

# **IMPACT OF INTEREST RATE ON DEPOSIT AND LENDING OF COMMERCIAL BANKS**

*(A Case Study of Nepal Bank Limited and Rastriya Banijya Bank)*

**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  
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# RECOMMENDATION

This is certify that the thesis

Submitted by

Laxman Upadhyaya

Entitled:

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COMMERCIAL BANKS**

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has been prepared as 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

We have conducted the Viva-voce examination of the thesis

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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 partial fulfillment of requirements.

Master's Degree in Business Studies (MBS)

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## **DECLARATION**

I, hereby, declare that the work reported in this thesis entitle “**IMPACT OF INTEREST RATE ON DEPOSIT AND LENDING OF COMMERCIAL BANKS** (*A Case Study of Nepal Bank Limited and Rastriya Banijya Bank*)” submitted to Lumbini Banijya Campus, Faculty of Management, Tribhuvan University is my original work done in the form of partial fulfillment of the requirement of the Master Degree in Business Studies under the guidance and supervision of Krishna Prasad Gautam.

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## **Acknowledgement**

This thesis entitled "**Impact of Interest Rate on Deposit and Lending of Commercial Bank**": *A Case Study of Nepal Bank Limited and Rstriya Banijya Bank* is Prepared for the Partial fulfillment of Master's Degree in Business Studies, Tribhuvan University, Lumbini Banijya Campus, Butwal.

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## **List of Abbreviation**

ABBS	= Any Branch Banking System
AD B/N	= Agricultural Development Bank
ALM	= Asset and Liability Management
ALCO	= Asset and Liability Committee
BRP	= Banking Reform Project
CAR	= Capital Adequacy Ratio
CEO	= Chief executive Office
CITO	= Chief Information Technology Office
DCBL	= Development Credit Bank Ltd.
DFID	= Department for International Development
ESAF	= Enhanced Structural Adjustment Facility
FSRP	= Financial Sector Reform Program
FY	= Fiscal Year
GDP	= Gross Domestic Product
HRD	= Human Resource Development
IBIS	= Integrated Banking Information System
ICC	= Industrial Commercial and Credit
IME	= International Monetary Fund
Ltd.	= Limited
LC	= Letter of Credit
NBL	= Nepal Bank Limited
NBRP	= Nepal Banking Reform Project
NIDC	= Nepal Industrial Development Corporation
NPA	= Non Performing Assets
NRB	= Nepal Rastra Bank
NGOs	= Non- Government Organization
RBB	= Rastriya Banijya Bank
TU	= Tribhuvan University
UNDP	= United Nation Development Programme
VRS	= Voluntary Retirement Scheme

WTO = World Trade Organization