**PROFITABILITY ANALYSIS OF HIMALAYAN BANK LIMITED**

A Project Work Report

By

Gajal Shrestha

T.U Reg. No. 7-2-0837-0031-2018

Roll No. 708370014

Dharan City College, Dharan

Submitted to

The Faculty of Management

Tribhuvan University

Kathmandu

In Partial Fulfillment of the Requirement for The Degree of

BACHELOR OF BUSINESS STUDIES (BBS)

Dharan, Sunsari

May, 2023

**Declaration**

I, hereby, declare that the project work entitled "PROFITABILITY ANALYSIS OF HIMALAYAN BANK LIMITED" submitted to Faculty of Management. Tribhuvan University, Kathmandu is an original piece of work under the supervision of Mr. Lok Bahadur Shrestha, faculty member of Dharan City College, Dharan, Sunsari and is submitted in partial fulfillment of the requirements for the award of the degree of Bachelors of Business Studies (BBS). This project work report has not been submitted to any other university or institution for the award of any Degree or Diploma.

………………

Signature

Gajal shrestha

Date:

ii

**Supervisor’s Recommendation**

The project work report entitled “PROFITABILITY ANALYSIS OF HIMALAYAN BANK LIMITED” submitted by Mr. Gajal Shrestha of Dharan City College, Dharan, Sunsari is prepared under my supervision as partial fulfillment of the requirements of the degree of Bachelor of Business Studies (BBS). I, therefore, recommended the project work report for evaluating.

Signature:

Name of Supervisor: Mr. Lok Bahadur Shrestha Date:

**Endorsement**

We, hereby, endorse the project work report entitled “PROFITABILITY ANALYSIS OF HIMALAYAN BANK LIMITED” submitted by Mr. Gajal Shrestha of Dharan City College, Dharan, Sunsari in partial fulfillment of the requirement for the degree of the bachelor of business studies (BBS) for external evaluation.

**………………………...**

**………………………..**

Signature

Signature

Mr. Lok Bahadur Shrestha

Mr. Khadka B.S Karki

(Chairperson)

(Campus Chief)

Management Research Committee

Dharan City College

Date:

Date:

**Acknowledgements**

This report has been prepared to fulfill the partial requirements for the Bachelor in Business Studies (BBS) of Tribhuvan University. For this, I would like to acknowledge the effort of office of the Dean, Faculty of management. T.U. for offering such a great course in our syllabus to enhance the quality of management education in the country.

First, I would like to extend my cordial thanks and deep gratitude towards my reverent supervisor Mr. Lok Bahadur Shrestha and other lecturer of the college for their kind guidance and encouragement throughout the research work. I would like to express my sincere thanks to the staff of Library and Administration of Dharan City College whose kind cooperation has made it possible to complete the work.

Finally, I would like to thank all my family members who always encouraged and inspired me to prepare this research work, especially to my brother for her great support and help to prepare this report.

Gajal Shrestha

Dharan City College,

Dharan

v

**Table of Contents**

……………………………………………………………………

………………………………………………………………… ’ ……………………………………………… ………………………………………………………………. ………………………………………………………… …………………………………………………………… ……………………………………………………………... ……………………………………………………………… ………………………………………………………………

**Chapter 1: Introduction … … … … … … … … … … … … … … … … … … … … 1-13**

1.1 Background of the Study… … … … … … … … … … … … … … … … … …1

1.2 Profile of the Himalayan Bank… … … … … … … … … … … … … … … … 2

1.3 Objectives of the Study … … … … … … … … … … … … … … … … … … 3

1.4 Rationale of the Study… … … … … … … … … … … … … … … … … … …3

1.5Review of Literature… … … … … … … … … … … … … … … … … … … ...4

1.6Method of the Study… … … … … … … … … … … … … … … … … … ... …8

1.7Limitations of the Study … … … … … … … … … … … … … … … … … …12

**Chapter 2: Results and Analysis … … … … … … … … … … … … … … … … … 14-25**

2.1Data Presentation… … … … … … … … … … … … … … … … … … … … 14

2.2Findings… … … … … … … … … … … … … … … … … … … … … … … 24

**Chapter 3: Summary and Conclusion… … … … … … … … … … … … … … … 26-27**

3.1 Summary… … … … … … … … … … … … … … … … … … … … … … 26

3.2Conclusion… … … … … … … … … … … … … … … … … … … … … …27

vi

References… … … … … … … … … … … … … … … … … … … … … … …28 Appendix … … … … … … … … … … … … … … … … … … … … … … … 30

vii

**List of Tables**

|  |  |  |
| --- | --- | --- |
| **Table no.** | **Name of Table** | **page no.** |
| 1 | Net Profit Margin | 14 |
| 2 | Return on Assets | 16 |
| 3 | Return on Equity | 17 |
| 4 | Earning Per Share | 19 |
| 5 | Dividend Per Share | 20 |
| 6 | Interest Spread of Himalayan Bank Limited | 22 |
| 7 | Net Interest Margin | 23 |

viii

**List of Figures**

|  |  |  |
| --- | --- | --- |
| **Figure** | **Name of Figure** | **Page** |
| 1 | Net Profit Margin | 15 |
| 2 | Return on Assets | 16 |
| 3 | Return on Equity | 18 |
| 4 | Earning Per Share | 19 |
| 5 | Dividend Per Share | 21 |
| 6 | Interest Spread | 22 |
| 7 | Net Interest Margin | 24 |

ix

**Abbreviations**

|  |  |  |
| --- | --- | --- |
| CB to CDR | = | Cash and bank balance to current deposit ratio |
| CB to TDR | = | Cash and bank to total deposit ratio |
| CD | = | Current deposit |
| CR | = | Current ratio |
| EBL | = | Everest Bank Limited |
| FD to TDR | = | Fixed deposit to total deposit ratio |
| IE | = | Interest expenses |
| IEA | = | Interest earning ratio |
| II | = | Interest income |
| INGOS | = | International Non-government organization |
| IPL | = | Interest paying liabilities |
| Ltd | = | Limited |
| NGOS | = | Non-government organization |
| NII | = | Net Interest Income |
| NIM | = | Net Interest Margin |
| NRB | = | Nepal Rastra Bank |
| S/S to TDR | = | Saving deposit to total deposit ratio |
| S/D | = | Saving deposit |
| TI to TDR | = | Total Investment to total deposit ratio |
| TU | = | Tribhuvan University |

x