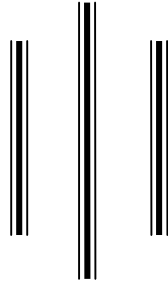


**A Study on Application of
Cost-Volume-Profit Analysis as a Managerial Tool in
BHAKTAPUR CRAFT PAPER LTD.**



A Thesis Submitted By:

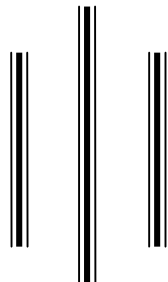
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Submitted To:

**Office of the Dean
Faculty of Management
Tribhuvan University**

*In partial fulfillment of the requirement of the Degree of
Master of Business Studies (MBS)*

Kathmandu, Nepal

August, 2008

RECOMMENDATION

This is to certify that the Thesis

Submitted by

KRISHNA RAM SIJAKHWO

Entitled

**“A study on application of CVP Analysis as a managerial tool in Bhaktapur
Craft Paper Ltd.”**

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

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VIVA-VOCE SHEET

We have conducted the viva-voce examination of the thesis by

KRISHNA RAM SIJAKHWO

Entitled

**“A study on application of CVP analysis as a managerial tool in Bhaktapur
Craft Paper Ltd.”**

*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*

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

Viva-Voce Committee

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Date:

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DECLARATION

I hereby declare that the data collected, analyzed, interpreted and presented in this thesis entitled “**A STUDY ON APPLICATION OF CVP ANALYSIS AS A MANAGERIAL TOOL IN BHAKTAPUR CRAFT PAPER LTD.**” submitted to the research department of Shanker Dev Campus, Putali sadak, Ramshah Path, Faculty of Management, Tribhuvan University, is my original work done in the form of partial fulfillment of the requirement for the Degree of Master of Business Studies (MBS) under the supervision of **Mr. Yamesh Man Singh**, Reader of Shanker Dev Campus, Tribhuvan University.

At the end of the declaration, I don't want to state that this research report may be completely and perfectly satisfactory. There may be various limitations because once research isn't completed always, for which I shall be solely responsible.

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However, I am a social human being due to there may be any errors and limitations in my thesis working. Therefore, if any kinds of such process incurred, I am solely responsible for it.

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ABBREVIATIONS

ABC	- Activity Base Costing
A/C	- Account
AD	-Anno Domini
BCP	- Bhaktapur Craft Paper
BOD	- Board of Directors
BEP	- Break-even Point
BE	- Break-Even
BOT	- Balance of Trade
BS	- Bikram Sambat
CEO	- Current Executive Officer
CF	- Correlation Factor
CM	- Contribution Margin
CVP	-Cost Volume Profit
CMPU	- Contribution Margin Per Unit
Dept.	- Department
DOL	- Degree of Operating Leverage
Dr.	- Doctors
Etc.	- Etcetera
FC	- Fixed Cost
FY	- Fiscal Year
GDP	- Gross Domestic Product
HAN	- Handicraft Association of Nepal
HCCL	- Himal Cement Company Limited
HPPCL	- Herbs Production and Processing Company Limited
Hrs	- Hours
i.e.	- That is
Kg	- Kilo gram
Ltd.	- Limited
m ²	- Meter Square
M	- Import
MBS	- Master of Business Studies
M/S	- Margin of Safety
MOS	- Margin of Safety
MT	- Correlation between sales quantity
No.	- Number
NOL	- Nepal Oil Limited
P	- Page/ Selling Price
P.E.	- Probable Error
P/L	- Profit and Loss
PPC	- Profit Planning and Control
P/V	- Profit Volume

Pvt. - Private
Q - Sales Unit
r - Correlation Coefficient
Rs. - Rupees
SAARC – South Asia Association for Regional Co-operation
SBPPNL – Shree Bhrikuti Pulp and Paper Nepal Limited
SSC - Sum of Square between Columns
S.D. - Standard Deviation
SDC - Shanker Dev Campus
SPPU - Selling Price Per Unit
SSR - Sum of Square between Rows
SSW - Sum of Square within Samples
t - Time
TSS - Total sum of square
TU - Tribhuvan University
UCM - Unit Contribution Margin
UNICEF – United Nation International Children Education Fund
US - United State
VC - Variable Cost
VCPU – Variable Cost Per Unit
V/V - Variable Cost Volume
WRD - World Development Research
WWW – World Wide Wave
X - Export