

# **ANALYSIS OF PRODUCTION COSTS OF BAKERY PRODUCTS**

Various costs are incurred while preparing a product. Many direct and indirect costs make up the total cost of the product. The cost includes the material cost, labour cost, power/fuel and other expenses. The direct material can be direct or indirect. Direct cost indicates that cost which can be identified with the individual cost center which becomes an integral part of the finished goods. It basically consists of all raw materials either purchased from outside or manufactured in house. These are also known as Prime Cost.

Indirect cost indicates that cost which cannot be identified with the individual cost center. The cost assists the manufacturing process and does not become an integral part of finished goods. It includes consumable stores, cotton waste, stationary material, salary of works manager, accounts/personnel department salaries, rent, lighting, telephone expenses, etc. These are also known as 'Overheads'.

While preparing the bakery products various direct and indirect costs are incurred in bakeries. The production cost of the bakery products includes the following:

- 1. Material Cost**
- 2. Labour Cost**
- 3. Fuel/Power Cost**
- 4. Other Costs**

The above mentioned costs make up the total production costs of the bakery products. In these costs, selling and distribution cost and other non-operating expenses are added that make up the total cost of the bakery products.

The detailed description of the production cost of the various bakery products are being given below:

### 1. BREAD

The bread is the highest consumable bakery product all over the world. It is comparatively simpler and cheaper to prepare than other bakery items. The analysis of the production cost of the bread is as follows:

**TABLE NO. 4.1**  
**ANALYSIS OF PRODUCTION COST OF BREAD IN**  
**MEERUT REGION**  
**DURING THE YEAR 2008-09**

S.No.	Items	Quantity	Av. Cost per Kg. (in Rs.)	%age of T.C.
<b>I</b>	<b>Raw Materials:</b>			
	Maida	1 Kg.	18.00	75.95
	Sugar	25 Gms.	.88	3.71
	Salt	5 Gms.	.05	.21
	Shortening Agent	2 Gms.	.50	2.11
	Water	600 ML.	-	-
<b>II</b>	<b>Labour</b>	-	2.00	8.44
<b>III</b>	<b>Fuel/Power</b>	-	.77	3.25
<b>IV</b>	<b>Other Production Cost</b>		1.50	6.33
	<b>Total Cost</b>		<b>23.70</b>	<b>100.00</b>

Source: Personal Survey.

Note: Net Weight of finished product = 1.200 Kg.  
Cost per Kg. = 23.70/1.200 = Rs.19.75

The above defined table shows the total production cost of bread in Meerut Region during the year 2008-09.

Among the raw materials, 1 kg. Maida costs Rs. 18.00 (75.95% of T.C.), 25 gms sugar costs Re. .88 (3.71% of T.C.), 5 gms salt costs Re. 0.05 (.21% of T.C.), water costs almost negligible and other shortening agents cost Re. .50 (2.11% of T.C.).

Besides the above, the labour cost comes to Rs. 2.00 (8.44% of T.C.), Fuel/Power cost remains Re. .77 (3.25% of T.C.) and other production costs remain Rs. 1.50 (6.33% of T.C.).

From the analysis of the table it was noted that the cost of raw materials remains highest i.e. 81.98% of the total production cost and the labour cost remains at second place i.e. 8.44% of the total production cost of Bread.

The total weight of the above finished product comes to 1.20 kg. after reducing the wastage and the total production cost comes to Rs. 23.70. When we compute per kg cost of bread, this comes to Rs.19.75.

