

ARYABHATTA NETWORK TECHNOLOGY

TALLY ERP 9

WHAT IS TALLY ERP 9?

ANS:> It is an accounting software.

FULL FORM OF TALLY: Transactions Allowed in a Linear Line Yard

FULL FORM OF ERP: *Enterprise Resource Planning*

WHO DEVELOPS TALLY SOFTWARES?

ANS:> TALLY SOLUTIONS

WHAT IS ACCOUNTING?

ANS:> Accounting is the language of business.

WHAT IS THE MEANING OF ACCOUNTING?

ANS:> Accounting is the process of recording, classifying and summarizing financial transactions. It provides a clear picture of the financial health of your organization and its performance, which can serve as a catalyst for resource management and strategic growth.

WHY LEARN ACCOUNTING?

- Maintaining systematic record of transactions
- Ascertaining Profit or Loss
- Ascertaining Financial Position
- Prevention of Frauds.

WHAT IS ACCOUNTANCY?

ANS:> The Knowledge of how to make accounting is called accountancy.

BASIC ACCOUNTING TERMS

BUSINESS TRANSACTION: A Business Transaction is an economic event involving the movement of money, goods, or services, usually between two or more parties. These events must always be measurable in monetary terms so that the company can record them for accounting purposes. They are always recorded in a certain account.

CASH TRANSACTION & CREDIT TRANSACTION:

- 1) **Cash Transaction:** When a transaction is classified as a cash transaction, that means the payment was received or paid in cash at the time the transaction occurred. For example, if Mary purchases a new shirt from a store and pays at checkout, a cash transaction has happened between Mary and the store. Even though this transaction is called a “cash” transaction, even if the payment is made with a debit or credit card, it is still considered a cash transaction because the payment is made at the time the transaction occurs.
- 2) **Credit Transaction:** In a credit transaction, the payment is made after a set amount of time, also called the credit period. For example, Mary wants to purchase a couch from a furniture store. Instead of paying at the time of the transaction, the store allows 30 days for payment. Cash is not involved at the time of sale, but Mary will be required to pay for the couch after the credit period of 30 days.

Internal Transaction and External Transaction

- 1) **Internal Transaction:** When a business transaction occurs, and there is no external party involved, it is called an internal transaction. Even though there is no exchange in value with a third party, a monetary event has taken place that affects the business’s accounting. This can be in the form of depreciation on a fixed asset or loss of assets.
- 2) **External Transaction:** External transactions are sometimes called *exchange transactions* and occur when two or more parties are involved in the

transaction. Generally, these are daily occurring transactions like purchasing goods, paying rent or utilities, or paying employees.

ACCOUNT: An account is a record in an accounting system that tracks the financial activities of a specific asset, liability, equity, revenue, or expense.

CAPITAL: Capital is the amount invested by the proprietor or partner in the business. It may be in the form of money or assets having money value.

DRAWINGS: Drawings mean the certain sum of amount or goods withdrawn by owners from the business for personal use.

LIABILITIES: A liability is simply a debt or obligation. Most people have liabilities in their day-to-day lives: car payments, rent, and credit card bills. In corporate finance, the liabilities are similar, just on a much larger scale.

Liabilities for a business may be long-term loans for funding operations, money a company owes to vendors or suppliers, and leases on warehouse space. If a company has an obligation to pay someone or for something, it is a liability.

Types of Liabilities

Liabilities are typically categorized by expiration or due date: *current liabilities* are pressing debts and obligations, while *non-current liabilities* are important but don't require immediate action.

Current

Current liabilities are short-term debts and obligations due within one year. Some common examples of current liabilities are:

- **Accounts payable:** Money the company owes to lenders, clients, customers, and suppliers
- **Short-term loans:** Loans with repayment periods of one year or less
- **Payments on long-term debt:** Payments due on larger loans with repayment periods of more than one year, and the remainder of the loan owed is listed as a non-current liability
- **Interest:** Unpaid interest on loans

- **Accrued liabilities:** Any unpaid short-term debts from previous accounting periods
- **Income taxes:** Federal, state, and local income taxes that have not been paid yet
- **Deferred revenue or unearned revenue:** Money the company has received for goods or services it has not yet provided to the customer
- **Commercial paper:** Unsecured promissory notes with fixed interest rates used by companies to fund very pressing liabilities like payroll

