

Cost Sheet

	<i>Cost Sheet (One unit of the Jaggery Powder Mix)</i>			
		Amount (Rs)	Amount (Rs)	
1	Direct Material			
	Direct Material Consumed	60		The cost per unit of Rs. 60 is solely attributed to the concentrated sugarcane juice , underscoring the company's dedication to providing health-conscious options to its customers.
	Opening Stock of Raw Material	0		To manufacture the product, fresh raw material is used and since the raw material (sugarcane) is a perishable good used daily, it cannot be stored. So, opening stock is not applicable.
	Add Purchases	0		Purchases made for one unit cannot be calculated, hence NIL.
	Add Expenses related to Purchases	0		Purchases made for one unit cannot be calculated, hence NIL.
	Less Closing Stock of Raw Material	0		To manufacture the product, fresh raw material is used and since the raw material (sugarcane) is a perishable good and is used on a daily basis, therefore, closing stock is not applicable.
1	Direct Material Consumed	60	60	Total Direct Material Consumed is Rs.60/unit

2	Add Direct Labour	0.6		The direct labour cost was 1% of the total cost of direct material consumed. Since manufacturing is labour-intensive work, the cost is 1%, i.e., Rs 0.6
3	Add Direct Expenses	13.2		The direct expense for producing the product is 18-22% of Rs. 60.
4	Prime Cost = 1 + 2 + 3	73.8	73.8	Total Prime Cost generated is Rs.73.8/unit which includes direct material consumed, direct labour, and direct expenses. This reflects the direct production costs associated with producing one unit of jaggery powder box
5	Add : Factory Overheads	1.8		The factory overheads include utilities (costs of electricity, and water), depreciation of factory equipment, maintenance and repairs, factory rent, etc.
6	Gross Works / Factory Cost (4 + 5)	75.6		Total Gross Works is Rs. 75.6/unit which includes the Prime Cost and the Factory Overheads
7	Add : Opening Stock of WIP	0		Since the company has no amount or value of material available for sale or use, there is no opening stock of WIP.
8	Less : Closing Stock of WIP	0		Since the company has no amount or value of material available for sale or use, there is no closing stock of WIP.
9	Factory Cost / Works Cost = 6+ 7 - 8	75.6	75.6	Total Factory Cost is the same as Gross Works, i.e, Rs. 75.6/unit since there is no opening and closing stock of WIP.
10	Add : Administration O/H - relating to production activity	0.6		1% cost is incurred due to salaries and wages of administrative staff, insurance, training and development , etc. The company is committed to providing the absolute best quality using just one

				ingredient and thus salaries will be high as well as the cost of training labour.
11	Add : Quality Control Cost	0.6		This involves a cost of 1% as the company is determined to consistently learn new methods to maintain and enhance the quality of the product produced.
12	Add : Research and Development Cost	2.7		The company's R&D cost is 4.5% which reflects the company's aim to provide top-notch quality and healthy alternatives . For this, they constantly need to update and learn about the new techniques and keep themselves updated .
13	Less Credit for recoveries / Scrap / By-products	0		The scrap generated after producing the product is sugarcane waste which is used as fuel in burner or to produce disposable dishes , hence, there is no scrap, NIL.
14	Add Packing Cost (Primary)	4.2		The packing cost per unit is 5-7% of Rs. 60.
15	Cost of Production = 9 + 10 + 11+ 12-13+14	83.7	83.7	Total Cost of Production is Rs.83.7/unit
16	Add : Opening Stock of Finished Goods	0		Since the sugarcane used to manufacture the jaggery powder mix is perishable , there will be no opening stock.
17	Cost of Goods Available for Sale = 15 + 16	83.7	83.7	Total Cost of Goods Available for Sale (only opening stock) is Rs. 83.7/unit.
18	Less Closing Stock of Finished Goods	0		Since the sugarcane used to manufacture the jaggery powder mix is perishable , there will be no closing stock.

19	Cost of Goods Sold = 17 - 18	83.7	83.7	Total Cost of Goods Sold including opening and closing stock is Rs. 83.7/unit.
20	Add : Administrative Overheads - General ***	1.2		The administrative overheads include office supplies, travel and accommodation, security and maintenance amount , etc.
21	Add : Marketing / Selling and Distribution Overheads	4.2		To market and distribute the product, the company incurs a cost of 5-7%. Since the company markets and distributes in not only India but several countries overseas as well , their cost is high.
22	Cost of Sales = 19 + 20 + 21	89.1	89.1	Total Cost of Sales is Rs.89.1/unit.
	Add Profit / Less Loss	9	9	The company aims to make a profit of 15%.
	Sales	98.1	98.1	Total Price the company is selling for one unit of jaggery is Rs. 98.1/unit.