are 27.46, 27, 24.74, 23.86, and 22.62 respectively. From above analysis we can say that Sana Kisan Multipurpose Co-operative is in good position maintaining cash and bank balance

Figure 2.1

Cash and Bank Balance to Total deposit

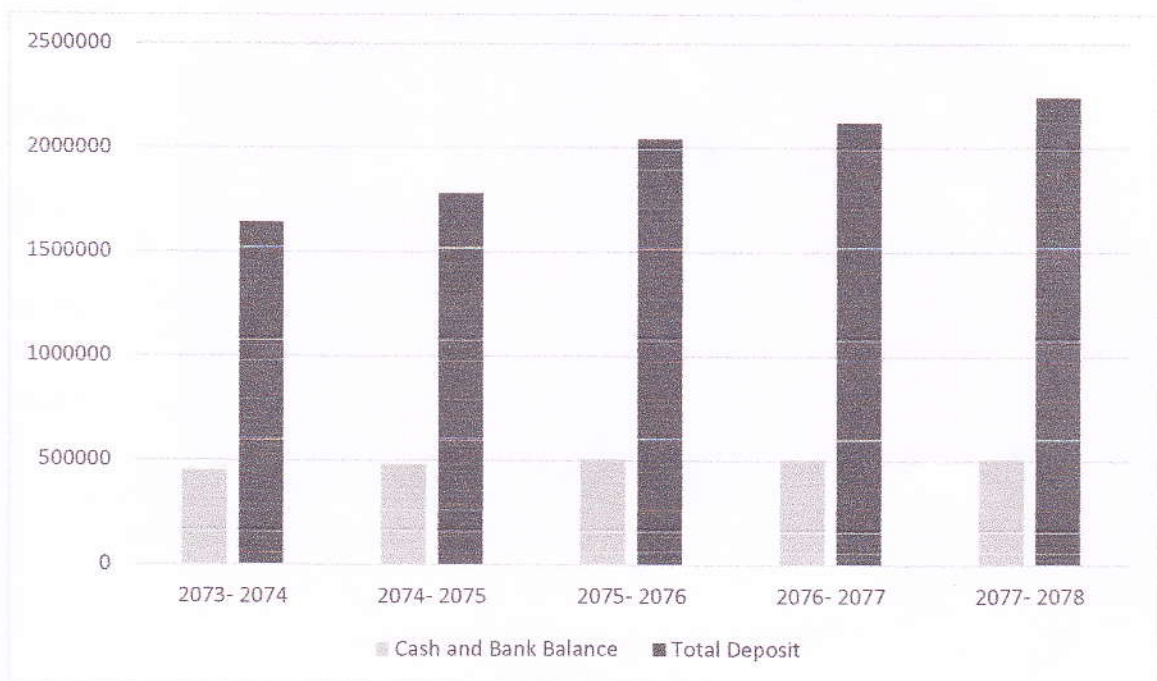


Table 2.2

Investment on Agriculture Sectors to Current Assets Ratio(Rs.000)