## **2. BISCUITS**

Biscuits are the most popular bakery product among the consumers. It is used by almost all the classes of people of this area. The following table shows the production cost of medium quality of this product in the area selected for the study:

**TABLE NO. 4.2****ANALYSIS OF PRODUCTION COST OF BISCUITS IN  
MEERUT REGION  
DURING THE YEAR 2008-09**

<b>S.No.</b>	<b>Items</b>	<b>Quantity</b>	<b>Av. Cost per Kg. (in Rs.)</b>	<b>%age of T.C.</b>
<b>I</b>	<b>Raw Materials:</b>			
	Maida	800 Gms.	14.40	14.82
	Suji	200 Gms.	4.00	4.12
	Edible Oil	200 Gms.	14.00	14.42
	Sugar	600 Gms.	21.00	21.62
	Dry fruits	25 Gms.	7.50	7.72
	Ilaychi	10 Gms.	5.00	5.15
	Eggs	2 Pieces	4.00	4.12
	Water	200 ML.	-	-
<b>II</b>	<b>Labour</b>	-	14.00	14.42
<b>III</b>	<b>Fuel/Power</b>	-	6.00	6.18
<b>IV</b>	<b>Other Production Cost</b>		7.22	7.43
	<b>Total Cost</b>		<b>97.12</b>	<b>100.00</b>

**Source:** Personal Survey.

Net Weight of finished product = 1.75 Kg.  
Cost per Kg. =  $97.12/1.75 = \text{Rs. } 55.50$

From the analysis of the above table 4.2, it was noted that the total production cost of biscuits of regular quality was Rs. 97.12 for 1.75 Kg. of finished product. When it was computed per Kg., it was found Rs. 55.50.

On detailed analysis it was found that among the raw materials 800 gms. Maida costs Rs. 14.40 (14.82% of T.C.), 200 gms Suji costs Rs. 4.00 (4.12% of T.C.), 200 gms edible oil costs Rs. 14.00 (14.42% of T.C.), 600 gms Sugar costs Rs. 21.00 (21.62% of T.C.), 25 gms dry fruits cost Rs. 7.50 (7.72% of T.C.), 10 gms Ilaychi costs Rs. 5 (5.15% of T.C.), 2 pieces of Eggs cost Rs. 4.00 (4.12% of T.C.). The cost of 200 ml water remains negligible.

Besides the above, the labour cost comes to Rs. 14.00 (14.42% of T.C.), Fuel/Power cost remains Rs. 6.00 (6.18% of T.C.) and other production costs remain Rs. 7.22 (7.43% of T.C.).

From the analysis of the table it was noted that the cost of raw materials remains highest i.e. 71.97% of the total production cost and the labour cost remains at second place i.e. 14.42% of the total production cost of Biscuits.

### **3. CAKE**

Cake is the most liking bakery product among children and youths all over the world. It is comparatively costlier and technical to prepare than other bakery items. The analysis of the production cost of Cake is as follows:

**TABLE NO. 4.3**

**ANALYSIS OF PRODUCTION COST OF CAKE IN  
MEERUT REGION  
DURING THE YEAR 2008-09**

<b>S.No.</b>	<b>Items</b>	<b>Quantity</b>	<b>Av. Cost per Kg. (in Rs.)</b>	<b>%age of T.C.</b>
<b>I</b>	<b>Raw Materials:</b>			
	Maida	1 Kg.	18.00	11.55
	Edible Oil	20 Gms.	1.40	.90
	Sugar	200 Gms.	7.00	4.49
	Cream	100 Gms.	12.00	7.70
	Cream Paste	50 Gms.	7.00	4.49
	Fruits Murabba	100 Gms.	10.00	6.41
	Cake Gel	50 Gms.	10.00	6.41
	Fruit Flavours	5 Gms.	10.00	6.41
	Strawberry	10 Pieces	8.00	5.13
	Cherry	5 Pieces	2.50	1.60
	Egg	1 Piece	2.00	1.28
	Water	400 ML.	-	-
<b>II</b>	<b>Labour</b>	-	40.00	25.67
<b>III</b>	<b>Fuel/Power</b>	-	6.00	3.85
<b>IV</b>	<b>Other Production Cost</b>		22.00	14.11
	<b>Total Cost</b>		<b>155.90</b>	<b>100.00</b>

**Source:** Personal Survey.

Net Weight of finished product = 1.835 Kg.

Cost per Kg. = 155.90/1.835 = Rs. 84.95

From the analysis of the above table 4.3, it was found that the total production cost of Cakes of regular quality was Rs. 155.90 for 1.835 Kg. of finished product. When it was computed per Kg., it was found Rs. 84.95.

