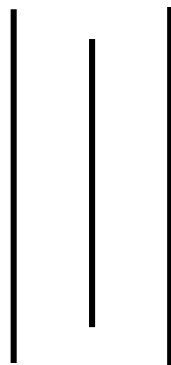


**EFFECT OF NON- PERFORMING ASSETS IN
COMMERCIAL BANKS
(A comparative Study of Machhapuchhre Bank and Nepal
Investment Bank Ltd.)**

**by
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**A Thesis Submitted to:
Office of the Dean
Faculty of Management
Tribhuvan University**



***In partial fulfillment of the requirement for the degree of
Master of Business Studies (MBS)***

**Kathmandu, Nepal
August 2010**

RECOMMENDATION

This is to certify that the thesis

Submitted by:

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Entitled:

**EFFECT OF NON- PERFORMING ASSETS IN COMMERCIAL BANKS
(A comparative Study of Machhapuchhre Bank and Nepal Investment
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(A comparative Study of Machhapuchhre Bank and Nepal Investment Bank Ltd.)**

*And found the thesis to be the original work of the student and written
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accepted as partial fulfillment of the requirement for the degree of*

Master of Business Studies (MBS)

Viva-Voce Committee

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DECLARATION

I hereby declare that the work reported in this thesis entitled “**Effect of Non-Performing Assets In Commercial Banks**” submitted to Office of the Dean, Faculty of Management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirement for the degree of Master of Business Studies (MBS) under the supervision of **Kailash P. Amatya** of Shanker Dev Campus, T.U.

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ABBREVIATION

AMC :	Asset Management Company
C.V :	Coefficient of Variance

APEC :	Asia-Pacific Economic Corporation
FRA :	Financial Sector Restructuring Authority
FY :	Fiscal year
IRAC :	Income Recognition and Assets Classification
LLP :	Loan Loss Provision
Ltd. :	Limited
MBL :	Machhapuchhre Bank Ltd.
NBL :	Nepal Bank Ltd.
NGO :	Non-Government Organization
NIBL :	Nepal Investment Bank Ltd.
NPA :	Non-Performing Assets
NPL :	Non-Performing Loan
NRB :	Nepal Rastra Bank
NRs :	Nepalese Rupees Currency
Pvt.:	Private
ROA :	Return on Assets
ROE :	Return on Equity
S.D :	Standard Deviation
SLR :	Statutory Liquidity Ratio
& :	And