

INVESTMENT POLICY OF COMMERCIAL BANKS

(With Reference to Nabil, SCBNL, HBL and KBL)

A Thesis

**SUBMITTED BY
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Submitted To:

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*In partial fulfillment of the requirement for the degree of
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RECOMMENDATION

This is to certify that the thesis

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has been prepared as approved by this Department in the prescribed format of the Faculty of Management. This thesis is forwarded for examination.

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And found the thesis to be the original work of the student and written according to the prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirement for the degree of

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DECLARATION

I hereby declare that the work reported in this thesis entitled “**Investment Policy of Commercial Banks (With Reference to Nabil, SCBNL, HBL and KBL)**” 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 **Prof. Dr. Sushil Bhakta Mathema** of Nepal Commerce Campus, New Baneshwor, Kathmandu, Nepal.

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This study mainly fills a research gap on the study of Investment Policy and Portfolio Management of NCC Bank. Definitely, the study will provide a useful feedback to the policy makers of the bank and also becomes a useful reference for other Commercial Banks of Nepal and the Central Bank (NRB) for the formulation of appropriate strategies. This study evaluates the Investment Policy of NCC Bank and finds its loopholes and significantly contributes to make the policy sound. Also, it analyzes the portfolio performance of the Bank which will be beneficial to all the bankers and policy makers to evaluate their own portfolio.

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ABBREVIATIONS

| | | |
|----------------|---|-----------------------------------|
| B.S | : | Bikram Sambat |
| C.B | : | Commercial Bank |
| C.V | : | Coefficient of Variation |
| CRR | : | Cash Reserve Ratio |
| e.g. | : | Example |
| EBL | : | Everest Bank Ltd |
| etc | : | et cetera |
| F/Y | : | Fiscal Year |
| GDP | : | Gross Domestic Product |
| HBL | : | Himalayan Bank Ltd |
| i.e. | : | That is |
| Int. | : | Interest |
| IPS | : | Invest Policy Statement |
| KBL | : | Kumari Bank Ltd. |
| Ltd. | : | Limited |
| MBS | : | Masters in Business Studies |
| NABIL | : | Nepal Arab bank Limited |
| NPA | : | Non Performing Assets |
| NRB | : | Nepal Rastra Bank |
| P.Er. | : | Probable Error |
| Pvt. | : | Private |
| r | : | Correlation Coefficient |
| r ² | : | Coefficient of Determination |
| ROA | : | Return on Assets |
| ROE | : | Return on Equity |
| SCBNL | : | Standard Chartered Bank Nepal Ltd |
| STDEV | : | Standard Deviation |