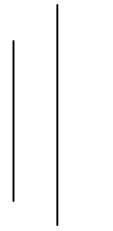


**A STUDY ON CAPITAL STRUCTURE MANAGEMENT
OF SELECTED COMMERCIAL BANKS**

(WITH SPECIAL REFERENCE TO EVEREST BANK, HIMALYAN BANK,
NABIL BANK AND STANDARD CHARTERED BANK LIMITED)



By:

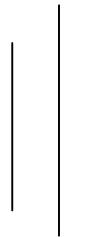
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A thesis Submitted to:
Office of the Dean
Faculty of Management
The Finance department
Tribhuwan University

In partial fulfillment of the requirement for the degree of
Master in Business Studies (M.B.S.)

Kathmandu Nepal
April, 2010.

Ref.:.....

Date:.....

RECOMMENDATION

This is to certify that the thesis

Submitted by:

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Entitled:

“A study on Capital structure management of selected commercial banks (with Special Reference to Everest Bank , Himalayan bank, NABIL Bank and Standard chartered bank limited)”

has been prepared as approved by this campus in the prescribed format of Faculty of Management. This thesis is forwarded for examination.

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**“A study on Capital structure management of selected commercial
banks (With Special Reference to Everest Bank , Himalayan bank,
NABIL Bank and Standard chartered bank limited)”**

and found the thesis to be original work of the student and written
according to the prescribed format. we recommonde the thesis to be
accepted as partial fulfillment of the requirement of Master’s Degree in
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Viva –voce Committee

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This thesis has been prepared and submitted to faculty of management as a partial requirement of the degree of Master in Business Studies (M.B.S.).

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Lastly I would like to thank my family member and friends who inspired and support me throughout the study period.

Vikash Shahi

Shanker Dev Campus

DECLARATION

I hereby declare that the work reported in this thesis entitled “**A study on Capital structure management of selected commercial banks**” (with special reference to Everest Bank, Himalayan bank, NABIL Bank and Standard chartered bank limited) submitted to office of the Dean, faculty of management TU, Kirtipur is my original work in the form of partial fulfillment of the requirement of Master in Business Studies which is prepared under the guide and supervision of Mr. Rishi Raj Gautam, lecturer and Mr. Madhusudan Gautam assistant lecturer of Shanker Dev Campus.

Vikash Shahi

Tu regd no:- 7-1-25-41-97

Date

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LIST OF ABBREVIATION

| | | |
|-------|---|-----------------------------------|
| D/E | : | Debt to Equity |
| DFL | : | Degree of Financial Leverage |
| DOL | : | Degree of Operating Leverage |
| DPR | : | Dividend Payout Ratio |
| EBIT | : | Earning Before Interest and Taxes |
| EBT | : | Earning Before Tax |
| EBL | : | Everest Bank Limited |
| EPS | : | Earning Per Share |
| FY | : | Financial Year |
| HBL | : | Himalayan Bank Limited |
| I | : | Interest |
| i.e. | : | That is |
| Kd | : | Cost of Debt |
| Ke | : | Cost of Equity |
| Ko | : | Average cost of capital |
| Ltd. | : | Limited |
| M.B.S | : | Master of Business Studies |
| MM | : | Modigliani and Miller |
| NI | : | Net Income |
| NOI | : | Net Operating Income |
| NP | : | Net Profit |
| NRB | : | Nepal Rastra Bank |
| P/E | : | Price Earning Ratio |
| “r” | : | Correlation Coefficient |
| ROA | : | Return on Assets |

| | | |
|------|---|---------------------------------|
| ROE | : | Return on Equity |
| SCBL | : | Standard Chartered Bank Limited |
| S.D. | : | Standard Deviation |
| T.U. | : | Tribhuwan University |