An E- Book of MCQ's (Multiple Choice Questions)

on

FINANCIAL ACCOUNTING-II

For

F.Y.B.Com (Semester-II)

As Per MCQ Based Online Examination of SPPU

Dr. Sudhir S. Borate

Dr. Sonal S. Bawkar

Dr. Dattatraya S. Tambe

Dr. Yogesh Shrikhande

ISBN: 978-81-951264-7-7



KSHITIJA PUBLICATION, PUNE

Sai Home Apartment, A-704, Near Beena English Medium School,
Ganganagar, Akurdi Pune-411035

Mo. No: 9922836391/ 9423488805

E-Mail ID: kshitijapublication2013@gmail.com

An E Book

On MCQ (Multiple Choice Questions)

FINANCIAL ACCOUNTING-II

F.Y.B.Com (Sem-II)

: Authors:

DR. SUDHIR S. BORATE
M.Com, M.B.A., SET, G.D.C&A., Ph.D
Pune District Education Association's
Prof. Ramakrishna More Arts, Commerce & Science College, Akurdi, Pune.

****

DR. SONAL S. BAWKAR
M.Com., B.Ed., NET, SET, Ph.D
Rayat Shikshan Sanstha's
Mahatma Phule Mahavidylaya, Pimpri, Pune 17.

****

DR. DATTATRAY S. TAMBE
M.Com., B.Ed., M,Phil., Ph.D.
Arts & Commerce College, Chakan.

******

DR. YOGESH SHRIKHANDE
M.Com, M.A., GDC&A, SET, Ph. D.
SSM's Amruteshwar Arts, Commerce & Science College,
Vinzar, Pune

KSHITIJA PUBLICATION, PUNE

Free E-Book as per Online Objective Examination Pattern of SPPU

E Book on MCQ: Financial Accounting-II (F.Y.B.Com, Sem-II)

First Edition: May 2021

ISBN: 978-81-951264-7-7

Medium: English

Cover Design By: Prof. Vikram Udar

Published By:
Kshitija Publication, Pune
Sec.28 Sarthak Apartment,
Front of RM College, Akurdi
Pune – 411044
Contact No. 9423488805

Every effort has been made to avoid errors or omissions in this book. In spite of this, errors may have crept in any mistake, error or discrepancy so noted and shall be brought to our notice shall be taken care of in the next edition. It is notified that neither the publisher nor the author or seller shall be responsible for any loss of action to any one, of any kind, in any manner, therefrom. This book purpose is providing only extra knowledge to students. This book contents not relating to Examination body of any university.



DR. SUDHIR S. BORATE

M.Com, M.B.A., SET, G.D.C.&A., Ph. D

He is currently working as Assistant professor in Pune District Education Association's Prof. Ramkrishna More Arts, Commerce & Science College, Akurdi Pune since 2008. He is also working as coordinator of YCMOU study Centre. He has also awarded Ph.D in Business Administration from Savitribai Phule Pune University. He is Recognized Research Guide in Business Administration for M.Phil & Ph.D of Savitribai Phule Pune University. He is very popular teacher of Accountancy, Auditing, and Taxation. 13 years teaching experience is at credit to graduate as well as post graduate courses like M.Com, M.Phil, M.B.A., D.T.L. etc.

He has received a "State Level Sanskar Ratna" Award from 'Sanskar Pratishthan Pratishthan' state Maharashtra. He also worked in the different examination committees of the Savitribai Phule Pune University. He has presented many research papers in National & International Seminar and Conference in India. The same research papers published in International journals having ISSN & ISBN numbers with impact factor and some papers also in UGC Care Listed



DR. SONAL S. BAWKAR

M.Com., B.Ed., NET, SET, Ph.D

She is currently working as assistant Professor in Rayat Shikshan Sanstha's Mahatma Phule Mahavidylaya, Pimpri, Pune 17. She is passed B.Com & M.Com in specialisation of Advanced Accounting and Taxation.She has also awarded Ph.D in Business Administration from Savitribai Phule Pune University,Pune.

She has 10 years experience of teaching of Accountancy, Auditing and taxation subject. She has also presented and published research papers in UGC Approved International Journals.



DR. DATTATRAY S. TAMBE

M.Com., B.Ed., M,Phil., Ph.D.

He is currently working as Associate professor & HOD in Commerce at Arts & Commerce College, Chakan. He is having first class throughout his academic career. He has 30 years of teaching experience in the subjects like Financial Accounting, Business Law Taxation & Auditing, Business Management, Business Regulatory framework & Banking etc. He is appointed as a NSS Area Co-ordinator at district level by Pune University.

He has attended number of State, National & International Conferences & presented research papers & research project on various subjects at State & National level. He has represented University as member of LIC committee and subject expert at various colleges. He was awarded as a best teacher by retired teacher association Khed Taluka.



DR. YOGESH SHRIKHANDE

M.Com, M.A., GDC&A, SET, Ph. D.

