

**RISK MANAGEMENT OF COMMERCIAL BANKS IN
NEPAL**

(A Comparative Study between Nabil Bank Ltd. and Kumari Bank Ltd.)

Submitted By

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RECOMMENDATION LETTER

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(A Comparative Study between Nabil Bank Ltd. and Kumari Bank Ltd.)

has been prepared as approved by this Department in the prescribed format of faculty of Management. This Thesis is forwarded for examination.

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DECLARATION

I hereby declare that the work reported in this thesis entitled "Risk Management Of Commercial Banks In Nepal" submitted to Central Department of Management, faculty of Management, Tribhuvan University is my original work. It is done in the form of partial fulfillment of the requirement for the Master of Business Studies (MBS) under the supervision and guidance of Asso. Prof. Ajaya Prasad Dhakal, Tribhuvan University.

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At last, I would like to state that this report is not complete and perfect satisfactory. there may be various limitations and short coming due to the constraints of time and resources, I am alone responsible for any defects of analysis or errors in this research.

Yobraj Yogi
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ABBREVIATIONS

A.D.	:	Anno Domini
ABBS	:	Any Branch Banking Services
ALCO	:	Asset- Liability Committee
AML	:	Anti Money Laundering
CA	:	Current Asset
CAR	:	Capital Adequacy Ratio
CEO	:	chief Executive Officer
CD	:	Credit Deposit
CL	:	Current Liabilities
CPG	:	Credit Policies Guidelines
CRP	:	Cash Reserve Ratio
C.V.	:	Coefficient of Variation
ECA	:	Export Credit Rating Agencies
e.g.	:	Example
EOD	:	End of Day
e.t.c.	:	Etcetera
FDR	:	Fixed Deposit Receipt
FY	:	Fiscal Year
GDP	:	Gross Domestic Product
i.e.	:	That is
IRR	:	Interest Rate Risk
IRSA	:	Interest Rate Sensitive Asset
IRSL	:	Interest Rate Sensitive Liabilities
KBL	:	Kumari Bank Limited
KYC	:	Know your Customer

L.C.	:	Letter of Credit
LLP	:	Loan Loss Provision
Ltd.	:	Limited
NBL	:	Nepal Bank Limited
NIM	:	Net Interest Margin
No.	:	Number
NPA	:	Non Performing Asset
NPL	:	Non Performing Laibilities
NRB	:	Nepal Rastra Bank
P.E.	:	Probable Error
POS	:	Point of Service
Pvt.	:	Private
RMG	:	Risk Management Guideline
Rs.	:	Rupees
RWA	:	Risk Weighted Asset
SCBL	:	Standard Chartered Bank Limited
S.D.	:	Standard Deviation
S.E.	:	Standard Error
T.U.	:	Tribhuvan University