

CAPITAL BUDGETING OF HYDROELECTRIC PROJECT

(With reference to Chilime Hydropower Project)

By

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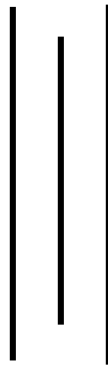
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Faculty of Management

Tribhuvan University



*In partial fulfillment of the requirement for the Degree of
Master of Business Studies (M.B.S)*

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RECOMMENDATION

This is to certify that the Thesis

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CAPITAL BUDGETING OF HYDROELECTRIC PROJECT

(With reference to Chilime Hydropower Project)

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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We have conducted the viva –voce examination of the thesis presented

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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

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DECLARATION

I hereby declare that the work reported in this thesis entitled “**CAPITAL BUDGETING OF HYDROELECTRIC PROJECT (With reference to Chilime Hydropower Project)**” 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 **Dr. Kamal Deep Dhakal and Shankar Raj Joshi** of Shanker Dev Campus.

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Prakash Paudel
Researcher

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ABBREVIATIONS

ARR	=	Average Rate of Return
BOOT	=	Build-Operation-Owned-Transfer
CF	=	Cash Flow
CFAT	=	Cash Flow after Tax
CHPC	=	Chilime Hydropower Company
EBIT	=	Earning Before Interest and Tax
F/Y	=	Fiscal Year
HEP	=	Hydro Electricity Power
IRR	=	Internal Rate Of Return
MW	=	Megawatts
NCO	=	Net Cash Outlay
NEA	=	Nepal Electricity Authority
NEC	=	Nepal Electricity Corporation
NPV	=	Net Present Value
PBP	=	Pay Back Period
PI	=	Profitability Index
PPC	=	Profit Planning & Control
PV	=	Present Value
TU	=	Tribhuvan University
WDV	=	Written Down Value