

# Chapter 5 Journal

Question 1.

Journal

Without Goods and Services Tax (GST)

Following transactions of Ramesh for April,2018 are given below. Journalise them.

2018		₹
April 1	Ramesh started business with cash	1,00,000
April 2	Paid into bank	20,000
April 3	Bought goods for cash	50,000
April 4	Drew cash from bank for office use	10,000
April 13	Sold goods to Krishna on credit	15,000
April 20	Bought goods from Shyam on credit	22,500
April 24	Received from Krishna	12,500
	Allowed him discount	500
April 28	Paid cash to Shyam	21,500
	Discount received	1,000
April 28	Krishna returned goods	2,000
April 30	Cash sales for the month	80,000
April 30	Paid rent	5,000
April 30	Paid salary	10,000

Solution:

**Book of Ramesh**

**Journal**

<b>Date</b>	<b>Particulars</b>	<b>L.F.</b>	<b>Dr. Rs.</b>	<b>Cr. Rs.</b>
2018 April 01	Cash A/c Dr. To capital A/c (Being Ramesh started business with cash)		1,00,000	1,00,000
April 02	Bank A/c Dr. To Cash A/c (Being cash paid into bank)		20,000	20,000
April 03	Purchase A/c Dr. To Cash A/c (Being purchased goods for cash )		50,000	50,000
April 04	Cash A/c Dr. To Bank A/c (Being drew cash from bank for office use)		10,000	10,000
April 13	Krishna A/c Dr. To Sales A/c (Being sold goods to Krishna on credit)		15,000	15,000
April 20	Purchase A/c Dr. To Shyam A/c (Being bought goods from Shyam on credit )		22,500	22,500
April 24	Cash A/c Dr. Discount Allowed A/c Dr. To Krishna A/c (Being received cash from Krishna and discount allowed)		12,500 500	13,000
April 28	Shyam A/c Dr. To Cash A/c To Discount received A/c (Being paid to Shyam and discount received)		22,500	21,500 1,000
April 28	Sales Return A/c Dr. To Krishna A/c (Being goods return by krishna)		2,000	2,000
April 30	Cash A/c Dr. To Sales A/c (Being sold goods for cash)		80,000	80,000
April 30	Rent A/c Dr. Salary A/c Dr. To Cash A/c (Being rent and salary were paid )		5,000 10,000	15,000

Question 2.

Journalise the following transactions of Mr. Rahul:

2018		₹
Jan. 1	Rahul started business with cash	100000
Jan. 2	Paid into bank	60000
Jan. 3	Bought goods from M/s. Singh & Co. on credit	20000
Jan. 3	Paid cartage	300
Jan. 4	Purchased furniture	2000
Jan. 4	Place an order for HP Printers for ₹15,000, amount advanced	5000
Jan. 4	Purchased calculator	1000
Jan. 4	Purchased computer through cheque	13000
Jan. 6	Paid for postage	150
Jan. 8	Sold goods for cash	4000
Jan. 9	Sold goods on credit to M/s. Sharda & Co.	10000
Jan. 9	Paid cartage	200
Jan. 15	Paid to M/s Singh & Co. on account	17500
Jan. 25	Sold goods to M/s. Ray & Co.	5600
Jan. 27	Received cheque from M/s. Sharda & Co. in full settlement of amount due from them	9750
Jan. 31	Paid for electricity charges	1000
Jan. 31	Paid salary	1500
Jan. 31	Paid rent of building by cheque, half of the building is used by the proprietor for residential use	5000
Jan. 31	Drew for private use	3500

Solution:

**Books of Rahul  
Journal**

Date	Particulars	L.F.	Dr. Rs.	Cr. Rs.
2018 Jan. 01	Cash A/c To Capital A/c (Being Rahul started business with cash)	Dr.	1,00,000	1,00,000
Jan. 02	Bank A/c To Cash A/c (Being paid into Bank)	Dr.	60,000	60,000
Jan. 03	Purchase A/c To M/s. S. Singh of Co. A/c (Being purchased goods from M/s S. Singh and Co)	Dr.	20,000	20,000
Jan. 03	Cartage A/c To Cash A/c (Being paid for Cartage)	Dr.	300	300

Jan. 04	Furniture A/c Office Equipments A/c Computer A/c To Bank A/c (Being Furniture, Office Equipments and Computer purchased through cheque)	Dr. Dr. Dr.	2,000 1,000 13,000	16,000
Jan. 04	HP Printers A/c To Bank A/c (Being Advance payment for placing an order for HP Printers)	Dr.	5,000	5,000
Jan. 06	Postage A/c To Cash A/c (Being paid for postage)	Dr.	150	150
Jan. 08	Cash A/c	Dr.	4,000	
	To Sales A/c (Being sold goods for Cash)			4,000
Jan. 09	M/s. S. Sharda and Co. A/c To Sales A/c (Being sold goods to M/s. S. Sharda and Co.)	Dr.	10,000	10,000
Jan. 15	M/s S. Singh and Co. A/c To Cash A/c (Being paid to M/s S. Singh and Co.)	Dr.	17,500	17,500
Jan. 25	M/s. Ray and Co. A/c To Sales A/c (Being sold goods to M/s. Ray and Co)	Dr.	5,600	5,600
Jan. 27	Bank A/c Discount Allowed A/c To M/s S. Sharda and Co. A/c (Being cash received from M/s S. Sharda and Co. and discount allowed)	Dr. Dr.	9,750 250	10,000
Jan. 31	Electricity Charges A/c Salary A/c To Cash A/c (Being electricity charges and salary paid)	Dr. Dr.	1,000 1,500	2,500
Jan. 31	Rent A/c Drawings A/c To Cash A/c (Being rent paid half of which related to personal use)	Dr. Dr.	2,500 2,500	5,000
Jan. 31	Drawings A/c To Cash A/c (Being withdrew for private use)	Dr.	3,500	3,500

Question 3.

Journalise the following transactions in the books of M/s. R.K. & Co.

- Purchased goods at list price of ₹ 20,000 from Vishal at 20% trade discount against cheque payment.
- Purchased goods at list price of ₹ 20,000 from Naman at 15% trade discount against cash.
- Purchased goods at list price of ₹ 30,000 from Amrit at 20% trade discount.

- (iv) Purchased goods at list price of ₹ 40,000 for ₹ 35,000 for cash.  
 (v) Goods returned of list price ₹ 10,000 purchased from Amrit.  
 (vi) Sold goods to Parul at list price of ₹ 40,000 at 10% trade discount against cheque payment.  
 (vii) Sold goods to Aman at list price of ₹ 30,000 at 10% trade discount against cash.  
 (viii) Sold goods to Pawan at list price of ₹ 20,000 at 10% trade discount.  
 (ix) Sold goods to Yamini at list price of ₹ 25,000 for ₹ 23,000.  
 (x) Sold goods costing ₹ 10,000 at cost plus 20% less 10% trade discount to Bhupesh.  
 (xi) Sold goods purchased at list price of ₹ 50,000 less 15% trade discount sold at a profit of 25% & 10% trade discount against cheque.  
 (xii) Aman returned goods of list price of ₹ 10,000 sold to him at 10% trade discount.

Solution:

**Journal**

Sr. No.	Particulars	L.F.	Dr. Rs.	Cr. Rs.
i.	Purchase A/c Dr. To Cash A/c (Being goods purchase by cheque)		16,000	16,000
ii.	Purchase A/c Dr. To Cash A/c (Being goods purchased by cash)		17,000	17,000
iii.	Purchase A/c Dr. To Amit A/c (Being goods purchased by Amit on credit)		24,000	24,000
iv.	Purchase A/c Dr. To Cash A/c (Being cash purchases)		35,000	35,000
v.	Amit A/c Dr. To Purchase Return A/c (Being goods return by Amit)		8,000	8,000
vi.	Bank A/c Dr. To Sales A/c (Being sold to Parul by cheque)		36,000	36,000
vii.	Cash A/c Dr. To Sales A/c (Being sold goods for cash)		27,000	27,000
viii.	Pawan A/c Dr. To Sales A/c (Being sold goods to Pawan on credit)		18,000	18,000
ix.	Yamini A/c Dr. To Sales A/c (Being sold goods to Yamini on credit)		23,000	23,000
x.	Bhupesh A/c (WN 1) Dr.		10,800	

	To Cash A/c (Being sold goods to Bhupesh on credit)			10,800
xi.	Bank A/c (WN 2) To Sales A/c (Being sold goods to cheque)	Dr.	47,812.50	47,812.50
xii.	Sales Return A/c To Aman A/c (Being goods return by Aman)	Dr.	9,000	9,000

Working Notes:

1. Calculation of Sales Price

Sales Price = Goods Sold + Cost – trade discount

Sales Price = 10,000 + 20% – 10% = Rs. 10,800

2. Calculation of Purchase and sales Price

Purchase Price = Purchases goods – Trade Discount

Purchase Price = 50,000 – 15% = Rs.42,500

Sales Price = Goods Sold + Profit – trade discount

Sales Price = 42,500 + 25% – 10% = Rs.47,812.50

Question 4.

Journalise the following transactions in the books of Bhushan Agencies:

(i) Received from Bharat cash ₹ 20,000, allowed him discount of ₹ 500.

