A COMPARATIVE STUDY ON LIQUIDITY MANAGEMENT OF STANDARD CHARTERED BANK NEPAL LTD AND

HIMALAYAN BANK LTD

By

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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
September 2010

RECOMMENDATION

This is to certify that the Thesis

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SANTOSH POUDEL

Entitled:

A COMPARATIVE STUDY ON LIQUIDITY MANAGEMENT OF STANDARD CHARTERED BANK NEPAL LTD AND HIMALAYAN BANK LTD

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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VIVA-VOCE SHEET

We have conducted the viva –voce of the thesis presented

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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

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DECLARATION

I here by declare that the work reported in this thesis entitled "A Comparative

Study on Liquidity Management of Standard Chartered Bank Nepal Ltd and

Himalayan Bank Ltd" submitted to Office of the Dean, Faculty of Management,

Tribhuvan University, is my original work done in the form of partial fulfillment of

the requirement for the Master's Degree in Business Study (M.B.S.) under the

supervision of Shree Bhadra Neupane and Arun Neupane of Shanker Dev

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This research "A Comparative Study of Liquidity Management of Standard Chartered Bank Nepal and Himalayan Bank Limited" has been conducted with the view to examine performance of top two commercial banks. This effort is partial fulfillment for the degree of Master of business studies (MBS) under the course designed by the Faculty of Management, T.U. This study is based on the prescribed research format involving the use of Working Capital in the banking sector. Hence, financial performance of the selected banks have been studied and as possible as of it is presented.

At the time of preparing this study, I had consulted various personalities. So I would like to extend my sincere thanks to all whose works and ideas helped me in conducting the study. Sincerely, I would like to pay my sincere thanks to Shree Bhadra Neupane and Arun Neupane, my respected Supervisors of Shanker Dev campus.

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TABLE OF CONTENTS

Recommendation

Viva Voce Sheet		
Declaration		
Acknowledgement		
Table of Content		
List of Tables		
List of Graphs		
Abbreviations		
	Page No.	
CHAPTER - I INTRODUCTION		
1.1 Background of the Study		1
1.2 Introduction of Standard Chartered Bank Nepal Limited		5
1.3 Introduction of Himalayan Bank Limited		7
1.4 Statement of the Problems		8
1.5 Objective of the Study		10
1.6 Significance of the Study		10

1.7 Limitations of the Study		11
1.8 Organization of the Study		12
CHAPTER-II REVIEW OF LITERATURE		
2.1 Conceptual Framework		13
2.1.1 Meaning of Liquidity Management		13
2.1.2 Liquidity Management Model		15
2.1.3 Importance of Liquidity		17
2.1.4 Principles or Theories of Liquidity Management		19
2.1.5 The Demand for and Supply of Bank Liquidity		23
2.2 Review of Policies in Liquidity Management	28	
2.3 Review of Journals and Articles		31
2.4 Review of Previous Thesis		34
CHAPTER-III RESEARCH METHODOLOGY		
3.1 Introduction		41
3.2 Research Design		41
3.3 Population and Sample		41
3.4 Period Covered		42
		42

3.6 Data Gathering Procedure		42
3.7 Tools of Data Analysis		42
3.7.1 Financial Tools		43
3.7.2 Statistical Tools		49
CHAPTER –IV PRESENTATION AND ANALYSIS OF DATA		
4.1 Introduction		54
4.2 Composition of Liquid Assets and its Trend Analysis		54
4.2.1 Cash and Bank Balance Percentage		58
4.2.2 Loan and Advances Percentage		60
4.2.3 Government Securities		61
4.2.4 Miscellaneous Current Assets Percentage		63
4.3 Net Working Capital		63
4.4 Financial Analysis		65
4.4.1 Liquidity Ratio		65
4.4.1.1 Current Ratio	66	
4.4.1.2 Quick Ratio		69
4.4.1.3 Cash and Bank Balance to Deposit Ratio		71
4.4.1.4 Fixed Deposit to Total Deposit Ratio		73
4.4.1.5 Saving Deposit to Total Deposit Ratio		

