

**PROFIT PLANNING AND CONTROL**  
**IN**  
**MANUFACTURING PUBLIC ENTERPRISES**  
**(A CASE STUDY IN HETAUDA CEMETN INDUSTRIES LIMITED)**



**By**

**GOPAL DAS**

R.R.M. Campus, Janakpur

Roll No. 35/2061/63

T.U. Registration No. 48202-95



**Submitted To**

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.

Date:-.....

.....

**GOPAL DAS**

**R.R.M. Campus,  
Janakpur**

**Roll No. 035/2061/63  
T.U. Registration No. 48202-95**

## **RECOMMENDATION**

This is to certify that the thesis

**Submitted by**

**GOPAL DAS**

**Entitled**

**“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.

.....

(Mr. Jugeshwar Sah)

Thesis Supervisor

Date:.....

.....

(Dr. Brahma Deo Jha)

Chairman(Research Committee)

Date:.....

.....

(Mr. Jugeshwar Sah)

Asst. Campus Chief

Date:.....

.....

(Mr. Vishnu Dev Yadav)

Campus Chief

Date:.....

## **VIVA- VOCE SHEET**

We have conducted the viva-voce examination of the thesis

**Submitted by**

**GOPAL DAS**

**Entitled**

**“PROFIT PLANNING AND CONTROL IN MANUFACTURING PUBLIC ENTERPRISES”** (A case study of Hetauda Cement Industry Ltd.)  
found the thesis to be the original work of the student written according to the prescribed format. We recommended the thesis to be accepted as partial fulfilment of the requirement for Master Degree in Business Studies (MBS).

### **Viva-Voce Committee**

Thesis Supervisor .....

Chairman (Research Committee) .....

Member (Research Committee) .....

Expert .....

Expert .....

Date... . . . .

## **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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**Researcher**

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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