"World-Class Financial Institutions require
World-Class Analytical Tools"

The simple design philosophy behind
VTA's suite of World-Class Financial Tools

CapInvest®

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Day-to-Day Analytical Support for
Financial Institutions, Banks,
Asset Finance and Consumer
Finance Companies

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Overview

CapInvest is a financial analysis tool that provides superb analytical support for all activities wherein an investment is undertaken for earning return on investment.

Such activities include, asset financing activities (hire purchase, leasing, vehicle financing), consumer financing activities (personal loans, housing loans, installment credit schemes), project financing activities of development banking institutions, commercial and personal loans of commercial banks, and so on.

Capital Investment activities benefit tremendously from tools that professsionalize the entire gamut of the financing transaction, i.e., developing, structuring, pricing and evaluating investment and financing proposals. CapInvest supplies powerful financial analysis tools via a highly sophisticated numerical analysis engine and an elegant user interface.

Essentially, the CapInvest System revolves around three components: (a) large number of financial variables that are made available to a user via the user interface, for developing financial transactions that reflects requirements of the borrower and the lender, while pursuing return on investment objectives of the lender; (b) the ability to view the financials of the transaction as a whole, in the main module itself, while a transaction is being developed: (c) the ability to gain valuable insights into a transaction via specialized reports.

Product Structuring Options

CapInvest provides a large number of variables for developing, structuring and pricing financial transactions; for example, in developing a loan/hp transaction, the user interface provides options for the following:

- the finance rate for the transaction;
- the duration of the transaction;
- the value of the transaction;
- the value to be paid in future;
- the period installment;

All of these pricing variables can be set by a user (or computed by the program given information on the remaining variables). In addition, options may be set for (a) the frequency of repayment – monthly, quarterly, half-yearly or annual; (b) the timing of payment –beginning or end of a period. While a user enters or sets values for variables, an overview of the transaction is presented to assist in developing transactions that are fully in line with expectations. Additionally, CapInvest provides a Goal Seek tool for enhancing the engineering capabilities of a financial institution –an institution, for example, can target Profit After Tax for a transaction by revising several variables: the pricing rate, the period of investment, the repayment per period, and so on. CapInvest employs financial concepts such as IRR, Present Value, Discounting and so on.

Transaction Insights

Specialized reports provide insights into every aspect of a transaction; for example, the amortization (or Capital Recovery) Schedule provides a date wise break-down of opening balance, interest for the period, repayments and closing balance, while another report provides tax year-end information on the P& L of a transaction – finance income, service charges, cost of capital, direct expenses, pbit, pbt, and pat.

Product Features

- Seven Modules, provide day-to-day analytical support to financial institutions, in developing, structuring and pricing consumer and asset finance products, such as, personal loans, hire purchase transactions, leases, vehicle loans, installment credit, and so on:
  - LOAN/HP Equated
  - LOAN/HP Profiled
  - Lease Pricing Equated
  - Lease Pricing Profiled
  - Post Tax Pricing
  - Lease Vs. Buy
  - Cost of Capital
- Elegant user-interface and a small foot-print of 18 MB makes CapInvest ideal for installation on laptops for use in field and for developing consumer finance proposals in real time;
- Powerful Analytical Engine provides support for complex financial calculations;
- No additional licensing required - CapInvest operates on the Microsoft Office Platform;
- Full integration between Lease Pricing Module and Post-Tax Module which enables a user to travel seamlessly between the two modules to observe the Pre-Tax and Post-Tax effects of a lease transaction;
- Full integration between Lease Pricing Module and Lease Vs. Buy Module which enables a user to travel seamlessly between the two modules;
- Integrated Reports Module enables Reports to be easily previewed and printed – reports are constantly updated in response to changes to variables;
- Large number of variables to precisely control and develop financial transactions.
- Easily Reprice Transactions to address Floating Rate Interest or accounts in arrear;
- Can be localized to replace "Interest" with Profit and Capital Cost;

LOAN/HP Features

- Develop, Structure and Price Loans and Hire Purchase Transactions for periods ranging from 1 month to 20 years;
- Option to price transaction using True Rate or Flat Rate of interest;
- Option to Goal Seek any supported variable in module; for example, easily target Profit After Tax for a desired value by changing other variables, such as for example, Annual Interest Rate;
- Payment frequencies: Monthly, Quarterly, Half-Yearly and Yearly;
- Payment Type: in Advance or in Arrears;
- Five Pricing Variables, any of which can be calculated, given data on remaining four variables: (a) Value of Loan; (b) Period of Loan; (c) Annual Interest Rate; (d) Repayment Installment; (e) Future Value Payment;
- Option to provide Cost of Capital information - profitability of transaction is automatically computed on an overall and year to year basis;
- Financials of transactions come to life, as it is in the process of being developed, including Profit Before and Interest and Tax, Profit Before Tax, Profit After Tax;
- Generate Random variables for setting up random transactions;
- Integrated Calendar helps users to easily select a start date for a transaction;
- Save transactions for retrieval at a later date;