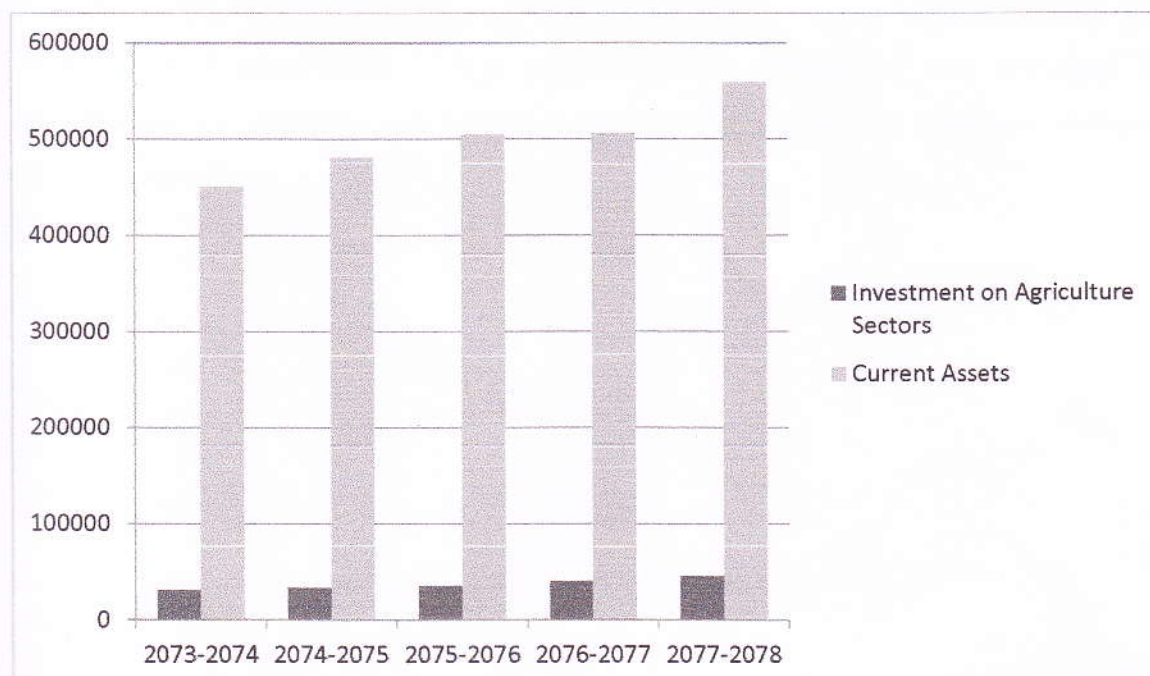
Year	Investment on Agriculture Sectors	Current Assets	Ratio %
2074-2075	30900	450560	6.86%
2075-2076	33450	480900	6.96%
2076-2077	35400	505000	7%
2077-2078	40500	506000	8%
2078-2079	45500	559000	8.13%

Source: Annual Report of PCL from 2074-2075 to 2078-2079

The above table 2.2 shows the ratio of investment on Agriculture Sectors to Current Assets ratio of year 2074-2075 to 2078-2079. During the five year study Sana Kisan Multipurpose C o-operative Limited have recorded higher ratio is 8.13 in year 2078-2079 and lower ratio is 6.86 in 202074-2075. It have both increasing and decreasing trend.

Figure 2.2

Investment on Agriculture sectors to Current Assets Ratio



Loan and Advance to Current Assets Ratio

Loan and advances occupies the major space in balance sheet of co- operative. Likewise income from these has substantial contribution on profit and loss account of the co - operatives. Has its own policy on investment on loan and advance and has invested on different sector giving priority. With their. Similar .the prime objective of any co-operative is to prove loan to people of different sectors. The table below shows ratio of loan advance to current assets of Sana Kisan Multipurpose Co-operative Limited for five year.

Table2.3

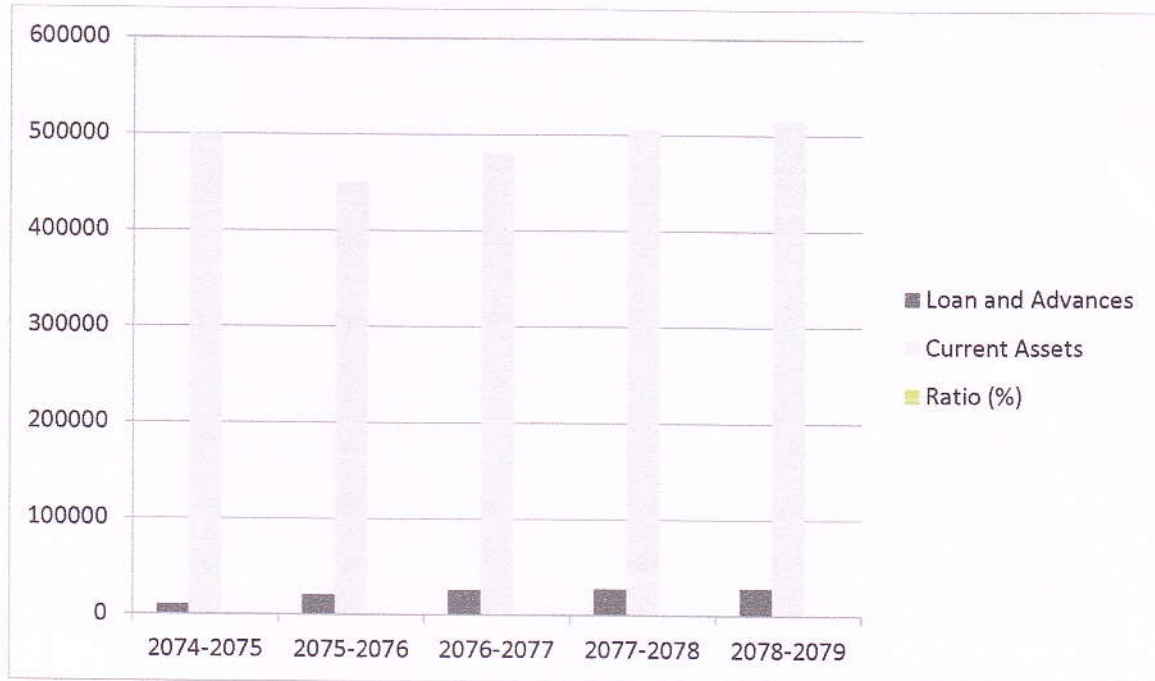
Loan and Advance to Current Assets Ratio (%)