He is currently working as Assistant professor in SSM's Amruteshwar Arts, Commerce & Science College, Vinzar, Pune since 2010. He has awarded Ph.D in Business Administration from Savitribai Phule Pune University. He is very popular teacher of Accountancy, Auditing, and Taxation. 11 years teaching experience. He has presented many research papers in National & International Seminar and Conference in India. The same research papers published in International journals having ISSN & ISBN numbers with impact factor and some papers also in UGC Care Listed journals.

ISBN: 978-81-951264-7-7

KSHITIJA PUBLICATION, PUNE

Sec. 28 Sarthak Apartment, Front of RM College Akurdi Pune 411 044

Mo. No: 9922836391/ 9423488805 E-Mail ID: kshitijapublication@gmail.com

INDEX

Sr. No.	Topic Title	Page No.
1	**Software used in accounting**	01-08
2	**Final Accounts of Charitable Trust (Clubs, Hospitals, Libraries etc.)**	09-16
3	**Valuation of Intangibles**	17-24
4	**Accounting for Leases**	25-32

 ISBN: 978-81-951264-7-7

Class: - F.Y.B.Com Semester-II (Subject Code:-201)

Subject: - Financial Accounting-II

MCQ Questions

Unit No. 01
Software used in accounting

1) The most common method of recording financial transaction is……

a) Computerised

b) Manual

c) Automated

d) Software based sytem

2) The computerised accounting system is capable of handling---------- of transactions.

a) Few

b) Large number

c) Specific number

d) None of the above

3) ---------is specifically designed software which facilitates recording of transactions for small business concerns.

a) SAP

b) Customised Software

c) Tally

d) ERP

4) ERP means……

a) Enterprise Resource Planning

b) Enterprise Revenue Plan

c) Earning Resource Planning

d) Estimated Resource Plan

 ISBN: 978-81-951264-7-7

5) A----------software is called specific requirement based software.

a) Pre-packaged

b) Customised

c) Accounting ERP's

6) In ----------presentation of information can be done through graphical analysis like bar diagram, histogram, pie charts etc.

a) ERP's

b) Customised software

c) Spread sheet package

7) An Enterprise resource planning software is a type of ----------that manages all functional areas of business.

a) Integrated software package

b) Specialised accounting software package

c) Pre-packaged software

8) ---------- allows to create different type of vouchers for recording transaction which can be classifies as per requirement.

a) Tally ERP 9

b) SAP

c) Oracle

9) In Tally ERP ----------key is for purchase voucher.

a) F8

b) **F9**

c) F6

10) To create sales invoice in Tally ERP 9 ---------- features should be set as allow.

a) Inventory Features

b) Stock group

c) Delivery Notes

 ISBN: 978-81-951264-7-7

11) Which of the following voucher is used for recording cash and bank transaction?

a) Contra

b) Payment

c) Receipt

12) In Tally ERP 9 for recording Sales Return transaction ----------is passed.

a) Debit Note

b) Credit Note

c) Journal Voucher

13) ---------- is a summary of all balances of ledger accounts to confirm whether all balances are correct or not.

a) Trial Balance

b) Balance Sheet

c) Profit and Loss Account.

14) Salary paid to office staff can be categorised under ----------group.

a) Direct Expenses

b) Indirect Expenses

c) Administration Expenses

15) Cash Purchases should be recorded in ----------voucher.

a) Payment

b) Contra

c) Purchase

16) Recording of transaction in relevant group, no specific procedure required to produce ----------in Tally ERP 9.

a) Cash flow statement

b) Bank reconciliation statement

c) Profit and Loss Account

 ISBN: 978-81-951264-7-7

17) In Tally ERP 9 debit note is passed for ----------transaction.

a) Sales Return

b) Purchase Return

c) Purchases

18) In Tally ERP ---------- is updated immediately after every transaction recorded in the books.

a) Fund flow Statement

b) Balance sheet

c) Working Capital Statement

19) ---------- Type of software is suitable for business which runs on small scale.

a) Customised

b) Pre-packaged

c) accounting package

20) Function key for receipt voucher is ----------

a) F6

b) F4

c) F5

21) Function key for changing date ----------

a) F2

b) Alt+F2

c) Alt+F3

22) Function key for creation of Company is ----------

a) Alt+F3

b) F3

c) F5

 ISBN: 978-81-951264-7-7

23) Path for change or edit information of existed company----------

a) **Press F3 select create option**

b) **Press Alt+ F3 select Alter option**

c) Press Alt+ F3 select company option

24) ----------key is used to exit from tally software.

a) **Enter**

b) Escape

c) Control

25) ---------- is used to keep the database in encrypted format.

a) Tally Lock

b) Data directory

c) Tally Vault

26) Accounting Software is a ..... application

a) Fundamental

b) Integral

c) External

27) While in ledger creation in tally interest received account is created under--------- group.

a) Indirect Income

b) Direct Income

c) Indirect Expenses

28) Which of the following key is used to change current date from gateway of tally?

