Sampurna Jan 2026

Accounting
Journal

DPP-01

State with reasons whether the following statement is true or false:

1. In Accounting Equation Approach, Equity + Long Term Liabilities = Fixed Assets + Current Assets – Current Liabilities

2. In the Traditional Approach, a debtor becomes receiver.

3. The rule of nominal account states that all expenses & losses are recorded on credit side.

4. Journal Proper is also called subsidiary book.

5. Capital account has a debit balance.

6. Purchase account is a nominal account.

7. All the personal & real account are recorded in P&L Acc.

8. Asset side of balance sheet contains all the personal & nominal accounts.

9. Capital account is personal account.

10. Journal is also known as book of original entry.

11. Patent Rights is in the nature of Nominal Account.

12. Goodwill is not a fictitious asset.

13. Goodwill is a current asset.

14. Outstanding expenditure is a nominal account.

15. Patent Right is in the nature of Real Account.

16. The return of goods by a customer should be debited to Return Outward Account.

17. Goods worth ₹600 taken by the proprietor for personal use should be credited to purchase account.

18. Rent paid account is a Nominal Account whereas, Rent received account is a Real Account.

19. Goods worth 600 taken by the proprietor for personal use should be credited to Capital Account.

20. Capital + Long Term Liabilities = Fixed Assets + Current Assets + Cash Current Liabilities

Numerical :

21. Analyse transactions of M/s Sahil & Co. for the month of March, 2023 on the basis of double entry system by adopting the following approaches:

(A) Accounting Equation Approach.

(B) Traditional Approach.

Transactions for the month of March, 2023 were as follows (figures are in '000):

1. Sahil introduced capital through bank of ₹4,000.
2. Cash withdrawn from the City Bank ₹200.
3. Loan of ₹ 500 taken from Mr. Y.
4. Salaries paid for the month of March, 2023, ₹ 300 and ₹ 100 is still payable for the month of March, 2023.
5. Furniture purchased ₹ 500.

What conclusions one can draw from the above analysis?

22. Journalise the following transactions. Also state the nature of each account involved in the Journal entry.

1. December 1, 2023, Ajit started business with capital ₹4,00,000
2. December 3, he withdrew cash for business from the Bank ₹ 2,000.
3. December 5, he purchased goods making payment through bank ₹15,000.
4. December 8, he sold goods ₹16,000 and received payment through bank.
5. December 10, he purchased furniture and paid by cheque ₹2,500,
6. December 12, he sold goods to Arvind ₹2,400.
7. December 14, he purchased goods from Amrit ₹10,000.
8. December 15, he returned goods to Amrit ₹500.
9. December 16, he received from Arvind ₹2,300 in full settlement.
10. December 18, he withdrew goods for personal use ₹ 1,000.
11. December 20, he withdrew cash from business for personal use₹ 2,000.
12. December 24, he paid telephone charges ₹110.
13. December 26, amount paid to Amrit in full settlement ₹9,450.
14. December 31, paid for stationery ₹200, rent ₹5,000 and salaries to staff ₹2,000 from bank
15. December 31, goods distributed by way of free samples ₹2,000.

23. Show the classification of the following Accounts under traditional and accounting equation approach:

(a) Building; (b) Purchases; (c) Sales; (d) Bank Fixed Deposit; (e) Rent; (f) Rent Outstanding; (g) Cash; (h) Adjusted Purchases; (i) Closing Inventory:(j) Investments; (k) Trade receivables; (1) Sales Tax Payable, (m) Discount Allowed; (n) Bad Debts; (o) Capital; (p) Drawings; (q) Interest Receivable account; (r) Rent received in advance account; (s) Prepaid salary account; (t) Bad debts recovered account: (u) Depreciation account, (v) Personal income-tax account.

24. Transactions of Ramesh for April are given below.

Journalise them.