Year	Loan and Advances	Current Assets	Ratio (%)
2074-2075	10050	500110	2%
2075-2076	20506	450560	4.55%
2076-2077	26009	480900	5.40%
2077-2078	27007	505000	5.34%
2078-2079	28007	515000	5.43%

Source Annual Report From 2074-2075 to 2078-2079

The above table 2.3 shows the ratio of Loan and Advance to Current Assets Ratio during five year study Sana Kisan Multipurpose Co -operative have recurved higher ratio is 5.43 year 2078-2079 and lower ratio is 2 in year 2074-2075. It can be said that Sana Kisan Multipurpose Co-operative has followed the fluctuating trend in Loan and Advance to Current Assets Ratio

Figure 2.3



Assets Management to Total Deposit Ratio

Assets management ratio measure the efficient of the co-operative to manage its assets in profitable and satisfactory manner. Co-operative must manage its assets properly. So as to earn high the following ratio reveals how Sana Kisan Multipurpose Co-operative Limited has managed its resources efficiently.

Total Investment to Total Deposit Ratio

A co-operative mobilizes its collected deposit by investing it's found in different financial and non- financial Companies. This ratio measure the extent to which the co -operative are able to mobilize their deposit on investment in various sector.

We have.

Table 2.4

Total Investment to Total Deposited Ratio

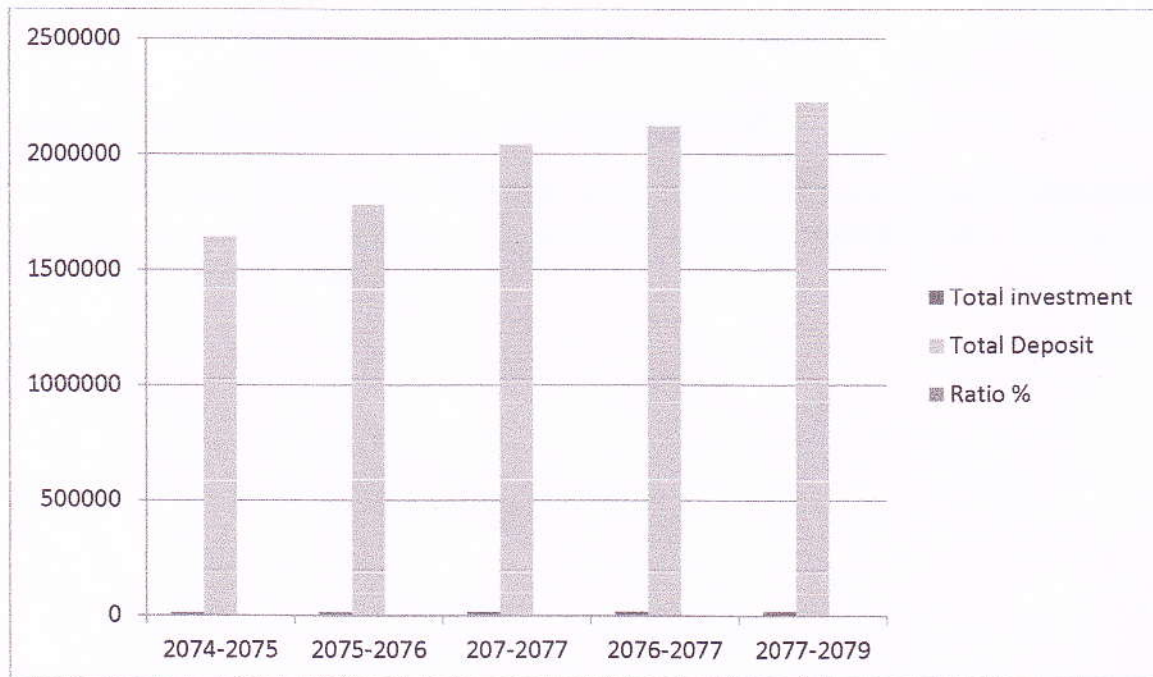
Year	Total investment	Total Deposit	Ratio %
2074-2075	10900	1640800	0.66%
2075-2076	12500	1780905	0.70%
207-2077	15000	2040900	0.73%
2076-2077	16480	2120500	0.77%
2077-2079	17490	2225500	0.78%