Non-Current

Non-current or long-term liabilities are debts and obligations due in the future but not in the next year. Some types of non-current liabilities are:

- **Bonds:** A type of marketable security that has a specified maturity date (when payment is due in full) and interest rate
- **Deferred tax:** Federal, state, and local taxes owed, though not due immediately
- **Long-term debt:** Loans and other debts that are not due within the year, including remaining principal amounts on loans paid in increments
- **Mortgages:** Agreements with lenders that give the lender the right to repossess the purchased property if the loan is not repaid
- **Leases:** Payments for the use of another person's property or assets, such as machinery, office spaces, and vehicles
- **Pensions:** Retirement funds for employees

ASSETS: An asset is a resource with economic value that an individual, corporation, or country owns or controls with the expectation that it will provide a future benefit.

Assets are reported on a company's balance sheet. They're classified as current, fixed, financial, and intangible. They are bought or created to increase a firm's value or benefit the firm's operations.

An asset can be thought of as something that, in the future, can generate cash flow, reduce expenses, or improve sales, regardless of whether it's manufacturing equipment or a patent.

Types of Assets

Current Assets

In accounting, some assets are referred to as current. Current assets are short-term economic resources that are expected to be converted into cash or consumed within one year. Current assets include cash and cash equivalents, accounts receivable, inventory, and various prepaid expenses.

While cash is easy to value, accountants periodically reassess the recoverability of inventory and accounts receivable. If there is evidence that a receivable might be uncollectible, it'll be classified as impaired. Or if inventory becomes obsolete, companies may write off these assets.

Fixed Assets

Fixed assets are resources with an expected life of greater than a year, such as plants, equipment, and buildings. An accounting adjustment called depreciation is made for fixed assets as they age. It allocates the cost of the asset over time. Depreciation may or may not reflect the fixed asset's loss of earning power.

Generally accepted accounting principles (GAAP) allow depreciation under several methods. The straight-line method assumes that a fixed asset loses its value in proportion to its useful life, while the accelerated method assumes that the asset loses its value faster in its first years of use.

There are two types of fixed assets:

Tangible Assets: Which have physical existence; they can be seen and touched

Intangible Assets: Which do not have physical existence; they cannot be seen and touched.

RECEIPTS: Receipts are the amount of money that is received by a business during a particular period of time.

TYPES OF RECEIPTS

- 1) **CAPITAL RECEIPTS:** It is the amount received for selling assets.
- 2) **REVENUE RECEIPTS:** It is the amount received against sale of goods or services.

EXPENDITURE: Expenditure refers to payments made or liabilities incurred in exchange for goods or services. The term expenditure usually refers to capital expenditure, which is usually a one-time cost and is incurred to receive a long-term benefit, such as the purchase of a fixed asset.

In accounting terms, expenditure increases the value of assets or reduces a liability.

Expenditure Types

In accounting terminology, there are three types of expenditure that a business can incur:

1. Capital Expenditure
2. Revenue Expenditure and
3. Deferred Revenue Expenditure

Capital Expenditure

A business is set to have incurred capital expenditure when the payment is made to acquire an asset, the benefit of which would be spread over several years. Businesses invest in capital expenditure to acquire new assets or to improve the performance of existing assets and is usually a one-time expenditure. The hope is that investing in new assets or new technologies would increase revenue and bring substantial benefits to the business in the long run.

Revenue Expenditure

Revenue expenditure refers to payments made or incurred during the normal course of the business, the benefits of which are usually received within the same accounting year. Revenue expenditures are mostly recurring expenses that are incurred by the business to generate revenues for the accounting period. A company can incur revenue expenditure in one of the following two ways:

- a) Cost of sales or Direct expenses – All expenses incurred by the business directly related to the manufacture and sale of its goods or services. E.g., Raw material costs, direct labor costs, etc.,
- b) Operating expense or Indirect expenses – All expenses incurred by the business to ensure the smooth running of its operations. E.g., Advertising expenses, office rent, utility bills, etc.,

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Deferred Revenue Expenditure

Deferred revenue expenditure is less common compared to the first two but also contributes to the increase in the value of assets on the balance sheet. Simply put, deferred revenue expenditure refers to an advance payment for goods or services, the benefit of which is to be received only in the future, either during the current accounting period or over the subsequent accounting periods.

