









# Cost Analysis

## Material Cost-

1. Mild Steel-  $18 \text{ (Kg)} \times 75 \text{ (Rs/Kg)} = 1350 \text{ Rs}$
2. Nut and Bolts -  $2.5 \text{ (Kg)} \times 85 \text{ (Rs/Kg)} = 212.50 \text{ Rs}$
3. Split Screw-  $45 \text{ pieces} \times .75 \text{ (Rs/piece)} = 33.75 \text{ Rs}$
4. Chain and Sprocket system-  $150 \text{ Rs}$

**Total Material Cost-1746.25 Rs**

## Machining Cost-

1. Lathe -  $4 \text{ (hrs)} \times 250 \text{ (Rs/hrs)} = 1000 \text{ Rs}$
2. Milling -  $2 \text{ (hrs)} \times 350 \text{ (Rs/hrs)} = 700 \text{ Rs}$
3. Drilling -  $10 \text{ (hrs)} \times 75 \text{ (Rs/hrs)} = 750 \text{ Rs}$
4. Cutting-  $1 \text{ (hrs)} \times 60 \text{ (Rs/hrs)} = 60 \text{ Rs}$

**Total Machining Cost= 2510 Rs**

## Labour Cost-

1. Skilled -  $23 \text{ (hrs)} \times (550/8) \text{ (Rs/hrs)} = 1581.25 \text{ Rs}$
2. UnSkilled -  $88 \text{ (hrs)} \times (450/8) \text{ (Rs/hrs)} = 4950 \text{ Rs}$

**Total Labour Cost=6531.25 Rs**

**Total Cost = Material Cost + Machining Cost + Labour Cost  
=10787.75 Rs**