

**CAPITAL BUDGETING PRACTICES IN INDUSTRIAL
SECTOR OF PUBLIC ENTERPRISES OF NEPAL**

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Master of Business Studies (M.B.S)*

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RECOMMENDATION

This is to certify that the Thesis

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Entitled:

CAPITAL BUDGETING PRACTICES IN INDUSTRIAL

SECTOR OF PUBLIC ENTERPRISES OF NEPAL

has been prepared as approved by this Department in the prescribed format of the Faculty of Management. This thesis is forwarded for examination.

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VIVA-VOCE SHEET

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And found the thesis to be the 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 the Degree of Master's in Business Studies (M.B.S.)

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DECLARATION

I hereby declare that the work reported in this thesis entitled “**Capital Budgeting Practices In Industrial Sector of Public Enterprises of Nepal**” 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 Master’s Degree in Business Study (M.B.S.) under the supervision of **Jogender Goet** of Shanker Dev Campus.

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TABLE OF CONTENTS

Recommendation	
Viva-Voce Sheet	
Declaration	
Acknowledgement	
Table of Contents	
List of Tables	
List of Figures	
Abbreviations	
	Page No.
CHAPTER – I INTRODUCTION	
1.1 Background of the Study	1
1.2 History of Manufacturing Companies (Industrial Sector) in Nepal	2
1.3 Public Enterprises	6
1.4 Manufacturing (Industrial) Public Enterprises in Nepal	8
1.5 Introduction of Capital Budgeting	11
1.6 Statement of the Problem	14
1.7 Objectives of the Study	16
1.8 Significance of the Study	16
1.9 Limitations of the Study	17
1.10 Organization of the Study	17
CHAPTER – II REVIEW OF LITERATURE	
2.1 Conceptual Framework	19
2.1.1 Definition of Capital	19
2.1.2 Capital Budgeting	21
2.1.3 Limitations of Capital Budgeting	23

2.1.4	Tools and Techniques of Capital Budgeting	24
2.1.5	Capital Budgeting Under Risks and Uncertainty	36
2.1.6	Review of Management Accounting Tools	42
2.1.6.1	Cost Segregation	43
2.1.6.2	Cost-Volume-Profit Analysis	44
2.1.6.3	Standard Costing	45
2.1.6.4	Master Budget	45
2.1.6.5	Zero Base Budgeting	46
2.1.6.6	Activity Based Budgeting	47
2.1.6.7	Flexible Budget	47
2.1.6.8	Ratio Analysis	48
2.1.6.9	Breakeven Analysis	48
2.1.6.10	Cash Flow Analysis	49
2.1.6.11	Management Control Systems and Responsibility Accounting	49
2.2	A Brief Review of the Previous Research Work	50
2.3	Research Gap	59
 CHAPTER – III RESEARCH METHODOLOGY		
3.1	Research Design	60
3.2	Sources of Data	61
3.3	Population and Samples	61
3.4	Data Collection Procedure	61
3.5	Data Processing Procedure	61
3.6	Research Variable	62
 CHAPTER – IV DATA PRESENTATION AND ANALYSIS		
4.1	Introduction	63
4.2	Tabulation and Graphical Presentation of Practices of Capital Budgeting Tools	63

4.2.1 System of Budgeting Practices in Public Industrial Enterprises of Nepal	63
4.2.2 Basis of Budget Preparation	64
4.2.3 Method of Investment Plan in Nepalese Public Industrial Enterprises	66
4.2.4 Sources of Fund for Investment Projects	67
4.2.5 Method Follows While Analyzing Investment Project	69
4.2.6 Capital Budgeting Practice	70
4.2.7 Capital Budgeting Tools Practice in Nepalese Industrial Public Enterprises	72
4.2.8 Major Difficulties for Practicing Capital Budgeting	73
4.2.9 Decision Body for Investment	75
4.2.10 Method of Risk Adjustment While Evaluating Capital Investment	76
4.2.11 Management Accounting Tools Practices in Nepalese Industrial Pes	78
4.2.12 Comment	80
4.3 Major Findings	80

