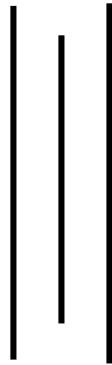


INVESTMENT POLICY OF COMMERCIAL BANKS
(A Comparative Study of NABIL Bank & Standard Chartered Bank Ltd.)

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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 (MBS)

Kathmandu, Nepal
July 2011

RECOMMENDATION

This is to certify that the thesis

Submitted by:

TILAK RAM KHANAL

Entitled:

INVESTMENT POLICY OF COMMERCIAL BANKS
(A Comparative Study of NABIL Bank & Standard Chartered 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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DECLARATION

I hereby declare that the work reported in this thesis entitled “**Investment Policy of Commercial Banks (A Comparative Study of NABIL Bank & Standard Chartered 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 degree of Master of Business Studies (MBS) under the supervision of **Dr. Shilu Manandhar Bajracharya** and **Rashmi Rajkarnikar** of Shanker Dev Campus, T.U.

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TABLE OF CONTENTS

Recommendation	
Viva- Voce Sheet	
Declaration	
Acknowledgement	
Table of Contents	
List of Tables	
List of Figures	
Abbreviations	
	Page No.
CHAPTER- I	INTRODUCTION
1.1 General Background of Study	1
1.2 An Introduction to Nabil Bank Ltd and Standard Chartered Bank Nepal Ltd.	5
1.3 Focus of the Study	6
1.4 Statement of the Problem	7
1.5 Objective of the Study	8
1.6 Scope of the Study	9
1.7 Limitations of the Study	9
1.8 Organization of the Study	10
CHAPTER – II	REVIEW OF LITERATURE
2.1 Conceptual Framework	11
2.1.1 Evolution of the Banking System in Nepal	17
2.1.2 Types of Banks	18
2.1.3 Definition of Investment	20
2.1.4 Sources of Investment Risk	22
2.1.5 Characteristics of Good Investment Policy	23
2.2 Review of Related Studies	25
2.2.1 Review of Books and Articles	26
2.2.2 Review of Thesis	28
2.3 Justification of the Study	36
2.4 Research Gap	37

CHAPTER – III RESEARCH METHODOLOGY

3.1 Research Design	38
3.2 Population and Sample	38
3.3 Data Collection Procedure	39
3.4 Data Analysis Method	40
3.4.1 Financial Tools	40
3.4.2 Statistical Tools	46

CHAPTER – IV PRESENTATION AND ANALYSIS OF DATA

4.1 Financial Analysis	48
4.1.1. Liquidity Ratios	50
4.1.2. Assets Management Ratio	52
4.1.3. Profitability Ratio	56
4.1.4. Risk Ratio	59
4.1.5. Growth Ratio	61
4.2 Statistical Analysis	65
4.2.1. Co-efficient of Correlation Analysis	65
4.2.2. Trend Analysis and Projection for next five Years	68
4.2.3. Test of Hypothesis	74
4.3 Major Finding	78

CHAPTER –V SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Summary	80
5.2 Conclusion	82
5.3 Recommendation	85

Bibliography

Appendices

LIST OF TABLES

Table No.	Title	
Page No.		
4.1	Summaries of Financial Performance	49
4.2	Cash and bank balance to Total Deposit ratio	50
4.3	Investment on Govt. Securities to Current Asset Ratio	51
4.4	Loan and Advances to Current Asset Ratio	52
4.5	Loan and Advance to Total Deposit Ratio	53
4.6	Total Investment to Total Deposit Ratio	53
4.7	Loan & Advances to Total Working Fund Ratio	54
4.8	Investment on Government Securities to Total Working Fund Ratio	55
4.9	Investment on Shares and Debentures to Total Working Fund Ratio	56
4.10	Return on Loan and Advance Ratio	57
4.11	Return on Equity	58
4.12	Total Interest Earned to Total outside Asset Ratio	59
4.13	Liquidity Risk Ratio	60
4.14	Credit Risk Ratio	60
4.15	Growth Ratios of Total Deposits	61
4.16	Growth Ratios of Loan and Advances	62
4.17	Growth Ratios of Total Investment	63
4.18	Growth Ratios of Net Profit	64
4.19	Co-efficient of Correlation between Deposit and Loan and Advances	66
4.20	Co-efficient of Correlation between Deposits and Total Investment	67
4.21	Trend Values of Total Deposit of NABIL and SCBNL	69
4.22	Trend values of Loan and Advances of NABIL and SCBNL	70
4.23	Trend values of Total Investment of NABIL and SCBNL	72
4.24	Trend Values of Net Profit of NABIL and SCBNL	73
4.25	Hypothesis test on Loan & Advances to Total Deposit Ratio	75
4.26	Hypothesis test on Total Investment to Total Deposit Ratio	77

LIST OF FIGURES

Figure No.	Title	Page No.
4.1	Total Deposit (NABIL & SCBNL)	62
4.2	Total Loan and Advances (NABIL & SCBNL)	63
4.3	Total Investment (NABIL & SCBNL)	64
4.4	Total Net Profit (NABIL & SCBNL)	65
4.5	Trend value of Total Deposit of NABIL & SCBNL	70
4.6	Trend value of Loan and Advances of NABIL & SCBNL	71
4.7	Trend value of Total Investment of NABIL & SCBNL	72
4.8	Trend value of Net Profit of NABIL & SCBNL	74

ABBREVIATIONS

CAPM	:	Capital Assets Pricing Model
COV	:	Covariance
CV	:	Coefficient Variation
EBL	:	Everest Bank Ltd.
etc	:	Etcetera
GDP	:	Gross Domestic Product
Govt.	:	Government
HBL	:	Himalayan Bank Ltd.
HBL	:	Himalayan Bank Ltd.
HMG/N	:	His Majesty's Government of Nepal
i.e.	:	That is
IRR	:	Interest Rate Risk
JVBs	:	Joint Venture Banks
NABIL	:	Nepal Arab Bank Limited
NBBL	:	Nepal Bangladesh Bank Ltd.
NBBL	:	Nepal Bangladesh Bank Ltd.
NBL	:	Nepal Bank Ltd.
NGBL	:	Nepal Grindlays Bank Ltd.
NGBL	:	Nepal Grindlays Bank Ltd.
NIBL	:	Nepal Investment Bank Ltd.
NIDC	:	Nepal Industrial Development Corporation
NPAs	:	Non-Performing Assets
NRB	:	Nepal Rastra Bank
NRB	:	Nepal Rastra Bank
RBB	:	Rastriya Banijya Bank
ROA	:	Return on Asset
RWE	:	Risk Weighted Assets
S.D.	:	Standard Deviation
SCBNL	:	Standard Chartered Bank Nepal Limited
TU	:	Tribhuvan University