(ii) Received from Vikas ₹ 35,000 by cheque, allowed him discount of ₹ 750.

(iii) Received from Akhil ₹ 38,000 in settlement of his dues of ₹ 40,000 in cash.

(iv) Received from Amrit ₹ 50,000 by cheque on account against dues of ₹ 60,000.

(v) Paid cash ₹ 40,000 to suresh, availed discount of 2%.

(vi) Paid by cheque ₹ 25,000 to Mehar and settled her dues of ₹ 26,000.

(vii) Paid ₹ 25,000 to Yogesh by cheque on account.

(viii) Purchased goods costing ₹ 1,00,000 against cheque and availed discount of 3%.

(ix) Purchased goods costing ₹ 60,000 from Akash & Co., paid 50% immediately availing 3% discount.

(x) Sold goods of ₹ 30,000 against cheque allowing 2% discount.

(xi) Sold goods of ₹ 60,000 to Vimal received 50% of due amount allowing 2% discount.

Solution:

**Journal**

Sr. No.	Particulars	L.F.	Dr. Rs.	Cr. Rs.
i.	Cash A/c Dr. Discounted Allowed A/c Dr. To Bharat A/c (Being Payment received from Bharat on cash)		20,000 500	20,500
ii.	Bank A/c Dr. Discounted Allowed A/c Dr. To Vikas A/c (Being Payment received from Vikas on credit)		35,000 750	35,750
iii.	Cash A/c Dr. Discounted Allowed A/c Dr.		38,000 2,000	
	To Akhil A/c (Being Payment received from Akhil on cash)			40,000
iv.	Bank A/c Dr. To Amrit A/c (Being Payment received from Amrit on credit)		50,000	50,000
v.	Suresh A/c Dr. To Cash A/c To Discount Received A/c (Being Payment mead to Suresh with Discount Received)		40,000	39,200 800
vi.	Mehar A/c Dr. To Cash A/c To Discount Received A/c (Being Payment mead to Mehar with Discount Received)		26,000	25,000 1,000
vii.	Yogesh A/c Dr. To Bank A/c (Being Payment mead to Yogesh)		25,000	25,000
viii.	Purchase A/c Dr. To Bank A/c (Being goods purchase to cheque)		97,000	97,000
ix.	Purchase A/c Dr. To Akash and co. A/c To Cash A/c To Discount Received A/c (Being goods purchase to Akash and co.)		60,000	30,000 29,100 900
x.	Bank A/c Dr. To Sales A/c (Being sold goods to cheque)		29,400	29,400
xi.	Vimal A/c Dr. Cash A/c Dr. Discount Allowed A/c Dr. To Aman A/c (Being goods return by Aman)		30,000 29,400 600	60,000

Question 5.

Journalise the following transactions:

₹

Shyam became insolvent. A first and final

- (i) compensation of 75 paise in a rupee was received from his Official Receiver . He owed us 10,000
- (ii) Received cash for a bad debt written off last year . 5,000
- (iii) Rent due to landlord. 8,000
- (iv) Salaries due to clerks. 10,000

Placed an order with Rakesh Mohan for the supply of goods of the list price of ₹ 1,00,000 . In this connection, Raman paid 10% of the list price as an advance by cheque.

Solution:

### Journal

Sr. No.	Particular	L.F.	Dr. Rs.	Cr. Rs.
i.	Cash A/c Dr. Bad Debt A/c Dr. To Shyam's A/c (Being insolvency of Shyam with 75 paise in a rupee recoverable)		7,500 2,500	10,000
ii.	Cash A/c Dr. To Bad Debts Recovered A/c (Being amount written off as bad debts recovered )		5,000	5,000
iii.	Rent A/c Dr. To Outstanding Rent A/c (Being rent due to landlord)		8,000	8,000
iv.	Salary A/c Dr. To Outstanding Salary A/c (Being salary due to clerk)		10,000	10,000
v.	Advance to Rakesh Mohan A/c Dr. To Bank A/c (Being advance paid to Rakesh Mohan for a future order)		10,000	10,000

Question 6.

Journalise the following entries:

- (i) Goods worth ₹ 500 given as charity.
- (ii) Sold goods to Mayank of ₹ 1,00,000, payable 25% by cheque at the time of sale and balance after 30 days of sale.
- (iii) Received ₹ 975 from Harikrishna in full settlement of his account for 1,000.
- (iv) Received a first and final dividend of 60 paise in a rupee from the Official Receiver of Rajan, who owed us ₹ 1,000.
- (v) Charged depreciation on plant ₹ 1,000.
- (vi) Charge interest on Drawings ₹ 1,500.
- (vii) Sold goods costing ₹ 40,000 to Anil for cash at a profit of 25% on cost less 20% trade discount and charged 8% Value Added Tax and paid cartage ₹ 100, which is not to be charged from customer.



Solution:

**Journal**

Sr. No.	Particulars	L.F.	Dr. Rs.	Cr. Rs.
i.	Charity A/c Dr. To Purchase A/c (Being goods given as charity)		500	500
ii.	Bank A/c Dr. Mayank A/c Dr. To Sales A/c (Being goods sold partly through bank and partly on credit)		25,000 75,000	1,00,000
iii.	Cash A/c Dr. Discount Allowed A/c Dr. To Harikrishna A/c (Being cash received from Harikrishna in full and final settlement)		975 25	1,000
iv.	Cash A/c Dr. Bad Debts A/c Dr. To Rajan A/c (Being first and final dividend received from Rajan in full settlement of his debt)		600 400	1,000
v.	Depreciation A/c Dr. To Plant A/c (Being depreciation charged on plant)		1,000	1,000
vi.	Drawing A/c Dr. To Interest on Drawing A/c (Being interest on drawing charged)		1,500	1,500
vii.	Cash A/c Dr. To Sales A/c To VAT A/c (Being sold goods to Anil at 10% discount and 8% VAT)		43,200	40,000 3,200
viii.	Cartage A/c Dr. To Cash A/c (Being cartage paid)		100	100

Question 7.

Journalise the following transaction:

	₹
(a) Shyam became insolvent. A first and final compensation of 75 paise in a rupee was received from his official receiver. He owed a debt of	50,000
(b) Received cash for a bad debt written off last year	25,000
(c) Rent due to landlord	40,000
(d) Depreciation on office furniture	5,000
(e) Salaries due to staff	50,000
(f) Paid income tax	1,50,000
(g) Received commission ₹ 25,000, half of which is in advance	

Solution:

**Journal**

Sr. No.	Particular	L.F.	Dr. Rs.	Cr. Rs.
i.	Cash A/c Dr. Bad Debt A/c Dr. To Shyam's A/c (Being insolvency of Shyam with 75 paisa in a rupee recoverable)		37,500 12,500	50,000
ii.	Cash A/c Dr. To Bad Debts Recovered A/c (Being amount written off as bad debts recovered )		25,000	25,000
iii.	Rent A/c Dr. To Outstanding Rent A/c (Being rent due to landlord)		40,000	40,000
iv.	Depreciation A/c Dr. To Office Furniture A/c (Being depreciation on office furniture)		5,000	5,000
v.	Salary A/c Dr. To Outstanding Salary A/c (Being salary due to staff)		50,000	50,000
vi.	Income Tax A/c Dr. To Bank A/c (Being income tax paid)		1,50,000	1,50,000
vi.	Bank A/c Dr. To Commission Received A/c (Being received commission half in advance)		25,000	25,000
	Commission Received A/c Dr. To Commission Received in Advance A/c (Being commission received in advance adjusted)		12,500	12,500

Question 8.

With Goods and Services Tax (GST)

Journalise the following transactions of Singh Enterprises, Delhi:

2017		₹
June 1	Started business with cash	50,000
June 2	Deposited cheque from Savings Account in firm's account	2,00,000
June 3	Received cash from Ram	50,000
June 4	Purchased goods for cash	15,000
June 11	Sold goods to M/s. Hari Sales, Delhi	12,000
June 13	Paid to Ramavtar	40,000
June 17	Received from M/s. Hari Sales	10,000
June 20	Bought furniture from S.R. Furnishers against Cash (including CGST and SGST)	22,400
June 27	Paid rent	28,000
June 30	Paid salary	50,000

CGST and SGST @ 6% each is levied on Intra-state sale and purchase.

Solution:

**Journal**

<b>Date</b>	<b>Particulars</b>	<b>L.F.</b>	<b>Debit Amount (Rs.)</b>	<b>Credit Amount (Rs.)</b>
2017 June 01	Cash A/c Dr. To Capital A/c (Started business with cash)		50,000	50,000
June 02	Bank A/c Dr. To Capital A/c  (Cheque deposited from Savings A/c to Firm's A/c)		2,00,000	2,00,000
June 03	Cash A/c Dr. To Ram's A/c (Received cash from Ram)		50,000	50,000
June 04	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Cash A/c  (Goods purchased with CGST and SGST @ 6% each)		15,000 900 900	16,800
June 11	M/s Hari A/c Dr. To Sales A/c		13,440	12,000

	To Output CGST A/c			720
	To Output SGST A/c			720
	(Goods sold on credit with CGST and SGST @ 6% each)			
June 13	Ramavtar's A/c	Dr.	40,000	
	To Cash A/c			40,000
	(Paid to Ramavtar)			
June 17	Cash A/c	Dr.	10,000	
	To M/s Hari A/c			10,000
	(Received from M/s Hari A/c)			
June 20	Furniture A/c	Dr.	20,000	
	Input CGST A/c	Dr.	1,200	
	Input SGST A/c	Dr.	1,200	
	To Cash A/c			22,400
	(Bought furniture for cash)			
June 27	Rent A/c	Dr.	28,000	
	To Cash A/c			28,000
	(Paid rent)			
June 30	Salary A/c	Dr.	50,000	
	To Cash A/c			50,000
	(Paid salary)			

Question 9.