Source: Annual Report of PCL from 2074-2075 to 2078-2079

The above table 2.1 shows that total investment to total deposit of Sana Kisan Multipurpose Co-operative. Total investment is in increasing trend and total deposited is also increasing Co-operative. Total investment is in trend and total deposit is also increasing trend. The higher ratio is 0.78 in the year 2078-2079 and lower ratio 0.66 in the year 2074-2075.

Figure 2.4

Total Investment to Total deposit Ratio



Loan Loss Ratio

Loss of loan is occurred when the debtors fail to pay their loan loss of loan is not only the default of the debtors but it is because of the failure of recovery of loan by the co-operatives. Negligence is its part make negative impact on the earning and capital. of a co-operatives very badly. Greater loan provision is in income statement if high loss expected. The loan loss ratio shows how efficiently the o-operative manages its loan and advance and make effort timely recovery of loan.

The below table shows the loan loss ratio of co-operative for five fiscal year 2074-2075 to 2078-2079.

Table 2.5

Loan Loss Ratio(%)

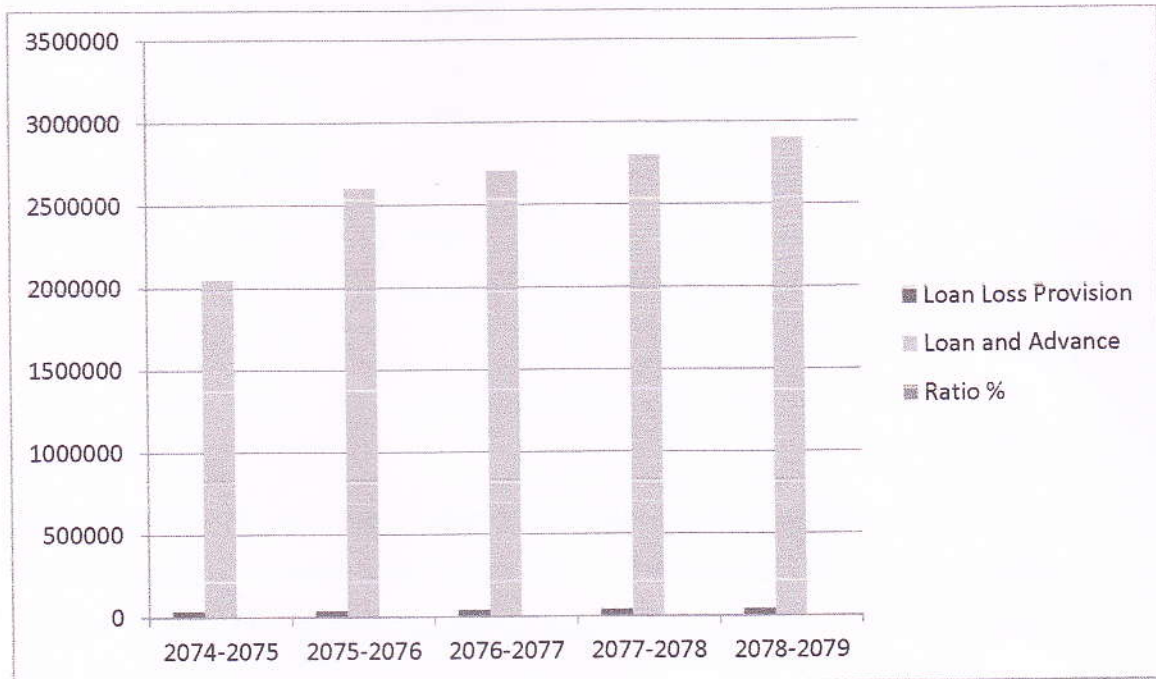
Year	Loan Loss Provision	Loan and Advance	Ratio %
2074-2075	35460	2050600	1.72%
2075-2076	36500	2600900	1.40%
2076-2077	38700	2700700	1.43%
2077-2078	39900	2800000	1.42%
2078-2079	40990	2900000	1.41%