- Option for specifying Service Charges and Direct Expenses for use in computing profitability of transaction;
- Option to use 'Totaling Sheet' for adding individual items to arrive at the capitalized value of transaction;
- Four tax year-end options: (a) March 31; (b) June 30; (c) September 30; and (d) December 31; year-to-year profitability is instantly recalculated and reports are recast on the basis of selected tax year-end and start date of transaction;
- Option to print and preview reports using: (a) U.S. Letter Size; or (b) A4 Paper Size; data is instantly reconfigured to the chosen paper size;
- Reports provide insights into, Overall Profitability of Transaction, Period by Period Profitability, Dated Present Values, Amortization Schedule of Transaction, Dated Cash Flow broken into Principal and Interest, with Annual Summaries; Overall Summary of Transaction, Dated Repayment Schedule, and so on;
- Preview and Print reports either individually or use Print Center to print all reports of a transaction by clicking a button.

Profiling Features

- Exceptionally easy and elegant user interface removes all complexity in generating profiled repayment schedules (repayments varying from period to period in response to borrower/lender requirements) for periods ranging from 1 month to 10 years;
- Ability to 'Reverse Engineer' a financial transaction – compute rate of return or principal value from a set of cash flows (equated or unequated);
- Unlimited profiling factors to fully reflect borrower and lender cash flow requirements; factors can be as small as .0001 or as large as a million;
- Prepare Profiled Repayment Schedules using either (a) Profiling Factors; or (b) Absolute Values for Cash Flow;
- Develop unique repayment schedules that are unequal from period to period and that fully reflect cash flow requirements, while maintaining the lender's rate of return expectations for the transaction;
- Highest and lowest profiling factors in profiling grid are color coded for benefit of users;
- Profiling grid configures itself from user options for repayment period and repayment frequency;
- Ability to generate random profiling factors in profiling grid;
- Fully integrate the effects of VAT on pricing – provides information on the Pre-VAT and Post-VAT Rates of Return, the ability to price a transaction to fully offset the effect of VAT;
- Supports Goal Seek to target any of the variables in the module;
- Set options for three Pricing Variables to calculate the base repayment / installment, that satisfies profiling requirements of a transaction: (a) Value of Loan / Asset; (b) Term; (c) Annual Pricing Rate;

- Payment frequencies supported: monthly, quarterly, half-yearly, yearly;
- Payment types supported: advance payments and arrear payments;
- Repayment Schedule prepares dated schedule of repayments that reflect user specified profiling requirements;
- Amortization Schedule provides period by period breakup of cash flow into interest and principal and sets out a statement of account of the transaction;
- Provides a summary of transaction in main module, such as First Payment Date, Last Payment Date, Total Revenue, Gross Profit, PV of Rentals, NPV of Lease, VAT Inflows, VAT Outflows, and so on, as transaction is being developed.

Program Size

- Program With On-Line Help System: 18 MB

System Requirements

- Operates on all versions of the Windows Operating System – Windows 95, Windows 98, Windows ME, Windows XP, and Windows 2000.
- Requires Microsoft Excel 2000 or higher.

Architecture

- Modular architecture - allows easy customization – new modules, features and reports can easily be added;
- Very easy to use; minimal training required; comes with complete set of documentation and user manuals;
- User interface can easily be customized to include client logo.

Technology

- Front-end: Visual Basic
- Back-end: Microsoft Office

Program Output

Output from CapInvest integrates with any database backend being used – output can be XML, HTML, Excel, dBase, Lotus, Text, CSV or other formats.

Documentation

- User Manual with complete description of modules and screen shots with annotations;
- Examples Document;
- Case Study;
- Product Features;
- Concept Document;
- VAT document;
- Repricing document;
- Lease Vs. Buy document;
- Post Tax Pricing Techniques document.

Training

For installations with large number of licenses, training programs can be considered.

Licensing

CapInvest is available on a nominal Per PC Per Month subscription Basis; a minimum lock-in period of 12 months is required.