4.4.2.1 Loan and Advances to Total Deposit Ratio	76
4.4.2.2 Loan and Advances to Fixed Deposit Ratio	
4.4.2.3 Loan and Advances to Saving Deposit Ratio	80
4.4.3 Profitability Ratio	81
4.4.3.1 Interest Earned to Total Assets Ratio	82
4.4.3.2 Net Profit to Total Assets Ratio	84
4.4.3.3 Net Profit to Total Deposit Ratio	86
4.4.3.4 Cost of Services to Total Assets Ratio	87
4.5 Correlation Analysis	89
4.5.1 Coefficient of Correlation between Loan and	
Advances and Total Deposit	89
4.5.2 Coefficient of Correlation between Investments on	
Government Securities and Total Deposit	91
4.5.3 Coefficient of Correlation between Cash and Bank Balance and	
Current Liabilities	92
4.5.4 Coefficient of Correlation between Loan and	
Advances and Net Profit	93
4.6 Test of Hypothesis	94
4.6.1 Composition of Working Capital	95

4.6.2 Liquidity Position	96
4.6.3 Profitability Position	97
4.7 Findings of the Study	98
CHAPTER-V SUMMARY, CONCLUSION AND RECOMMENDATION	
5.1 Summary	103
5.2 Conclusion	104
5.3 Recommendations	105
Bibliography	
Appendices	

LIST OF TABLES

Table	No. Title	Pa	ge No.
2.1	Sources of Demand and Supply for Liquidity within the Bank	s24	
2.2	Net Liquidity Position Calculation Table		25
4.1	Liquid Asset Components of SCBNL		55
4.2	Liquid Asset Components of HBL	55	
4.3	Percentage Components of Liquid Assets of SCBNL		56
4.4	Percentage Components of Liquid Assets of HBL		57
4.5	Net Working Capital of SCBNL		64
4.6	Net Working Capital of HBL		64
4.7	Liquidity Ratio		64
4.8	Quick Ratio		69
4.9	Cash and Bank Balance to Deposit Ratio		72
4.10	Fixed Deposits to Total Deposit Ratio		73
4.11	Saving Deposits to Total Deposit Ratio		75
4.12	Loan and Advances to Total Deposits Ratio		77
4.13	Loan and Advances to Fixed Deposit Ratio		79
4.14	Loan and Advances to Saving Deposit Ratio		80
4.15	Interest Income to Total Deposit Ratio		82

4.16	Net Profit to Total Assets Ratio	84
4.17	Net Profit to Total Deposit Ratio	86
4.18	Cost of Services to Total Assets Ratio	88
4.19	Correlation Coefficients and Calculated and Tabulated t values	90
4.20	Correlation Coefficients and Calculated and Tabulated t values	91
4.21	Correlation Coefficients and Calculated and Tabulated t values	92
4.22	Correlation Coefficients and Calculated and Tabulated t values	93
4.23	Mean t-value of composition of Working Capital	98
4.24	t-value of Liquidity Position	97
4.25	t-values of Profitability Position	98

LIST OF FIGURES

Figure	es No. Title	Page No.
4.1	Percentage Composition of SCBNL's Current Assets	56
4.2	Percentage Composition of HBL's Current Assets	57
4.3	Actual and Trend Lines of Cash and Bank Balance Percentage 59	
4.4	Actual and Trend Lines of Loan and Advances Percentage	61
4.5	Actual and Trend Lines of Government Securities Percentage	62
4.6	Liquidity Ratio	68
4.7	Quick Ratio	70
4.8	Actual and Trend Lines of Interest Earned to Total Assets Ratio	83
4.9	Actual and Trend Lines of Net Profit to Total Assets Ratio	85

ABBREVIATIONS

& = and

A.D. = Anno Domini

Amt. = Amount

B.S. = Bikram Sambath

C.V. = Coefficient of Variation

CD = Certificate of Deposit

CRR = Cash Reserve Ratio

EAT = Earning After Tax

EPS = Earning per Share

etc. = etcetra

F.Y. = Fiscal Year

GDP = Gross Domestic Product

GNP = Gross National Product

HBL = Himalayan Bank Limited

JVBs = Joint Venture Banks

NBL = Nepal Bank Limited

NEPSE = Nepal Stock Exchange

No. = Numbers

NRB = Nepal Rastra Bank

NTC = Nepal Telecom Company

r = Correlation Coefficient

RBB = Rastriya Banijya Bank

Rs. = Rupees

SCBNL = Standard Chartered Bank Nepal Limited

SEBO = Securities Board

T.U. = Tribhuvan University

viz. = namely

Vs. = Versus