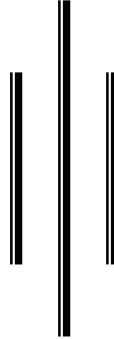
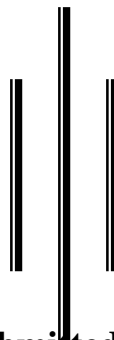


**IMPACT OF NON-PERFORMING ASSETS ON PROFITABILITY  
OF COMMERCIAL BANKS IN NEPAL**

**(With Reference to NABIL, HBL & BOK)**



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



**Submitted By**

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

**Nuwakot, Nepal**

**November, 2013**

# RECOMMENDATION

This is to certify that the Thesis

Submitted by:

**SARINA SHAH**

Entitled

***IMPACT OF NON-PERFORMING ASSETS ON PROFITABILITY  
OF COMMERCIAL BANKS IN NEPAL***

*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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(Thesis Supervisor)

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(Head of Research Department)

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# VIVA-VOICE SHEET

We have conducted the viva-voice of the thesis presented

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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 Master's in Business studies (M.B.S.)**

**Viva-Voice Committee**

Head, Research Department	.....
Member (Thesis Supervisor)	.....
Member (External Expert)	.....

## DECLARATION

I, hereby, declare that the work reported in this thesis entitled “*Impact Of Non-Performing Assets On Profitability Of Commercial Banks In Nepal*” submitted to office of the Dean, Faculty of Management, Tribhuvan University, is my original work done for the partial fulfillment of the requirement for the Masters in Business Studies (MBS) under the supervision of **Mr. Ram Prasad Dahal** of Nuwakot Adarsha Multiple Campus, Kuwakot.

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## **ABBREVIATIONS**

BOK	Bank of Kathmandu
CEO	Chief Executive Officer
CRR	Cash Reserve Ratio
EVA	Economic Value Addition
FSS	Financial Services Sector
FY	Fiscal year
GDP	Gross Domestic Product
HBL	Himalayan Bank Limited
LLP	Loan Loss Provision
NABIL	NABIL Bank Limited
NPA	Non-Performing Assets
NPL	Non-Performing Loan
NPM	Net Profit Margin
NRB	Nepal Rastra Bank
PA	Performing Assets
PL	Pass loan
ROA	Return on Assets
ROE	Return on Total Equity
ROI	Return on Investment
ROLA	Return on Loan & Advance
ROTA	Return on Total Assets
TA	Total Assets
TD	Total Deposit
TL	Total Lending
WTO	World Trade Organization