

# **A STUDY ON NON-PERFORMING LOANS (NPL/NPA) IN NEPALESE FINANCIAL SECTOR**

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**Submitted to:**

**Office of the Dean**

**Faculty of Management**

**Tribhuvan University**

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

Kathmandu, Nepal

January, 2009

**RECOMMENDATION**

**This is to certify that the thesis:**

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**Entitled:**

**A STUDY ON NON-PERFORMING LOANS (NPL/NPA) IN  
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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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## **VIVA-VOCE SHEET**

We have conducted the viva-voce examination of the thesis presented

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and found the thesis to be 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

**Masters Degree of Business Studies (M.B.S.)**

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## DECLARATION

*I hereby declare that the work reported in this thesis entitled “AN ASSESSMENT ON NON-PERFORMING LOANS (NPL/NPA) IN NEPALESE FINANCIAL SECTOR” submitted to Shanker Dev Campus, Tribhuvan University is my original work done in the form of partial Fulfillment of the requirement of the Master of Business Studies (MBS) under the supervision of **Dr. K.D. Manandhar** (Associate Professor) and **Mr. Shiva Hari pokhrel** (Lecturer) of Shanker Dev Campus, Kathmandu.*

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## ACKNOWLEDGEMENT

Financial Sector is the backbone of any economy; a bank cannot be imagined without the presence of investors. Thus, protection of Investors should be considered seriously. Legal provision and the practice regarding shareholders' interests also are immature in our country. In this way, shareholders are being exploited from the lack of transparent shareholders protection act. In addition, passive role played by the concerned departments have led to violation of shareholders rights.

The present study though particularly related to the status of NPL/NPA in Nepalese financial Sector from the view of shareholders protection would help the shareholders to understand the different aspect related to the welfare and betterment of the shareholders.

Writing research work needs help of so many persons. I am grateful with all of them who have helped, guided and supervised to complete this work without whose co-operation it would have been simply impossible to complete this research work.

I would like to pay my sincere thanks to my thesis advisor **Dr. KD Manandhar** and **Mr. Shiva Hari Pokhrel**.

My Sincere thanks also goes to staff of concerned banks who helped me in providing Annual Reports and Xerox copies of the Annual Reports and I am also grateful to the librarians of Shanker Dev Campus.

Finally, special thanks go to my friend Mr. Ujjwal Shrestha who collected lots of supporting material to complete this research work and to Mr. Chuman Singh G.C. who helped me in typing and formatting this whole research report.

I am sole responsible for any errors that might have occurred during completion of my research work.

**Prakash Koirala**  
**Researcher**

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## ABBREVEATIONS

C. V.	:	Coefficient of Variation.
CAPM	:	Capital Assets Pricing Model.
CML	:	Capital Market Line.
COV	:	Covariance.
DPS	:	Dividend per Share.
DY	:	Dividend Yield.
EB	:	Everest Bank Limited.
EBL	:	Everest Bank Ltd.
EMH	:	Efficient Market Hypothesis.
EPS	:	Earning per Share.
ERR	:	Expected Rate of Return.
F/Y	:	Fiscal Year.
HBL	:	Himalayan Bank Limited.
HBL	:	Himalayan Bank Ltd.
HPR	:	Holding Period Return.
JV	:	Joint Venture
Ltd.	:	Limited.
LUBL	:	Lumbini Bank Ltd.
MBA	:	Masters of Business Administration.
MBS	:	Masters of Business Studies.
MPS	:	Market Price per Share.
MV/BV Ratio	:	Market Value to Book Value Ratio.
NABIL	:	Nabil Bank Ltd.
NABIL	:	Nepal Arab Bank Limited.
NBA	:	Non Banking Assets

NBB	:	Nepal Bangladesh Bank Ltd.
NBBL	:	Nepal Bangladesh Bank Limited.
NBL	:	Nepal Bank Limited.
NEPSE	:	Nepal Stock Exchange Limited.
NIB	:	Nepal Investment Bank Limited.
NIDC	:	Nepal Industrial & Development Bank.
NPA	:	Non Performing Assets
NPL	:	Non Performing Loan
NRB	:	Nepal Rastra Bank.
NSBI	:	Nepal SBI Bank
OTC	:	Over-The-Counter.
P/E Ratio	:	Price Earning Ratio.
RRR	:	Required Rate of Return.
S.D.	:	Standard Deviation.
SCBNL	:	Standard Chartered Bank Nepal Limited.
SDC	:	Shanker Dev Campus.
T-Bill	:	Treasury Bills.
TU	:	Tribhuvan University.