2023	Particulars	Amount
April 1	Ramesh started business with	10,00,000
April 3	Bought goods for cash	50,000
April 5	Drew cash from bank	10,000
April 13	Sold to Krishna goods on credit	1,50,000
April 20	Bought from Shyam goods on credit	2,25,000
April 24	Received payment from Krishna Allowed him discount	1,45,000 5,000
April 28	Paid Shyam cash Discount allowed	2,15,000 10,000
April 30	Cash sales for the month	8,00,000
	Paid Rent	50,000
	Paid Salary	1,00,000

25. Calculate the missing amount for the following :

	Assets	Liabilities	Capital
(a)	15,00,000	2,50,000	?
(b)	?	1,50,000	75000
(c)	14,50,000	?	13,75,000
(d)	57,00,000	– 2,80,000	?

26. Show the effect of increase = (+), decrease = (-) and no change = (0) on the assets:

1. Purchased office furniture, payment to be made next month.
2. Collected cash for repair services
3. Goods sold on credit.
4. Withdrawal of cash by the owner for personal use.
5. Hired an employee as sales manager of the north wing.
6. Returned goods worth ₹50,000.
7. One of our debtor agreed to pay his dues to Mr. C who is a creditor of the company with the same amount being due to him.
8. Entered into an agreement with Mehta & Co. to purchase all raw materials from their company from next year.

Also give reasons for your answers.

27. Following is the information provided by Mr. Gopi pertaining to year ended 31st March 2023. Find the unknowns, showing computation to support your answer:

Particulars	₹	Particulars	₹
Machinery	12,00,000	Trade Receivables	B
Accounts Payable	1,00,000	Loans	C
Inventory	60,000	Closing Capital	D
Total Liabilities including capital	14,15,000	Opening Capital	10,00,000
Cash	A	Loss incurred during the year	35,000
Bank	80,000	Capital Introduced during year	1,00,000

Additional Information : During year sales of ₹ 15,55,000 was made of which ₹ 15,00,000 have been received.

28. Find out the profit for the year through accounting equation approach :

Particulars	31.03.2020	31.03.2021
Capital	1,00,000	?
12% Bank Loan	1,00,000	1,00,000
Trade Payables	75,000	70,000
Fixed Assets	1,25,000	1,10,000
Trade Receivables	75,000	80,000
Inventory	70,000	80,000
Cash & Bank	5,000	6,000

29. You are required to pass necessary journal entries in the books of Kewal:

a) Cheque amounting ₹9,000 from Hari Krishan in full settlement of his account for ₹ 10,000.

b) Withdrawn for personal use: Goods (Sales Price ₹ 8,000, Cost ₹ 6,000), cash ₹1,000

c) Goods costing ₹3,000 (Sale price ₹4,000) distributed as free samples.

d) Received commission ₹ 10,000, half of which does not relate of current year and is received in advance.

e) Purchased second hand machinery from Jawahar for ₹30,000 against a cheque. Goods of ₹12,000 (Cost ₹9,000) used in repairs of this machinery which is necessary to make it ready for working.

f) Purchased second hand machinery from Jawahar Industries for ₹3,00,000 plus CGST and SGST @6% each. Paid 1,00,000 immediately by cheque and balance to be paid after two months.

30. Write a short note on Journal.

31. What are the importance of Journal?

32. Journalise the following transactions in the books of Gopal Traders:

2013	
April 5	Discounted a bill of exchange of ₹20,000 at 2% through bank.
April 8	Sold goods to Malik costing ₹ 20,000 at 25% above cost less trade discount of 10% plus CGST and SGST @ 6%.
April 10	Purchased goods from trends industries for ₹ 8,000 plus CGST and SGST @6% each.
April 16	Received ₹5,800 form Amar Singh in full settlement of his account for ₹ 6,000.
April 19	Goods given as charity costing ₹800, sale price ₹1,000. CGST and SGST @6% each was paid at the time of purchase of such goods.
April 23	Received ₹510 from Ganesh on his account for ₹600.
April 25	Interest on loan from Akash ₹1,000 due but not paid.