It is very similar to a prepaid expense except that, while benefits from prepaid expenses are incurred in the same accounting period, benefits from deferred revenue expenses might be spread over several accounting periods. Until the benefit is received, the expense is treated as an asset on the balance sheet. As and when the benefit is received by the company, the asset value gets reduced by the amount of benefit received and that amount is charged off in the income statement of that accounting period.

EXPENSE: It is the cost incurred for generating revenue. Example – wages, rent, electricity bill etc

THERE ARE FOUR TYPES OF EXPENSES

- 1) **PREPAID EXPENSE:** It is an expense that has been paid in advance and the benefit of which will be available in the following year or years.

- 2) **OUTSTANDING EXPENSE:** It is an expense that has not been paid but the benefit thereof has already been availed.
- 3) **DIRECT EXPENSE:** It is directly related to the production of the product.
- 4) **INDIRECT EXPENSE:** It is not directly related to the production of the product.

INCOME: Income means the amount of money received in exchange for products or services. $\text{Income} = \text{Revenue} - \text{Expenses}$

PURCHASE: A purchase involves the acquisition of goods or services in exchange for a payment of some kind.

STOCK: Stock is the tangible asset held by an enterprise for the purpose of sale in the ordinary course of business. There are two types of Stock:

- 1) **OPENING STOCK:** It is the stock in hand in the beginning of the accounting year. (1st April)
- 2) **CLOSING STOCK:** It is the stock in hand at the end of the accounting year. (31st March)

DEBTOR: A debtor is someone who borrows money. Other terms for this role include borrower, debt holder, lessee, mortgagor and customer. Debtors can be individuals, small businesses, large companies or other entities.

CREDITOR: Creditors are individuals, people, or other entities (i.e., organisation, government body, etc.) that are owed money because they have provided goods or services or loaned money to another entity. Generally speaking, you can expect to deal with two types of creditors: loan creditors and trade creditors. Loan creditors include banks, building societies, and other financial institutions, whereas trade creditors are essentially suppliers that haven't yet been paid for the goods/services they supplied.

BOOK VALUE: Book value refers to the value of an asset recorded on a balance sheet—that is, its value after accounting for accumulated depreciation. Every business owns several assets. Therefore, every business also has a book value representing the current value of its assets minus its liabilities or outstanding debts. In other words, the book value of a business is the total amount of money a company would generate if it was liquidated without selling any assets at a loss.