Journalise the following transactions of Rakesh Agencies, Delhi (Proprietor Shri Rakesh):

2018		
Jan 1		
Jan 2		
Jan 5		
Jan 7		₹
Jan	Rakesh commenced business with cash	50,000
10	Purchased goods for cash	10,000
Jan	Purchased goods from Mohan, Delhi on credit	6,000
15	Opened bank account with Bank of India	10,000
Jan	Purchased furniture for office	2,000
20	Sold goods for cash	8,000
Jan	Sold goods to Ram, Delhi on credit	5,000
25	Cash sales	3,500
Jan	Paid to Mohan on account	3,000
27	Ram returns goods	500
Jan	Paid Salaries	9,000
28	Rejected and returned 10% of goods supplied by Mohan	
Jan		
31		
Jan		
31		

CGST and SGST is levied @ 6% each on intra-state sale and purchase. IGST is levied @12% on inter-state sale and purchase.

Solution:

**Journal**

<b>Date</b>	<b>Particulars</b>	<b>L.F.</b>	<b>Debit Amount (Rs.)</b>	<b>Credit Amount (Rs.)</b>
2018 Jan 01	Cash A/c Dr. To Capital A/c (Started business with cash)		50,000	50,000
Jan 02	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Cash A/c (Goods purchased with CGST and SGST @ 6% each)		10,000 600 600	11,200
Jan 05	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Mohan A/c (Goods purchased with CGST and SGST @ 6% each)		6,000 360 360	6,720
Jan 07	Bank A/c Dr. To Cash A/c (Opened Bank A/c with Bank of India)		10,000	10,000
Jan 10	Furniture A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Cash A/c (Furniture purchased with CGST and SGST @ 6% each)		2,000 120 120	2,240
Jan 15	Cash A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)		8,960	8,000 480 480
Jan 20	Ram A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c		5,600	5,000 300 300

	(Goods sold with CGST and SGST @ 6% each)			
Jan 25	Cash A/c To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)	Dr.	2,800	2,500 150 150
Jan 27	Mohan's A/c To Cash A/c (Paid to Mohan on account)	Dr.	3,000	3,000
Jan 28	Sales Return A/c Output CGST A/c Output SGST A/c To Ram's A/c (Ram returned goods)	Dr. Dr. Dr.	500 30 30	560
Jan 31	Salary A/c To Cash (Paid salaries)	Dr.	9,000	9,000
Jan 31	Mohan's A/c To Purchases Return A/c To Input CGST A/c To Input SGST A/c (Rejected and returned 10% of the goods supplied by Mohan)	Dr.	672	600 36 36

Question 10.

Journalise the following transactions of Ram Delhi:

2018		₹
Jan. 1	Ram commenced business with cash	30,000
Jan. 2	Open a bank account with Union Bank by cheque from saving account	21,000
Jan. 3	Purchased goods from Rahul in cash	10,000
Jan. 7	Withdrew cash from bank for office use	3,000
Jan. 10	Sold goods to Hari, Delhi on credit	5,000
Jan. 15	Purchased goods from Shyam, Meerut (UP)	15,000
Jan. 20	Cash sales	3,000
Jan. 25	Paid to Shyam	14,750
	Discount Received	250
Jan. 31	Paid Salaries	10,000

CGST and SGST is levied @ 6% each on intra-state sale and purchase. IGST is levied @12% on inter-state sale and purchase.

Solution:

**Journal**

<b>Date</b>	<b>Particulars</b>	<b>L.F.</b>	<b>Debit Amount (Rs.)</b>	<b>Credit Amount (Rs.)</b>
2018 Jan 01	Cash A/c Dr. To Capital A/c (Started business with cash)		30,000	30,000
Jan 02	Bank A/c Dr. To Capital A/c (Cheque deposited from Savings A/c to Firm's A/c)		21,000	21,000
Jan 03	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Cash A/c (Goods purchased with CGST and SGST @ 6% each)		10,000 600 600	11,200
Jan 07	Cash A/c Dr. To Bank A/c (Withdrew from bank for office use)		3,000	3,000
Jan 10	Hari's A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)		5,600	5,000 300 300
Jan 15	Purchases A/c Dr. Input IGST A/c Dr. To Shyam's A/c (Goods purchased with IGST @ 12%)		15,000 1,800	16,800
Jan 25	Shyam's A/c Dr. To Cash A/c To Discount Received A/c (Paid to Shyam on account)		15,000	14,750 250
Jan 31	Salary A/c Dr. To Cash (Paid salaries)		10,000	10,000

Question 11.

Following transactions of Ramesh Delhi for April, 2018 are given below. Journalise them.



2018		₹
April 1	Ramesh started business with cash	1,00,000
April 1	Deposited cash to open a current account with Bank	70,000
April 3	Bought goods for cash	5,000
April 13	Sold goods to Krishna, Panipat (Haryana) on credit	1,500
April 20	Bought goods from Atul, Karnal on credit	2,250
April 24	Received from Krishna	1,450
	Allowed him discount	50
April 28	Paid cash to Shyam	2,150
	Discount allowed by him	100
April 30	Cash sales for the month	8,000
April 30	Paid rent	500
April 30	Paid salary	10,000

CGST and SGST is levied @ 6% each on intra-state sale and purchase. IGST is levied @12% on inter-state sale and purchase.

Solution:

#### Journal

Date	Particulars	L.F.	Debit Amount (Rs.)	Credit Amount (Rs.)
2018 Apr 01	Cash A/c Dr. To Capital A/c (Started business with cash)		1,00,000	1,00,000
Apr 02	Bank A/c Dr. To Cash A/c (Deposited cash and opened Current A/c)		70,000	70,000
Apr 03	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Cash A/c (Goods purchased with CGST and SGST @ 6% each)		5,000 300 300	5,600
Apr 13	Krishna's A/c Dr. To Sales A/c To Output IGST A/c (Goods sold with IGST @ 12%)		1,680	1,500 180
Apr 20	Purchases A/c Dr. Input IGST A/c Dr. To Atul's A/c (Goods purchased with IGST @ 12%)		2,250 270	2,520
Apr 24	Cash A/c Dr. Discount Allowed A/c Dr. To Krishna's A/c (Received from Krishna, allowed discount)		1,450 50	1,500

Apr 28	Atul's A/c*	Dr.	2,250	
	To Cash A/c			2,150
	To Discount Received A/c			100
	(Paid to Atul, received discount)			
Apr 30	Cash A/c	Dr.	8,960	
	To Sales A/c			8,000
	To Output CGST A/c			480
	To Output SGST A/c			480
	(Goods sold with CGST and SGST @ 6% each)			
Apr 30	Rent A/c	Dr.	500	
	To Cash A/c			500
	(Paid rent)			
Apr 30	Salary A/c	Dr.	10,000	
	To Cash			10,000
	(Paid salaries)			

Note: In transaction dated Apr 28, there is a misprint in the book. The payment of Rs 2,150 is made to Atul and not Shyam.

Question 12.

Journalise the following transactions of Satish, Noida (UP):

2018		
Jan 1		
Jan 2		
Jan 3		
Jan 4	Started business with cash	₹
Jan 4	Opened Bank Account by cheque from Saving Account	40,000
Jan 4	Bought goods from M/s. S. Singh & Co., Delhi	60,000
Jan 6	Introduced additional capital by cheque	20,000
Jan 6	Purchased computer against cheque from Computer Mart, Noida	5,000
Jan 8	Paid for pastage	15,000
Jan 8	Sold goods for cash	150
Jan 9	Sold goods to M/s Sharda & Co., Delhi	4,000
Jan 9	Paid to M/s S. Singh & Co.	10,000
Jan 15	Discount allowed by them	19,500
Jan 15	Sold goods to M/s Ray & Co., Kolkata	500
Jan 15	Received cheque from M/s Sharda & Co. in full settlement of amount due from them	5,600
Jan 25	Paid for electricity charges	9,750
Jan 27	Paid rent of building by cheque. Half of the building is used by the proprietor for residential use.	1,000
Jan 31	Drew for private use	5000
Jan 31		3,500
Jan 31		
Jan 31		
Jan 31		

CGST and SGST is levied @ 6% each on intra-state sale and purchase. IGST is levied @ 12% on inter-state sale and purchase.

