

Date
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B. Com Part III

* Meaning of Elements of Cost :-

Elements of cost refers to the various components that make up the total cost of producing a product or providing a service. These elements are the building blocks of cost and are used to calculate the total cost of production.

Various Elements of Cost

There are three main elements of cost,

- (a) Material cost
- (b) Labour cost
- (c) Expenses

These elements of cost are analysed with the help of following chart:

