

Date
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B. Com Part III

* Factors Affecting Materials Cost :-

- ① Supply and Demand: changes in market conditions can impact materials costs.
- ② Global Events: Natural disasters, trade wars, or pandemics can disrupt supply chains and increase materials costs.
- ③ Currency Fluctuations: changes in exchange rates can affect the cost of imported materials.
- ④ Technological Advancements: New technologies can reduce materials costs or improve efficiency.
- ⑤ Government Policies and Regulations: Tariffs, taxes, and other government policies can impact material costs.
- ⑥ Production Volume: changes in production volume can affect material costs due to economies of scale.
- ⑦ Supplier Relationships: Building strong relationships with suppliers can lead to better pricing and terms.