Solution:

**Journal**

<b>Date</b>	<b>Particulars</b>	<b>L.F.</b>	<b>Debit Amount (Rs.)</b>	<b>Credit Amount (Rs.)</b>
2018 Jan 01	Cash A/c Dr. To Capital A/c (Started business with cash)		40,000	40,000
Jan 02	Bank A/c Dr. To Capital A/c (Cheque deposited from Savings A/c to Firm's A/c)		60,000	60,000
Jan 03	Purchases A/c Dr. Input IGST A/c Dr. To M/s S. Singh and Co. A/c (Goods purchased with IGST @ 12%)		20,000 2,400	22,400
Jan 04	Computer A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Bank A/c (Purchased computer with CGST and SGST @ 6% each)		15,000 900 900	16,800
Jan 06	Postage A/c Dr. To Cash A/c (Paid for postage)		150	150
Jan 08	Cash A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)		4,480	4,000 240 240
Jan 09	M/s Sharda and Co. A/c Dr. To Sales A/c To Output IGST A/c (Goods sold with IGST @ 12%)		11,200	10,000 1,200
Jan 15	M/s S. Singh and Co. A/c Dr. To Cash A/c		20,000	19,500

	To Discount Received A/c (Paid to M/s S. Singh and Co.)			500
Jan 25	M/s Ray and Co. A/c To Sales A/c To Output IGST A/c (Goods sold with IGST @ 12%)	Dr.	6,272	5,600 672
Jan 27	Bank A/c Discount Allowed A/c To M/s Sharda and Co. A/c (Received from M/s Sharda and Co., allowed discount)	Dr. Dr.	9,750 250	10,000
Jan 31	Electricity Charges A/c To Cash A/c (Paid for electricity charges)	Dr.	1,000	1,000
Jan 31	Rent A/c Drawings A/c To Cash A/c (Paid rent for building, half building is occupied for residential purpose by proprietor)	Dr. Dr.	2,500 2,500	5,000
Jan 31	Drawings A/c To Cash (Paid salaries)	Dr.	3,500	3,500

Question 13.

Following are the transactions of R.Singh & Co., Kanpur (UP) for the month of July, 2017. You are required to Journalise them:

2017		
July 1		
July 1		
July 1		
July 2	Started business with cash	₹
July 5	Cash paid into bank	80,000
July 6	Bought stationery of ₹ 300 plus CGST and SGST @ 6% each for cash	50,000
July	Bought goods of ₹ 21,000 plus CGST and SGST @ 6% each for cash	
11	Sold goods of ₹ 7,500 plus CGST and SGST @ 6% each for cash	
July	Bought office furniture of ₹ 5,000 plus CGST and SGST @ 6% each from	
12	Banerjee Bros.	
July	Sold goods of ₹ 10,000 plus CGST and SGST @ 6% each to Mahendra	
16	Received cheque from Mahendra for the amount due	
July	Sold goods of ₹ 5,000 plus CGST and SGST @ 6% each to Ramesh & Co.	
20	Bought goods of ₹ 20,000 plus IGST @ 12% from S. Seth & Bros., Delhi	
July	Bought goods of ₹ 2,250 plus IGST @12 % for cash from S. Narain & Co.,	
23	Ludhiana (Punjab)	2,500
July	Ramesh & Co. paid on account	22,000
26	Paid to S. Seth & Bros. by cheque in full settlement	1,000
July	Rent is due to S. Sharma but not yet paid.	
28		
July		
31		

Solution:

#### Journal

Date	Particulars	L.F.	Debit Amount (Rs.)	Credit Amount (Rs.)
2017				
July 01	Cash A/c Dr. To Capital A/c (Started business with cash)		80,000	80,000
July 01	Bank A/c Dr. To Cash A/c (Cash paid into bank)		50,000	50,000
July 01	Stationery A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Cash A/c (Stationery purchased with CGST and SGST @ 6% each)		300 18 18	336
July 02	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Cash A/c (Purchased goods with CGST and SGST @ 6% each)		21,000 1,260 1,260	23,520

July 05	Cash A/c To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)	Dr.	8,400	7,500 450 450
July 06	Furniture A/c Input CGST A/c Input SGST A/c To Banerjee Bros. A/c (Furniture purchased with CGST and SGST @ 6% each)	Dr. Dr. Dr.	5,000 300 300	5,600
July 11	Mahendra A/c To Sales A/c To Output CGST A/c	Dr.	11,200	10,000 600
	To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)			600
July 12	Cash A/c To Mahendra A/c (Received from Mahendra)	Dr.	11,200	11,200
July 16	Ramesh and Co. A/c To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)	Dr.	5,600	5,000 300 300
July 20	Purchases A/c Input IGST A/c To S. Seth and Bros. A/c (Goods purchased with IGST @ 12%)	Dr. Dr.	20,000 2,400	22,400
July 23	Purchases A/c Input IGST A/c To Cash A/c (Goods purchased with IGST @ 12%)	Dr. Dr.	2,250 270	2,520
July 26	Cash A/c To Ramesh and Co. A/c (Ramesh and Co. paid on account)	Dr.	2,500	2,500
July 28	S. Seth and Bros. A/c To Bank A/c To Discount Received A/c (Paid to S. Seth and Bros., received discount)	Dr.	22,400	22,000 400
July 31	Rent A/c To Rent Outstanding A/c (Rent due but not paid)	Dr.	1,000	1,000

Question 14.

Record the following transactions in the Journal of Ashoka Furniture Traders, Ludhiana (Punjab):

2018		₹
Jan. 1	Started business with cash	50,000
Jan. 2	Opened a Current Account by personal cheque	3,50,000
Jan. 10	Purchased machinery against cheque	1,00,000
Jan. 15	Paid wages for installation of machinery	2,000
Jan. 20	Purchased timber from Singh & Co., Ludhiana (Punjab) of the list price of ₹ 20,000, allowed 10% trade discount	
Jan. 25	Out of the above, timber used for furnishing the office	5,000
Jan. 31	Sold timber to Rakesh of the list price of ₹ 10,000 and allowed him 10% trade discount	
Feb. 10	Issued to Singh & Co. a cheque in full settlement	21,000
Feb. 15	Received from Rakesh in full and final settlement	10,220
Feb. 20	Paid Wages	15,000
Feb. 28	Issued a cheque for ₹ 5,000 in favour of the landlord for rent of February	

CGST and SGST is levied @ 6% each on intra-state sale and purchase. IGST is levied @ 12% on inter-state sale and purchase.

Solution:



**Journal**

Date	Particulars	L.F.	Debit Amount (Rs.)	Credit Amount (Rs.)
2018 Jan 01	Cash A/c Dr. To Capital A/c (Started business with cash)		50,000	50,000
Jan 02	Bank A/c Dr. To Capital A/c (Opened Current A/c by personal cheque)		3,50,000	3,50,000
Jan 10	Machinery A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Bank A/c (Machinery purchased with CGST and SGST @ 6% each)		1,00,000 6,000 6,000	1,12,000
Jan 15	Machinery A/c Dr. To Cash A/c (Paid wages for the installation of machinery)		2,000	2,000
Jan 20	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Singh and Co. A/c (Purchased timber @ 10% trade discount, with CGST and SGST @ 6% each)		18,000 1,080 1,080	20,160
Jan 25	Office Furniture A/c Dr. To Purchases A/c (Goods used for furnishing office)		5,000	5,000
Jan 31	Rakesh A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)		10,080	9,000 540 540
Feb 10	Singh and Co. A/c Dr. To Bank A/c To Discount Received A/c  (Issued cheque in full settlement)		20,160*	20,160* -
Feb 15	Cash A/c Dr. Discount Allowed A/c Dr. To Rakesh A/c (Received in full settlement)		10,080* -	10,080*
Feb 20	Wages A/c Dr. To Cash A/c (Paid wages)		15,000	15,000
Feb 28	Rent A/c Dr. To Bank A/c (Issue cheque for rent of February)		5,000	5,000

\*Some Error in Question. Amount specified is more than actual amount due.

Question 15.

Enter the following transactions in the Journal of Suresh who trades in ready-made garments:

2018		₹
April 1	Suresh paid into bank	60,000
April 2	He bought goods cheque	24,000
April 3	Sold to Mukand & Co.	6,700
April 4	Sold goods for cash	10,900
April 5	Paid sundry expenses in cash	3,000
April 8	Paid for office furniture and fittings by cheque	4,000
April 9	Bought goods from Ramesh & Bros., Faridabad (Haryana)	10,600
April 10	Sold to Mahendra of Delhi	18,700
April 11	Returned goods to Ramesh & Bros.	1,500
April 12	Issued cheque to Ramesh & Bros. in full settlement	9,000
April 14	Sold goods for cash	4,900
April 30	Bank charged interest	200
April 30	Borrowed from Ridhi @ 10% per annum interest	50,000
April 30	Received from Mahendra on account	6,000
April 30	Sold household furniture and paid the amount into business	2,000
April 30	Sold goods costing ₹ 5,000 to Anita for cash at a profit of 20% on cost <i>less</i> 20% trade discount.	6,500
April 30	Sold goods costing ₹ 20,000 to Sunil at a profit of 20% on sale <i>less</i> 20% Trade Discount and paid cartage ₹ 150 (to be charged from customer).	

CGST and SGST is levied @ 6% each on intra-state sale and purchase. IGST is levied @ 12% on inter-state sale and purchase.