On detailed analysis it was found that among the raw materials, 1 Kg. Maida costs Rs. 18.00 (11.55% of T.C.), 20 gms edible oil costs Rs. 1.40 (.90% of T.C.), 200 gms Sugar costs Rs. 7.00 (4.49% of T.C.), 100 gms Cream costs Rs. 12.00 ( 7.70% of T.C.), 50 gms cream Paste costs Rs. 7.00 ( 4.49%), 100 gms Fruit Murabba costs Rs. 10.00 (6.41% of T.C.), 50 gms Cake Gel costs Rs. 10.00 (6.41% of T.C.), 5 gms Fruit flavours costs Rs. 10.00 (6.41% of T.C.), 10 pieces of Strawberry cost Rs. 8.00 (5.13% of T.C.), 5 pieces of Cherry cost Rs. 2.50 (1.60% of T.C.), 1 piece of Eggs costs Rs. 2.00 (1.28% of T.C.). The cost of 400 ml water remains negligible.

Besides the above, the labour cost comes to Rs. 40.00 (25.67% of T.C.), Fuel/Power cost remains Rs. 6.00 (3.85% of T.C.) and other production costs remain Rs. 22.00 (14.11% of T.C.).

From the analysis of the table it was noted that the cost of raw materials remains highest i.e. 56.37% of the total production cost and the labour cost remains at second place i.e. 25.67% of the total production cost of Cake.

#### **4. PATTIES**

The Patties are one of the highest consumable bakery product all over the world. It is generally used by children and youth. It is comparatively simpler and cheaper to prepare than other costly bakery items. The analysis of the production cost of the Patties is as follows:

**TABLE NO. 4.4****ANALYSIS OF PRODUCTION COST OF PATTIES IN  
MEERUT REGION  
DURING THE YEAR 2008-09**

<b>S.No.</b>	<b>Items</b>	<b>Quantity</b>	<b>Av. Cost per Kg. (in Rs.)</b>	<b>%age of T.C.</b>
<b>I</b>	<b>Raw Materials:</b>			
	Maida	1 Kg.	18.00	18.37
	Edible Oil	200 Gms.	14.00	14.29
	Salt	20 Gms.	0.20	.20
	Vegetables	250 Gms.	5.00	5.10
	Cheese	100 Gms.	15.00	15.31
	Spices	20 Gms.	4.00	4.08
	Baking Soda	5 Gms.	0.20	.20
	Mushroom	40Gms.	4.00	4.08
	Starch	20 Gms.	.60	.61
	Eggs	1 Piece	2.00	2.04
	Water	300 ML.	-	-
<b>II</b>	<b>Labour</b>	-	15.00	15.31
<b>III</b>	<b>Fuel/Power</b>	-	6.00	6.12
<b>IV</b>	<b>Other Production Cost</b>		14.00	14.29
	<b>Total Cost</b>		<b>98.00</b>	<b>100.00</b>

**Source:** Personal Survey.

Net Weight of finished product = 1.850 Kg.

Cost per Kg. = 98.00/1.850 = Rs. 53.00



From the analysis of the above table 4.4, it was found that the total production cost of Patties of regular quality was Rs. 98.00 for 1.850 Kg. of finished product which was computed Rs. 53.00 per Kg. of this product.

On detailed analysis it was found that among the raw materials, 1 Kg. Maida costs Rs. 18.00 (18.37% of T.C.), 200 gms edible oil costs Rs. 14.00 (14.29% of T.C.), 20 gms Salt costs Re. .20 (.20% of T.C.), 250 gms Vegetables cost Rs. 5.00 (5.10% of T.C.), 100 gms Cheese costs Rs. 15.00 ( 15.31%), 20 gms Spices costs Rs. 4.00 (4.08% of T.C.), 5 gms Baking Soda costs Re. .20 (.20% of T.C.), 40 gms Mushroom costs Rs. 4.00 (4.08% of T.C.), 20 gms Starch costs Re. .60 (.61% of T.C.), 1 piece of Egg costs Rs. 2.00 (2.04% of T.C.). The cost of 300 ml water remains negligible.

