

PRACTICE OF WORKING CAPITAL MANAGEMENT IN MANUFACTURING COMPNIES OF NEPAL



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Submitted To:

Office of the Dean
Faculty of Management
Tribhuvan University

***IN PARTIAL FULFILLMENT OF REQUIREMTNTS OF THE
DEGREE OF MASTERS OF BUSINESS STUDIES (M.B.S)***

Birgunj

April 2009.

RECOMMENDATION

This is to certify that the thesis:

Submitted by

Chhanu Chaudhary

Entitled

**Practice of Working Capital Management in Manufacturing
Companies of Nepal**

*Has been prepared as approved by this Department in the prescribed format of Faculty of
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VIVA VOCE SHEET

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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

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DECLARATION

I hereby declare that the thesis entitled **“PRACTICE OF WORKING CAPITAL MANAGEMENT IN MANUFACTURING COMPNIES OF NEPAL”** submitted to Thakur Ram Multiple Campus, Office of the Dean, Faculty of Management, Tribhuvan University is my original work done in the form of partial fulfillment of requirement of Master's of Business Studies (M.B.S.) under the guidance and supervision of Mr. Avinash Prasad Singh, Lecturer, and Mr. Rajeshwar Prasad Acharya, Head of the research department, Thakur Ram Multiple Campus, T.U.

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List of Abbreviations and Symbols

AG	Auditor General
CA	Current Assets
CCC	Cash Conversion Cycle
CCE	Cash Conversion Efficiency
CFO	Chief Financial Officer
CL	Current Liabilities
CONT	Contribution
CR	Current Ratio

DCP	Debtors Conversion Period
DOC	Days Operating Cycle
DWC	Days of Working Capital
Eaj	Current Assets
Ei	Error Term
Elj	Current Liabilities
EOQ	Economic Order Quantity
FGCP	Finished Goods Conversion Period
GOC	Gross Operating Cycle
HMG/N	His Majesty's Government of Nepal
ICP	Inventory Conversion Period
JIT	Just-in-Time
NO. AR	No. of Account Receivable
NO. BP	No. of Bills Payable
NO. INV	No. of Inventories
NOC	Net Operating Cycle
NPV	Net Present Value
NTC	Net Trade Cycle
OLS	Ordinary Least Square
OP	Operating Profit
PDP	Payable Deferral Period
RMCP	Raw Materials Conversion Period
ROA	Return on Assets
UK	United Kingdom
US	United States
VS	Versus
WCM	Working Capital Measures
WIPCP	Work in Process Conversion Period