Source: Annual Report of PCL from 2074-2075 to 2078-2079

The above table 2.5 shows that the loan loss provision of Sana Kisan Multipurpose Co-operative has fluctuating tread. In the year 2074-2075 has a higher ratio of 1.72 & lower ratio of 1.40 in year 2075-2076.

Figure 2.5

Loan Loss Ratio(%)



Profitability Ratio

Profitability Ratio is very helpful to measure the overall efficiency of operation of financial institution. Profit is the indicator of efficient of Co-operatives. The bank acquires profit by providing different services to its customer by making investment of different kinds. Sufficient profitability ratio measures the efficiency of Co-operatives higher the profit ratio will be the efficiency of the Co-operative.

Return on loan and Advance Ratio

Return on loan and Advance ratio measures the earning capacity of the Co-operatives on its deposits mobilized on the loan and advance. Mostly loan advances includes loan cash credit, overdraft bills purchased and discounted.

Table 2.6
Net Profit of Loan Advance Ratio (%) (Rs.)

Year	Net Profit	Total Working Fund	Ratio
2074-2075	40300	1850900	2.17%
2075-2076	38900	1947800	1.99%
2076-2077	53900	2259000	2.38%
2077-2078	55000	2878990	1.91%
2078-2079	60000	2990990	2.0%

Source Annual Report of PCL from 2074-2075 to 2078-2079

The above table 2.6 clearly shows that ratio is in fluctuating trend. The Sana Kisan Multipurpose Co-operative has higher ratio is 2.38 in year 2076-2077 and lower ratio is 1.91 in year 2077-2078. Net profit respect to loan advance is unstable.

Figure 2.6
Net Profit of Loan Advance Ratio (%)



Return on Equity (ROE)

If the Co-operatives can mobilize its equity capital properly, they can earn high profit Equity capital is the own capital of the Co-operative. is successful to mobilize its equity.

Higher ratio indicates the sound investment policy for the mobilization of its equity capital.

We have,

$$\text{Return on equity} = \frac{\text{Net profit}}{\text{Total equity}} \times 100$$