33. Pass journal entries for the following transactions in the books of Mr. Kapil:

(i) Purchased goods from Sonu for ₹ 1,50,000 at a trade discount of 10% plus CGST and SGST@ 6% each.

(ii) Sold goods to Mohit for ₹ 50,000 and charged CGST and SGST @ 5% each. Out of the amount due 40% is received by cheque immediately.

(iii) Goods costing ₹ 25,000 withdrawn for personal use. Such Goods were purchased by paying CGST and SGST @ 6% each.

(iv) Machinery purchased from M/s Bright Industries for ₹ 2,00,000 plus CGST and SGST @ 9% each. Paid ₹ 1,00,000 immediately by cheque and balance to be paid after two months.

34. Prepare Journal Entries for the following transactions in the books of Harpreet

(i) Customer's cheque for ₹ 4,000 returned dishonoured for insufficient funds in his accounts. The customer had availed a cash discount of ₹400.

(ii) Income tax liability of proprietor ₹ 8,500 was paid out of petty cash.

(iii) Defective goods worth ₹ 5,000 are sold for 3,000.

(iv) Purchase of goods from Sunny of the list price of ₹ 20,000. He allowed 5% trade discount, ₹ 200 cash discount was also allowed for quick payment.

(v) Purchased goods from Sarah industries for ₹ 50,000 plus CGST and SGST@6% each.

(vi) Goods given as charity costing ₹ 1,600, sale price ₹ 2,000. CGST and SGST @ 6% each was paid at the time of purchase of such goods

Answer Key

1. **True**
2. **True**
3. **False**
4. **True**
5. **False**
6. **True**
7. **False**
8. **False**
9. **True**
10. **True**
11. **False**
12. **True**
13. **False**
14. **False**
15. **True**
16. **False**
17. **True**
18. **False**
19. **False**
20. **False**

Hints and Solutions

1. **(H & S)**
As per modern accounting equation approach-it is the basic formula in the accounting process.

2. **(H & S)**
In the traditional approach, a debtor becomes receiver.

3. **(H & S)**
The rule of nominal account states that all expenses & losses are recorded on debit side

4. **(H & S)**
It is one of the books where in the transactions not entered in other books are entered in this book.

5. **(H & S)**
Capital account has a credit balance.

6. **(H & S)**
As it is considered as an expense.

7. **(H & S)**
All the personal & real accounts are recorded in balance sheet

8. **(H & S)**
Asset side of balance sheet contains all the personal & real accounts.

9. **(H & S)**
As it in the name of the proprietor who is bringing in the capital to the business

10. **(H & S)**
As the transactions are entered first in this book as a first hand record.

11. **(H & S)**
It is a Real A/c because it is an intangible asset.

12. **(H & S)**
Goodwill is an intangible asset.

13. **(H & S)**

Goodwill is a fixed asset and is in the nature of Real A/c. It is not a fictitious asset but an intangible asset.

14. **(H & S)**

It is a personal account as it represents a liability due to some person.

15. **(H & S)**

It is an intangible asset and is in the nature of Real account.

16. **(H & S)**

It is debited to Return Inwards A/c.

17. **(H & S)**

Goods taken by the proprietor for personal use should be debited to Drawings Account and Credited to Purchase Account.

18. **(H & S)**

Rent is an either income or expense so it is a nominal account whether it is received or paid.

19. **(H & S)**

Goods taken by the proprietor for personal use should be credited to Purchases Account as less goods are left in the business for sale.

20. **(H & S)**

The right hand side of the equation includes cash twice once as part of current assets and another separately. The basic accounting equation is Equity + Long Term Liabilities = Fixed Assets + Current Assets - Current Liabilities

21.

