



PART B — (5 × 16 = 80 marks)

11. (a) Explain the various types of estimates suitable for single product and multiple product manufacturing units.

Or

- (b) Explain in detail the order execution process and estimation of Men's formal T-shirt.

12. (a) Explain the various elements of apparel cost and discuss how each element influence the cost of production.

Or

- (b) A leading garment export unit has three departments namely cutting, production and packing. Total factory overhead expenses are Rs.12,000, Administrative overhead expenses equal to 15% of total factory expenses. Plant depreciation Rs.3,000 and security wages Rs. 1,500. Total production of factory is 50 boxes a day and each box contains 12 formal shirts. Calculate factory cost, selling cost and Quotation price of a formal shirt if 30% of profit from sales revenue?

Department	Cutting	Production	Packing
	Rs.	Rs.	Rs.
Raw material	15,000	3,500	4,700
Accessories	3,700	8,750	2,100
Direct wages	3,500	18,000	5,450
Power	4,250	8,750	1,000

13. (a) Explain the various overhead expenses to be considered for costing of apparels in the apparel industry.

Or

- (b) (i) Explain various methods for calculating the depreciation value of sewing machine and plant value of apparel industry. (4)
- (ii) Calculate depreciation rate by straight line method and reducing balance method for the following data :

Initial investment	:	Rs. 10,00,000	
Salvage value	:	Rs. 2,00,000	
Useful life	:	8 years	(12)

14. (a) Explain in detail the different pricing methods in the apparel industry.

Or

(b) A garment unit is manufacturing 350 pieces of cotton jeans and 475 pieces of PC Trousers per day. The particulars on various cost ratios between jeans and trousers along with their total cost are given below. Calculate the factory cost and sales cost of cotton jeans and PC trousers if profit margins consider 45% from the Quotation price? Also find out profit amount per piece by selling a cotton jeans and PC trouser.

S.No.	Particulars and Cost ratio	Cost (Rs.)
1	Fabric (3 : 8)	3,35,675
2	Operator wages (1 : 2)	42,800
3	Stores expenses (3 : 8)	22,500
4	Maintenance (3 : 8)	3,500
5	Depreciation (3 : 8)	6,550
6	Staff welfare (1 : 2)	1,500
7	General factory expenses (1 : 2)	3,750
8	Administrative and Selling expenses (3 : 4)	16,500

15. (a) Analyse in detail the various packing and Labelling costs and influence their on the cost of production. Give suitable examples.

Or

(b) Write short notes on :

- (i) Duty draw back. (4)
- (ii) Shipment cost. (4)
- (iii) Marginal costing. (8)