PROFIT PLANNING AND CONTROL IN

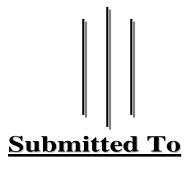
MANUFACTURING PUBLIC ENTERPRISES

(A CASE STUDY IN HETAUDA CEMETN INDUSTRIES LIMITED)



R.R.M. Campus, Janakpur Roll No. 35/2061/63

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Office of the Dean
Faculty of Management
Tribhuvan University

In Partial Fulfilment of the Requirement for the Degree of Master of Business Studies (MBS) Janakpur Dham, Nepal

- -

May, 2010

DECLARATION

I hereby declare that the work reported in this thesis entitled "PROFIT PLANNING AND CONTROL IN MANUFACTURING PUBLIC ENTERPRISES" (A case study of Hetauda Cement Industry Ltd.), has been submitted to Office Of The Dean, Faculty Of Management, T.U. is my original work done for the partial fulfilment of the requirement of Master of Business Studies (MBS) under the supervision of Mr. Jugeshwar Sah, Lecturer, R.R.M. Campus, Faculty of Management, T.U.

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RECOMMENDATION

This is to certify that the thesis

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"PROFIT PLANNING AND CONTROL IN MANUFACTURING PUBLIC ENTERPRISES" (A case study of Hetauda Cement Industry Ltd.), 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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ACKNOWLEDGEMENT

This thesis is prepared for the partial fulfillment of the requirement for the Degree of Master of Business Studies (MBS) to the Faculty of Management, T.U. Kirtipur. Here I analyze the Budgeting, Profit Planning and Control (PPC) of Hetauda Cement Industry Limited (HCIL), with a view to examine the overall managerial performance within the conceptual framework of PPC. Comprehensive PPC has been regarded as one of the most important managerial device in the present era for the effective formulation and successful implementation of strategic as well as tactical plans of organization.

The reason for me to choose HCIL for this research purpose is because of its considerable and significant role in the overall economic development of the Nation and so on. My research paper is focused to follow the financial rules and regulation strictly for better profit and has tried to analyze the HCIL's present planning premises, existing strength and weakness and possible threats and opportunities within the limitation of the research topic. Further I hope that it will help the management of the industry for the effective implementation for budgeting and profit planning and also to the scholar's and researchers in the filed of PPC.

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ABBREVIATIONS

B.S. : Bikram Sambat

BEP : Break Even Point

CO : Company

CVP : Cost Volume Profit

FC : Fixed Cost

FY : Fiscal year

GDP : Gross Domestic Product

Govt. : Government

HCIL : Hetauda Cement Industry Limited

NG : Nepal Government

KM : Kilometer

LA : Level of Activity

LTD : Limited

Mfg. : Manufacturing

MGMT : Management

MT : Metric Ton

NIDC : Nepal Industrial Development Corporation

OH : Overhead

OPC : Ordinary Portland cement

P/L A/C : Profit and Loss Account

P/V Ratio : Profit Volume Ratio

PE : Public Enterprises

PPC : Profit Planning and Control

PSC : Portland Slag Cement

PVT : Private

Rs. : Rupees

SP : Selling Price

VAT : Value Added Tax

VC : Variable Cost