a) F1

b) F3

c) F2

 ISBN: 978-81-951264-7-7

29) Commission Paid is considered as ----------expenses.

a) Direct Expenses

b) Fixed Expenses

c) Indirect Expenses

30) Assets which are hold by business for longer period of time are grouped under ---------group.

a) Current Assets

b) Fixed Assets

c) Fictitious Assets

31) Which of the following shortcut key is used for creation of ledger?

a) Alt+C

b) Alt+B

c) Alt+I

32) ---------- Key is for opening company's features option.

a) F10

b) F11

c) F12

33) ---------- Key is for selecting particular company.

a) Alt+F2

b) F1

c) Ctrl+F2

34) Which of the following account is provided by default in tally?

a) Purchase Account

b) Sales Account

c) Cash Account

35) Which of the following is/are benefit of computerised accounting?

a) Fast Process

b) Minimisation of errors

c) Easy report generation

d) All of the above

 ISBN: 978-81-951264-7-7

36) Short cut for taking backup from tally is --------

a) Alt+Tab

b) Shift+Tab

c) Ctrl+Tab

37) ----------option is used to close company in tally.

a) Create Company

b) Alter Company

c) Shut Company

38) ----------option is used to edit the recorded information of a company in tally.

a) Create Company

b) Alter Company

c) Shut Company

39) Which of the following is submenu in gateway of tally to create ledger, vouchers and group?

a) Account info

b) Inventory Vouchers

c) Inventory mode

40) Trough ----------voucher all income items are recorded in Tally.

a) Payment

b) Contra

c) Receipt

41) ----------option is to print report from tally.

a) Shift + P

b) Alt + P

c) Ctrl + P

42) Goodwill of the company group under ----------.

a) Current Assets

b) Investment

c) Fixed Assets

 ISBN: 978-81-951264-7-7

43) Short term securities are belongs to ----------group in tally.

a) Current Assets

b) Investment

c) Fixed Assets

44) Which of the following menu displayed when tally software is opened?

a) Display

b) Accounting Info

c) Company info

 ISBN: 978-81-951264-7-7

Unit No. 02:
Final Accounts of Charitable Trust (Clubs, Hospitals, Libraries etc.)

1) ----------are those organisations who are not engaged in trading activities and don't have profit earning objective.

a) Non for profit Organisation

b) Joint Stock Company

c) Partnership Firm

2) The non for profit organisation is established for ----------

a) Earning profit

b) Welfare of the society

c) Promoting import and export

3) The non for profit organisation needs to prepare ----------at the end of each accounting period as their respective laws.

a) Bank reconciliation statement

b) Financial Statements

c) Fund Flow Statements

4) ----------is the summery of cash receipts and cash payment made during the year.

a) Fund Flow

b) Income and Expenditure Account

c) Receipt and Payment Account

5) Non trading organisation is usually prepare ----------instead of profit and loss account at the end of period.

a) Fund Flow Statement

b) Income and Expenditure Account

c) Receipt and Payment Account

6) In Income and Expenditure Account only ----------transactions are recorded to income side.

a) Revenue Receipt

b) Capital Receipt

c) Capital Expenditure

 ISBN: 978-81-951264-7-7

7) Orgnisation engaged in trading activities needs to be required to prepare ---------- Account to know the results.

a) Cash Account

b) Profit and Loss Account

c) Income and Expenditure

8) Which of the following is not recorded to Receipt and Payment Account?

a) **Depreciation of Fixed Assets**

b) Purchase of Fixed Assets

c) Subscription Received

9) Which of the following is recorded to the Receipt and Payment Account?

a) Depreciation

b) Provision for doubtful debts

c) Sale of fixed Assets

10) Receipts and Payment accounts record receipt and payment of revenue and ---------- nature transaction.

a) Capital

b) Fixed

c) Cash

11) A receipt and payment A/c is a summaries data of ----------transaction only.

a) **Cash**

b) Credit basis transaction

c) Non-Financial transaction

12) The excess of income of not for profit organisation over expenditure is called as ----------

a) Net Profit

b) Deficit

c) Surplus

 ISBN: 978-81-951264-7-7

13) Not for Profit Organisation is mostly depending on ----------

a) Funds generated through grants, donations,

b) Share Capital

c) Owned Capital

14. Capital nature items of receipt and payment are recorded to ----------.

a) Profit and Loss Account

b) Trading Account

c) Balance Sheet

15) Which of the following should be considered in preparation of Income and Expenditure Account?

a) Interest Expanded

b) Contingent Liabilities

c) Profit or Loss on Sale of Fixed Assets.

