Total No. of Questions : 4]

SEAT No. :

**PE1086**

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# [6525]-510
# T.Y.B.Com.
## COST AND WORKS ACCOUNTING - II
## 355 E : Overhead and Accounting for Overheads
## (2019 Pattern) (Semester-V)

*Time : 2½ Hours]* *[Max. Marks : 50*

***Instructions to the candidates:***

1) ***All questions are compulsory.***
2) ***Figures to the right indicate full marks.***
3) ***Use of simple calculator is allowed.***

***Q1)*** A) Fill in the blanks (any five): **[5]**

a) Cost of belt fasteners is an example of factory _____ materials.

i) Direct ii) Indirect

iii) Variable iv) Fixed

b) An increase in efficiency, _____ per unit overhead cost

i) Increase ii) Higher

iii) Reduces iv) Constant

c) _____ overhead rate present a wrong picture of comparative profitability of departments.

i) Predetermined rate ii) Budgeted Rate

iii) Actual Rate iv) Blanket Rate

d) When actual overheads are Rs. 31,500 and overhead absorbed are Rs. 30,000 there is _____ absorption of Rs. 1,500.

i) Under ii) Over

iii) Similar iv) None of the above

e) Decision support for human resources can be augmented by ____.

i) Always Better Control ii) Activity Based Costing

iii) Cost pool iv) Cost Driver

f) The CAS- 3 (revised) shall be effective from the period commencing on or after

i) 1st April 2016 ii) 1st April 2017

iii) 1st April 2018 iv) 1st April 2019

***P.T.O.***

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B) Match the Pairs: **[5]**

| | Group A | | Group B |
|---|---|---|---|
| a) | Overhead Cost | i) | Due to normal Reasons |
| b) | Semi Variable Overheads | ii) | Supplementary Cost |
| c) | Supplementary Rate Method | iii) | Mixed Overhead |
| d) | Financial Accounting | iv) | Number of Accounting transaction |
| e) | Personnel | v) | Training Requirements |

***Q2)*** Write short notes (any two): **[10]**

a) CAS-15

b) Cost Driver

c) Behaviour wise Classification of Overheads

d) Allocation of Overheads

***Q3)*** Bharat Ltd., Bangalore, has three Production Departments and two Service Departments. **[15]**

The Overhead Expenses for March, 2025, are as follows:

| Particulars | Production Departments | | | Service Departments | |
|---|---|---|---|---|---|
| | A Rs. | B Rs. | C Rs. | D Rs. | E Rs. |
| Indirect Materials | 800 | 2000 | 900 | 400 | 200 |
| Indirect Labour | 1,500 | 1,600 | 1,300 | 350 | 1,900 |

Rent and Taxes - 10,000

Electricity Charges - 7,100

Plant Depreciation - 6,000

Supervisor's Salary - 3,200

Other details are as follows:

| Particulars | A | B | C | D | E |
|---|---|---|---|---|---|
| Area Occupied Sq. Mtrs. | 800 | 1,000 | 900 | 700 | 600 |
| Light Points No. | 15 | 35 | 8 | 7 | 6 |
| Employee Numbers | 5 | 15 | 6 | 4 | 2 |
| Capital Value of Plant Rs. | 30,000 | 15,000 | 5,000 | 4,000 | 6,000 |
| Working Hours | 1,000 | 2,000 | 1,000 | - | - |

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The expenses of Service Department'D'and' E' are to be charged as follows:

| Particulars | A | B | C | D | E |
|---|---|---|---|---|---|
| Department 'D' | 20% | 50% | 20% | --- | 10% |
| Department 'E' | 10% | 30% | 40% | 20% | ---- |

You are required to find out the Overhead Rate Per Hour in Production Departments using Repeated Distribution Method.

***Q4)*** Bhagyalaxmi Ltd., Pune has submitted the cost data as follows: **[15]**

| Particulars | 2024 Rs. | 2025 Rs. |
|---|---|---|
| Actual Overheads | 5,00,000 | 6,48,000 |
| Actual Labour Cost | 12,50,000 | Increase by 20% |

Overheads were absorbed at the same rate as based on actuals for the year 2024. The statement of cost for the year 2025 indicates that direct labour cost is distributed as follows:

| Particulars | Rs. |
|---|---|
| Cost of Sales | 10,00,000 |
| Closing Stock of Finished Goods | 3,75,000 |
| Work -in -Progress at the end | 1,25,000 |
| | Total = 15,00,000 |

You are required to calculate

a) Overheads Absorption Rate

b) The amount of Overheads Under or Over absorbed and

c) The disposal of Overheads.



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