

NON PERFORMING ASSETS OF COMMERCIAL BANKS IN NEPAL

A THESIS

Submitted By:

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Submitted To:

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Faculty of Management

Tribhuvan University

In the partial fulfillment of the requirements for the Degree of
Master of Business Studies (M.B.S.)

Patan Lalitpur
April, 2011

RECOMMENDATION

This is to certify that the Thesis

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NON PERFORMING ASSETS OF COMMERCIAL BANKS IN NEPAL

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

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VIVA- VOCE SHEET

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and found the thesis to be the original work of the student written according to the prescribed format. We recommend the thesis to be accepted as partial fulfillment of the requirements for Master Degree of Business Studies (M.B.S)

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Chairperson, Research Committee:

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DECLARATION

I, hereby, declare that the work reported in this thesis entitled **Non Performing Assets of Commercial Banks in Nepal** submitted to office of Dean Faculty of management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirement for Masters Degree in Business Studies (MBS) under the supervision of Mr. Yuga Raj Bhattarai, Associate Professor, Faculty of Management Patan Multiple Campus, Tribhuwan University.

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This study is the result of my interest to study in NON PERFORMING ASSETS OF COMMERCIAL BANKS IN NEPAL. I have analyzed non-performing assets of listed Companies. Indeed this thesis has been prepared after depth research of secondary sources like almost through bank data, NEPSE, library resources. All important and likely questions, diagrams, models, tables, charts, are liberally used to help the quick grasping of ideas at a glance.

I shall remain indebt to my respected advisor Mr. Yuga Raj Bhattarai, Associate Professor for his contribution, valuable suggestion, guidance and instruction to complete this thesis. I would like to express my special thanks to Mr. Bishnu Gopal Khimbaja, coordinator for his great contribution and cooperation to provide information to conduct this study.

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I would like to express debt of gratitude to my family for their continuous support in my efforts. Needless to say the error is human and I am no exception. So, I am alone responsible for my deficiencies that may have remained in this work.

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LIST OF ABBREVIATIONS

A/C	Account
AGM	Annual General Meeting
&	and
ATP	After Tax Profit
B.S.	Bikram Sambat
BOD	Board of Directors
BoK	Bank of Kathmandu
Dr.	Doctor
EPS	Earning Per Share
Esp	Especially
MoF	Ministry of Finance
Fig.	Figure
F.Y.	Fiscal Year
GDP	Gross Domestic Product
HBL	Himalayan Bank Ltd
i.e.	That is
L&A	Loan and Advances
LLP	Loan Loss Provision
IMF	International Money Fund
IPO	Initial Public Offering
MPS	Market price Per Share
NaBL	Nepal Arab Bank Ltd (Nabil)
NBA	Non Banking Assets
NBL	Nepal Bank Limited
NCC	Nepal Commerce Campus
NIC	Nepal Industrial and Commercial Bank Ltd
NPA	Non Performing Assets
NRB	Nepal Rastra Bank
OTC	Over the Counter
P.	Page Number
P/L	Profit and Loss
RBB	Rastriya Banijya Bank
RoA	Return on Assets
RoE	Return on Equity
Rs.	Rupees
SEBO/N	Securities Board, Nepal
SCB	Standard Chartered Bank
T.U.	Tribhuvan University
2007	Fiscal Year 2006/07