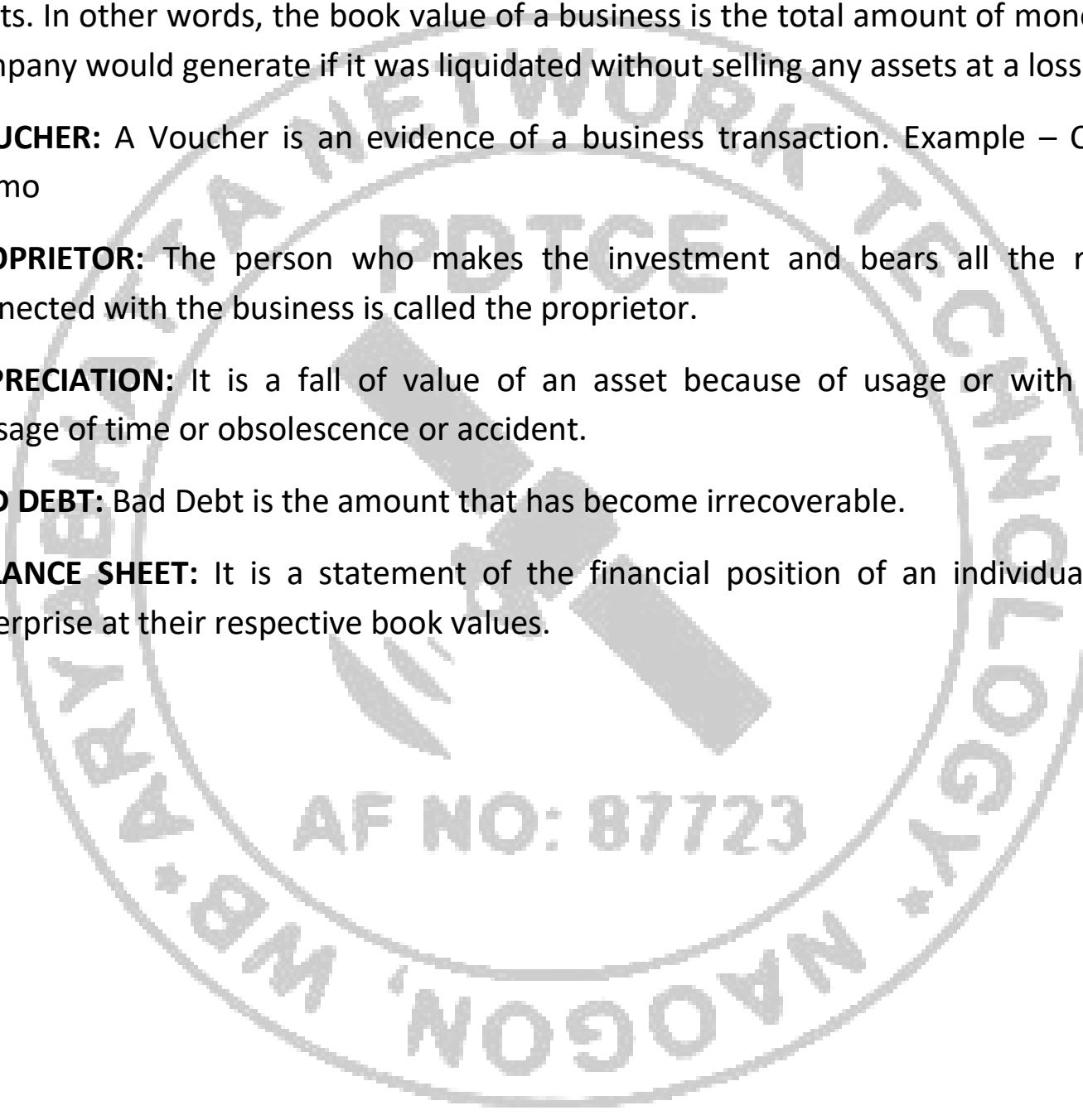
VOUCHER: A Voucher is an evidence of a business transaction. Example – Cash Memo

PROPRIETOR: The person who makes the investment and bears all the risks connected with the business is called the proprietor.

DEPRECIATION: It is a fall of value of an asset because of usage or with the passage of time or obsolescence or accident.

BAD DEBT: Bad Debt is the amount that has become irrecoverable.

BALANCE SHEET: It is a statement of the financial position of an individual or enterprise at their respective book values.



JOURNAL ENTRY

A Journal is the primary book of accounts in which transactions are first recorded in a chronological order, i.e, as they are entered into.

Classification of Accounts in Accounting

- Personal Account
- Real Account
 - Tangible Real Account
 - Intangible Real Account
- Nominal Account

Personal Account

These accounts types are related to persons. These persons may be natural persons like Raj's account, Rajesh's account, Ramesh's account, Suresh's account, etc.

These persons can also be artificial persons like partnership firms, companies, bodies corporate, an association of persons, etc.

For example – Rajesh and Suresh trading Co., Charitable trusts, XYZ Bank Ltd, C company Ltd, etc.

There can be personal representative accounts as well.

For example – In the case of Salary, when it is payable to employees, it is known how much amount is payable to each of the employee. But collectively it is called as 'Salary payable A/c'.

Rule for this Account

Debit the receiver.

Credit the Giver.

For Example – Goods sold to Suresh. In this transaction, Suresh is a personal account as being a natural person. His account will be debited in the entry as the receiver.

Real Accounts

These account types are related to assets or properties. They are further classified as Tangible real account and Intangible real accounts.

Tangible Real Accounts

These include assets that have a physical existence and can be touched. For example – Building A/c, cash A/c, stationery A/c, inventory A/c, etc.

Intangible Real Accounts

These assets do not have any physical existence and cannot be touched. However, these can be measured in terms of money and have value. For Example – Goodwill, Patent, Copyright, Trademark, etc.

Real Account Rules

Debit what comes into the business.

Credit what goes out of business.

For Example – Furniture purchased by an entity in cash. Debit furniture A/c and credit cash A/c.

Nominal Account

These accounts types are related to income or gains and expenses or losses. For example: – Rent A/c, commission received A/c, salary A/c, wages A/c, conveyance A/c, etc.

