

**AN ANALYSIS OF LIQUIDITY POSITION OF
NABIL BANK LIMITED**

A Thesis

By

Phanindra Prasad Oli

Central Department of Management

Roll No.256/14

TU Regd. no.7-2-320-149-2009

*Submitted In partial fulfillment of the requirement for the Degree of
Master of Business Studies (MBS- semester)*

In The

Faculty of management

Tribhuvan University

Central department of management

Kritipur, Kathmandu

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APPROVAL SHEET

We, the undersigned, have examined the thesis entitled **An Analysis of liquidity position of NABIL Bank** presented by Phanindra Prasad Oli , a candidate for the degree of **Master of business (MBS)** and conducted the viva voce examination of the candidate. We hereby certify that the thesis is worthy of acceptance.

Prof. Bhawani Shanker Acharya
Thesis supervisor

Internal Examiner

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Prof. Bhawani Shanker Acharya
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Prof. Dr. Bhoj Raj Aryal
Head of the Department

Date:-

RECOMMENDATION LETTER

It is certified that thesis entitled **AN ANALYSIS OF LIQUIDITY POSITIONS OF NABIL BANK LIMITED** submitted by **Phanindra Prasad Oli** is an original piece of research work carried out by the candidate under my supervision. Literary presentation is satisfactory and thesis is in a form suitable for critical examination and independent judgment. Candidate has put in at least 60day after the proposal. The thesis is forwarded for examination.

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CERTIFICATION OF AUTHORSHIP

The certification of authorship to be signed by the candidate would appear as follows:

I certify that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree except as fully acknowledged within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In addition, I certify that all information sources and literature used are indicated in the reference section of the thesis.

Phanindra Prasad oli

Date .2017-june

APPROVAL SHEET

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ACKNOWLEDGEMENT

Liquidity might become the major reason behind the diminishing status and performance of the financial sector in the current scenario. So, considering this prospect a brief account of the liquidity measurement on the trend of the cash flow operation of Nabil Bank has been tried to highlight during this research work.

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Phanindra Psd Oli
Researcher

ABSTRACT

The present study aims to reveal the relationship between liquidity and profitability of nabil bank, while in conducting day to day operations. This paper examines the effects of liquidity on profitability. To address the objective, the article has taken nabil bank for the period between 2011/12 to 2015/16. Considering the liquidity management can increase the profitability. The study has examined their liquidity management of nabil bank as well as profitability positions.

using various financial tools and indicator. This paper also represents the regulatory issue, statistical analysis and the liquidity surplus or deficit scenario of the nabil bank. The study concluded that proper liquidity management can increase the profitability of the bank if other factors move positively. It was found that trend of average liquidity ratio and profitability of NABIL banks are not seems to be fluctuating but average variation in liquidity ratio, as well as profitability of nabil bank. The study concluded that the liquidity ratio, leverage ratio, activity ratio and profitability ratio has a positive significant. But liquidity ratio has not significant effects on profitability of nabil bank. Finally this study indicates that how proper liquidity management helps to increase the bank profitability.

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ABBREVIATIONS

A/c	:	Account
B.S.	:	Bikram Sambat
C.V.	:	Co-efficient of Variation
CRR	:	Cash Reserve Ratio
D/E	:	Debt Equity Ratio
Etc	:	Etcetera
GFIL	:	Goodwill Finance & Investment Company Ltd.
Govt	:	Government
JVBs	:	Joint Venture Banks
L/C	:	Letter of Credit
Ltd.	:	Limited
NH&FM	:	Nepal Housing & Merchant Finance
NRB	:	Nepal Rastra Bank
ROA	:	Return on Assets
ROA	:	Return on Assets
ROCE	:	Return on Capital Employed
ROI	:	Return on Investment
ROSE	:	Return on Shareholder's Equity
Rs.	:	Rupees
SLR	:	Statutory Liquidity Ratio
T.U.	:	Tribhuvan University
U.S.A	:	United States of America
UFCM	:	Universal Finance & Capital Market Ltd.