

**IMPACT OF COST CONTROL IN NEPALESE LISTED MANUFACTURING
COMPANIES PROFITABILITY**

A Thesis Submitted

By

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RECOMMENDATION LETTER

It is certified that this thesis entitled Impact of cost control on Nepalese manufacturing industries profitability. Thesis submitted by Santosh Adhikari is original piece of research work carried out by the candidate under my supervision. Literary presentation is satisfactory and the thesis is in a form suitable for publication. Work evinces the capacity of the candidate for critical examination and independent judgment. Candidate has put in at least 60 days after registering the proposal. The thesis is forwarded for examination.

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Certificate of Authorship

I certify that the work in this thesis has not previously been submitted for a degree nor has it been submitted as part of requirements for a degree except as fully acknowledged within the text.

I also certify that the thesis has been written by me. Any help that I have received in my research work and the preparation of the thesis itself has been acknowledged. In certify that all information sources and literature used are indicated in the reference section of the thesis

....., 2018

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ABSTRACT

This study examines the impact of cost control on Nepalese listed manufacturing companies profitability with a survey study of five listed manufacturing companies in Nepal with the purpose of providing critical evaluation of the need and significance of cost control. This study used primary data taken from five companies which remain in the industry more than ten years among eighteen manufacturing companies listed in Nepal Stock Exchange which are operating at the time as manufacturing firms. Descriptive and analytical research design were employed to examine the impact of some major variable such as Budgeting, Standard Costing, Internal and external costing, Responsibility Accounting, Marginal costing and Value analysis on profitability. The surveyed data of five manufacturing companies have been analyzed using different statistical tools. Data were collected by distributing structured questionnaire to respective company's management and employees.

Finding of the research shows that cost control tools have negative relationship with profitability. Moreover, insufficient resources have created more challenges for application of cost control tools in Nepalese manufacturing companies. It is therefore recommended to use value analysis for cost control and increase profitability of the organizations. As a result, firms will be able to maximize the value and control cost in days to come.

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ABBREVIATIONS

ANOVA	:	Analysis of Variance
BNL	:	Bottlers Nepal Limited
Co.	:	Company
CCTV	:	Close Circuit Television
CIMA	:	Chartered Institute of Management Account
CPV	:	Cost Volume Profit
D.F.	:	Degree of Freedom
FCCG	:	Fog Cutter Capital Group Inc.
FDI	:	Foreign Direct Investment
GDP	:	Gross Domestic Product
HDL	:	Himalaya Distillery Limited
Ltd.	:	Limited
MBS	:	Master of Business Studies
MTN	:	Mobile Telecommunications Network
NBC	:	Nigerian Bottling Company
NBBU	:	Nepal Bitumen and Barrel Udyog
NEPSE	:	Nepal Stock Exchange Limited
NLOL	:	Nepal Lube Oil Limited
NMCs	:	Nepalese Manufacturing Companies
PE	:	Probable Error
PLC	:	Private Limited Companies
Pvt.	:	Private
R&D	:	Research and Development
ROA	:	Return on Asset
ROE	:	Return on Equity
S.D.	:	Standard Deviation
SPSS	:	Statistical Package for the Social Scien
TU	:	Tribhuvan University
UNL	:	Uniliver Nepal Limited
WTO	:	World Trade Organization
Yr.	:	Year