Table 2.7

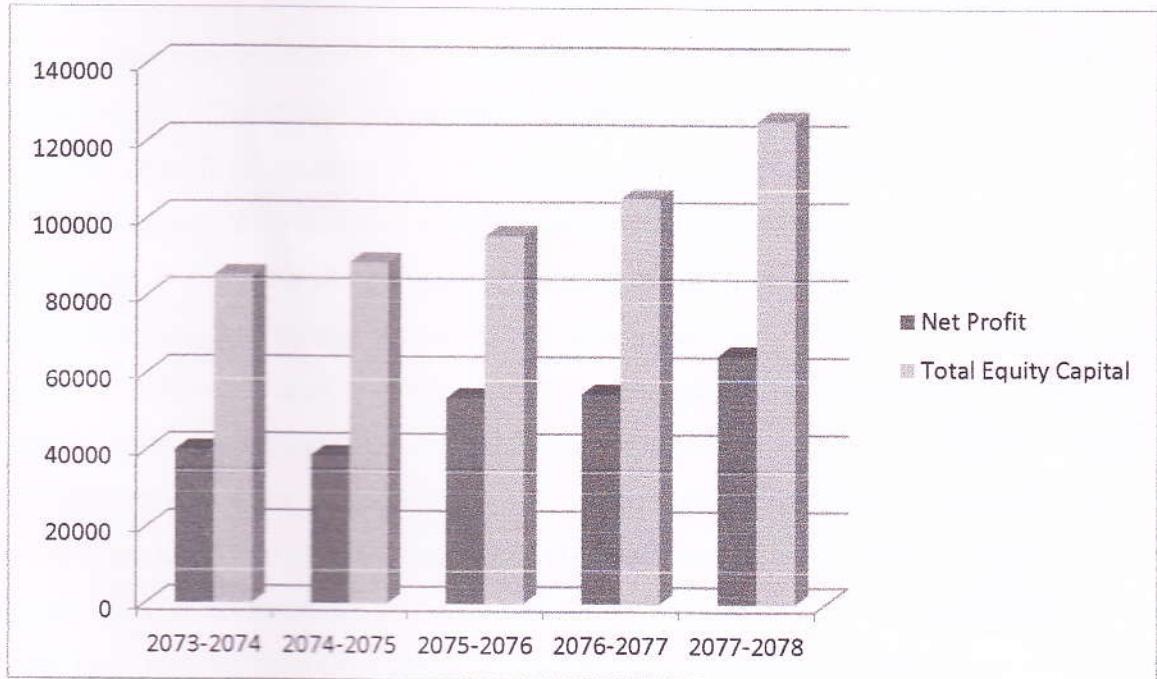
Return on Equity (ROE) (Rs.000)

Year	Net Profit	Total Equity Capital	Ratio %
2074-2075	40300	85600	47.08%
2075-2076	38900	88900	43.76%
2076-2077	53900	95800	56.26%
2077-2078	55000	105600	52.08%
2078-2079	65000	125600	51.75%

Source: - Annual Report of PCL from 2074-2075 to 2078-2079

In the table 2.7, it is found that the Return Total Equity Capital is in increasing trend but net profit is fluctuating trend. Sana Kisan Multipurpose Co-operative Limited has higher ratio is 56.26 in the year 2076-2077 and lowest ratio is 43.76 in the year 2075-2076.

Figure 2.7
Return on Equity (ROE)



2.2 Result Analysis

Investment decisions mainly have two aspects they are the evaluation of the prospective profitability of new investment and the measurement of cut-off rate against the prospective return of the new investment that could be compared. Future is always uncertain therefore future benefits of an investment cannot be assessed so easily and the amount of risk is unmeasurable as well as. Investment in its broadest sense means the sacrifices of current money for future money. Two different attributes are generally involved time and risk. The sacrifice takes place in present and is certain the reward comes later which is uncertain. Investment policy involves determining the objectives and the amount of his or her investable wealth. Investment in the rural area not benefited with co-operative the co-operative should create new branches in the rural area. So that all the sectors and areas people will be benefited with co-operative service. Loans should be provided to those people who are economically backward to uplift the condition of these people and to regain trust of those people. Which helps in the development of co-operative and nation. It is justified that the risk can be minimized through short term lending than long term. Therefore preferences to be given for short term trade financing and discounting loans and also focusing multiple returnable loans. Customers are the key to achieving the co-operative goal. So customers should be given first priority by giving them quick and easy service.

Major Findings

- The average ratio of cash and bank balance to total deposit is 23.084. Analysis shows that the ratios are in fluctuating trend. The co-operative should not hold excessive cash. Since it is an ideal assets and do not generate any income. However the liquidity position is good.
- The average ratio of investment on agriculture to current ratio is 7.372. The ratio are in fluctuating trend. The average ratio of loan advance to current is 4.568. Ratio are in the little fluctuating trend.
- The average ratio of loan loss provision to loan and advance is 0.012 Ratio are fluctuating trend. Average ratio of net profit to total working fund ratio is 2.396 Ratio are in fluctuating trend.
- This analysis shows that Sana Kisan Multipurpose Co-operative gas efficiently utilized its equity capital to earn move profit.