Solution:

**Journal**

<b>Date</b>	<b>Particulars</b>	<b>L.F.</b>	<b>Debit Amount (Rs.)</b>	<b>Credit Amount (Rs.)</b>
2018 Apr 01	Bank A/c Dr. To Capital A/c (Paid into bank as Capital)		60,000	60,000
Apr 02	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Bank A/c (Goods purchased with CGST and SGST @ 6% each)		24,000 1,440 1,440	26,880
Apr 03	Mukand and Co. A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)		7,504	6,700 402 402
Apr 04	Cash A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)		12,208	10,900 654 654
Apr 05	Sundry Expenses A/c Dr. To Cash A/c (Paid sundry expenses)		3,000	3,000
Apr 08	Office Furniture and Fittings A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Bank A/c (Paid for office furniture and fittings)		4,000 240 240	4,480
Apr 09	Purchases A/c Dr. Input IGST A/c Dr. To Ramesh and Bros. A/c (Goods purchased with IGST @ 12%)		10,600 1,272	11,872
Apr 10	Mahendra A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)		20,944	18,700 1,122 1,122

Apr 11	Ramesh and Bros. A/c To Purchases Return A/c To Input IGST A/c (Returned goods)	Dr.	1,680	1,500 180
Apr 12	Ramesh and Bros. A/c To Bank A/c To Discount Received A/c (Issue cheque in full settlement)	Dr.	10,192	9,000 1,192
Apr 14	Cash A/c To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)	Dr.	5,488	4,900 294 294
Apr 30	Bank Interest A/c To Bank A/c (Bank charged interest)	Dr.	200	200
Apr 30	Cash A/c To 10% Loan from Ridhi A/c (Borrowed from Ridhi)	Dr.	50,000	50,000
Apr 30	Cash A/c To Mahendra's A/c (Received on account)	Dr.	6,000	6,000
Apr 30	Cash A/c To Capital A/c (Sold household furniture and paid into business)	Dr.	2,000	2,000
Apr 30	Cash A/c To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)	Dr.	5,376	4,800 288 288
Apr 30	Sunil's A/c To Sales A/c To Cartage A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)	Dr.	22,550	20,000 150 1,200 1,200

Question 16.

M/s. Auto Aid, Delhi purchased 500 pieces of car horns @ ₹ 200 each less 10% Trade Discount plus IGST @ 12% from M/s Auto Horns, Chandigarh. What is the invoice value?

Solution:

**Calculation of Invoice value:**

Purchased 500 pieces of car horns (Rs.200 each)	1,00,000
Less: Trade Discount @ 10%	(10,000)
	90,000
Add: Input IGST @12%	10,800
<b>Invoice Value</b>	<b>1,00,800</b>

**In the books of M/s. Auto Aid, Delhi**

**Journal**

Date	Particulars	L.F.	Dr. Rs.	Cr. Rs.
	Purchases A/c Dr.		90,000	
	Input IGST @12% Dr.		10,800	
	To M/s Auto Horns			1,00,800
	(Being purchases the car horns less @10% trade discount, payable @12% IGST)			

Question 17.

M/s. Vaish Traders, Delhi purchased 500 Parker Pens @ ₹ 200 each less Trade Discount @ 15% from Luxor Pens Ltd., Delhi. CGST and SGST was levied @ 6% each. Further, Cash Discount was allowed @ 5% as the payment was made within specified time. What will be the amount of trade discount and cash discount ?

Solution:

**Calculation of Trade Discount and Cash Discount value:**

Purchased 500 pieces of Parker Pens (Rs.200 each)	1,00,000
Less: Trade Discount @ 15%	(15,000)
	85,000
Add: Input CGST @6%	5,100
Add: Input SGST @6%	5,100
	95,200
Less: Cash Discount @ 5%	4,760
	90,440

**In the books of M/s. Vaish Traders, Delhi**

**Journal**

Date	Particulars	L.F.	Dr. Rs.	Cr. Rs.
	Purchases A/c Dr.		85,000	
	Input CGST @6% Dr.		5,100	
	Input SGST @6% Dr.		5,100	
	To Luxor pens Ltd.			90,440
	To Cash Discount A/c			4,760
	(Being purchases the Parker Pens less @15% trade discount and cash discount received @5%, payable CGST and SGST @6% each.)			

Question 18.

On 1st April, 2018, the position of Rahman was as follows: Cash-in-Hand ₹ 11,200; Cash at Bank ₹ 2,57,600; Bills Receivable ₹ 68,000; Jai Ram (Dr.) ₹ 16,000; Ram Kumar (Dr.) ₹ 48,080; Office Furniture ₹ 52,800; Stock-in-Trade ₹ 4,16,000; Doulat Ram (Cr.) ₹ 1,74,720, Hari Ram (Cr.) ₹ 2,16,960; Bills Payable ₹ 80,000. What was the amount of capital of Rahman on that date? Show the

Journal entry to Open his books.

Solution:

**In the books of Rahman**

**Journal**

Date	Particulars	L.F.	Dr. Rs.	Cr. Rs.
2018 1 <sup>st</sup> April	Cash-in-Hand A/c Dr.		11,200	
	Cash-at-Bank A/c Dr.		2,57,600	
	Bills Receivable A/c Dr.		68,800	
	Jai Ram A/c Dr.		16,000	
	Ram Kumar A/c Dr.		48,080	
	Office Furniture A/c Dr.		52,800	
	Stock-in-Trade A/c Dr.		4,16,000	
	To Doulat Ram A/c			1,74,720
	To Hari Ram A/c			2,16,960
	To Bills Payable A/c			80,000
	To Capital A/c (Balancing Amount)			3,98,800
	(Being balances of assets and liabilities and capital brought forward.)			

Question 19.

On 1st April, 2018, the position of Tendulkar was as follows: Stock-in-Hand ₹ 2,88,000; Bills Payable ₹ 48,000; Cash at Bank ₹ 2,16,000; Plant and Machinery ₹ 1,20,000; Owing by debtors ₹ 60,000; Owing to creditors ₹ 96,000; Investment ₹ 2,40,000; Loan from S.K. Garg ₹ 1,80,000. What was the amount of Tendulkar's capital on the date? Show an opening Journal entry.

Solution:

**In the books of Tendulkar**

**Journal**

Date	Particulars	L.F.	Dr. Rs.	Cr. Rs.
2018 1 <sup>st</sup> April	Stock-in-Hand A/c Dr.		2,88,000	
	Cash at Bank A/c Dr.		2,16,000	
	Plant and Machinery A/c Dr.		1,20,000	
	Debtors A/c Dr.		60,000	
	Investment A/c Dr.		2,40,000	
	To Creditors A/c			96,000
	To Loan A/c			1,80,000
	To Bills Payable A/c			48,000
	To Capital A/c (Balancing Amount)			6,00,000
	(Being balances of assets and liabilities and capital brought forward.)			

Question 20.

M/s. Auto Help, Delhi purchased 500 pieces of motor cycle horns at ₹ 100 each plus IGST @ 12% from M/s G.S., Auto, Ghaziabad, (UP). Trade terms settled were: Trade Discount will be allowed @ 10% and Cash Discount @ 5% if payment is made within 7 days. M/s. Auto Help made the payment after 30 days. Determine the amount of Trade Discount and Cash Discount.

Solution:

**Calculation of Trade Discount**

Purchased 500 pieces of Motor cycle (Rs.100 each)	50,000
<b>Less: Trade Discount @ 15%</b>	<b>(5,000)</b>
	45,000
<b>Add: Input IGST @12%</b>	<b>5,400</b>
	50,400

**Note:** Cash discount will not allowed because payment is paid on M/s. Auto Help after 30days.

**In the books of M/s. Auto Help, Delhi**

**Journal**

Date	Particulars	L.F.	Dr. Rs.	Cr. Rs.
	Purchases A/c Dr.		45,000	
	Input IGST @12% Dr.		5,400	
	To M/s G.S.			50,400
	(Being purchases the Motor cycle @10% trade discount, payable IGST @12%.)			

Question 21.

Name the accounts to be credited along with the amount for payment to Ajay of ₹ 4,800 by cheque in full settlement of ₹ 5,000.

Solution:

Full settlement of Rs.5000

Paid amount	5,000
<b>Less: Paid cheque by Ajay</b>	<b>(4,800)</b>
<b>Discount Received</b>	<b>200</b>

**Journal**

Date	Particular	L.F.	Dr. Rs.	Cr. Rs.
	Ajay A/c Dr.		5,000	
	To Bank A/c			4,800
	To Discount Received A/c			200
	(Being full settlement of Rs.5000)			

Question 22.

Pass Journal entry for sale of goods by Rahul, Delhi to Anish, Delhi for ₹ 10,000 less 10% Trade Discount and 2% Cash Discount. Assume payment is received at the time of sale. CGST and SGST is levied @ 6% each.

Solution:

Journal				
Date	Particulars	L.F.	Dr. Rs.	Cr. Rs.
	Cash/Bank A/c Dr.		9,878	
	Discount Allowed A/c (10,080 × 2%) Dr.		202	
	To Sales A/c			9,000
	To Output CGST @6% A/c			540
	To Output SGST @6% A/c			540
	(Being sales the goods less @10% trade discount and cash discount allowed @2%, payable CGST and SGST @6% each.)			

Question 23.

Pass Journal entry for purchase of goods by Amrit, Delhi from Ayur Products, Agra, (UP) for ₹ 25,000 less Trade Discount @ 15% plus IGST @ 12%.

