CAPITAL STRUCTURE ANALYSIS OF NABIL BANK LIMITED

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A Thesis

Submitted to:

Office of the Dean

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This dissertation has been prepared in prescribed by the Faculty of Management, Tribhuvan University for the partial fulfillment of Degree of master of Business Studies (MBS).

It is forwarded for examination. I recommend this dissertation for approval and acceptance.

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ABBREVIATED TERMS

& :- Ampersand

\$:- Dollar sign

% :- Percentage

A.D. : - After Death

ADBN : - Agriculture Development Bank of Nepal

B.S. : - Bikram Sambat

CAR : - Capital Adequacy Ratio

Co. : - Company

DER : - Debt Equity Ratio

DPR : - Dividend Payout Ratio

DPS :- Dividend Per Share

EBIT : - Earning Before Interest and Tax

EPS :- Earning Per Share

F.Y. :- Fiscal Year

GDP :- Gross Domestic Production

HMG : - His Majesty Government

ICR : - Interest Coverage Ratio

K_d :- Cost of Debt

K_e :- Cost of Equity

K_o : Overall Cost of Capital

MBS : - Master of Business Studies

MVPS : - Market Value Per Share

NI :- Net Income

NIDC : - Nepal Industrial Corporation Development

NOI :- Net Operating Income

NRB : - Nepal Rastra Bank

P.E. : - Probable Error

P/E Ratio : - Price Earning Ratio

PV :- Present Value

r :- Coefficient of Correlation

r² :- Coefficient of Determination

RBB : - Rastriya Banijya Bank

ROA :- Return on Assets

ROSE : - Return on Shareholder's Equity

S.D. :- Standard Deviation

SEC : - Security Exchange Center

T.U. :- Tribhuvan University

Tc :- Corporate Tax rate

 T_{pd} : - Personal tax rate on debt income

 T_{ps} : - Personal tax rate on stock income

U.S. :- United States

UAE :- United Arab Emirates

V_L :- Value of Levered

 V_0 : - Value of Firm

 V_U :- Value of Unlevered