Rules

Debit all the expenses and losses of the business.

Credit the incomes and gains of business.

For Example – Salary paid to employees of the entity. Salary A/c will be debited when the expenses are incurred. Whereas, when an entity receives any interest, discount, etc these are credited whenever these are received by the entity.

QUESTIONS

1. Journalise the following transactions.

- | | |
|---------------------------------------|--------|
| a) Purchase goods from Ram on Credit. | 15,000 |
| b) Purchase goods from Ram in cash. | 10,000 |
| c) Cash paid to Ram. | 5,000 |
| d) Cheque Paid to Ram. | 10,000 |
| e) Sold goods to Shyam Credit. | 20,000 |
| f) Sold goods to Shyam in Cash. | 15,000 |
| g) Cash Received from Shyam. | 8,000 |
| h) Cheque Received from Shyam. | 12,000 |
| i) Salary Paid in Cash. | 15,000 |
| j) Rent Received Through Cheque. | 10,000 |

2. Journalise the following transactions of Mr. Satish:

a) Mr. Satish started business with cash	10,000
b) Paid into bank	6,000
c) Bought goods from M/s S. Singh & Co. on credit	2,000
d) Purchased furniture	200
e) Purchased adding machine	800
f) Purchased typewriter	600
g) Paid for postage	15
h) Sold goods for cash	400
i) Sold goods on credit to M/s. Sharda & Co.	1,000
j) Paid to M/s. S. Singh & Co.	1,950
k) Discount allowed by them	50
l) Sold goods to M/s. Ray & Co.	560
m) Received cheque from M/s. S. Sharda & Co. (In full settlement of amount due from them)	975
n) Paid for electric charges	10
o) Paid salary	150
p) Paid rent by cheque	200
q) Drew for private use	350

Cash Balance = 710

3. The following are the transactions of R. Singh & Co. for the month of July. You are required to journalise them:

a) Started business with cash	8000
b) Cash paid into Bank	5000
c) Bought stationary for cash	30
d) Bought goods for cash	2100
e) Bought postage stamp	10
f) Sold goods for cash	750
g) Bought office furniture from Bannerjee Bros.	500
h) Sold goods to Mahendra	1000
i) Received cheque from Honda	1000
j) Paid Banneries Bros. by cheque	500
k) Sold goods to Vinod & Co.	500
l) Bought goods from S. Sharma & Bros.	700
m) Bought goods for cash from S. sanjay & Co.	225
n) Sold goods to P. Puneet	350
o) Vinod & Co. paid on account	250
P) Paid S. sharma & Bros. by cheque n full settlement	685
q) Paid Salaries	250

Cash Balance = 1350

Sales Entry

From the following particulars, prepare a Sales Book of M/s. Gyan Prasad and Bros., Delhi, dealers in stationery:

Date	Transaction
July 1	Sold to M/s. Stationary Mart on Credit: 2 reams of white paper @150 per ream
July 10	Sold to M/s. Puran Chand & Co.: 6 dozen Inkpots @120 per dozen
July 15	Sold on Credit to M/s. Rahim & Co: 10 Drawing Boards @70 per piece
July 22	Sold to M/s. Jagdish & Sons on Credit: 2 Transistors @85 per piece
July 30	Sold to M/s. Kay Cee & Co. on Credit: 4 Office Tables @520 per table

Total Sales = 3970

DISCOUNT

WHAT IS DISCOUNT?

A discount is a reduction in the usual price of something

There are 3 Types of Discount;

Trade discount,

Quantity discount, and

Cash discount.

Quality or Promotional Discount,

These are explained below;

Trade Discount

The amount which is deducted from the price list of the goods sold is called a trade discount. The seller fixes up invoice price or sale price deducting trade discount from the listed price. The trade discount is not accounted for.

Quantity Discount

The discount allowed by the seller to the buyer on the amount crossing minimum target sales is called quantity discount I.E. after granting a normal trade discount if the sale amount crosses the minimum target sale, the seller grants an excess discount to the buyer.

This excess amount of discount is called a quantity discount. It is included in the cash discount which is shown on the challan/invoice.

Cash Discount

The seller grants some amount as a discount to the debtor for the realization of the outstanding sales within the term period of sales. This is called a cash discount.