Besides the above, the labour cost comes to Rs. 15.00 (15.31% of T.C.), Fuel/Power cost remains Rs. 6.00 (6.12% of T.C.) and other production costs remain Rs. 14.00 (14.29% of T.C.).

From the analysis of the table it was noted that the cost of raw materials remains highest i.e. 64.28% of the total production cost and the labour cost remains at second place i.e. 15.31% of the total production cost of Patties.

## **5. PASTRIES**

Pastry is the highest liking bakery product all over the world. It is generally used by the children and youths in the urban areas of the Region selected for the study. It is comparatively costlier and technical to prepare than other bakery items. The analysis of the production cost of the Pastries is as follows:

**TABLE NO. 4.5****ANALYSIS OF PRODUCTION COST OF PASTRIES IN  
MEERUT REGION  
DURING THE YEAR 2008-09**

<b>S.No.</b>	<b>Items</b>	<b>Quantity</b>	<b>Av. Cost per Kg. (in Rs.)</b>	<b>%age of T.C.</b>
<b>I</b>	<b>Raw Materials:</b>			
	Maida	1 Kg.	18.00	11.84
	Edible Oil	20 Gms.	1.40	.92
	Sugar	200 Gms.	7.00	4.61
	Cream	100 Gms.	12.00	7.89
	Cream Paste	40 Gms.	5.60	3.68
	Chocolate	10 Gms.	6.00	3.95
	Pastry Gel	50 Gms.	10.00	6.58
	Fruit Flavours	5 Gms.	10.00	6.58
	Strawberry	10 Pieces	8.00	5.26
	Cherry	4 Pieces	2.00	1.32
	Eggs	2 Pieces	4.00	2.63
	Water	400 ML.	-	-
<b>II</b>	<b>Labour</b>	-	40.00	26.32
<b>III</b>	<b>Fuel/Power</b>	-	6.00	3.95
<b>IV</b>	<b>Other Production Cost</b>		22.00	14.47
	<b>Total Cost</b>		<b>152.00</b>	<b>100.00</b>

Source: Personal Survey.

Net Weight of finished product = 1.630 Kg.  
Cost per Kg. = 152.00/1.630 = Rs. 93.25

From the analysis of the above table 4.5, it was found that the total production cost of Pastries of regular quality was Rs. 152.90 for 1.630 Kg. of finished product which was computed Rs. 93.25 per Kg. of this product.

On detailed analysis it was found that among the raw materials, 1 Kg. Maida costs Rs. 18.00 (11.84% of T.C.), 20 gms edible oil costs Rs. 1.40 (.92% of T.C.), 200 gms Sugar costs Rs. 7.00 (4.61% of T.C.), 100 gms Cream costs Rs. 12.00 ( 7.89% of T.C.), 40 gms cream Paste costs Rs. 5.60 ( 3.68%), 10 gms Chocolate costs Rs. 6.00 (3.95% of T.C.), 50 gms Pastry Gel costs Rs. 10.00 (6.58% of T.C.), 5 gms Fruit flavours costs Rs. 10.00 (6.58% of T.C.), 10 pieces of Strawberry costs Rs. 8.00 (5.26% of T.C.), 4 pieces of Cherry costs Rs. 2.00 (1.32% of T.C.), 2 pieces of Eggs costs Rs. 4.00 (2.63% of T.C.). The cost of 400 ml water remains negligible.

Besides the above, the labour cost comes to Rs. 40.00 (26.32% of T.C.), Fuel/Power cost remains Rs. 6.00 (3.95% of T.C.) and other production costs remain Rs. 22.00 (14.47% of T.C.).

From the analysis of the table it was noted that the cost of raw materials remains highest i.e. 55.26% of the total production cost and the labour cost remains at second place i.e. 26.32% of the total production cost of Pastries.