CHAPTER-III

SUMMARY, CONCLUSIO AND RECOMMENDATION

The chapter includes two aspect of the. They first aspect are focuses on summarizing the fact finding of the study and making conclusion remarks upon them. While second aspects focuses on making some useful suggestion and conclusion based on finding of the study for further improvement of the co-operatives.

3.1 Summary

Summary is last but it is very important of chapter of this study. Important in this sense that this chapter covers overall aspect of the study. This chapter can be said as the mirror of the study This chapter is no purely independent chapter but the output of above chapter Without this chapter the study will be meaningless .Hence this chapter is spirit of the summary part of the chapter of the study gives the brief introduction of all the chapter the conclusion part gives actual finding from the analysis and the interpretation of the data in chapter. The recommendation part gives the future ways to be taken by the studies co -operative as well as the overall co-operative sector of Nepal. it is also said that this chapter is very important to be taken in the days to come investment is the one of the most important to the go -operative every co -operative is facing the problem if default loan and always possibility of certain of the loan and advance turning in non-performing loan a loan and advances profitable. Deposit position of co-operative of are analysis.

In this study the financial tools -ratio analysis and profitable ratio are calculation to find the strength of the co -operative Also statistical tools like mean standard deviation and C.V are calculated the data used in this research are primary as well as secondary nature and extracted from the annual report of the conceded co-operative The financial statement of five years (2074-2075to 2078-2079) were selected for the purpose.

3.2 Conclusion

The first chapter focuses on the introduction of the study. It attempts little bit to introduction the investment analysis of Sana Kisan Multipurpose Co-operative. It has also attempted to set the objectives and significance of the study. Finally it presents the study of the organization. The second chapter deals with review of literature which includes the conceptual framework different view of different writes, books journals and articles .Review of literature section has attempted to review the studied done so for on the same topic of different organization Research mythology is study in the third chapter. It has include the research design. It presents sources of data collection and processing techniques and financial and statistical tools used. Financial ratios like current, profitability ratio risk ratio.

Presentation and analysis of data are studies in the fourth chapter. On the basis of variables level of current assets current liabilities loan and advance and investment in various sector is analysed. The major ratio analysis consists of the composition of investment policy, liquidity position assets management position profitability position .Under these mean ratio and their trend position are studies. In order to test correlation 'r' is analysed Major finding from data analysis are also studies in this fourth chapter. The data which were employed in this research are secondary in nature. They are obtained from annual report of the Sana Kisan Multipurpose Co-operative. Lakeview the financial statement of five (2074-2075 to 2078-2079) were selected for the purpose evolution. The following conclusion are drawn the finding of the study.

- The liquidity position of Sana Kisan Multipurpose Co-operative is in better position. It has better position to loan and advance to current assists ratio. It is good position in regard to cash and bank to total deposit ratio.
- The assets management of Sana Kisan Multipurpose Co-operative is in good position. It has better loan and advance investment on share and debenture.
- From analysis it can be conducted that Sana Kisan Multipurpose Co-operative is in successful position Interest earned to total working fund and return on loan and advance are also in batter position. It has moderate position in liquidity and credit risk ratio.

3.3 Recommendation

- Sana Kisan Multipurpose Co-operative should mobilize its equity, capital properly. Because Equity capital is the own capital of the Co-operative and also they can earn high profit from it.
- Loss of loan is occurred when the debtors fail to pay their loan loss. Sana Kisan Multipurpose has to make good strategy towards loan loss provision is in increasing trend. Which is not good for Co-operatives.
- Cash and bank balance is said to be the first defence of every Co-operatives. The ratio of cash and bank balance to total deposit measure the ability of the bank to meet the emancipated cash and all types of deposit measure. From table no. 2.1 shows that its ratio are in fluctuating tired.
- Every Co-operative has its own policy on investment on loan and advances priority with their own. I think it has to increase investment on agriculture sectors.

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Appendix -I

- What is profit margin of Sana Kisan Multipurpose Co-operative Limited during the last five year?
- What profit earning power of the organization by utilizing its assets of last five year?
- What is the average growth rate in profit of this organization during last five year?