

**M.A. IN APPAREL PRODUCTION  
MANAGEMENT (MAAPM)**

**Term-End Examination**

**December, 2012**

**MFMI-015 : COSTING AND PRICING OF  
APPAREL**

*Time : 3 hours*

*Maximum Marks : 100*

*Note : There are two parts in the question paper. Both parts are compulsory. Internal choices are indicated.*

**PART-A**

**(Attempt any four)**

1. Write Notes on the following : 5x3=15
  - (a) Standard costing
  - (b) Backward costing
  - (c) Marginal costing
2. Differentiate between Direct and Indirect costs. 15  
What are the benefits of differentiating costs ?
3. State the various taxes and other levies forming 15  
part of cost of sales.
4. What are the various pricing policies an exporter 15  
may follow ? What are the factors affecting an  
exporters pricing decision ?
5. What are the elements involved in the calculation 15  
of Freight cost.

**PART - B**

**(All questions are compulsory.)**

6. Calculate cost per shirt with following details. 20

- (a) Fabric : Solid, poplin 58" width
- (b) Average consumption : 1.65 m / shirt
- (c) Total quantity to ship : 75000 Pcs
- (d) Garments to produce : 3% extra
- (e) Profit : Rs. 12 / shirt
- (f) Wastage on raw material : 5%
- (g) No. of machine used : 100
- (h) Fixed overheads : Rs. 1300000
- (i) Per day production : 15 shirts per machine
- (j) Working days in a month : 26 days
- (k) One dollar : Rs. 47
- (l) Fabric : 88/mtr
- (m) Trims : Rs. 16.68
  - Cutting 80 min: Rs. 0.8/min
  - Sewing 50 min: Rs. 0.6/min
  - Pressing 6 min : Rs. 0.4/min
  - Inspection 4 min : Rs. 0.4/min
  - Packing 3 min : Rs. 0.4/min

7. What steps must be taken before setting standards for different elements of costs ? 20

Calculate standard labour time for machine from the following data.

Standard batch size	:	100 Pcs
Setting up time	:	64 min
Operating time	:	2 min
Fixing Job on machine:	:	2 min
Cutting time	:	10 min
Removing Job from machine	:	3 min

Allow 10% of total operation time for inspection during process and allow further 5% of total time for fatigue.

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