(A) Analysis of Business Transaction: Accounting Equation Approach

The accounting equation is Assets = Liabilities + Capital

S.No.	**ASSETS**					=	**CAPITAL**	+	**LIABILITY**
	CASH	+	Bank	+	FURN	=	CAPITAL	+	LIABILITY
(a)	-	+	4,000	+	-	=	4,000	+	-
(b)	+200	+	-200	+	-	=	-	+	-
(c)	-	+	500	+	-	=	-	+	500
(d)	-	+	-300	+	-	=	-400	+	100
(e)	-	+	-500	+	500	=	-	+	-
	200	+	3,500	+	500	=	3,600	+	600

(B) Analysis of Business Transactions: Traditional Approach

Transaction	Account Affected and Nature of Account	Rule	Entry
Introduction of ₹ 4,000 through bank by the proprietor	Bank–Personal Capital–Personal	Debit the receiver Credit the giver	Debit Bank Credit Capital
Cash Withdrawn from Bank ₹ 200	Cash–Real Bank–Personal	Debit what comes in Credit the giver	Debit CashCredit Bank
Loan from Y ₹ 500	Bank–Personal Y's Loan–Personal	Debit the receiver Credit the giver	Debit Bank Credit Y's Loan
Salary paid ₹ 300 & still payable ₹ 100	Salary- Nominal Bank–Personal Salary O/s-Personal	Debit all expenses Credit the giver Credit the giver	Debit Salary (400) Credit Bank (300) Credit Salary O/s (100)
Furniture purchased ₹ 500	Furniture- Real Bank–Personal	Debit what comes in Credit the giver	Debit Furniture Credit Bank

22. Journal Entries

S.No.	Date	Particulars	Nature of Account	L.F.	Debit	Credit
1.	Dec.1	Bank A/c Dr. To Capital A/c (Being commencement of business)	Personal A/c Personal A/c		4,00,000	 4,00,000
2.	Dec.3	Cash A/c Dr. To Bank A/c (Being cash withdrawn from Bank)	Real A/c Personal A/c		2,000	 2,000
3.	Dec.5	Purchases A/c Dr. To Bank A/c (Being purchase of goods for cash)	Nominal A/c Personal A/c		15,000	 15,000
4.	Dec.8	Bank A/c Dr. To Sales A/c (Being goods sold for cash)	Personal A/c Nominal A/c		16,000	 16,000
5.	Dec.10	Furniture A/c Dr. To Bank A/c (Being purchase of furniture, paid by cheque)	Real A/c Personal A/c		2,500	 2,500
6.	Dec.12	Arvind A/c Dr. To Sales A/c (Being sale of goods)	Personal A/c Nominal A/c		2,400	 2,400
7.	Dec.14	Purchases A/c Dr. To Amrit A/c (Being purchase of goods)	Nominal A/c Personal A/c		10,000	 10,000
8.	Dec.15	Amrit A/c Dr. To Purchases Return A/c (Being goods returned to Amrit)	Personal A/c Nominal A/c		500	 500
9.	Dec.16	Bank Account Dr Discount Account Dr. To Arvind A/c (Being cash received from Arvind in full settlement and allowed him ₹ 100 as discount)	Personal A/c Nominal A/c Personal A/c		2,300 100	 2,400

10	Dec.18	Drawings A/c Dr. To Purchases A/c (Being withdrawal of goods for personal use)	Personal A/c Nominal A/c		1,000	 1,000
11.	Dec.20	Drawings Account Dr. To Cash Account (Being cash withdrawal from the business for personal use)	Personal A/c Real A/c		2,000	 2,000
12.	Dec.24	Telephone Expenses A/c Dr. To Bank Account (Being telephone expenses paid)	Nominal A/c Personal A/c		110	 110
13.	Dec.26	Amrit A/c Dr. To Bank Account To Discount Account (Being cash paid to Amrit and he allowed ₹ 50 as discount)	Personal A/c Personal A/c Nominal A/c		9,500	 9,450 50
14.	Dec.31	Stationery Expenses A/c Dr. Rent Account Dr. Salaries Account Dr. To Bank Account (Being expenses paid)	Nominal A/c Nominal A/c Nominal A/c Personal A/c		200 5,000 2,000	 7,200
15.	Dec.31	Advertisement Expenses A/c Dr. To Purchases Account (Being distribution of goods by way of free samples)	Nominal A/c Nominal A/c		2,000	 2,000

