

**NON- PERFORMING ASSETS AND PROFITABILITY  
OF COMMERCIAL BANKS IN NEPAL**

(With references to Nepal Investment Bank Limited and Kumari Bank Limited)

**A THESIS**

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**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 (M.B.S)**

**Kathmandu, Nepal**

**May, 2014**

## **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  
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We have conducted the Viva-Voce examination of the thesis presented

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(With references to Nabil Bank Limited, Nepal Investment Bank Limited  
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And found the thesis to be original work of the student and written in accordance to the prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirements for **Master of Business Studies (M.B.S.)**

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## **DECLARATION**

I hereby declare that the work reported in this entitled “**NON- PERFORMING ASSETS AND PROFITABILITY OF COMMERCIAL BANKS IN NEPAL**”

(With references to Nabil Bank Limited, Nepal Investment Bank Limited and Kumari Bank Limited) submitted to Shanker Dev Campus, Faculty of Management, and Tribhuvan University in my original work done in the form of partial fulfillment of the requirement for the Masters’ Degree in Business studies under the supervision of **Asso. Prof. Rita Maskay** of **Shanker Dev Campus**.

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## **ACKNOWLEDGEMENT**

First of all, I would like to thank Tribhuvan University for giving chance to prepare the thesis for a partial requirement to the fulfillment of Master Degree of Business Studies program held under Tribhuvan University.

After many months of hard work and sincere effort from my side, this research has been conducted. I would like to acknowledge the following notable personalities who have contributed their valuable efforts in different ways in creation of this research.

I would express my profound gratitude to my thesis supervisor Asso. Prof. Rita Maskey of Shanker Dev Campuse for her valuable guidance and kind support to me all the way through this thesis. His co-operation in the revision of this thesis has precisely helped me to groom and bring it in this form.

I would also like to thank the staffs of NABIL, NIBL and KBL, for their continuous help in providing me necessary data concerning my study.

I also owe deep gratitude to all reputed authors whose writings have provided me the necessary guidance and invaluable materials for the enrichment of my research papers in all possible ways. My special appreciation goes to my colleague and brother Mr. **Rajan Basnet**, to all my family members, teachers and friends for continuous encouragement and help to complete this work directly or indirectly.

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## **ABBREVIATIONS**

ARM	: Adjustable Rate Mortgage
EMI	: Equated Monthly Installment
FY	: Fiscal Year
HMG	: His Majesty's Government
KBL	: Kumari Bank Limited
NBL	: Nepal Bank Limited
NGO	: Non Government Organizations
NIBL	: Nepal Investment Bank Limited
NIDC	: Nepal Industrial Development Corporation
NPA	: Non- Performing Asset
NPL	: Non- Performing Loans
NRB	: Nepal Rastriya Bank
P.E	: Probable Error
ROA	: Return on Assets
ROE	: Return on Equity
ROI	: Return on Investment
TA	: Total Asset
TD	: Total Deposit
TL	: Total Loan
TP	: Total Profit