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The primary purpose of the budgeting is allocating resources, planning, coordinating, controlling and motivation. It’s an important tool for the decision making, monitoring and performance of income and expenditure of the company. Budgeting helps the company to perform its work according to the plans and strategy of the company. Budget is very important part in the business planning process. It gives a good financial structure about the cost of the company in every level. To manage the expenditure of the company and to control the cost at each level of the company process. Budget also helps the company to measure the performance and the expenditure can be analyzed effectively due to the market. The owner of the business and managers able to predict the profit or loss to the business. In any budget they have direct cost and indirect cost. In the direct cost of the company the cost includes the raw materials, manufacturing processes the cost of making the product. In the indirect cost it includes the maintenance cost, electricity, office maintenance, water, advertisement and machinery. Resource allocation is very important in the process of the project. Company should understand and find the requirements for the best implementation of the project. After gathering the requirements the company should plan properly for completing the project successfully. The company should gather the requirements perfectly because if change in requirements can cost the company a lot. Company employees and the managers should coordinate perfectly to work according to the goals. Cost controlling also an important aspect by which the company can control the cost and the wastage in process of manufacturing. In budgeting the important part is using the unallocated cost to use for the utilities cost in the manufacturing. Centralizing and de-centralizing the budget helps the company to allocate according to the project needs. Every company have a strategy to overcome to competition in the market and also the company should invest to make good strategy to be best in the market. Motivation is very important among the employees to complete the project on time. Managers motivate their employees to work perfectly and complete the goals on time.

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