23. Nature of Account

S. No.	Title of Account	Traditional Approach	Accounting Equation Approach
(a)	Building	Real	Asset
(b)	Purchases	Nominal	Expense
(c)	Sales	Nominal	Revenue
(d)	Bank Fixed Deposit	Personal	Asset
(e)	Rent	Nominal	Expense
(f)	Rent Outstanding	Personal	Liability
(g)	Cash	Real	Asset
(h)	Adjusted Purchases	Nominal	Expense
(i)	Closing Inventory	Real	Asset
(j)	Investment	Real	Asset
(k)	Trade receivables	Personal	Asset
(l)	Sales Tax Payable	Personal	Liability
(m)	Discount Allowed	Nominal	Expense
(n)	Bad Debts	Nominal	Expense
(o)	Capital	Personal	Capital
(p)	Drawings	Personal	Capital – Drawings
(q)	Interest receivable	Personal	Asset
(r)	Rent received in advance	Personal	Liability
(s)	Prepaid salary	Personal	Asset
(t)	Bad debts recovered	Nominal	Gain
(u)	Depreciation	Nominal	Expense
(v)	Personal Income Tax	Personal (Drawing)	Capital – Drawings

24. Journal Entries

Date	Particulars	L.F.	Debit	Credit
Apr.1	Bank A/c Dr. To Capital A/c (Being commencement of business)		10,00,000	 10,00,000
Apr.3	Purchases A/c Dr. To Bank A/c (Being purchase of goods)		50,000	 50,000
Apr.5	Cash A/c Dr. To Bank A/c (Being cash withdrawn from Bank)		10,000	 10,000
Apr.13	Krishna A/c Dr. To Sales A/c (Being sale of goods)		1,50,000	 1,50,000
Apr.20	Purchases A/c Dr. To Shyam A/c (Being purchase of goods)		2,25,000	 2,25,000
Apr.24	Bank Account Dr Discount Account Dr. To Krishna A/c (Being cash received from Krishna in full settlement and allowed him as discount)		1,45,000 5,000	 1,50,000
Apr.28	Shyam A/c Dr. To Bank Account To Discount Account (Being cash paid to Shyam and he allowed discount)		2,25,000	 2,15,000 10,000
Apr.30	Bank A/c Dr. To Sales A/c (Being goods sold for cash)		8,00,000	 8,00,000
Apr.30	Rent Account Dr. Salaries Account Dr. To Bank Account (Being expenses paid)		50,000 1,00,000	 1,50,000

25. These have been solved using the Accounting Equation: Assets = Capital + Liabilities

1. 12,50,000
2. 2,25,000
3. 75,000
4. 59,80,000

26.

S.No.	Inc (+) / Dec (-) / No Change (0)	Reasons
(a)	+	Furniture has been purchased making it an increase in assets and also it being purchased on credit it increases liability and there is no outflow of assets like cash or bank.
(b)	+	Cash has flowed in for services provided making it an increase in assets.

(c)	+	Here with goods sold there is a decrease in inventory (assets) but given there is an increase in debtors there will be a net increase in assets.Though if goods are sold at cost it will result in no change whereas sale at below cost will result in decrease in assets.
(d)	-	Here cash has been withdrawn from business resulting in decrease in assets and capital.
(e)	0	Only hiring of employee has been done resulting in no change in assets.
(f)	-	Outflow of goods has resulted in decrease in assets while money owed to creditors reduce on the liability side.
(g)	-	Here both assets and liabilities reduce by same amounts meaning a decrease in assets.
(h)	0	Only a purchase agreement has been entered into with no transaction taking place yet.