16) Income and Expenditure Account considered only----------revenue and expenses.

a) Previous Year

b) Succeeding Year

c) Current Year

17) Subscription paid by member to the club shown as ----------to ---------- Account.

a) Expense, Trading

b) Revenue, Profit and Loss

c) Income , Income and Expenditure

18) Income and Expenditure Account is a type of ---------- account.

a) Real Account

b) Personal Account

c) Nominal Account

 ISBN: 978-81-951264-7-7

19) Donation received is to be ----------

a) Compensated

b) Charged

c) Capitalised

20) Donation received should be recorded at ----------.

a) Profit and Loss Account

b) Balance Sheet

c) Fund flow statement

21) Subscription received for previous year is to be ----------from current year's balance.

a) Charged

b) Added

c) Deducted

22) Subscription which is received in advance is to be ----------from current year's balance.

a) Added

b) Deducted

c) Charged

23) Outstanding subscription for the current year is ----------form current years balance.

a) Charged

b) Added

c) Deducted

24) ----------is the amount which received to the nominee person by way of will.

a) Donation

b) Legacies

c) Grants

 ISBN: 978-81-951264-7-7

25) Subsidy received by not for profit concerns is also considered as ---------.

a) Expenses

b) Capital

c) Receipts

26) Adjustment made in Income and Expenditure Account also recorded to the ---------.

a) Receipt and Payment Account

b) Trading Account

c) Balance Sheet

27) Debit balance of Income and Expenditure Account is ----------_

a) Profit

b) Suplus

c) Loss

28) Excess of expenditure over income is called as ----------.

a) Surplus

b) Loss

c) Deficit

29) ---------- Transaction does not record to Receipt and Payment Account.

a) Monetary

b) Cash Transaction

d) Non-monetary

30) Sale of Fixed Asset is type of ----------receipts.

a) Revenue

b) Capital

c) Differed revenue

 ISBN: 978-81-951264-7-7

31) Purchase of Fixed Assets is a type of _____ expenses

a) Revenue

b) Differed Revenue

c) Capital

32) Sale of sport material by sport club is a kind of ----------

a) Income

b) Expenses

c) Compensation

33) Donation received for special purpose is should be recorded at ----------

a) Separate Account and Balance sheet

b) Balance sheet

c) Credit side of Income and Expenditure

34) ---------- is a summary of all balances of ledger accounts to confirm whether all balances are correct or not.

a) Separate Account and Balance sheet

b) Balance sheet

c) Credit side of Income and Expenditure

35) Final accounts of non for profit organisation prepared after ----------.

a) Trial Balance

b) Balance sheet

c) Cash Account

36) All receipts from sale of medicines in hospital are ----------for hospital.

a) Revenue Receipts

b) Capital Receipts

c) Revenue Expenses

 ISBN: 978-81-951264-7-7

37) Purchase of sports material by club should be recorded to -------.

a) Credit Side of Income and Expenditure Account

b) Debit Side of Income and Expenditure Account

c) Assets side of Balance sheet

38) Which of the following should not recorded to Cash Account?

a) Credit Purchases of material

b) Cash Purchase of material

c) Office expenses

39) Debit side balance of income and expenditure account resulted----------

a) Surplus

b) Deficit

c) Net Profit

40) Which of the following concern cannot prepare income and expenditure account as final account?

a) Tata Motors

b) Jahangir Hospital

c) Trident Sport Club

41) Funds which are created for specific purpose should be shown separately at ----------

a) Assets Side of Balance sheet

b) Liability Side of Balance Sheet

c) Credit side of Income and Expenditure

42) Surplus generated from Income and Expenditure account is added to ----------

a) Capital Fund

b) Reserve and Surplus

c) Capital Reserve

 ISBN: 978-81-951264-7-7

43) In finalisation receipt side of receipt and payment account is compared with credit side of income and expenditure account in order to confirm whether ----------

a) Subscription due but no received

b) Income received in advance

c) Sale of fixed assets

d) All of the above

44) In finalisation payment side of receipt and payment account is compared with debit side of income and expenditure account in order to confirm whether ----------

a) Outstanding Expenses, Prepaid Expenses

b) Depreciation

c) Sale of fixed assets

d) All of the above

45) Which of the following should not prepared in not for profit organisation.

a) Trial Balance

b) Balance sheet

c) Income and Expenditure

 ISBN: 978-81-951264-7-7

Unit No. 03:
Valuation of Intangibles

1) Goodwill is a type of ----------assets.

a) Tangible

b) Intangible

c) Fixed

2) ----------is the present value of a firm's anticipating excess earning.

a) Goodwill

b) Copyright

c) Patents

3) Which of the following is not intangible asset?

a) Copyrights

b) Stock

c) Patents

4) How many methods used for valuation of Goodwill?

a) 3

b) 6

c) 4

5) Under ----------method goodwill is determined by mutual agreement between business and its buyer.

a) Average Profit

b) Arbitrary Assessement

c) Weighted Average Profit Method

6) Average Profit can be calculated by dividing total profit with----------

a) Number of years

b) Periods

c) Normal income of a year

7) In average profit goodwill can be calculated by multiplying average profit with----------

a) Number of profits

b) Number of years purchases

c) Normal income of a year

 ISBN: 978-81-951264-7-7

8) Which of the following initial parameter used for valuation of intangible asset?