The discount is a nominal account. The discount expense and discount income are recorded on the debit side and credit side of the treble column cash book respectively.

Quality or Promotional Discount

Promotional discount is a sales strategy in which brands temporarily reduce the price of a product or service to attract prospects and customers.

From the following particulars, prepare a Sales Book with discount of M/s. Hari Prasad and Bros., Delhi, dealers in stationery:

Date	Transaction
August 1	Sold to M/s. Gupta Furniture House, Delhi: 120 Chairs @550 per chair 40 Tables @750 per table Less: 5% Trade Discount
August 13	Sold to M/s. Ajit Singh and Sons, Amritsar: 150 Desks @225 per desk 160 Chairs @225 per chair Less: 5% Trade Discount
August 28	Sold to M/s. Ideal Furniture House, Patiala: 10 Sofa Sets @7500 each 5 Almirahs @750 each 25 Office Tables @850 each Less: 10% Trade Discount

Total Sales = 2,47,462.50

PURCHASE ORDER

Types of purchase orders

Standard purchase order (PO)

The standard purchase order is the type most of us are familiar with. Companies use them for one-time orders that they don't expect to make regularly.

Standard POs require more specific information compared to the other three types because they're orders you place with vendors that aren't long-time collaborators. For instance, a business purchasing furniture for its office spaces wouldn't expect to regularly replace these items and would use a standard purchase order.

Standard purchase orders require the greatest certainty, as a vendor is expected to complete the single order without any assurance that they'll get future contracts. This kind of purchase order usually includes the terms and conditions of an order, an itemized list of requested items, and delivery details.

Purchase orders have to go through a purchase order approval process that includes a manager's approval. Automating the approval process through platforms like Jotform Approvals expedites the procedure, allowing your team to quickly send purchase orders.

Planned purchase order (PPO)

A planned purchase order includes a similar level of detail as a standard purchase order, but its delivery date and location are undetermined. For these orders, the timing of the release is the most important detail.

PPOs are essentially individual purchase orders that a business can release as needed. Applications like Jotform Approvals can help businesses keep track of and quickly approve account distribution to ensure that the PPO release is timed for greatest efficiency.

Businesses might use a typical PPO to replace or restock items they expect to use over a period of time. These items may need restocking at irregular intervals, necessitating indefinite delivery dates. For example, in a typical office, an office

manager may create a PPO for printer cartridges that gets released once supplies are low.

Blanket purchase order (BPO)

Sometimes called a “standing order,” a blanket purchase order is an agreement with a vendor for future purchases in which the quantity of the items is unknown. BPOs include the same details as a PPO, with the exception that the quantity of items remains unspecified, along with delivery details.

An office might use a BPO to order printer paper. Like cartridges, it can be hard to predict when paper will run out. However, unlike the previous example, you may not be able to easily define how much paper you’ll need in the future. In this situation, you might set up a BPO with your preferred vendor so you can order the necessary amount when the time comes.

Because BPOs may put the vendor in a precarious position in which they’re unable to fulfill the order when needed, blanket purchase orders often limit the maximum quantity that a business can order at once.

Contract purchase orders (CPO)

The type of purchase order with the least amount of detail, a contract purchase order only specifies the negotiated terms and conditions between a business and a vendor. A CPO is basically a contract that states there will be purchase orders in the future and provides guidelines for when they occur.