## **6. BURGER**

The Burger is also one of the most popular bakery product among the middle and high class youths residing in the urban areas of this Region. It is comparatively simpler and cheaper to prepare than other costly bakery items. The analysis of the production cost of the Burgers is as follows:

**TABLE NO. 4.6****ANALYSIS OF PRODUCTION COST OF BURGER IN  
MEERUT REGION  
DURING THE YEAR 2008-09**

<b>S.No.</b>	<b>Items</b>	<b>Quantity</b>	<b>Av. Cost per Kg. (in Rs.)</b>	<b>%age of T.C.</b>
<b>I</b>	<b>Raw Materials:</b>			
	Buns	1 Kg.	30.00	23.62
	Edible Oil	300 Gms.	21.00	16.54
	Salt	20 Gms.	0.20	.16
	Vegetables	300 Gms.	6.00	4.72
	Cheese	50 Gms.	7.50	5.91
	Spices	20 Gms.	4.00	3.15
	Baking Soda	5 Gms.	0.20	.16
	Shortening Agent	2Gms.	.50	.39
	Starch	20 Gms.	.60	.47
<b>II</b>	<b>Labour</b>	-	35.00	27.56
<b>III</b>	<b>Fuel/Power</b>	-	12.00	9.45
<b>IV</b>	<b>Other Production Cost</b>		10.00	7.87
	<b>Total Cost</b>		<b>127.00</b>	<b>100.00</b>

**Source:** Personal Survey.

Net Weight of finished product = 1.650 Kg.

Cost per Kg. =  $127/1.650 = \text{Rs. } 77.00$

From the analysis of the above table 4.6, it was found that the total production cost of Burgers of regular quality was Rs. 127.00 for 1.650 Kg. of finished product which was computed Rs. 77.00 per Kg. of this product.

On detailed analysis it was found that among the raw materials, 1 Kg. Buns cost Rs. 30.00 (23.62% of T.C.), 300 gms edible oil costs Rs. 21.00 (16.54% of T.C.), 20 gms Salt costs Re. .20 (.16% of T.C.), 300 gms Vegetables cost Rs. 6.00 (4.72% of T.C.), 50 gms Cheese costs Rs. 7.50 (5.91%), 20 gms Spices cost Rs. 4.00 (3.15% of T.C.), 5 gms Baking Soda costs Re. .20 (.16% of T.C.), 2 gms Shortening Agent costs Re. .50 (.39% of T.C.), 20 gms Starch costs Re. .60 (.47% of T.C.).

Besides the above, the labour cost comes to Rs. 35.00 (27.56% of T.C.), Fuel/Power cost remains Rs. 12.00 (9.45% of T.C.) and other production costs remain Rs. 10.00 (7.87% of T.C.).

From the analysis of the table it was noted that the cost of raw materials remains highest i.e. 55.12% of the total production cost and the labour cost remains at second place i.e. 27.56% of the total production cost of Burgers.

## **7. PIZZA**

Pizza is the most consumable bakery product among the high class society living in the urban areas of Meerut Region. It is comparatively costlier to prepare than other bakery items. The analysis of the production cost of the Pizza is as follows:

**TABLE NO. 4.7****ANALYSIS OF PRODUCTION COST OF PIZZA IN  
MEERUT REGION  
DURING THE YEAR 2008-09**

<b>S.No.</b>	<b>Items</b>	<b>Quantity</b>	<b>Av. Cost per Kg. (in Rs.)</b>	<b>%age of T.C.</b>
<b>I</b>	<b>Raw Materials:</b>			
	Pizza Base	1 Kg	30.00	19.88
	Edible Oil	100 Gms.	7.00	4.64
	Salt	20 Gms.	0.20	.13
	Cream Paste	50 Gms.	7.00	4.64
	Vegetables	250 Gms.	5.00	3.31
	Cheese	100 Gms.	15.00	9.94
	Spices	30 Gms.	6.00	3.98
	Baking Soda	5 Gms.	0.20	.13
	Mushroom	100Gms.	10.00	6.63
	Shortening Agent	2 Gms.	.50	.33
	Eggs	2 Pieces	4.00	2.65
<b>II</b>	<b>Labour</b>	-	40.00	26.51
<b>III</b>	<b>Fuel/Power</b>	-	6.00	3.98
<b>IV</b>	<b>Other Production Cost</b>		20.00	13.25
	<b>Total Cost</b>		<b>150.90</b>	<b>100.00</b>

Source: Personal Survey.

