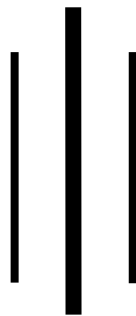


COMPARATIVE RISK, RETURN AND PORTFOLIO ANALYSIS OF COMMON STOCK OF INSURANCE COMPANIES IN NEPAL

**A Thesis Submitted By:
Manoj Raj Giri
Shanker Dev Campus
Campus Roll No: 3014/064
T.U. Registration No: 7-2-15-754-2003**



**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 (M.B.S)
Kathmandu, Nepal
June, 2011*

RECOMMENDATION

This is to certify that the thesis:

Submitted By:

MANOJ RAJ GIRI

Entitled:

**COMPARATIVE RISK, RETURN AND PORTFOLIO ANALYSIS OF
COMMON STOCK OF INSURANCE COMPANIES IN NEPAL**

*Has been prepared and approved by this Department in the prescribed format of the
Faculty of*

Management. This thesis is forwarded for examination.

.....
.....
Bishweshor Man Shrestha **Associate Prof. Dr. Shilu Bajracharya** Prof.
(Thesis Supervisor) Prof. Dr. Kamal Deep Dhakal
(Campus Chief) (Head of Research Department)

VIVA-VOCE SHEET

We have conducted the Viva-Voce Examination of the thesis presented

By

MANOJ RAJ GIRI

Entitled:

**COMPARATIVE RISK, RETURN AND PORTFOLIO ANALYSIS OF
COMMON STOCK OF INSURANCE COMPANIES IN NEPAL**

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

Master of Business Studies (M.B.S.)

VIVA-VOCE Committee:-

Head (Research Department)

Member (Thesis supervisor)

Member (External Expert)

DECLARATION

I hereby declare that the outcome of this thesis entitled

COMPARATIVE RISK, RETURN AND PORTFOLIO ANALYSIS OF COMMON STOCK OF INSURANCE COMPANIES IN NEPAL

Submitted to Shanker Dev Campus, Faculty of Management, T.U. Kathmandu, is my original work done in the form of partial fulfillment of the requirement for the Master of Business Studies (MBS) under the supervision of Dr. Shilu Bajracharya

Manoj Raj Giri
TU Regd. No.: 7-2-15-754-2003
Campus Roll no: 3014/064
Shanker Dev Campus

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Manoj Raj Giri
Campus Roll no: 3014/064
TU Regd. No.: 7-2-15-754-2003

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LIST OF ABBREVIATION

GDP – Gross Domestic Product

IRDR – Insurance Regulatory and Development Authority

SML – Security Market Line

HPR – Holding Period Return

CV – Coefficient of variation

CAPM – Capital Assets Pricing Model

CML – Capital Market Line

Var. – Variance

EBIT – Earning Before Interest and Tax

GARCH – Generalized Autoregressive Conditionally Heteroskedastic

EPS – Earning Per Share

MPS – Market Price per Share

DPS – Dividend per Share

DPR – Dividend Payout Ratio

SIC – Sagarmatha Insurance Company

NIC – Nepal Insurance Company

PIC – Premier Insurance Company

HGIC – Himalayan General Insurance Company

EIC – Everest Insurance Company

SEBO – Security Board of Nepal

NEPSE – Nepal Stock Exchange

NRB – Nepal Rastra Bank