# CAPITAL STRUCTURE MANAGEMENT IN NEPALESE COMMERCIAL BANKS (WITH SPECIAL REFERENCE TO EVEREST BANK LIMITED AND NABIL BANK LTD)

Submitted to Office of the Dean Faculty of Management Tribhuvan, University

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

#### April, 2013

#### RECOMMENDATION

This is to Certified that the Thesis

Submitted By Narayani Nyaupane

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# CAPITAL STRUCTURE MANAGEMENT IN NEPALESE COMMERCIAL BANKS (WITH SPECIAL REFFERENCE TO NABIL AND EBL)

has been prepared and approved by this Department 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 and written according to the prescribed format. We recommend the thesis to be accepted as the partial fulfillment of the requirements for the Master's Degree in Business Studies (M.B.S).

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#### DECLARATION

I hereby, declare that the work reported in this thesis entitled "Capital Structure Management in Nepalese Commercial Banks (With Special Reference to Nabil and Everest Bank)." submitted to Tribhuvan University Faculty of Management, is my original piece of work done in the form of partial fulfillment of the requirement for the Master's Degree in Business studies (M.B.S) under the supervision of Supervisor Binod Dhungana ,Lumbini Banijya Campus.

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Last but not the least; I am responsible for any error and I apologize for any of them committed that have remained in this work.

Narayani Nyaupane

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## **ABBREVIATION**

NRB	:	Nepal Rastra Bank
NBL	:	Nepal Bank Limited
CBs	:	Commercial Banks
RBB	:	Rastriya Banijya Bank
NABIL	:	Nepal Arab Bank Limited
EBL	:	Everest Bank Limited
ABBS	:	Any Branch Banking Services
NIDC	:	Nepal Industrial Development Corporation
EBIT	:	Earning Before Interest and Tax
NI	:	Net Income
NOI	:	Net operating Income
LBC	:	Lumbini Banijya Campus
NEPSE	:	Nepal Stock Exchange
JVB	:	Joint Venture Bank
PNB	:	Panjab National Bank
LTD	:	Long Term Debt
NPAT	:	Net Profit After Tax
SHE	:	Shareholder Equity
ATM	:	Automatic Teller Machine
MM	:	Modigliani and Miller
VL	:	Value Of Levered Firm
VU	:	Value of Unlevered Firm
TU	:	Tribhuwan University
CV	:	Coefficient of Variation
SD	:	Standard Deviation
FY	:	Fiscal year
r	:	Correlation
r2	:	Determinants