

**A STUDY ON
INVESTMENT POLICY AND PORTFOLIO MANAGEMENT
OF
NEPAL CREDIT & COMMERCE BANK LTD.**

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In partial fulfillment of the requirement for the degree of
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RECOMMENDATION

This is to certify that the thesis

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Entitled:

**INVESTMENT POLICY AND PORTFOLIO MANAGEMENT OF
NEPAL CREDIT & COMMERCE BANK LTD.**

*has been prepared as approved by this department in the prescribed format of the Faculty of
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We have conducted the viva-voce examination of the thesis presented by

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DECLARATION

I hereby declare that the work reported in this thesis entitled “**Investment Policy and Portfolio Management of Nepal Credit & Commerce Bank Ltd.**” 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 Masters Degree in Business Studies (MBS) under the supervision of **Mr. Kailash P. Amatya**, Lecturer of Shanker Dev Campus, Ramshahpath, Kathmandu, Nepal.

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This thesis entitled "**Investment Policy and Portfolio Management of Nepal Credit & Commerce Bank Ltd.**" has been prepared in partial fulfillment for the Degree of Masters in Business Studies (MBS) under the supervision of Mr. Kailash P. Amatya, Lecturer, Shanker Dev Campus.

This study mainly fills a research gap on the study of Investment Policy and Portfolio Management of NCC Bank. Definitely, the study will provide a useful feedback to the policy makers of the bank and also becomes a useful reference for other Commercial Banks of Nepal and the Central Bank (NRB) for the formulation of appropriate strategies. This study evaluates the Investment Policy of NCC Bank and finds its loopholes and significantly contributes to make the policy sound. Also, it analyzes the portfolio performance of the Bank which will be beneficial to all the bankers and policy makers to evaluate their own portfolio.

It has been a matter of great pleasure for me to complete this thesis under the guidance of **Mr. Kailash P. Amatya, Lecturer**. He has been helpful in providing all sorts of guidelines whenever I required them. I am also greatly indebted to **Mr. Ramesh Raj Aryal**, Assistant General Manager, NCC Bank for his critical and analytical support for completion of this study.

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ABBREVIATIONS

C. V.	Coefficient of Variation
CD or C/D Ratio	Credit to Deposit Ratio
CRR	Cash Reserve Ratio
EPS	Earning Per Share
FDR	Fixed Deposit Receipt
Forex	Foreign Exchange
FY	Fiscal Year
GDP	Gross Domestic Product
JV	Joint Venture
JVBs	Joint Venture Banks
L/C	Letter of Credit
MIS	Management Information System
NBBL	Nepal Bangladesh Bank Limited
NBL	Nepal bank Limited
NCC Bank	Nepal Credit and Commerce Bank Limited
NEPSE	Nepal Stock Exchange
NIBL	Nepal Indosuez Bank Limited/Nepal Investment Bank Limited
NPA	Non-Performing Assets
NPL	Non-Performing Loan
NRB	Nepal Rastra Bank
NRs	Nepalese Rupees
OBS	Off-Balance Sheet
ROA	Return on Assets

ROE	Return on Equity
Rs.	Rupees
S.D.	Standard Deviation
SBI	State Bank of India
SCBNL	Standard Chartered Bank (Nepal) Limited.
SOL	Single Obligor limit
T.U.	Tribhuvan University
TMSA	Technical and Management Service Agreement