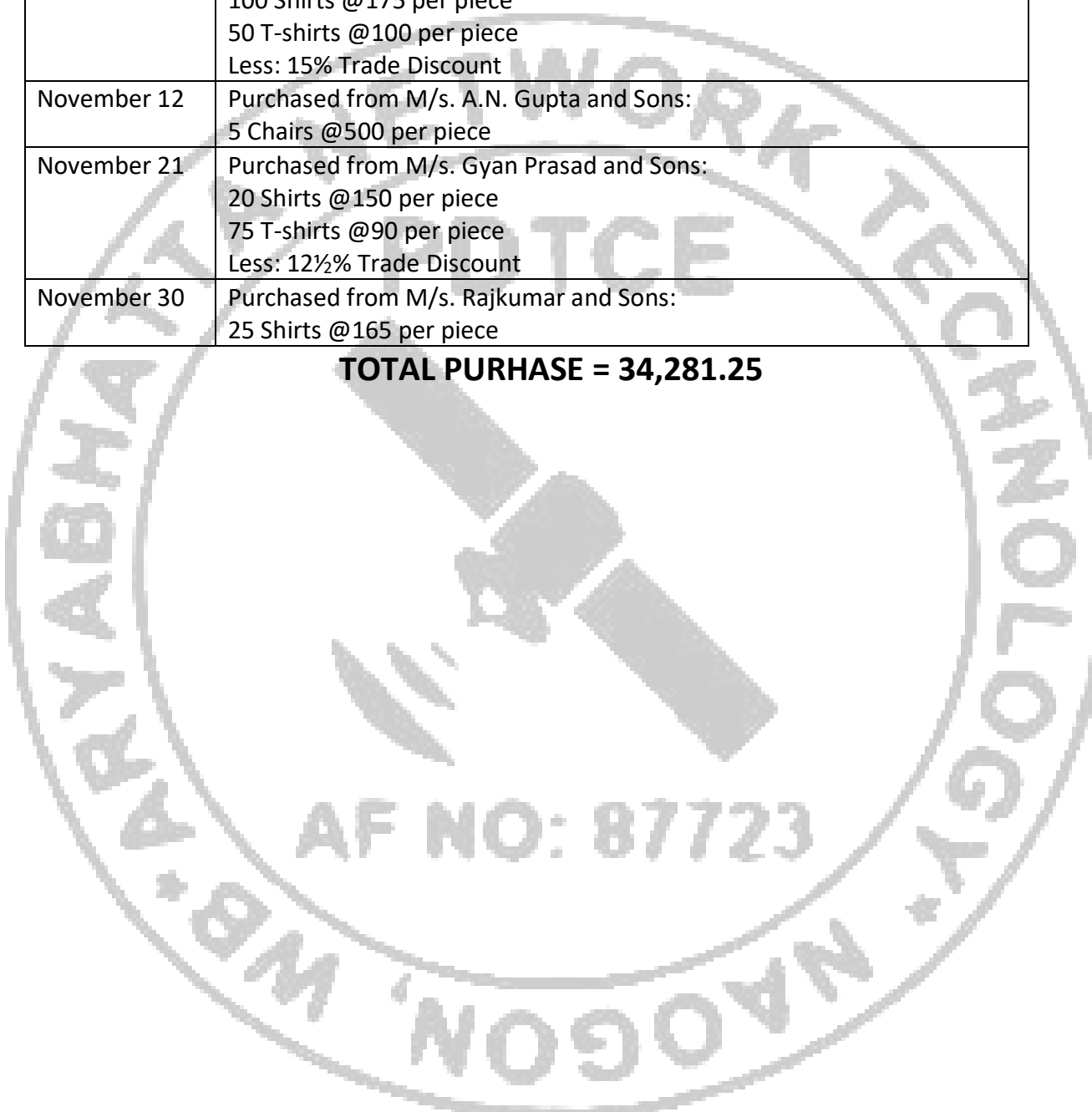
A CPO helps set up future purchase orders, though they aren’t released in the same way. A PO placed under an established CPO is “raised” against the contract and must satisfy its requirements. Some CPOs include agreed-upon time frames for future POs but otherwise contain no information regarding the quantity, date, or item list that a company will request.

Again, in your business, an office manager and a trusted vendor might create a CPO to ensure a smooth ordering process in the future. Like the other types of purchase orders, internal approvals benefit from workflow automation.

M/s. Ratan Chand and Sons, who are dealers in readymade garments, purchased the following. Enter these into the purchases book:

Date	Transactions
November 1	Purchased from M/s. Prakash Chand and Sons, Mumbai: 100 Shirts @175 per piece 50 T-shirts @100 per piece Less: 15% Trade Discount
November 12	Purchased from M/s. A.N. Gupta and Sons: 5 Chairs @500 per piece
November 21	Purchased from M/s. Gyan Prasad and Sons: 20 Shirts @150 per piece 75 T-shirts @90 per piece Less: 12½% Trade Discount
November 30	Purchased from M/s. Rajkumar and Sons: 25 Shirts @165 per piece

TOTAL PURCHASE = 34,281.25



TAX

WHAT IS TAX?

ANS:> A tax is a mandatory fee or financial charge levied by any government on an individual or an organization to collect revenue for public works providing the best facilities and infrastructure.

