SmartKalike

CBSE Class 12 · Accountancy

Use of Spreadsheet in Business Applications

10 most probable questions for Boards 2027

Q1. 2 marks · Short answer

Define Basic Pay and Grade Pay as used in payroll computation.

Answer

Basic Pay (BP) is the pay in the pay scale plus Grade Pay, but does not include Special Pay. Grade Pay (GP) is the pay added to Basic Pay according to the employee's designation and applicable pay band or scale of pay.

Q2. 3 marks · Medium answer

A customer borrows ₹1,20,000 at 12% annual interest, repayable in 24 equal monthly instalments. Using Excel's PMT function, calculate the monthly instalment. Assume regular repayments and explain briefly what the function is used to calculate.

Answer

Excel's PMT function calculates the periodic loan instalment using the interest rate per period, total number of payments and present value of the loan.

Monthly interest rate = 12% ÷ 12 = 1%

Monthly instalment = PMT(1%, 24, −₹1,20,000, 0, 0)

∴ Monthly instalment = ₹5,648.82

Q3. 2 marks · Short answer

Distinguish between Dearness Pay and Dearness Allowance, stating the purpose of Dearness Allowance.

Answer

1. Meaning — Dearness Pay (DP): The portion of Dearness Allowance declared and deemed to have been merged with Basic Pay; Dearness Allowance (DA): Compensation for erosion in the purchasing power of wage earner due to price rise.
2. Purpose and computation — DP: Merged with Basic Pay; DA: Granted periodically by the Government as a percentage of (Basic Pay + Dearness Pay, if applicable), to compensate for price rise.

Q4. 3 marks · Medium answer

A loan is repaid in 36 monthly payments and carries an annual interest rate of 9%. For the PMT function, calculate the interest rate per payment period and state the total number of payments (Nper).

Answer

The interest rate per payment period and Nper must be expressed in monthly terms because the

loan is repaid monthly.

Interest rate per payment period = 9% ÷ 12 = 0.75% per month

Nper = 36 monthly payments

∴ Rate = 0.75% per month; Nper = 36

Q5. 2 marks · Short answer

What is Basic Pay Earned (BPE) in payroll calculation?

Answer

Basic Pay Earned (BPE) is Basic Pay calculated with reference to the Number of Effective Days Present (NOEDP) during the month. It therefore reflects the employee's effective days present in that month.

Q6. 3 marks · Medium answer

For a month, an employee's BPE is ₹40,000. The applicable DA rate is 10% and the applicable HRA rate is 20%. Calculate the employee's DA and HRA for the month.

Full answer on SmartKalike: https://smartkalike.com/cbse/class-12/accountancy/use-of-spreadsheet-in-business-applications

Q7. 2 marks · Short answer

Write the formula used to calculate Basic Pay Earned, defining the terms in it.

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Q8. 3 marks · Medium answer

An employee's gross salary is ₹68,000. The deductions are PF of ₹4,000, TDS of ₹2,000 and loan recovery of ₹1,000. Calculate the employee's net salary.

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Q9. 2 marks · Short answer

What are Total Earnings (TE)? State the formula used to calculate TE from BPE, DA, HRA and TRA.

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Q10. 3 marks · Medium answer

A loan of ₹1,00,000 is repayable in 24 monthly instalments at an annual interest rate of 12%. Use the PMT function, with a zero future value and payments at the end of each month, to calculate the monthly instalment.

Full answer on SmartKalike: https://smartkalike.com/cbse/class-12/accountancy/use-of-spreadsheet-in-business-applications



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