Solution:

In the books of Amrit, Delhi Journal				
Date	Particulars	L.F.	Dr. Rs.	Cr. Rs.
	Purchases A/c (25,000 - 15%) Dr.		21,250	
	Input IGST @12% Dr.		2,550	
	To Ayur Products, Agra (UP)			23,800
	(Being purchases the goods less @15% trade discount, payable IGST @12%.)			

Question 24.

Pass Journal entry for purchase of goods by Amrit, Delhi from Add Gel Pens, Delhi for ₹ 15,000 less Trade Discount 10% and Cash Discount 3% CGST and SGST is levied @ 6% each. Assume payment is made at the time of purchase.

Solution:

In the books of Amrit, Delhi Journal				
Date	Particulars	L.F.	Dr. Rs.	Cr. Rs.
	Purchases A/c Dr.		13,500	
	Input CGST @6% A/c Dr.		810	
	Input SGST @6% A/c Dr.		810	
	To Cash/Bank A/c			14,666
	To Discount Received A/c (15,120 × 3%)			454
	(Being Purchases the goods less @10% trade discount and cash discount received @3%, payable CGST and SGST @6% each.)			

Question 25.

Mittal Cycles purchased 100 cycles from Hero Cycles, Ludhina (Punjab) @ ₹ 1,200 per cycle plus IGST @ 12%. Hero Cycles allowed 10% Trade Discount and 3% Cash Discount if payment is made within 14 days. Mittal Cycles received 10 cycles damaged during transit, which it returned. Mittal Cycles settled the payment in 10 days time.

Pass Journal entries for the above transactions.



Solution:

Journal				
Date	Particulars	L.F.	Debit Amount (Rs.)	Credit Amount (Rs.)
	Purchases A/c Dr. Input IGST A/c Dr. To Hero Cycles A/c (Goods purchased @ 10% trade discount, with IGST @ 12%)		1,08,000 12,960	1,20,960
	Hero Cycles A/c Dr. To Purchases Return A/c To Input IGST A/c (Returned 10 cycles)		12,096	10,800 1,296
	Hero Cycles A/c Dr. To Cash A/c To Discount Received A/c (Balance paid after availing cash discount of 3%)		1,08,864	1,05,598 3,266

Question 26.

Oswal Woollen Mills, Amritsar (Punjab) sold shawls to Gupta Shawls, Jaipur as per details: Sold 100 shawls @ ₹ 200 per shawl on 4th January, 2018, IGST is levied @ 12%. Trade Discount 25% and Cash Discount 5% if full payment is made within 14 days. Gupta Shawls sent 50% of the payment on 14th January, 2018 and balance payment on 10th February, 2018. Pass Journal entries.

Solution:

Journal				
Date	Particulars	L.F.	Debit Amount (Rs.)	Credit Amount (Rs.)
Jan 04	Gupta Shawls A/c Dr. To Sales A/c To Output IGST A/c (Goods sold @ 25% trade discount, with IGST @ 12%)		16,800	15,000 1,800
Jan 14	Cash A/c Dr. To Gupta Shawls A/c (50% payment received)		8,400	8,400
Feb 10	Cash A/c Dr. To Gupta Shawls A/c (Balance 50% payment received)		8,400	8,400

Question 27.

Journalise the following transactions in the books of Ashok:

- Received ₹ 11,700 from Hari Krishan in full settlement of his account for ₹ 12,000.
- Received ₹ 11,700 from Shyam on his account for ₹ 12,000.
- Received a first and final dividend of 70 paise in the rupee from the official receiver of Rajagopal who owed us ₹ 7,000.
- Paid ₹ 2,880 to A.K. Mandal in full settlement of his account for ₹ 3,000.
- Paid ₹ 2,880 to S.K. Gupta on his account for ₹ 3,000.

Solution:

**Journal**

Date	Particulars	L.F.	Debit Amount (Rs.)	Credit Amount (Rs.)
(i)	Cash A/c Dr. Discount Allowed A/c Dr. To Hari Krishan's A/c (Received in full settlement)		11,700 300	12,000
(ii)	Cash A/c Dr. To Shyam's A/c (Received from Shyam on account)		11,700	11,700
(iii)	Cash A/c Dr. Bad Debts A/c Dr. To Rajagopal's A/c (Received 70 paise in a rupee from a debtor of Rs7,000)		4,900 2,100	7,000
(iv)	A.K. Mandal's A/c Dr. To Cash A/c To Discount Received A/c (Paid in full settlement)		3,000	2,880 120
(v)	S.K. Gupta's A/c Dr. To Cash A/c (Paid on account to S.K. Gupta)		2,880	2,880

Question 28.

Journalise the following transactions:

2018	
April 1	
April 2	Paid into bank ₹ 21,000 for opening a Current Account.
April 4	Withdrew for private expenses ₹ 5,000.
April 5	Withdrew from bank ₹ 3,000.
April	Place on Fixed Deposit Account at Bank by transfer from Current Account ₹ 5,000.
10	Received a cheque from Shiv & Co. to whom goods were sold for ₹ 3,000 last year. Allowed him 2% discount.
April	Shiv & Co.'s cheque deposited into bank.
14	Shiv & Co.'s cheque dishonoured (Bank charges ₹ 10)
April	Shiv & Co. settled his account by means of a cheque for ₹ 3,000, ₹ 40 being interest charged.
16	
April	
17	

Solution:

**Journal**

<b>Date</b>	<b>Particulars</b>	<b>L.F.</b>	<b>Debit Amount (Rs.)</b>	<b>Credit Amount (Rs.)</b>
2018 Apr 01	Bank A/c To Cash A/c (Paid into bank for opening a Current A/c)	Dr.	21,000	21,000
Apr 02	Drawings A/c To Cash A/c (Withdrew for private expenses)	Dr.	5,000	5,000
Apr 04	Cash A/c To Bank A/c (Withdrew from bank)	Dr.	3,000	3,000
Apr 5	Fixed Deposit A/c To Bank A/c (Placed on FD by transfer from Current A/c)	Dr.	5,000	5,000
Apr 10	Cheques in Hand A/c Discount Allowed A/c To Shiv and Co. A/c (Received from Shiv and Co., allowed 2% discount)	Dr. Dr.	2,940 60	3,000
Apr 14	Bank A/c To Cheques in Hand A/c (Shiv and Co.'s cheque banked)	Dr.	2,940	2,940
Apr 16	Shiv and Co. A/c To Bank A/c (Shiv and Co.'s cheque dishonoured)	Dr.	2,950	2,950
Apr 17	Bank A/c To Shiv and Co. A/c To Interest A/c (Shiv and Co. settled his account)	Dr.	3,000	2,950 50

Note for Apr 17:

Cheque of Rs 2,940 dishonoured. Bank charged Rs 10 (to be recovered from Shiv and Co.). Total due from Shiv and Co. Rs 2,950. New cheque received for Rs 3,000, so interest charged should be Rs 50 (not Rs 40, as given in the book).

Question 29.

Journalise the following in the books of Amit Saini, Gurugram (Haryana):

- (i) Goods of ₹ 5,000 were used by him for domestic purpose.
  - (ii) ₹ 2,000 due from Sohan became bad debts.
  - (iii) Goods of ₹ 6,000 were destroyed by fire and were not insured.
  - (iv) Paid ₹ 4,000 in cash as wages on installation of machine. GST is not to be levied.
  - (v) Sold goods to Arjun of Delhi of list price ₹ 20,000. Trade discount @ 10% and cash discount of 5% was allowed.
- He paid the amount on the same day and availed the cash discount.
- (vi) Received cash for a bad debt written off last year ₹ 2,000.
  - (vii) Goods of ₹ 1,000 given as charity.
  - (viii) Received ₹ 9,750 from Ramesh in full settlement of his account of ₹ 10,000.
  - (ix) Paid rent in advance ₹ 4,000.

CGST and SGST is to be levied on intra-state sale @ 6% each and IGST @ 12% on inter-state sale.  
Solution:

Journal					
Date	Particulars	L.F.	Debit Amount (Rs.)	Credit Amount (Rs.)	
(i)	Drawings A/c Dr. To Purchases A/c To Input CGST A/c To Input SGST A/c (Goods used for personal use)		5,600	5,000 300 300	
(ii)	Bad Debts A/c Dr. To Sohan's A/c (Debtors proved bad)		2,000	2,000	
(iii)	Loss by Fire A/c Dr. To Purchases A/c To Input CGST A/c To Input SGST A/c (Uninsured goods lost by fire)		6,720	6,000 360 360	
(iv)	Machine A/c Dr. To Cash A/c (Wages paid for installation of machine)		4,000	4,000	
(v)	Cash A/c Dr. Discount Allowed A/c Dr. To Sales A/c To IGST A/c (Goods purchased and discount allowed)		19,152 1,008	18,000 2,160	
(vi)	Cash A/c Dr. To Bad Debts Recovered A/c (Debtor written-off previously paid off)		2,000	2,000	
(vii)	Charity A/c Dr. To Purchases A/c To Input CGST A/c To Input SGST A/c (Goods given as charity)		2,200	1,000 600 600	
(viii)	Cash A/c Dr. Discount Allowed A/c Dr. To Ramesh's A/c (Received from Ramesh in full settlement)		9,750 250	10,000	
(ix)	Prepaid Rent A/c Dr. To Cash A/c (Paid rent in advance)		4,000	4,000	

Question 30.

