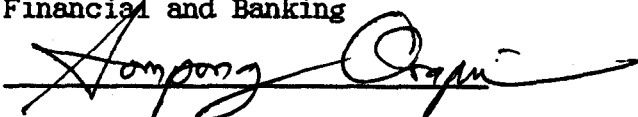


Title : A Study of Cost and Financial Return for Thai
Industrial Sweets with Reference to Thongyib
Thongyihod Foythong and Medkanoun In 1991

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Degree : Master of Business Administration

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Thai sweets are sweets involving use of ingredients easy to find and being easy to prepare because their composition is not complicated. So in learning to prepare Thai sweets, there is noting to waste as in trying to pepare foreign sweets, because one would get suitable sweetments, while the degree of their deliciousness depends on trying until one becomes experienced. Although since recent times the inflow of foreign cultures in respect of making cakes has given rise to a worry that Thai youths will totally forget the indentity of the Thai nation when they have turned to prefer foreign cultures, presently Thai sweets have begun to a trend of becoming more popular, for example, as new-year gifts, being used in various festivals, such as in events of merit-making by offering foods to monks and various auspicious events. So aa project for investment in commercialized industrial production of Thai sweets is an interesting one.

The primary objectives of this thesis were to study the costs of Thai sweets, consisting of fixed costs and variable costs, and to propagate activities of industrial production of Thai sweets, which will be of great importance to national economy. Since Thai sweets can earn reasonable incomes for producers, these four kinds of Thai sweets are in industrial production, namely "Thongyib", "Thongyhod", "Foythong" and "Medkanoun", the ingredients of which are regarded as being important raw materials, namely rice flour, sugar, coconut, egg, bean among other things. In studying the costs and the return of Thai sweets, the break-even points were studied and analyzed as well as the rates of return, the net present values and the internal rates of return.

Regarding the calculation to determine incomes, producers' selling prices were used, i.e. the selling price of "Thongyib" being 125 baht/100 units, that of "Thongyhod" 45 baht/100 units, that of "Foythong" 300 baht/100 units and that of "Medkanoun" 36 baht/100 units.

The analysis of the production volume at the break-even points of the Thai sweets revealed that the production volume at the break-even point of "Thongyib" is 14,903 units/that of "Thongyhod" 249,444 units, that of "Foythong" 2,936 units and that of "Medkanoun" 93,270 units. These break-even points of the Thai industrial sweets are points at which their costs equal their total expenses or points at which the business of producing them has no profit or loss, i.e. having a value equal to zero.

From the analysis and evaluation of the rates of return of the Thai sweets, it was found that the yearly average rate of return

of "Thongyib" is 15.21%, that of "Thongyhod" 7.89%, that of "Foythong" 38.50% and that of "Medkanoun" 28.27%.

From the calculation to determine the net present values of the Thai industrial sweets at the discount rates of 12% and 15% respectively, it was found that the net present values of "Thongyib" are equal to 5,586.37 baht and 5,767.50 baht respectively, those of "Thongyhod" equal to (179,897.87) baht and (297,803.50) baht respectively, those of "Foythong" equal to 227,806.50 baht and 200,557.20 baht respectively and those of "Medkanoun" equal to 132,228.20 baht and 101,205.92 baht respectively.

From the study of the internal rates of returns in the production of the Thai sweets, it was found that the internal rate of return of the production of "Thongyib" is equal to 13.42%, that of the production of "Thongyhod" equal to 7.71%, "Foythong" equal to 43.24% and "Medkanoun" equal to 25.07%.