27. Trade Receivable Balance (B) = Sales- Amount received during the year

= ₹ (15,55,000 - 15,00,000)

= ₹ 55,000.

Since, we know Assets = Capital + Liabilities Therefore, balance of assets is also ₹ 14,15,000

So, Total Assets:

Particulars	**₹**
Total Assets	14,15,000
Less: Machinery	(12,00,000)
Less: Inventory	(60,000)
Less: Bank	(80,000)
Less: Receivables	(55,000)
Cash (A)	**20,000**

Computation of Closing Capital (D):

Particulars	**₹**
Opening Capital	10,00,000
Add: Introduced during the year	1,00,000
Less: Loss incurred during the year	(35,000)
Closing Capital	**10,65,000**

So, Loan amount (C) = Total Liabilities and capital - Closing Capital - Trade Payables

= ₹ (14,15,000 - 10,65,000 - 1,00,000)

= ₹ 2,50,000

28. We know Assets = Equity + Liabilities

For the year ended 31.03.2020

Equity = Capital = 1,00,000

Liabilities = Bank Loan + Trade Payables = 1,00,000+75,000 = 1,75,000

Assets = Fixed Assets + Trade Receivables + Inventory + Cash & Bank
= 1,25,000+75,000+70,000+5,000 = 2,75,000

Equity + Liabilities = Assets
1,00,000+1,75,000 = 2,75,000

For the year ended 31.03.2021
Assets = 1,10,000+80,000+80,000+6,000 = 2,76,000
Liabilities = 1,00,000+70,000 = 1,70,000
Equity = 2,76,000 – 1,70,000 = 1,06,000

Profit = Closing Equity – Opening Equity
= 1,06,000 – 1,00,000
= 6,000

29. Journal Entries

Date	Particulars		L.F.	Debit	Credit
(i)	Bank A/c Discount Allowed A/c To Hari Krishan A/c (Being Amount received from Hari Krishan after allowing discount of 1,000)	Dr. Dr.		9,000 1,000	 10,000
(ii)	Drawings A/c To Purchases A/c To Cash A/c (Being goods & cash withdrawn for personal use)	Dr.		7,000	 6,000 1,000
(iii)	Free Samples/Sales Promotion A/c To Purchases A/c (Being goods distributed as free samples)	Dr.		3,000	 3,000
(iv)	Bank A/c To Commission A/c (Being commission received)	Dr.		10,000	 10,000
	Commission A/c To Commission received in Advance A/c (Being commission received in advance adjusted)	Dr.		5,000	 5,000
(v)	Machinery A/c To Bank A/c (Being machinery purchased from Jawahar)	Dr		30,000	 30,000
	Machinery A/c To Purchases A/c (Being goods used in repairs of Machinery)	Dr		9,000	 9,000
(vi)	Machinery A/c Input CGST A/c Input SGST A/c To Bank A/c To Jawahar Industries A/c (Being machinery purchased from Jawahar & paid 1,00,000 immediately, CGST & SGST @6% each)	Dr Dr Dr		3,00,000 18,000 18,000	 1,00,000 2,36,000

30. Transactions are first entered in a book called 'Journal' to show which account should be debited and which should be credited. Journal creates preliminary records and, is also called subsidiary book.
All transactions are first recorded in the journal as and when they occur, the record is chronological, otherwise it would be difficult to maintain the records in an ordinary manner.
Journal gives details regarding any transaction. Thus journal tells the amounts to be debited and credited and also the accounts involved.

31. IMPORTANCE OF JOURNAL:

1. **Chronological Order:** As transactions are recorded on chronological order, one can get complete information about the business transactions on time basis.
2. **Narration:** Entries recorded in the journal are supported by a note termed as narration, which is a precise explanation of the transaction for the proper understanding of the entry. One can know the correctness of the entry through these narrations.
3. **Basis of Posting:** Journal forms the basis for posting the entries in the ledger. This eases the accountant in their work and reduces the chances of error.

32.

