MACHINE HOUR RATE FORMAT

STATEMENT SHOWING MACHINE HOUR RATE

PARTICULARS	TOTAL PER MACHINE	PER HOUR
A. FIXED/STANDING CHARGES	xxx	
a. rent and rates	xx	
b. heating and lighting	xx	
c. super vision	xx	
d. insurance	xx	
e. lubricant oil & consumable stores	xx	
f. sundary shop supply	xx	
g. departmnetal & general over heads	xx	
TOTAL FIXED CHARGES	xxx	xxx

$$\text{PER HOUR} = \frac{\text{TOTAL FIXED CHARGES}}{\text{EFFECTIVE MACHINE HOURS}}$$

B. MACHINE EXPENSES PER HOUR

$$\text{a. depreciation} = \frac{\text{cost+installation-scrap}}{\text{effective use life hours}}$$

a. depreciation =	xxx
b.power (note 1)**	xxx
c.repairs and maintaince	xxx
d.other running expenses	xxx
C. MACHINE HOUR RATE	xxx

(note 1)**

$$\text{power} = \frac{\text{power consumption unit p.h} \times (\text{working hours} - \text{maintaince hours} - \text{setup hours during which no power is consumed}) \times \text{rate per unit}}{\text{working hours- maintaince hours - unproductive set up hours}}$$

WORKING NOTE --1

CALCULATION OF MACHINE HOURS

PARTICULARS	AMOUNT
A. no. of working days (365 - public holidays)	xxx
B. no. of working hours per day	xxx
C. total working hours (A x B)	xxx
D. less : maintaince hours	xxx
E. productive machine hours	xxx
(if set up time is assumed as productive)	
F. unproductive set up time	xxx
G. productive machine hours (E-F)	xxx

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