a) Cost

b) Market Value

c) Replacement cost

9) Goodwill is recorded at ……

a) Liability side

b) Asset side

c) Debit side of Profit and Loss Account

10) By super profit method goodwill can calculated as ----------

a) Average profit * No. of years purchases

b) Super Profit * No. of years Purchases

c) Normal * No. of years Purchases

11) The Calculation of super profit = Average profit - ……..

a) Capital introduced

b) Normal Profit

c) Normal rate of return

12) Normal profit = ……. x Normal Rate of Return

a) Average Profit

b) Capital Employed

c) Super Profit

13) Under ----------method goodwill is the difference between actual capital employed and capitalised value of future profit

a) Avg. Profit

b) **Capitalisation of future profit**

c) Super Profit

14) Patents is a type of ----------Assets

a) Tangible Assets

b) Intangible Assets

c) Miscellaneous Expenses

 ISBN: 978-81-951264-7-7

15. ----------is a thing which differentiates the product from similar feature product.

a) Copyrights

b) Brands

c) Royalty

16. ----------can be defined as procedure of determining value who is willing to pay for brand.

a) Brand Equity

b) Brand Design

c) Brand Valuation

17. As per ----------method expenditure and investment is incurred for replacing and introducing new brand.

a) Conversion Method

b) Accumulated Method

c) Replacement Method

18. Which of the following assumes historical cost of creation of brand as its current value?

a) Conversion method

b) Accumulated Cost Method

c) Replacement Cost Method

As per Patents Law, patents classifieds in ----------categories.

a) 2

b) 4

c) 3

20) ----------is a system through which rewarding individual creation and inventions.

a) Copyright

b) Goodwill

c) Patent

 ISBN: 978-81-951264-7-7

21) ----------patents granted for new products, machines, processes of manufacturing.

a) Utility

b) Design

c) Plant

22) ----------patents are given to for newly created ornamental article.

a) Utility

b) Design

c) Plant

23) Methods of valuation of patents are----------

a) 3

b) 4

c) 2

24) ----------consider legal right of the owner of intellectual invention.

a) Copyright

b) Brand

c) Trademark

25) ----------method is based upon comparision of actual price paid for intellectual property with available alternate.

a) Cost Method

b) Market Method

c) Income Method

d) All of the above

26) ----------method focuses on income generating capability of intellectual property.

a) Income Method

b) Market Method

c) Cost Method

 ISBN: 978-81-951264-7-7

27) Which of the following is upgraded version of average profit method?

a) Super Profit Method

b) Normal Profit

c) Average Profit Method

28) In ----------method goodwill is valued by capitalising future maintainable profit applying normal rate of return.

a) Capitalisation Method

b) Annuity Method

c) Average Profit

29) ----------is a visual representation in composition of letter, logo and phrases on a product.

a) Brand

b) Trade Mark

c) Patents

30) Patents, copyrights and trademarks are----------

a) Tangible Assets

b) Intangible Assets

c) Current Assets

31) If the average profit of five years of the concerns is Rs. 4,00,000 and goodwill is calculated based on three years of purchases, the value of goodwill will be ----------

a) 20,00,000

b) 12,00,000

c) 16,00,000

 ISBN: 978-81-951264-7-7

32) Aqua Pvt Ltd., have calculated their average profit Rs.40,000 for last 5 years. Normal rate of return are to be expected at 20% and Capital employed is Rs. 1,00,000, then the amount of Normal profit will be ----------

a) 20,000

b) 40,000

c) 50,000

33) Aqua Pvt Ltd., have calculated their average profit Rs.50,000 for last 5 years. Normal rate of return are to be expected at 20% and Capital employed is Rs. 1,00,000, then the amount of Super profit will be ----------

a) 30,000

b) 20,000

c) 16,00,000

34) Super Profit = Average Profit -……

a) Normal Profit

b) Normal Rate of Return

c) Capital Employed

35) Normal Profit = ----------X Normal Rate of Return

a) Average Profit

b) Super Profit

c) Capital Employed

36) Under ----------method it is considered that much amount capital required to earn definite amount of profit at normal rate of return.

a) Average Profit Method

b) Super Profit Method

c) Capitalisation Method

 ISBN: 978-81-951264-7-7

37) Goodwill = Capitalised value of future maintainable profit -……

a) Normal Profit

b) Actual Capital employed

c) Super Profit

38) ----------facilitates product differentiation from similar category.

a) Trade Mark

b) Brand

c) Company Name

39) ----------involves a process of calculating the value of a brand.

a) Brand Valuation

b) Brand Recognition

c) Brand Equity

40) Which of the following is /are requirements of good branding?

a) Attractive

b) Easy to recognise and pronounce

c) Should be registered

d) All of the above

41) TRIPS stand for -----

a) Tariff Related Intellectual Property Rights

b) Trade Related Intellectual Property Rights

c) Trade Related International Property Rights

42) In ----------approach numerical and economic data are used to evaluate the intellectual property.

