



**IMPACT OF CREDIT AND OPERATIONAL RISKS ON THE
PROFITABILITY OF BANK OF PUNJAB (2006-2008)**

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ABSTRACT:

This project is mainly concerned the overall impact of loan scandal (2006-2008) on the profitability of Bank of Punjab. So the main consideration remained on the reasons behind scandal's origination and how it managed to remain hidden from State Bank of Pakistan. The relevant prudential regulations of State Bank of Pakistan as well as credit and operational risks management guidelines are discussed. Also, the history as well as current position of Pakistan Banking industry is described in detail. The project provides actual information about the implementation of prudential regulations during the loan scandal period. All the major issues at Bank of Punjab that became the source of such mega corruption are clearly identified. After identification of all the issues, feasible solutions and recommendations are suggested for increasing profitability.

ACKNOWLEDGEMENT

As any accomplishment requires the effort of many people and this work is no different. We like to thank Mr. Rizwan Khan for supervising us and remain helpful in providing needed guidelines on this research project.

DEDICATION

We like to dedicate this project work to our parents and teachers of Bahria University. Without their guidance, support, understanding and most of all love, the completion of this work would not have been possible

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