

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

(With Reference To NABIL and HBL)

Submitted By:

Meenu Jaishwani

Shanker Dev Campus

Campus Roll No: 2110/2064-066

TU Reg. No: 7-2-503-34-2004

Second Year Symbol No: 390591

A THESIS

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Tribhuvan University

**In the partial fulfillment of the requirement for the Degree of
Master of Business Studies (M.B.S.)**

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RECOMMENDATION

This is to certify that the Thesis

Submitted by:

Meenu Jaishwani

Entitled

**IMPACT OF NON-PERFORMING ASSETS ON
PROFITABILITY OF COMMERCIAL BANKS IN NEPAL
(With Reference To NABIL and HBL)**

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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Asso. Prof. Prakash Singh Pradhan (Thesis Supervisor)	Prof. Dr. Kamal Deep Dhakal (Head of Research Department)	Asso. Prof. Prakash Singh Pradhan (Campus Chief)
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Bhoj Raj Ojha
(Thesis Supervisor)

VIVA-VOCE SHEET

We have conducted the viva-voce of the thesis presented

By

Meenu Jaishwani

Entitled:

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

(With Reference To NABIL and HBL)

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-Voce Sheet

Head, Research Department

Member (Thesis Supervisor)

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 (With Reference to NABIL and HBL)*” 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 of Business Studies (MBS) under the supervision of **Asso. Prof. Prakash Singh Pradhan and Bhoj Raj Ojha** of Shanker Dev Campus.

.....

Meenu Jaishwani

Researcher

Shanker Dev Campus

Campus Roll No: 2110

TU Reg. No: 7-2-503-34-2004

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Meenu Jaishwani
Shanker Dev Campus

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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