a) Quantitative Approach

b) Qualitative Approach

c) Cost Based approach

 ISBN: 978-81-951264-7-7

43) ----------approach focused on opportunities and risk associated with the intellectual property rights.

a) Quantitative Approach

b) Qualitative Approach

c) Cost based approach

44) Which of the following method is/ are not used in qualitative approach in valuation of patents?

a) Income based approach

b) Market based approach

c) Cost based approach

d) All of the above

45) In ----------method expenses incurred on advertsing and brand building are considered as base for valuation of trademark.

a) Market value method

b) Historical cost method

c) Income based valuation

ISBN: 978-81-951264-7-7

Unit No. 04
Accounting for Leases

1) Operating lease is also known as …….

a) Capital Lease

b) True Lease

c) Financial Lease

2) Royalty is based on ----------

a) Expenses

b) Income

c) Output

3) In case of lease financing the cost of interest is very …….

a) Lower

b) Higher

c) Average

4) Price of Hire Purchase equals to ------

a) Principal

b) Principal+ Interest

c) Interest

5) Royalty Account is a type of ----------account.

a) Nominal

b) Real

c) Personal

6) ---------- is an agreement between lessee and lessor for using property rights.

a) Hire Purchase

b) Royalty

c) Instalment System

7) Minimum Rent also called as ----------

a) Variable Rent

b) Fixed Rent

c) Annual Rent

 ISBN: 978-81-951264-7-7

8) ----------is a guaranteed least amount which the lessee is requires to pay to the lessor in case of lower production

a) Minimum Rent

b) Short workings

c) Royalty

9) The excess of minimum rent over actual royalty is called ----------.

a) **Shortworkings**

b) Surplus

c) Interest

10) Lessee has a right to ----------from available surplus royalty of succeeding year.

a) Lapse of Short working

b) Transfer royalty

c) **Recoupment of Royalty**

11) Excess of Royalty over minimum Rent is termed as ----------

a) Surplus

b) Deficit

c) Short working

12) Lapse of short workings is transferred to ----------account.

a) **Profit and Loss Account**

b) Interest Account

c) Lessee Account

13) Short workings occurred is credited to---------- account.

a) Lessee

b) **Lessor Account**

c) Purchaser Account

 ISBN: 978-81-951264-7-7

14) Royalty or ----------whichever is higher paid to landlord.

a) Minimum Rent

b) Short workings

c) Surplus

15) ----- is the price at which goods purchase today for full payment

a) Cash Price

b) Hire Purchase

c) Instalment

16) ----------is the difference between Hire Purchase Price and Cash Price of Goods.

a) Down Payment

b) Instalment

c) Interest

17. The ownership of assets is transferred to buyer at payment of ---------- in hire purchase.

a) Final Instalment

b) Down Payment

c) Principal

18. In instalment system the ownership of goods transferred to buyer at payment of --------

a) First Instalment

b) Last Instalment

c) Down payment

19. If there is any stoppage due to strike or lockout the …… may be reduced proportionately

a) Minimum Rent

b) Royalty

c) Interest

 ISBN: 978-81-951264-7-7

20. The seller has a right to take back ---- of goods in case of default in payment

a) Replace

b) Repossession

c) Transfer

21. ----------is known as initial amount which is paid on signing the agreement.

a) Down Payment

b) Interest

c) Instalment

22. Depreciation is charged on----------price.

a) Hire Purchase Price

b) Cash Price

c) Market Price

23. ----------is an agreement under which goods are let on hire basis.

a) Instalment system

b) Royalty

c) Hire Purchase

24. Interest Payable is credited to----------account.

a) Hire Vendor

b) Hire Purchaser

c) Buyer

25. In instalment system interest payable is transferred to ----------account.

a) Interest Suspense

b) Purchaser Account

c) Vendor Account

 ISBN: 978-81-951264-7-7

26. The balance of goods repossession account after resale of repossessed assets are transferred to ----------

a) Profit and Loss Account

b) Goods Account

c) Buyer Account

27. At end of period depreciation and interest transferred to----------

a) Income and Expenditure Account

b) Balance sheet

c) Profit and Loss Account

28. Instalment equals to ----------

a) Cash price + down payment

b) Portion of Cash price + Interest

c) Interest + Down Payment

29. In hire purchase interest is charged on ----------

a) Total Cash price

b) Hire Purchase Price

c) Outstanding Portion of Cash Price

30. Hire Purchase instalment of consist of

a) Cash price + down payment

b) Portion of cash price + interest

c) Hire Purchase Price

31. ..... is the consideration payable for use of some tangible asset.

a) Commission

b) Royalty

c) Interest

 ISBN: 978-81-951264-7-7

32. When an asset is acquired on hire purchase system, the asset account is debited with _____ of the assets in the books of the hire purchaser.

a) Cash Price

b) Hire Purchase

c) Instalment

33. The amount of interest is credited by the buyer to----------

a) Hire Vendor Account

b) Hire Purchase Account

c) Interest Account

34. In the books of hirer, for payment of instalment hire vendor account will be----------

a) Debited

b) Credited

c) Reversed

35. ----------lease is considered as long term lease.