Net Weight of finished product = 1.600 Kg.

Cost per Kg. =  $150.90 / 1.600 = \text{Rs.}94.31$

From the analysis of the above table 4.7, it was found that the total production cost of Pizza of regular quality was Rs. 150.90 for 1.600 Kg. of finished product which was computed Rs. 94.31 per Kg. of this product.

On detailed analysis it was found that among the raw materials, 1 Kg. Pizza Base Rs. 30.00 (19.88% of T.C.), 100 gms edible oil costs Rs. 7.00 (4.64% of T.C.), 20 gms Salt costs Re. .20 (.13% of T.C.), 50 gms Cream Paste costs Rs. 7.00 (4.64% of T.C.), 250 gms Vegetables cost Rs. 5.00 (3.31% of T.C.), 100 gms Cheese costs Rs. 15.00 (9.94%), 30 gms Spices cost Rs. 6.00 (3.98% of T.C.), 5 gms Baking Soda costs Re. .20 (.13% of T.C.), 100 gms Mushroom costs Rs. 10.00 (6.63% of T.C.), 2 gms Shortening Agent costs Re. .50 (.33% of T.C.), 2 pieces of Egg cost Rs. 4.00 (2.65% of T.C.).

Besides the above, the labour cost comes to Rs. 40.00 (26.51% of T.C.), Fuel/Power cost remains Rs. 6.00 (3.98% of T.C.) and other production costs remain Rs. 20.00 (13.25% of T.C.).

From the analysis of the table it was noted that the cost of raw materials remain highest i.e. 56.26% of the total production cost and the labour cost remains at second place i.e. 26.51% of the total production cost of Pizza.

## **8. RUSK**

Rusk is a highly consumable bakery product among the poor and middle class people in the area selected for the study. It is comparatively simpler and cheaper to prepare than other bakery items. The analysis of the production cost of the Rusk is as follows:

**TABLE NO. 4.8****ANALYSIS OF PRODUCTION COST OF RUSK IN  
MEERUT REGION  
DURING THE YEAR 2008-09**

<b>S.No.</b>	<b>Items</b>	<b>Quantity</b>	<b>Av. Cost per Kg. (in Rs.)</b>	<b>%age of T.C.</b>
<b>I</b>	<b>Raw Materials:</b>			
	Maida	500 Gms.	9.00	19.38
	Suji	500 Gms.	10.00	21.52
	Edible Oil	50 Gms.	3.50	7.53
	Sugar	40 Gms.	1.40	3.01
	Salt	5 Gms.	.05	.11
	Shortening Agent	2 Gms.	.50	1.08
	Water	200 ML.	-	-
<b>II</b>	<b>Labour</b>	-	6.00	12.92
<b>III</b>	<b>Fuel/Power</b>	-	6.00	12.92
<b>IV</b>	<b>Other Production Cost</b>		10.00	21.53
	<b>Total Cost</b>		<b>46.45</b>	<b>100.00</b>

**Source:** Personal Survey.

Net Weight of finished product = 1.070 Kg.  
Cost per Kg. = 46.45/1.07 = Rs 43.40



From the analysis of the above table 4.8, it was found that the total production cost of Rusk of regular quality was Rs. 46.45 for 1.07 Kg. of finished product which was computed Rs. 43.40 per Kg. of this product.

On detailed analysis it was found that among the raw materials, 500 gms Maida costs Rs. 9.00 (19.38% of T.C.), 500 gms Suji costs Rs. 10.00 ( 21.52% of T.C.), 50 gms Edible oil costs Rs. 3.50 (7.53% of T.C.), 40 gms Sugar costs Rs. 1.40 (3.01% of T.C.), 5 gms Salt costs Re. .05 (.11% of T.C.), 2 gms Shortening Agent costs Re. .50 (1.08% of T.C.) and 200 ml Water having the negligible cost.

