# IMPACT OF CAPITAL STRUCTURE ON PROFITABILITY OF THE COMMERCIAL BANKS

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### RECOMMENDATION

This is to certify that the Thesis

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# IMPACT OF CAPITAL STRUCTURE ON PROFITABILITY OF THE COMMERCIAL BANKS

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

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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 the requirement for

### **Master Degree of Business Studies (MBS)**

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#### **DECLARATION**

I hereby declare that the work reported in this thesis entitled "IMPACT OF CAPITAL STRUCTURE ON PROFITABILITY OF THE COMMERCIAL BANKS" submitted to Office of the Dean, Faculty of Management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirement for the Master Degree in Business Studies (MBS) under the supervision of Assoc. Prof. Kishore Maharjan of Shanker Dev Campus.

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### TABLE OF CONTENTS

Recommendation	
Viva-Voce Sheet	
Declaration	
Acknowledgement	
Table of Contents	
List of Tables	
List of Figures	
Abbreviations	
	Page No.
CHAPTER – I: INTRODUCTION	
1.1 Background of the Study	1
1.1.1 Profile of Selected Banks	2
1.2 Statement of the Problem	4
1.3 Objectives of the Study	5
1.4 Significance of the Study	6
1.5 Limitations of the Study	6
1.6 Organization of the Study	7
CHAPTER – II: REVIEW OF LITERATURE	
2.1 Conceptual Framework	9
2.1.1 Capital Structure	9
2.1.2 Optimal Capital Structure	10
2.1.3 Checklist for Capital Structure Decision	11
2.1.4 Capital Structure Planning	14
2.1.5 Theory of Capital Structure	15
2.1.5.1 Net Income Theory	16
2.1.5.2 Net Operating Income Theory	17
2.1.5.3 Modigliani Miller Theory	18
2.1.5.4 Traditional Theory	20

2.1.6 Profit & Profitability	21
2.1.7 Need for Profit	21
2.1.8 Profitability of Commercial Banks	22
2.1.9 Theories of Profit	23
2.2 Review of Journals and Articles	24
2.3 Review of Thesis	29
2.4 Research Gap	32
CHAPTER – III: RESEARCH METHODOLOGY	
3.1 Research Design	33
3.2 Population and Sample	33
3.3 Nature and Sources of Data	33
3.4 Tools Used	33
3.4.1 Financial Tools	34
3.4.2 Statistical Tools	37
CHAPTER – IV: DATA PRESENTATION AND ANALYSIS	
4.1 Secondary Data Analysis	42
4.1.1 Capital Structure of Banks	42
4.1.1.1 Debt-Equity Ratio	42
4.1.1.2 Long Term Debt to Total Debt	44
4.1.1.3 Debt Ratio	46
4.1.2 Solvency Position of Banks	48
4.1.2.1 Current Assets to Short Term Debt	48
4.1.2.2 Interest Coverage Ratio	50
4.1.3 Profitability of Banks	51
4.1.3.1 Earning Per Share	52
4.1.3.2 Return on Equity	53
4.1.3.3 Return on Assets	55
4124D ( D ')	
4.1.3.4 Return on Deposits	57

4.1.5 Statistical Analysis	61
4.1.5.1 Relationship between D/E ratio and NPAT	61
4.1.5.2 Relationship between Debt Ratio and NPAT	62
4.1.5.3 Trend Analysis of D/E ratio	63
4.1.5.4 Trend Analysis of NPAT	64
4.2 Primary Data Analysis	65
4.2.1 Reflection of Capital Structure	65
4.2.2 Increment in Equity Capital	67
4.2.3 Increment in Debt Capital	68
4.2.4 Policy for Optimum Capital Structure	69
4.2.5 Emphasis for Optimal Capital Structure	71
4.2.6 Main Factor Influencing Capital Structure	72
4.2.7 Impact of Capital Structure to Profitability	74
4.3 Major Findings of the Study	75
CHAPTER – V: SUMMARY, CONCLUSION AND RECOMM	MENDATIONS
5.1 Summary	78
5.2 Conclusion	79
5.3 Recommendations	80
BIBLIOGRAPHY	

**APPENDICES** 

## LIST OF TABLES

No.	Title	Page No.
4.1	Debt-Equity Ratio	42
4.2	Long Term Debt to Total Debt	44
4.3	Debt Ratio	46
4.4	Current Assets to Short Term Debt	48
4.5	Interest Coverage Ratio	50
4.6	Earning Per Share	52
4.7	Return on Equity	54
4.8	Return on Assets	56
4.9	Return on Deposits	58
4.10	Cost of Capital	60
4.11	Relationship between D/E ratio and NPAT	61
4.12	Relationship between Debt Ratio and NPAT	62
4.13	Trend Analysis of D/E Ratio	63
4.14	Trend Analysis of NPAT	64
4.15	Reflection of Capital Structure	66
4.16	Increment in Equity Capital	67
4.17	Increment in Debt Capital	68
4.18	Policy for Optimum Capital Structure	70
4.19	Emphasis for Optimal Capital Structure	71
4.20	Main Factor Influencing Capital Structure	73
4.21	Impact of Capital Structure to Profitability	74

## LIST OF FIGURES

No.	Title	Page No.
4.1	Debt-Equity Ratio	44
4.2	Long Term Debt to Total Debt	46
4.3	Debt Ratio	47
4.4	Current Assets to Short Term Debt	49
4.5	Interest Coverage Ratio	51
4.6	Earning Per Share	53
4.7	Return on Equity	55
4.8	Return on Assets	57
4.9	Return on Deposits	59
4.10	Cost of Capital	61
4.11	Trend Analysis of D/E Ratio	64
4.12	Trend Analysis of NPAT	65
4.13	Reflection of Capital Structure	66
4.14	Increment in Equity Capital	68
4.15	Increment in Debt Capital	69
4.16	Policy for Optimum Capital Structure	70
4.17	Emphasis for Optimal Capital Structure	72
4.18	Main Factor Influencing Capital Structure	74
4.19	Impact of Capital Structure to Profitability	75

### **ABBREVIATIONS**

C.V. : Coefficient of Variation

CA : Current Assets

D/E : Debt-Equity

Dep. : Deposit

DR : Debt Ratio

EBIT : Earning Before Interest and Tax

EPS : Earning Per Share

ICR : Interest Coverage Ratio

Int. : Interest

Ko : Cost of Capital

LTD/TD : Long Term Debt to Total Debt

NPAT : Net Profit after Tax

P.E. : Probable Error

r : Coefficient of Correlation

ROA : Return on Assets

ROD : Return on Deposits

ROE : Return on Equity

S.D. : Standard Deviation

SE : Shareholders' Equity

STD : Short Term Debt

TA : Total Assets

TD : Total Deposit