a) Operating Lease

b) Financial Lease

c) Royalty

36. In ---------- lease lessor provides special services to lessee.

a) Operating Lease

b) Financial Lease

c) Royalty

37. Which of the following lease, lessee has to bear all cost?

a) Operating Lease

b) Financial Lease

c) Royalty

 ISBN: 978-81-951264-7-7

38. In which system buyer has a right to return the goods before making final payment?

a) Hire Purchase System

b) Instalment System

c) Royalty Accounts

39. In which system second party does not have a right to buy the goods/ Property?

a) Hire Purchase System

b) Instalment System

c) Royalty Accounts

40. ----------is a considered as an agreement of sale of goods/Property.

a) Hire Purchase System

b) Instalment System

c) Royalty Accounts

41. In which system buyer does not have a right to resell or transfer assets or goods?

a) Hire Purchase System

b) Instalment System

c) Royalty Accounts

42. In instalment system buyer debited total interest payable to ----------account

a) Interest Account

b) Vendor Account

c) Interest Suspense Account

43. When minimum rent is higher than royalty ----------account is debited in the books of lessee.

a) Shortworking Account

b) Interest Account

c) Royalty Accounts

 ISBN: 978-81-951264-7-7

44. When actual royalty exceeds minimum rent, lessee can recover his previous----- ------from available surplus.

a) Short workings

b) Minimum Rent

c) Interest

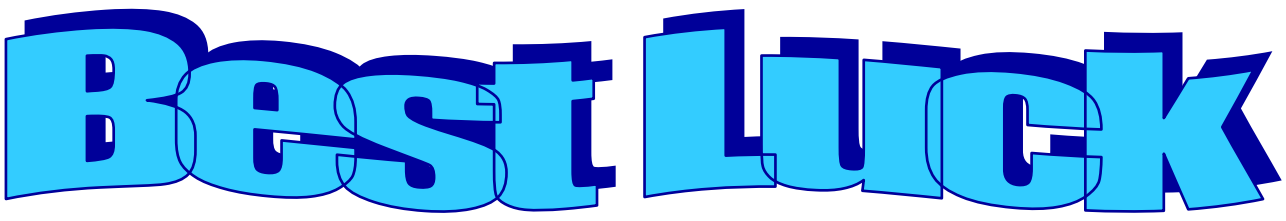
45. Recovered short working are ----------in the books of lessee.

a) Debited

b) Credited

c) Reversed

****



KSHITIJA PUBLICATION, PUNE

Sec. 28 Sarthak Apartment, Front of RM College Akurdi Pune 411 044

Mo. No: 9922836391/ 9423488805

E-Mail ID: kshitijapublication2013@gmail.com

Our Other Titles …….

No.	Title of the Book	Authors	ISBN	MRP
1.	**FINANCIAL ACCOUNTING-I** (FYBCOM) Semester-I	Dr. Suhas Nimbalkar Dr. Sudhir Borate Prof. Roopkamal Bhosale Prof. Pramod Pankar	978-81-941859-1-8	200/-
2.	**e-book of FINANCIAL ACCOUNTING-II** (FYBCOM) Semester-II	Dr. Suhas Nimbalkar Dr. Sudhir Borate Prof. Roopkamal Bhosale Dr. Indirarani Ausare	978-81-951264-0-8	--
3.	**BUSINESS MATHEMATICS & STATISTICS-I** (FYBCOM) Semester-I	Prof. Ramdas Lad Dr. Shivaji Kakade Dr. Kishor Lipare Prof. Pramod K. Pankar	978-81-941859-2-5	150/-
4.	विमा आणि वाहतूक -१ (FYBCOM) Semester-I	Dr. Archana Mali Dr. Janardhan Pawar Prof. Pramod Pankar Prof. Vikram Udar	978-81-941859-0-1	140/-
5.	**MANAGEMENT ACCOUNTING** (M.Com) Semester-I	**Dr. Janardhan Pawar** **Dr. Kishor Lipare** **Prof. D. N. Kale** **Prof. Tejali Desarda**	978-81-941859-3-2	250/-
6.	**INCOME TAX** (Assessment Year 2021-22) (TYBCOM) Term-II	Dr. Sudhir Borate Dr. Suhas Nimbalkar Dr. Sonal Bawkar CA. Akshay Attal	978-81-951264-1-5	300/-
		Free e-Books		
1.	An E- Book of MCQ's on **'Advanced Accounting'** (TYBCOM)	Prin. Dr. Nitin Ghorpade Dr. Kishor Lipare Prof. Sonam Poptani	978-81-941859-6-3	**Free**
2.	An E- Book of MCQ's on **'Income Tax'** (T.Y.B.Com / S.Y.B.B.A./ D.T.L.)	Dr. Sudhir Borate Dr. Niranjan Shah Prof. Sonam Poptani	978-81-941859-5-6	**Free**
3.	An E- Book of MCQ's on **'Cost & Works Accounting-II & II'** (TYBCOM)	Dr. Madhavi Jadhavrao Dr. Bhagyashree Nale Dr. Swati Shinde Dr. Sucheta Dalavi	--	**Free**
4.	An E- Book of MCQ's on (अंकेक्षण) (TYBCOM) Term-I	Dr. Sudhir Borate Dr. Suhas Nimbalkar Dr. Kishor Nikam	--	**Free**

free MCQ e-Books fill following google form https://forms.gle/9r6MRrLP9qzChJRg7

For Order of Hard Books Contact to: Mo. No. 9423488805

Our Best Seller Text Book for T.Y.B.Com.....