Besides the above, the labour cost comes to Rs. 6.00 (12.92% of T.C.), Fuel/Power cost remains Rs. 6.00 (12.92% of T.C.) and other production costs remain Rs. 10.00 (21.53% of T.C.).

From the analysis of the table it was noted that the cost of raw materials remain highest i.e. 52.63% of the total production cost and the Other Production Cost remains at second place i.e. 21.53% of the total production cost of Rusk.

## **9. NAMKEEN**

The Namkeen is the highest consumable bakery product among all classes of the society. Though it is comparatively costlier bakery product but the poor and rural people consume the lower quality of this item. The analysis of the production cost of the medium quality of namkeen is as follows:

**TABLE NO. 4.9****ANALYSIS OF PRODUCTION COST OF NAMKEEN  
IN MEERUT REGION  
DURING THE YEAR 2008-09**

<b>S.No.</b>	<b>Items</b>	<b>Quantity</b>	<b>Av. Cost per Kg. (in Rs.)</b>	<b>%age of T.C.</b>
<b>I</b>	<b>Raw Materials:</b>			
	Gram Flour	1 Kg.	35.00	29.47
	Gram	100 Gms.	2.20	1.85
	Edible Oil	50 Gms.	3.50	2.95
	Salt	20 Gms.	0.20	.17
	Dry fruits	60 Gms.	18.00	15.16
	Potatoes	300 Gms.	4.50	3.79
	Sprouted Pulses	100 Gms.	10.00	8.42
	Spices	30 Gms.	6.00	5.05
	Sugar Powder	25 Gms.	0.85	.72
	Shortening Agent	2 Gms.	.50	.42
	Water	300 ML.	-	-
<b>II</b>	<b>Labour</b>	-	15.00	12.63
<b>III</b>	<b>Fuel/Power</b>	-	13.00	10.95
<b>IV</b>	<b>Other Production Cost</b>		10.00	8.42
	<b>Total Cost</b>		<b>118.75</b>	<b>100.00</b>

Source: Personal Survey.

Net Weight of finished product = 1.300 Kg.

Cost per Kg. =  $118.75/1.300 = \text{Rs. } 91.35$

From the analysis of the above table 4.9, it was found that the total production cost of Namkeen of regular quality was Rs. 118.75 for 1.300 Kg. of finished product which was computed Rs. 91.35 per Kg. of this product.

On detailed analysis it was found that among the raw materials, 1 Kg. Gram Flour costs Rs. 35.00 (29.47% of T.C.), 100 gms Grams cost Rs. 2.20 ( 1.85% of T.C.), 50 gms edible oil costs Rs. 3.50 (2.95% of T.C.), 20 gms Salt costs Re. .20 (.17% of T.C.), 60 gms Dry fruits cost Rs. 18.00 (15.16% of T.C.), 300 gms Potatos cost Rs. 4.50 (3.79% of T.C.), 100 gms Sprouted Pulses cost Rs. 10.00 (8.42%), 30 gms Spices cost Rs. 6.00 (5.05% of T.C.), 25 gms Sugar Powder costs Re. .85 (.72% of T.C.), 2 gms Shortening Agent costs Re. .50 (.42% of T.C.) and 300 ml Water costs very negligible.

Besides the above, the labour cost comes to Rs. 15.00 (12.63% of T.C.), Fuel/Power cost remains Rs. 13.00 (10.95% of T.C.) and other production costs remain Rs. 10.00 (8.42% of T.C.).

From the analysis of the table it was noted that the cost of raw materials remain highest i.e. 68.00% of the total production cost and the labour cost remains at second place i.e. 12.63% of the total production cost of Namkeen.