Journalise the following transactions in the books of Mohan Singh, Delhi:

- Raj of Alwar, Rajasthan who owed Mohan Singh ₹ 25,000 became insolvent and received 60 paise in a rupee as full and final settlement.
- Mohan Singh owes to his landlord ₹ 10,000 as rent.
- Charge depreciation of 10% on furniture costing ₹ 50,000.
- Salaries due to employees ₹ 20,000.
- Sold to Sunil goods in cash of ₹ 10,000 less 10% trade discount plus CGST and SGST @ 6% each

and received a net of ₹ 8,500.

(vi) Provided interest on capital of ₹ 1,00,000 @ 10% per annum.

(vii) Goods lost in theft – ₹ 5,000, which were purchased paying IGST @ 12% from Alwar, Rajasthan.

Hint:

(vii) Loss of Stock by Theft A/c – ₹ 5,600

To Purchase A/c – ₹ 5,000

To Input IGST A/c – ₹ 600

Solution:

Journal					
Date	Particulars	L.F.	Debit Amount (Rs.)	Credit Amount (Rs.)	
(i)	Cash A/c Dr. Bad-Debts A/c Dr. To Raj's A/c (Received 60 paise in full and final settlement)		15,000 10,000	25,000	
(ii)	Rent A/c Dr. To Rent Outstanding A/c (Owed rent to landlord)		10,000	10,000	
(iii)	Depreciation A/c Dr. To Furniture A/c (10% depreciation charged on furniture)		5,000	5,000	
(iv)	Salaries A/c Dr. To Salaries Outstanding A/c (Salaries due to employees)		20,000	20,000	
(v)	Cash A/c Dr. Discount Allowed A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)		8,500 1,580	9,000 540 540	
(vi)	Interest on Capital A/c Dr. To Capital A/c (Interest on capital allowed @ 10% p.a.)		10,000	10,000	
(vii)	Loss of Stock by Theft A/c Dr. To Purchases A/c To Input IGST A/c (Goods lost by theft)		5,600	5,000 600	

Question 31.

Pass Journal entries in the books of Puneet, Delhi for the following:

(i) Received an order from Karan & Co. for supply of goods of ₹ 50,000.

(ii) Received an order from AK & Co. for goods of ₹ 1,00,000 along with a cheque for ₹ 25,000 as advance.

(iii) Paid to staff ₹ 40,000 against outstanding salary of ₹ 60,000.

(iv) Sold goods to Bharat, Kaithal (Haryana) of ₹ 10,000 plus IGST @ 12% out of which 1/5th were returned being defective.

(v) Cheque of ₹ 20,000 issued by Feroz was dishonoured.

(vi) Received 40 paise in a rupee from Feroz against the above dues.

(vii) Received a cheque of ₹ 25,000 from Mohan after banking hours.

- (viii) Purchased goods from Barun of Chandigarh of ₹ 10,000 plus IGST @ 12% and sold them to Arun of Shimla (HP) at ₹ 22,400, including IGST @ 12%.
- (ix) Arun returned goods of ₹ 6,720, including IGST which were returned to Barun.
- (x) ABC & Co. purchased 10 TV sets @ 20,000 per set and paid IGST @ 12%. It sold all the sets @ 25,000 per set plus CGST and SGST @ 6% each.
- (xi) Paid insurance of ₹ 12,000 plus CGST and SGST @ 6% each for a period of one year.
- (xii) Sold personal car for ₹ 1,00,000 and invested the amount in the firm.
- (xiii) Goods costing ₹ 1,00,000 were destroyed in fire. Insurance company admitted the claim for ₹ 75,000. These goods were purchased within Delhi.
- (xiv) Purchased machinery for ₹ 56,000 including IGST of ₹ 6,000 and paid cartage thereon ₹ 5,000 and installation charges ₹10,000.
- (xv) Goods costing ₹ 40,000 sold to Mr. X at a profit of 20% on sales less 10% Trade Discount plus CGST and SGST @ 6% each and received a cheque under 2% cash discount.
- (xvi) Purchased machinery from New Machinery House for ₹ 50,000 and paid it by means of a bank draft purchased from bank. Paid charges ₹ 500.

Solution:

### Journal

Date	Particulars	L.F.	Debit Amount (Rs.)	Credit Amount (Rs.)
(i)	<i>No Entry</i>			
(ii)	Cash A/c <span style="float: right;">Dr.</span> To Advance from Ak and Co. (Advance received against order)		25,000	25,000
(iii)	Outstanding Salary A/c <span style="float: right;">Dr.</span> To Cash A/c (Payment of outstanding salaries)		40,000	40,000
(iv)	Bharat's A/c <span style="float: right;">Dr.</span> To Sales A/c To Output IGST A/c (Goods sold with IGST 12%)		11,200	10,000 1,200
	Sales Return A/c <span style="float: right;">Dr.</span> Output IGST A/c <span style="float: right;">Dr.</span> To Bharat's A/c (One-fifth goods returned by Bharat)		2,000 240	2,240
(v)	Feroz's A/c <span style="float: right;">Dr.</span> To Bank A/c (Cheque issued by Feroz dishonoured)		20,000	20,000
(vi)	Cash A/c <span style="float: right;">Dr.</span> Bad Debts A/c <span style="float: right;">Dr.</span> To Feroz's A/c (Received 40 paise in a rupee as full and final settlement from Feroz)		8,000 12,000	20,000
(vii)	Cheque in Hand A/c <span style="float: right;">Dr.</span> To Mohan's A/c (Received cheque from Mohan, not banked)		25,000	25,000
(viii)	Purchases A/c <span style="float: right;">Dr.</span>		10,000	

	Input IGST A/c To Barun's A/c (Goods purchased with IGST 12%)	Dr.	1,200	11,200
	Arun's A/c To Sales A/c To Output IGST A/c (Goods sold with IGST 12%)	Dr.	22,400	20,000 2,400
(ix)	Sales Return A/c Output IGST A/c To Arun's A/c (Goods returned by Arun)	Dr. Dr.	6,000 720	6,720
	Barun's A/c To Purchases Return A/c To Input IGST A/c (Goods returned to Barun)	Dr.	6,720	6,000 720
(x)	TV A/c Input IGST A/c To Cash A/c (TV purchased with IGST @ 12%)	Dr. Dr.	2,00,000 24,000	2,24,000
	Cash A/c To TV A/c To Profit on Sale of TV A/c To Output CGST A/c To Output SGST A/c (TV sold with CGST and SGST @ 6% each)	Dr.	2,80,000	2,00,000 50,000 15,000 15,000
(xi)	Insurance A/c Input CGST A/c Input SGST A/c To Cash A/c (Paid insurance with CGST and SGST @ 6% each)	Dr. Dr. Dr.	12,000 720 720	13,440
(xii)	Cash A/c To Capital A/c (Sold personal car and invested the proceeds into business)	Dr.	1,00,000	1,00,000
(xiii)	Insurance Company A/c To Purchases A/c	Dr.	1,12,000	1,00,000

	To Input CGST A/c			6,000
	To Input SGST A/c			6,000
	(Claim lodged with insurance company, including CGST and SGST)			
	Bank A/c	Dr.	75,000	
	Loss by Fire A/c	Dr.	37,000	
	To Insurance Company A/c			1,12,000
(xiv)	Machinery A/c	Dr.	65,000	
	Input IGST A/c	Dr.	6,000	
	To Cash A/c			71,000
	(Purchased machinery with IGST @ 12%)			
(xv)	Bank A/c	Dr.	47,416	
	Discount Allowed A/c	Dr.	968	
	To Sales A/c			43,200
	To Output CGST A/c			2,592
	To Output SGST A/c			2,592
	(Goods sold @ 10% trade discount, 2% cash discount with CGST and SGST @ 6% each)			
(xvi)	Machinery A/c	Dr.	50,000	
	Bank Charges A/c	Dr.	500	
	To Bank A/c			50,500
	(Purchased machinery and paid by band draft)			

Question 32.

D.Chadha commenced business on 1st January, 2017. His transactions for the month are given below. Journalise them.



