

**FINANCIAL PERFORMANC OF NEPALESE  
COMMERCIAL BANKS  
(With special reference to NBL & EBL)**

**A Thesis**

**Submitted By**

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**In the**

**Faculty of management**

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## **RECOMMENDATION LETTER**

I Certify that Thesis submitted by Ms. Shashi Nepal entitled **Finance Performance of Nepalese Commercial banks( With reference NBL and EBL)** has been prepared as per the format prescribed and approved by the Faculty of Management, Tribhuvan University. This research work is completed under my supervision and guidance. This thesis is the candidate's original research work. I am fully satisfied with the language and substance of this Research submitted to Faculty of Management.

To the best of my knowledge, the candidate has fulfilled all the requirements of **Master of Business Studies (MBS Semester)** Faculty of Management, Tribhuvan University. I, therefore recommend that this research be considered for the award of master degree

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## APPROVAL SHEET

We, the undersigned, have examined the thesis entitled **Finance performance of Nepalese Commercial banks (with NBL and EBL)** presented by Shashi Nepal, a candidate for the degree of the Master of Business Studies (MBS) and conducted the viva voce examination of the candidate. We hereby state that the thesis is worthy of acceptance.

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I certify that the work in this thesis has not previously been submitted for a degree or has it been submitted as part of requirement for a degree except as fully acknowledge within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and their preparation of the thesis itself has been acknowledge In addition, I certify that all information sources and literature used are indicated in their reference section of the thesis.

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Shashi Nepal

Febuary, 2019

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## ABSTRACT

*This paper explore the effect of financial performance of Nepal commercial bank(withreference to NBL and EBL) Banking sector is the backbone for the economic development to developing country like Nepal which collects the small unit of amount to huge and accelerates them to productive sector. Banking sector play an importance role in sustaining financing markets and has a significant impact on the success of economy. Sound finance health of a bank is the guarantee not only to its depositors but is equally significant for the shareholder, employees and whole economy as well.*

*The objective of this study was to find to evaluate and analysis the financial performance of these two banks i.e. NBL and EBL and to recommend the suitable suggestion for improvement. To examine the activity of NBL and EBL banks.Analyze the profitability, performance of NBL and EBL banks.To explore the impact of liquidity, leverage, activities on profitability of NBL and EBL banks.They give greater contribution to GDP too. The production of finance and real-estate sub sector is increasingly comparatively.The research is basically the comparative evaluation of financial performance between Everest Bank Limited and Nepal Bank Limited.*

*Descriptive approach has been are used to evaluate the financial performance of the bank. This study based on secondary data. Secondary data have been collected from their respective annual report especially from profit and loss account, balance sheet and other publications made by the banks. Also some data has been gathered from Nepal Stock Exchange's Website. Similarly, articles, journals related to the financial performance study, previous research report etc., have also taken into account while collecting information. At present there are 28 commercial banks operating in Nepal under the guidance of Nepal Rastra Bank. For the purpose of convenience only, two commercial banks viz. Nepal Bank Ltd and Everest Bank Ltd. have been taken as sample of this study and rest of the commercial banks are considered as population. The study found that, there is no significant means different of profitability among of peer bank group in term of ROA,*

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## **ABBREVIATIONS**

6*PEr	:	Six times of the probable error
A.D.	:	Anno Domini
a/c	:	Account
ANOVA	:	Analysis of Variance
B.S.	:	Bigram Sambat
C.V.	:	Coefficient of variation
C.V.	:	Co-efficient of Variance
CA	:	Current Assets
CL	:	Current Liabilities
GDP	:	Gross Domestic Product
J/V	:	Joint Venture Bank
JVB	:	Joint Venture Bank
NABIL	:	Nepal Arab Bank Ltd.
NBL	:	Nepal Bank Ltd.
NEPSE	:	Nepal Stock Exchange
NGBL	:	Nepal Grindlays Bank Ltd.