Date	Particulars	L.F.	Dr. (₹)	Cr. (₹)
2023				
April,5	Bank A/c Dr.		19,600	
	Discounting Charges A/c (20,000 × 2%) Dr.		400	
	To Bills Receivable A/c			20,000
	(Being bill discounted from bank at 2%)			
April,8	Malik's A/c Dr.		25,200	
	To Sales			22,500
	To Output CGST A/c			1,350
	To Output SGST A/c			1,350
	(Being goods sold at a profit of 25% and trade discount of 10% CGST and SGST at 6% each)			
April 10	Purchases A/c Dr.		8,000	
	Input CGST A/c Dr.		480	
	Input SGST A/c Dr.		480	
	To Trends Industries			8,960
	(Being goods purchased and CGST and SGST payable at 6% each)			
April,16	Cash A/c Dr.		5,800	
	Discount Allowed A/c Dr.		200	
	To Amar Singh			6,000
	(Being cash received form Amar Singh after allowing him discount of ₹ 200)			
April,19	Charity A/c Dr.		896	
	To Purchases A/c			800
	To Input CGST A/c			48
	To Input SGST A/c			48

	(Being goods given as charity, input CGST and inputSGST debited at the time of purchases reversed)			
April,23	Cash A/c Dr. Discount allowed A/c Dr. To Ganesh's A/c (Being cash received form Ganesh on account)		510 90	 600
April,25	Interest on Loan A/c Dr. To Interest on Loan Outstanding A/c (Being interest on loan due but not paid)		1,000	 1,000

33. Journal entries in the books of Mr. Kapil

S No.	Particulars	L.F.	Amount Dr.	Amount Cr.
(i)	Purchases A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Sonu's A/c (Being goods purchased from Sonu, CGST andSGST payable @6% each)		1,35,000 8,100 8,100	 1,51,200
(ii)	Bank A/c Dr. Mohit's A/c Dr. To Sales A/c To Output CGST A/c To Output SGST A/c (Being goods sold to Mohit, charged CGST andSGST @ 5% each and received 40% in cash)		22,000 33,000	 50,000 2,500 2,500
(iii)	Drawings A/c Dr. To Purchase A/c To Input CGST A/c To Input SGST A/c (Being goods withdrawn for personal use andinput CGST and input SGST debited at the time of purchase reversed)		28,000	 25,000 1,500 1,500
(iv)	Machinery A/c Dr. Input CGST A/c Dr. Input SGST A/c Dr. To Bank A/c To Bright Industries (Being machinery purchased and paid ₹ 1,00,000 immediately, CGST and SGST @ 9% each)		2,00,000 18,000 18,000	 1,00,000 1,36,000

34. Journal Entries in the books of Harpreet

(i)	Customers (Debtors) A/c Dr. To Bank A/c To Discount Allowed A/c (Being customer cheque returned unpaid by bank, cash discount allowed earlier)	4,400	 4,000 400
(ii)	Drawings A/c Dr. To Petty Cash A/c (Being the income tax of proprietor paid out of business money)	8,500	 8,500
(iii)	Cash A/c Dr. Profit and Loss A/c Dr. To Sales A/c (Being defective goods costing ₹ 5,000 were sold for a loss of ₹2,000)	3,000 2,000	 5,000
(iv)	Purchase A/c Dr. To Bank A/c To Discount Received A/c (Being the goods purchased from Sunny for ₹ 19,000 @ 5% trade discount and cash discount of ₹ 200)	19,000	 18,800 200
(v)	Purchases A/c Dr. Input CGST A/c Dr Input SGST A/c Dr. To Sarah Industries (Being goods purchased and CGST and SGST payable at 6% each)	50,000 3,000 3,000	 56,000
(vi)	Charity A/c Dr. To Purchases A/c To Input CGST A/c To Input SGST A/c (Being goods given as charity, input CGST and input SGST debited at the time of purchases reversed)	1,792	 1,600 96 96