

**EVALUATION OF FINANCIAL PERFORMANCE OF
NEPAL BANK LIMITED
(In Comparison of Basel-II and Industry Average)**

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RECOMMENDATION

This is to certify that the thesis

Submitted by:

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Entitled:

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NEPAL BANK LIMITED**

(In Comparison of Basel-II and Industry Average)

*has been prepared as approved by this Department in the prescribed format of
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DECLARATION

I hereby declare that the work reported in this thesis entitled “**Evaluation of Financial Performance of Nepal Bank Limited (In Comparison of Basel-II and Industry Average)**” 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 degree of Master of Business Studies (MBS) under the supervision of **Shashi Kant Mainali** and **Rabindra Bhattarai** of Shanker Dev Campus, T.U.

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ABBREVIATIONS

ABBS	:	Any Branch Banking System
AD	:	Anno Domini. (The time from the Birth of Jesus Christ).
ADB	:	Agriculture Development Bank
ADB	:	Asian Development Bank
AGM	:	Annual General Meeting
ALCO	:	Asset-Liability Management Committee
AMC	:	Assets Management Corporation
ATM	:	Automatic Teller Machine
BC	:	Before Christ
BCBS	:	Basel Committee on Banking Supervision
BCP	:	Basel Core Principles
BIA	:	Basic Indicator Approach
BMD	:	Branch Management Department
BOD	:	Board of Directors
BS	:	Bikram Sambat
CAR	:	Capital Adequacy Ratio
CARD	:	Credit Administration and Review Division
CB	:	Commercial Banks
CC	:	Credit Committee
CD Ratio	:	Credit Deposit Ratio
CEO	:	Chief Executive Officer
CPG	:	Credit Policy Guideline
CRM	:	Credit Risk Mitigation
CRR	:	Cash Reserve Ratio
DFID	:	Department for International Development
DP Ratio	:	Dividend Payout Ratio
DPS	:	Dividend Per Share
ECA	:	Export Credit Agencies
EPS	:	Earnings Per Share
EPS	:	Earnings Per Share
EXCO	:	Executive Committee
FI	:	Financial institution

FMV	:	Fair Market Value
FSRP	:	Financial Sector Reform Program
GAAP	:	Generally Accepted Accounting Principles
HMG/N	:	His Majesties Government of Nepal
HR	:	Human Resource
IAS	:	International Accounting Standard
IBRD	:	International Bank for Reconstruction and Development
IC	:	Indian Currency
ICCMT	:	International Chamber of Commerce Management Team
IDA	:	International Development Agency
IDC	:	Industrial Development Centre
IFC	:	International Finance Corporation
IRB	:	Internal Ratings Based
IT / MIS	:	Information Technology and Management Information System
KPMG	:	Klynveld Peat Marwick Goerdeler Professional Services Company
MBL	:	Machapuchhre Bank Limited
MDB	:	Multilateral Development Bank
MSD	:	Management Service Department
NBL	:	Nepal Bank Limited
NC	:	Nepalese Currency
NCAF	:	New Capital Adequacy Framework
NCC	:	Nepal Credit and Commercial Bank
NEPSE	:	Nepal Stock Exchange
NGOs	:	Non-government Organizations
NIDC	:	Nepal Industrial Development Corporation
NIM	:	Net interest margin
NOPA	:	Net Open Position Approach
NPA	:	Non-performing Assets
NRB	:	Nepal Rastra Bank
NRs	:	Nepalese Rupees
P/L A/C	:	Profit and Loss Account

PBPT	:	Profit before provision and tax
PCA	:	Prompt Corrective Action
RBB	:	Rastriya Banijya Bank
RMD	:	Relation Management Division
RRDBs	:	Regional Rural Development Banks
RWA	:	Risk Weighted Assets
SAG	:	Special Asset Group
SSA	:	Simplified Standardized Approach
VRS	:	Voluntary Retirement Scheme