PROF. DR. SUDHIR S. BORATE

M.Com, M.B.A., SET, G.D.C.&A., Ph.D

He is currently working as Assistant professor in Pune District Education Association's Prof. Ramkrishna More Arts, Commerce & Science College, Akurdi Pune-44 since 2008. He is passed B.Com & M.Com with specialization in Advanced Accounting & Taxation. He has also awarded Ph.D in Business Administration from Savitribai Phule Pune University.

He is Ph.D Guide in Business Administration of SPPU. He is very popular teacher of Accountancy, Auditing, and Taxation. 13 years teaching experience is at credit to graduate as well as post graduate courses like M.Com, M.Phil, M.B.A., D.T.L. etc.

He has received a "State Level Sanskar Ratna" Award from 'Sanskar Pratishthan Pratishthan' state Maharashtra. He also worked in the different examination committees of the Savitribai Phule Pune University. He has presented many research papers in National & International Seminar and Conference in India. The same research papers published in International journals having ISSN & ISBN numbers with impact factor as well as UGC CARE Journals.



PROF. DR. SUHAS A. NIMBALKAR

M.Com, G.D.C.&A., Ph.D

He is currently working as Head of the Department of Commerce & Professor in Rayat Shikshna Sanstha's, Dr. Babasaheb Ambedkar College, Aundh, Pune. He is the Faculty Member & also Member of Board of studies of Accountancy. He is passed B.Com & M.Com with specialisation in Advanced Accounting & Taxation. He has also awarded Ph.D in Banking & Finance from Dr. Babasaheb Ambedkar Marathwada University, Aurangabad

He is Ph.D Guide in Business Administration & Accountancy of SPPU. He is studious teacher of Accountancy, Auditing and taxation. He has been teaching to Graduate and PG student since 29 years.

He involves in various activities, social activities through NSS. He has been awarded "Best NSS Programme officer" for his untiring contribution to society and Nation, He has published his research paper in UGC Approved International and National journals..



PROF. DR. SONAL S. BAWKAR

M.Com., B.Ed., NET, SET, Ph.D

She is currently working as assistant Professor in Rayat Shikshan Sanstha's Mahatma Phule Mahavidylaya, Pimpri, Pune 17. She is passed B.Com & M.Com in specialisation in Advanced Accounting and Taxation. She has also awarded Ph.D in Business Administration from Savitribai Phule Pune University, Pune.

She has 10 years experience of teaching of Accountancy, Auditing and taxation subject. She has also presented and published research papers in UGC Approved International Journals.



CA. AKSHAY S. ATTAL

B.COM, ACA.

He is a well-known practicing-Chartered Accountant in Pimpri-Chinchwad area. He has completed his Chartered Accountancy course in 2016. He has completed his B.com degree from Modern Institute of Business Management, Pune in 2012. He is specialised in Direct Taxes. He has been secured a symbolic score in Direct and Indirect Taxes in CA final examination.

ISBN : 978-81-951264-1-5

KSHITIJA PUBLICATION, PUNE

Sai Home Apartment, A-704, Near Beena English Medium School,
Ganaganagar, Akurdi, Pune - 411 035.

Mob.No: 9922836391 / 9423488805

E-Mail : kshitijapublication2013@gmail.com

INCOME TAX (Assessment Year 2021-22) T.Y.B.Com KSHITIJA PUBLICATION, PUNE

A Text Book
on

INCOME TAX

(Financial Year 2020-21)
(Assessment Year 2021-22)
For

T.Y.B.Com

PROF. DR. SUDHIR S. BORATE
PROF. DR. SONAL S. BAWKAR
PROF. DR. SUHAS A. NIMBALKAR
CA. AKSHAY S. ATTAL

Specifications of Book :

- Multiple Choice Questions (MCQ) given in last of respective topics
- As per the latest amendments of Finance Act (A.Y. 2021-22)
- Covered maximum problems as per New Taxation regime u/s 115BAC
- Covered Questions of Examination April 2016 to Oct. 2019 with Solution
- Also Useful for the Courses such as M.Com, B.B.A., M.B.A., & D.T.L.
- Simple Language and Techniques, Charts

As Per New Syllabus w.e.f. June 2015



KSHITIJA PUBLICATION, PUNE