

Total No. of Questions : 4]

SEAT No. :

P6475

[5801] - 510

[Total No. of Pages : 3

T.Y. B.Com.

355 - E: COST AND WORKS ACCOUNTING - II
(Semester - V) (2019 CBCS Pattern)

Time : 2½ Hours]

[Max. Marks : 50

Instructions to the candidates:

- 1) *All questions are compulsory.*
- 2) *Figures to the right side indicate full marks.*

Q1) A) Fill in the blanks (Any 5 out of 6) [5]

- i) Normal Bad debts is an example of _____ overheads.
 - a) purchase
 - b) selling
 - c) prime
 - d) income
- ii) The Cost Accounting Standards Board develops _____.
 - a) Cost accounting standards
 - b) Financial accounting standards
 - c) Reporting standards
 - d) Recording standards
- iii) Overheads are absorbed on the basis of absorption _____.
 - a) rules
 - b) policy
 - c) rates
 - d) procedure
- iv) In activity based costing system, cost _____ is like a cost centre.
 - a) unit
 - b) centre
 - c) pool
 - d) driver
- v) As per CAS-15 _____ overheads comprises selling overheads and distribution overheads.
 - a) Purchase
 - b) production
 - c) banking
 - d) marketing
- vi) _____ overheads vary with the volume of output.
 - a) Variable
 - b) Fixed
 - c) Rigid
 - d) Flexible

P.T.O.

B) Match the following.**[5]**

- | | | |
|--------------------|---|-------------------------------------|
| i) CAS – 11 | - | Improved products |
| ii) CAS – 3 | - | Providing a service |
| iii) Service Cost | - | Production and Operations overheads |
| iv) Research costs | - | unaffected by variations |
| v) Fixed overheads | - | Administrative overheads |

Q2) Short Notes (Any Two out of Four)**[10]**

- Cost Accounting Standards.
- Activity Based Costing
- Overheads and Types.
- Absorption of overheads

Q3) In I Ltd there are two Production Departments viz A and B and two Service Departments C and D. C department provides services to A and B in the ratio of 2:3 and D provides services to A and B in the ratio of 6:1**[15]**

The other details as regards to the expenses and other charges for the period ended 31st March 2021 are as follows

Particulars	Amt.
Rent Rates and Taxes	40,000
Insurance	15,000
Electricity	5,000
Motive Power	20,000
Depreciation	2,00,000
Amenities to Staff	13,000

Additional Information

Particulars		Production departments		Service departments	
		“A”	“B”	“C”	“D”
Assets value	Rs.	10,00,000	5,00,000	4,00,000	1,00,000
Floor Area	sq.ft.	8000	6000	4000	2000
Number of Light Points	Numbers	40	30	15	15
H.P.of machines	H.P.	800	500	400	300
Number of workers	Numbers	75	50	50	25
Direct wages	Rs.	2200	1400	1000	875

You required to prepare a statement showing distribution of overheads costs and also find overhead costs of each department.

Q4) Cisco Ltd. has installed a Historical Costing System and follows the practise to absorb overheads on the basis of pre-determined rate. The following particulars are made available relating to the financial year ended on 31st March 2021. **[15]**

Particulars	Rs.
Stock of Work-In-Progress	40,000
Factory overheads absorbed	84,740
Stock of Finished Goods	1,20,000
Actual Factory Overheads	1,09,740
Cost of Goods Sold	2,40,000

Determine unabsorbed overheads and indicate clearly the profit implications of different methods of disposal of underabsorbed overheads.