2018		₹
Jan. 1	Commenced business with cash	25,000
Jan. 2	Opened Bank Account with cheque from his Savings Account	2,25,000
Jan. 3	Bought goods from Ramesh & Co., Delhi, paid CGST and SGST @ 6% each	54,000
Jan. 3	Sold goods to Rajesh of ₹ 60,000, charged CGST and SGST @ 6% each	
Jan. 7	Bought goods ₹ 65,000 from Rahul, Chennai, paid IGST @ 12%	
Jan. 8	Paid wages in cash	8,000
Jan. 8	Sold goods to Mahesh, Kochi of ₹ 60,000; charged IGST @ 12%	
Jan. 10	Received cheque from Rajesh(Discount allowed ₹ 1,200)	66,000
Jan. 10	Paid into bank	66,000
Jan. 11	Paid to Ramesh & Co. (discount received ₹ 2,700)	51,300
Jan. 12	Paid rent @ ₹ 15, 000 per month for three months up to March, paid CGST and SGST @ 6% each	
Jan. 15	Paid wages in cash	8,000
Jan. 15	Paid office expenses in cash	700
Jan. 21	Sold to Mahesh, Delhi goods of ₹ 25,000, charged CGST and SGST @ 6% each	
Jan. 22	Paid office expenses in cash	500
Jan. 22	Paid Rahul by cheque (discount ₹ 3,200)	61,300
Jan. 25	Received cheque from Mahesh Kochi (discount ₹ 1,500)	65,700
Jan. 27	Mahesh, Delhi returned goods (not up to sample)	2,000
Jan. 29	Paid wages in cash	10,000
Jan. 31	Paid office expenses in cash	400
Jan. 31	Paid salaries for the month	20,000

Solution:

**Journal**

<b>Date</b>	<b>Particulars</b>	<b>L.F.</b>	<b>Debit Amount (Rs.)</b>	<b>Credit Amount (Rs.)</b>
2018				
Jan 01	Cash A/c Dr. To Capital A/c (Commenced business with cash)		25,000	25,000
Jan 02	Bank A/c Dr. To Capital A/c (Cheque deposited from Savings A/c to Firm's A/c)		2,25,000	2,25,000
Jan 03	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Ramesh and Co. A/c (Goods purchased with CGST and SGST @ 6% each)		54,000 3,240 3,240	60,480
Jan 03	Rajesh's A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)		67,200	60,000 3,600 3,600
Jan 07	Purchases A/c Dr. Input IGST A/c Dr. To Rahul's A/c (Goods purchased with IGST @ 12%)		65,000 7,800	72,800

Jan 08	Wages A/c To Cash A/c (Paid wages in cash)	Dr.	8,000	8,000
Jan 08	Mahesh's A/c To Sales A/c To Output CGST A/c (Goods sold with ISGST @ 12%)	Dr.	67,200	60,000 7,200
Jan 10	Bank A/c Discount Allowed A/c To Rajesh's A/c (Received cheque from Rajesh and allowed discount)	Dr. Dr.	66,000 1,200	67,200
Jan 10	Bank A/c To Cash A/c (Paid into bank)	Dr.	66,000	66,000
Jan 11	Ramesh and Co. A/c To Cash A/c To Discount Received A/c (Paid to Ramesh and Co. and received discount)	Dr.	54,000	51,300 2,700
Jan 12	Rent A/c Input CGST A/c Input SGST A/c To Cash A/c (Paid rent with CGST and SGST @ 6% each)	Dr. Dr. Dr.	45,000 2,700 2,700	50,400
Jan 15	Wages A/c To Cash A/c (Paid wages in cash)	Dr.	8,000	8,000

Jan 15	Office Expenses A/c To Cash A/c (Paid office expenses in cash)	Dr.	700	700
Jan 21	Mahesh's A/c To Sales A/c To Output CGST A/c To Output SGST A/c (Goods sold with CGST and SGST @ 6% each)	Dr.	28,000	25,000 1,500 1,500
Jan 22	Office Expenses A/c To Cash A/c (Paid office expenses in cash)	Dr.	500	500
Jan 22	Rahul A/c's To Bank A/c To Discount Received A/c (Paid Rahul by cheque)	Dr.	64,500	61,300 3,200
Jan 25	Bank A/c Discount Allowed A/c To Mahesh's A/c (Received from Mahesh)	Dr. Dr.	65,700 1,500	67,200
Jan 27	Sales Return A/c Output CGST A/c Output SGST A/c To Mahesh's A/c (Mahesh returned goods, not up to sample)	Dr. Dr. Dr.	2,000 120 120	2,240
Jan 29	Wages A/c To Cash A/c (Paid wages in cash)	Dr.	10,000	10,000
Jan 31	Office Expenses A/c To Cash A/c (Paid office expenses in cash)	Dr.	400	400
Jan 31	Salaries A/c To Cash A/c (Paid salaries for the month)	Dr.	20,000	20,000

Question 33.

Record the following transactions in the Journal of Ashoka Furniture Traders:

2018		₹
Jan 1	Started business with cash	50,000
Jan 2	Deposited into bank from his Savings Account	3,50,000
Jan 10	Purchased machinery of ₹ 1,00,000. An old machine (personal) valued at ₹15,000 was given in exchange and balance was paid by cheque. IGST was levied and charged @ 12%	
Jan 15	Paid installation charges for machinery	2,000
Jan 20	Purchased timber from Singh & Co. of the list price of ₹ 20,000 plus CGST and SGST @ 6% each He allowed 10% Trade Discount.	
Jan 25	Timber costing ₹ 5,000 was used for furnishing the office	
Jan 31	Sold furniture to Rakesh of the list price of ₹ 10,000 and allowed him 10% Trade Discount. Charged CGST and SGST @ 6% each	
Jan 31	Old furniture valued at ₹ 500 was taken from Rakesh in exchange. CGST and SGST @ 6% each was paid.	
Feb 10	Sent cheque to Singh & Co. in full settlement	19,000
Feb 15	Received from Rakesh in full and final settlement	9,000
Feb 20	Paid wages	15,000
Feb 25	Issued a cheque for ₹ 5,000 in favour of the landlord for rent of February.	

Solution:

**Journal**

<b>Date</b>	<b>Particular</b>	<b>L.F.</b>	<b>Dr. Rs.</b>	<b>Cr. Rs.</b>
2018 Jan. 01	Cash A/c Dr. To Capital A/c (Being started business with cash)		50,000	50,000
Jan. 02	Bank A/c Dr. To Cash A/c (Being deposited cash into bank from his saving account )		3,50,000	3,50,000
Jan. 10	Machinery A/c Dr. Input IGST A/c Dr. To Capital A/c To Output IGST A/c To Bank A/c (Being exchange of old machine value of Rs.15,000 and purchase new machine value of Rs.1,00,000, paid IGST @12%)		1,00,000 12,000	15,000 1,800 95,200
Jan. 15	Machinery A/c Dr. To Cash A/c (Being paid installation charges)		2,000	2,000

Jan. 20	Purchase A/c Input CGST A/c Input SGST A/c To Singh and Co. A/c (Being purchased timber from Singh and Co. @ 10% trade discount, payable CGST and SGST @ 6% each.)	Dr. Dr. Dr.	18,000 1,080 1,080	20,160
Jan. 25	Furniture A/c To Purchase A/c (Being timber used for office furniture)	Dr.	5,000	5,000
Jan. 31	Rakesh A/c Furniture A/c Input CGST A/c Input SGST A/c To Sales A/c To Output CGST A/c To Output SGST A/c (Being sold goods to Rakesh allowed @10% trade discount, payable CGST and SGST @ 6% each.)	Dr. Dr. Dr. Dr.	9,520 500 30 30	9,000 540 540
Feb.10	Singh and Co. A/c To Bank A/c To Discount Received A/c (Being sent cheque to Singh and Co. and discount received)	Dr.	20,160	19,000 1,160
Feb.15	Cash A/c Discount Allowed A/c To Rakesh A/c (Being received cash from Rakesh and discount allowed)	Dr. Dr.	9,000 520	9,520
Feb. 20	Wages A/c To Cash A/c (Being paid wages)	Dr.	15,000	15,000
Feb. 25	Rent A/c To Bank A/c (Being paid rent)	Dr.	5,000	5,000

Question 34.

Journalise the following transactions in the books of Manoj Store:

- Purchased goods from Ramesh ₹ 20,000 less Trade Discount at 20% plus IGST @ 12%.
- Sold goods costing ₹ 7,000 to Krishna for ₹ 9,000 plus IGST @ 12%.
- Sold goods for ₹ 10,000 and charged IGST @ 12% against cheque.
- ₹ 5,000 were deposited into Saving Account.
- Machinery costing ₹ 4,00,000 for which order was placed earlier paying advance of ₹ 40,000. The balance payment was paid as follows:
  - An old machine (personal) valued at ₹ 30,000 was given in exchange;
  - Issued a cheque from his savings account for ₹ 1,30,000; and
  - Balance by issue cheque from firm's bank account.
- Paid in cash wages ₹ 2,500 for installation of machine.

Solution:

**In the Books of Manoj Store**  
**Journal**

Sr. No.	Particular	L.F.	Dr. Rs.	Dr. Rs.
i.	Purchase A/c Dr. Input IGST Paid A/c Dr. To Ramesh A/c (Being goods purchased from Ramesh at 20% trade discount plus IGST @12%)		16,000 1,920	17,920
ii.	Krishna A/c Dr. To Sales A/c To Output IGST A/c (Being goods sold to Krishna for Rs.9,000 plus IGST @12%)		10,080	9,000 1,080
iii.	Bank A/c Dr. To Sales A/c To VAT Collected A/c (Being goods worth Rs.10,000 sold and charged IGST @12%)		11,200	10,000 1,200
iv.	Bank A/c Dr. To Cash A/c (Being deposited into saving account)		5,000	5,000
v.	Machinery A/c Dr. To Advance (Purchase) A/c To Capital A/c To Bank A/c (Being purchase machinery for old machinery exchange and bank transaction)		4,00,000	40,000 1,60,000 2,00,000
vi.	Machinery A/c Dr. To Cash A/c (Being paid for machinery installation charges)		2,500	2,500

Note: An old personal machinery in exchange of Rs.30,000 and bank transaction of Rs.1,30,000 from Saving account will increasing the Capital account of proprietor.

Question 35.

Pass the Opening Entry from the following Balance Sheet as at 31st March, 2018 of Vikas:



