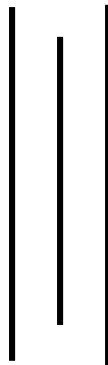


**FACTORS AFFECTING INTEREST RATE ON LISTED
NEPALESE BANKS AND FINANCE COMPANIES**

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A Thesis Submitted to:
Office of the Dean
Faculty of Management
Tribhuvan University



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

Kathmandu, Nepal
July, 2009

RECOMMENDATION

This is to certify that the Thesis

Submitted by:

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**FACTORS AFFECTING INTEREST RATE ON LISTED
NEPALESE BANKS AND FINANCE COMPANIES**

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I hereby declare that the work reported in this thesis entitled “**FACTORS AFFECTING INTEREST RATE ON LISTED NEPALESE BANKS AND FINANCE COMPANIES**” 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’s Degree in Business Study (M.B.S.) under the supervision of **Prof. Dr. Mahendra Prasad Shrestha** of Shanker Dev Campus.

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ACKNOWLEDGEMENT

This is really an appreciable curriculum of T.U. because it helps the students to express their theoretical concept gained during the study period into the practical field. So, being concerned to this thesis, I have also got a chance to express my theoretical concept gained from class and library study into this practical field. The present study “Factors Affecting Interest Rates on Listed Nepalese Banks and Finance Companies” has been prepared for the partial fulfillment of the requirement of Master Degree in Business Studies.

Firstly, I would like to pay gratitude to my father, mother, brother as well as sisters who headed me towards the light of education and path of truth. Due to their non-stopping effort and guidance, I come to this position. So, I would like to share the credit of my success with them.

After this, I would like to express my sincere thanks to my thesis supervisor Prof. Dr. Mahendra Prasad Shrestha of Shanker Dev Campus, without his remarkable guidance and co-operation the research work would not have come in such condition.

I would also like to express my gratitude to all other members of Shanker Dev Campus, especially, staff from MBS department, library staffs as well as all known and unknown people who supported as well as inspired me to complete this thesis.

Aakash Parajuli

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ABBREVIATIONS

%	=	Percentage
&	=	And
A.D.	=	Anno Domini
a/c	=	Account
ADB	=	Agriculture Development Bank
Amt.	=	Amount
B.S.	=	Bikram Sambat
CPI	=	Consumer Price Index
df	=	Degree of Freedom
EBL	=	Everest Bank Limited
eg .	=	Example
EMI	=	Equated Monthly Installment
Etc	=	Etcetra
EU	=	European Union
Fig.	=	Figure
GDP	=	Gross Domestic Product
GON	=	Government of Nepal
i.e.	=	That is
IRR	=	Internal Rate of Return
KAFL	=	Kathmandu Finance Limited
Nabil	=	Nabil Bank Limited
NBL	=	Nepal Bank Limited
NDBL	=	Nepal Development Bank Limited
NEPSE	=	Nepal Stock Exchange

NFCO	=	National Finance Company Limited
NGO	=	Non Government Organization
NIBL	=	Nepal Investment Bank Limited
No.	=	Number
NRB	=	Nepal Rastra Bank
NSBIBL	=	Nepal SBI Bank Limited
PFCO	=	Peoples Finance Limited
Pre. FCO	=	Premium Finance Company Limited
Prof.	=	Professor
RBS	=	Rastriya Banijya Bank
Rs.	=	Rupees
SAARC	=	South Asian Association for Regional Co-operation
SCBNL	=	Standard Chartered Bank Nepal Limited
T- Value	=	Tabulated Value
T.U.	=	Tribhuvan University
T-Bill	=	Treasury Bill
UFCO	=	United Finance Company Limited
US	=	United States
USA	=	United States of America
Viz.	=	Namely