

**INTERNAL DEBT IN NEPAL:
AN ANALYSIS OF TREND AND STRUCTURE**

A THESIS

**SUBMITTED TO THE CENTRAL DEPARTMENT OF ECONOMICS,
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OF ARTS IN ECONOMICS**

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RECOMMENDATION LETTER

Mr. Siddant Dahal has prepared this thesis entitled "**INTERNAL DEBT IN NEPAL: AN ANALYSIS OF TREND AND STRUCTURE**" under my supervision. I hereby recommend for the examination by the thesis committee as a partial fulfillment of the requirements for the Degree of Masters of Arts in Economics.

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APPROVAL LETTER

We certify that the thesis entitled "**INTERNAL DEBT IN NEPAL: AN ANALYSIS OF TREND AND STRUCTURE**" submitted by Mr. **Siddant Dahal** to the Central Department of Economics, faculty of Humanities and Social Sciences, TU, in partial fulfillment of the requirements for the Degree of Masters of Arts in Economics, has been found satisfactory in scope and quality. Therefore, we accept this thesis as a part of the said Degree.

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In the light of utmost importance given by policymakers, academicians, and economist for the study of impacts of public debt in Nepal and its management, I am pleased to submit this thesis on “Internal Debt in Nepal: An Analysis of Trend And Structure” in this present form. The research work tries to analyze the trend and structure of internal debt and the impact of overall debt servicing on the Nepalese economy.

I would like to express my cordial and sincere gratitude to Professor Dr. Bijaya Shrestha, my guide, my mentor of supervisors for her invaluable guidance and tireless support and help in preparing this thesis. Without her valuable suggestions, encouragement and supervision, it was beyond imagination to bring this thesis in this form.

I am responsible for all the errors and omissions.

In the end, I must record my special appreciation to Champa Dahal (mother) for her help with this thesis.

Siddant Dahal

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LIST OF ABBREVIATIONS

ADB	=	Asian Development Bank
BOP	=	Balance of Payment
CBS	=	Central Bureau of Statistics
DE	=	Development Expenditure
FDI	=	Foreign Direct Investment
FY	=	Fiscal Year
GDI	=	Gross Domestic Investment
GDP	=	Gross Domestic Product
GDPGR=		Growth Rate of Real GDP
GDS	=	Gross Domestic Saving
GNP	=	Gross National Product
IMF	=	International Monetary Fund
INFL	=	Rate of Inflation
LDCs	=	Least Developed Countries
MOF	=	Ministry of Finance
NPC	=	National Planning Commission
NRB	=	Nepal Rastra Bank
ODA	=	Official Development Assistance
RD	=	Revenue Deficit
RE	=	Regular Expenditure
TD	=	Total Debt
TDE	=	Total Development Expenditure
TDGDP=		Total Debt Servicing as a Ratio of GDP
TDS	=	Total Debt Servicing
TED	=	Total External Debt
UNDP	=	United Nations Development Programme
WB	=	World Bank