## **10. SANDWICH**

The Sandwich is the most consumable bakery product among the students and high gentry in the urban areas of this Region. It is not consumed in villages because of its fast perishable nature. It is comparatively simpler to prepare this bakery item. The analysis of the production cost of the bread is as follows:

**TABLE NO. 4.10****ANALYSIS OF PRODUCTION COST OF  
SANDWICHES IN MEERUT REGION  
DURING THE YEAR 2008-09**

<b>S.No.</b>	<b>Items</b>	<b>Quantity</b>	<b>Av. Cost per Kg. (in Rs.)</b>	<b>%age of T.C.</b>
<b>I</b>	<b>Raw Materials:</b>			
	Bread	1 Kg.	30.00	26.17
	Butter	100 Gms.	15.00	13.08
	Vegetables	300 Gms.	6.00	5.23
	Spices	30 Gms.	6.00	5.23
	Salt	20 Gms.	0.20	.17
	Cheese	100 Gms.	15.00	13.08
	Shortening Agent	2 Gms.	.50	.43
<b>II</b>	<b>Labour</b>	-	18.00	15.69
<b>III</b>	<b>Fuel/Power</b>	-	2.00	1.74
<b>IV</b>	<b>Other Production Cost</b>		22.00	19.18
	<b>Total Cost</b>		<b>114.70</b>	<b>100.00</b>

**Source:** Personal Survey.

Net Weight of finished product = 1.200 Kg.

Cost per Kg. =  $114.70/1.200 = \text{Rs. } 95.58$

From the analysis of the above table 4.10, it was found that the total production cost of Sandwiches of regular quality was Rs. 114.70 for 1.200 Kg. of finished product which was computed Rs. 95.58 per Kg. of this product.

On detailed analysis it was found that among the raw materials, 1 Kg. Bread costs Rs. 30.00 (26.17% of T.C.), 100 gms Butter costs Rs. 15.00 (13.08% of T.C.), 300 gms Vegetables cost Rs. 6.00 (5.23% of T.C.), 30 gms Spices cost Rs. 6.00 (5.23% of T.C.), 20 gms Salt costs Re. .20 (.17% of T.C.), 100 gms Cheese costs Rs. 15.00 (13.08%) and 2 gms Shortening Agent costs Re. .50 (.43% of T.C.).

Besides the above, the labour cost comes to Rs. 18.00 (15.69% of T.C.), Fuel/Power cost remains Rs. 2.00 (1.74% of T.C.) and other production costs remain Rs. 22.00 (19.18% of T.C.).

From the analysis of the table it was noted that the cost of raw materials remain highest i.e. 63.39% of the total production cost and the Other Production costs remain at second place i.e. 19.18% of the total production cost of Sandwiches.

### **CONSOLIDATED TABLE SHOWING PER Kg. COST OF SELECTED BAKERY PRODUCTS IN MEERUT REGION DURING THE YEAR 2008-09**

The following table is showing the per Kg. production cost of the selected bakery items in a consolidated form:

**TABLE NO. 4.11**

**TABLE SHOWING PER Kg. PRODUCTION COST OF  
DIFFERENT BAKERY PRODUCTS IN MEERUT  
REGION DURING THE YEAR 2008-09**

<b>S. No.</b>	<b>Items</b>	<b>Av. Cost per Kg. (In Rs.)</b>
1.	Bread	19.75
2.	Biscuits	55.50
3.	Cakes	84.95
4.	Patties	53.00
5.	Pastries	93.25
6.	Burgers	77.00
7.	Pizza	94.31
8.	Rusks	43.40
9.	Namkeen	91.35
10.	Sandwich	95.58

**Source:** Table 4.1 to 4.10.

From the analysis of the above table 4.11 it was revealed that the production cost of Bread remains lowest i.e. Rs. 19.75 per Kg. The Production cost of Rusk comes to Rs. 43.40 per Kg. The production costs of Biscuits and Patties remain Rs. 55.50 and Rs. 53.00 per Kg. respectively. The production cost of Burgers comes to Rs. 77.00 per Kg. The production costs of Cake, Pastries, Pizza, Namkeen and Sandwiches come to Rs. 84.95, Rs. 93.25, Rs. 94.31, Rs. 91.35 and Rs. 95.58 per Kg. respectively. Thus the highest production cost was noted in case of production of Sandwiches which comes to Rs. 95.58 per Kg. while the lowest production cost was found in case of Bread which comes to Rs. 19.75 per kg.

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