CHAPTER – V SUMMARY CONCLUSIONS AND RECOMMENDATIONS

5.1 Summary	83
5.2 Conclusions	85
5.3 Recommendations	85

Bibliography

Appendices

LIST OF TABLES

Table No.	Title	Page No.
4.1	System of Budgeting Practices	64
4.2	Basis of Budget Preparation	65
4.3	Method of Investment Plan Analysis	66
4.4	Sources of Fund for Investment Projects	68
4.5	Investment Project Analysis Method	69
4.6	Capital Budgeting Practice	71
4.7	Capital Budgeting Tools Practice in Nepalese Industrial Pes	72
4.8	Difficulties for Practicing of Capital Budgeting	74
4.9	Decision Body on Investment	75
4.10	Method of Risk Adjustment of Capital Investment Evaluation	77
4.11	Practice of Management Accounting Tools	78

LIST OF FIGURES

Figure No.	Title	Page No.
4.1	System of Budgeting Practices	64
4.2	Basis of Budget Preparation	65
4.3	Method of Investment Plan Analysis	67
4.4	Sources of Fund for Investment Projects	68
4.5	Investment Project Analysis Method	70
4.6	Capital Budgeting Practice	71
4.7	Capital Budgeting Tools Practice in Nepalese Industrial Pes	73
4.8	Difficulties for Practicing of Capital Budgeting	74
4.9	Decision Body on Investment	76
4.10	Method of Risk Adjustment of Capital Investment Evaluation	77
4.11	Practice of Management Accounting Tools	79

ABBREVIATIONS

(P) Ltd.	:	Private Limited
ABB	:	Activity Based Budgeting
AD	:	Anno Domini
ARR	:	Accounting Rate of Return
BEA	:	Break Even Analysis
BEP	:	Break Even Point
BS	:	Bikram Sambat
CBA	:	Cost Benefit Analysis
CEC	:	Certainty Equivalent Coefficient
CFA	:	Cash Flow Analysis
CFAT	:	Cash flow After Tax
CIMA	:	Chartered Institute of Management Accountants
CM	:	Contribution Margin
CV	:	Coefficient of Variation
CVA	:	Cost Volume Analysis
CVP	:	Cost Volume Profit
DDC	:	Dairy Development Corporation
DPBP	:	Discounted Pay Back Period
DT	:	Decision Tree
e.g.	:	Example(s)
F/Y	:	Fiscal Year
FB	:	Flexible Budgeting
FVCF	:	Future Value of Cash Flows
GDP	:	Gross Domestic Product
HLM	:	High Low Method
HPPCL	:	Herbal Production and Processing Company Limited

i.e.	:	That is
ICO	:	Initial Cash Outlay
IRR	:	Internal Rate of Return
LSM	:	Least Square Method
Ltd.	:	Limited
MA	:	Management Accounting
MAIS	:	Management Accounting Information System
MB	:	Master Budget
MCS	:	Management Control System
MIRR	:	Modified Internal Rate of Return
MoS	:	Margin of Safety
NAL	:	Nepal Ausadhi Ltd.
NIDC	:	Nepal Industrial Development Corporation
NLO	:	Nepal Lube Oil Ltd.
NPV	:	Net Present Value
PBP	:	Pay Back Period
PEs	:	Public Enterprises
PI	:	Profitability Index
PPC	:	Profit Planning and Control
PV ratio	:	Profit Volume Ratio
R&D	:	Research and Development
RA	:	Ratio Analysis
RA/c	:	Responsibility Accounting
RAD	:	Risk Adjusted Discount Rate
RDL	:	Royal Drugs Limited
ROI	:	Return on Investment
SA	:	Sensitivity Analysis
SD	:	Standard Deviation
Sq. Km	:	Square Kilometer

STCL : Salt Trading Corporation Limited
TYIP : Three Year Interim Plan
WACC : Weighted Average Cost of Capital
WTO : World Trade Organization
ZBB : Zero Based Budgeting