



Name :

Roll No. :

Invigilator's Signature :

CS/B.Tech (APM)/SEM-5/APM-501/2009-10

2009

APPAREL COSTING

Time Allotted : 3 Hours

Full Marks : 70

The figures in the margin indicate full marks.

Candidates are required to give their answers in their own words as far as practicable.

**GROUP - A
(Multiple Choice Type Questions)**

1. Choose the correct alternatives of the following : $10 \times 1 = 10$

- i) A detailed plan of operations for some specific future period is called
 - a) forecast
 - b) budget
 - c) costing.
- ii) The different between sales and marginal cost of sales is
 - a) P/V ratio
 - b) Margin of safety
 - c) Contribution.



- iii) The guidance and regulation by executive action of costs of operating as undertaking is define as
- a) cost centre
 - b) cost audit
 - c) cost control.
- iv) Sales over and above break-even sales are known as
- a) Margin of safety
 - b) Sales mix
 - c) Key factor.
- v) The price which includes cost of sales plus a margin of profit or minus loss if any, is called
- a) selling price
 - b) works cost
 - c) total cost.
- vi) In Textile Industry which costing method is applied ?
- a) multiple costing
 - b) contract costing
 - c) process costing.
- vii) Which is as a variable is the reflection of a number of internal and external conditions which exert influence on sales revenue costs ?
- a) Cost
 - b) Profit
 - c) B.E.P.
- viii) In garment industry before the costing process starts the design room needs to check and approve the basic viability of the
- a) marker of the garment
 - b) sample garment
 - c) pattern of the garment.



- ix) In apparel industry the labour cost & management, marketing, finance, insurance, warehousing, rent and utilities are incurred in running the company comprises as
- General overhead
 - Factory overhead
 - Direct overhead.
- x) The full form of ICWA is
- the Institute of Cost and Works Accountants
 - the Investigation of Cost and Works Accountants
 - the Institute of Cost and Works Accounting.

GROUP – B
(Short Answer Type Questions)

Answer any *three* of the following. $3 \times 5 = 15$

- Define Budget. What are fixed and flexible budgets ?
- In normal circumstances which factors are originates the profitability in apparel design section ?
- Calculate the P/V ratio and break-even point from the following particulars of a garment industry :

| | |
|------------|--------------|
| Sales | Rs. 5,00,000 |
| Fixed cost | Rs. 1,00,000 |
| Profit | Rs. 1,50,000 |
- Explain the term 'Break-Even Point'. Give an example to illustrate your answer.
- What is Contribution ? How is it related to "Profit" ? What are the essential features of a successful budgetary control ?



GROUP – C

(Long Answer Type Questions)

Answer any *three* of the following. $3 \times 15 = 45$

7. Define cost ? Distinguish between costing of cost accounting. What are the objectives of a good costing system ?
 8. Define and explain :
 - a) Job costing
 - b) Batch costing
 - c) Process costing
 - d) Contract costing
 - e) Multiple costing.
 9. What do you mean by marginal revenue ? Clear out the relation between marginal revenue & average revenue ?
 10. Write the details of cost behavioural pattern in the apparel industry. For the following industries suggest suitable methods of costing. Give reasons for supporting your suggestion.
 - a) Readymade Garment Industry
 - b) Textile Industry.
 11. Define cost unit. Give five examples of cost unit applicable to different industries. What is a cost centre ? Explain various types of it.
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