Types of Taxes

Taxes are of two types

- 1) **Direct Tax:** Direct tax is hidden in its name which implies that this tax is paid directly to the government by the taxpayer. Example – Income Tax
- 2) **Indirect Tax:** Indirect tax payment is received by government from the seller of goods or services. Example – GST

FULL FORM

VAT = VALUE ADDED TAX

IT = INCOME TAX

GST = GOODS AND SERVICES TAX

IMPS = IMMEDIATE PAYMENT SYSTEM

AEPS = AADHAAR ENABLED PAYMENT SYSTEM

NEFT = NATIONAL ELECTRONIC FUNDS TRANSFER

GST

GST is referred as Goods and Services Tax. It is an indirect tax that was implemented to replace a variety of previous taxes, including the Value added Tax, service tax, purchase tax, excise duty, and others. GST is a tax that India imposes on the supply of specific products and services.

Replaced Taxes with GST

- VAT
- Octroi
- Entertainment Tax
- Tax on Lottery
- Luxury Tax
- Purchase Tax
- Service Tax
- Additional Excise Duty
- Central Excise Duty
- And more

Components of GST and its Explanation

The Four Different Types of GST Tax in India are:

- Integrated Goods and Services Tax (IGST)
- State Goods and Services Tax (SGST)
- Central Goods and Services Tax (CGST)
- Union Territory Goods and Services Tax (UTGST)

1. Integrated Goods and Services Tax or IGST

- The Integrated Goods and Services Tax or IGST is a tax under the GST regime that is applied on the interstate (between 2 states) supply of goods and/or services as well as on imports and exports.
- The IGST is governed by the IGST Act. Under IGST, the body responsible for collecting the taxes is the Central Government. After the collection of taxes, it is further divided among the respective states by the Central Government.
- For instance, if a trader from West Bengal has sold goods to a customer in Karnataka worth Rs.5,000, then IGST will be applicable as the transaction is an interstate transaction. If the [rate of GST](#) charged on the goods is 18%, the trader will charge Rs.5,900 for the goods. The IGST collected is Rs.900, which will be going to the Central Government.

2. State Goods and Services Tax or SGST

- The State Goods and Services Tax or SGST is a tax under the [GST regime](#) that is applicable on intrastate (within the same state) transactions. In the case of an intrastate supply of goods and/or services, both State GST and Central GST are levied.
- However, the State GST or SGST is levied by the state on the goods and/or services that are purchased or sold within the state. It is governed by the SGST Act. The revenue earned through SGST is solely claimed by the respective state government.
- For instance, if a trader from West Bengal has sold goods to a customer in West Bengal worth Rs.5,000, then the GST applicable on the transaction will be partly CGST and partly SGST. If the rate of GST charged is 18%, it will be divided equally in the form of 9% CGST and 9% SGST. The total amount to be charged by the trader, in this case, will be Rs.5,900. Out of the revenue earned from GST under the head of SGST, i.e. Rs.450, will go to the West Bengal state government in the form of SGST.

3. Central Goods and Services Tax or CGST

- Just like State GST, the Central Goods and Services Tax of CGST is a tax under the GST regime that is applicable on intrastate (within the same state)

transactions. The CGST is governed by the CGST Act. The revenue earned from CGST is collected by the Central Government.

- As mentioned in the above instance, if a trader from West Bengal has sold goods to a customer in West Bengal worth Rs.5,000, then the GST applicable on the transaction will be partly CGST and partly SGST. If the rate of GST charged is 18%, it will be divided equally in the form of 9% CGST and 9% SGST. The total amount to be charged by the trader, in this case, will be Rs.5,900. Out of the revenue earned from GST under the head of CGST, i.e. Rs.450, will go to the Central Government in the form of CGST.

4. Union Territory Goods and Services Tax or UTGST

- The Union Territory Goods and Services Tax or UTGST is the counterpart of State Goods and Services Tax (SGST) which is levied on the supply of goods and/or services in the Union Territories (UTs) of India.
- The UTGST is applicable on the supply of goods and/or services in Andaman and Nicobar Islands, Chandigarh, Daman Diu, Dadra, and Nagar Haveli, and Lakshadweep. The UTGST is governed by the UTGST Act. The revenue earned from UTGST is collected by the Union Territory government. The UTGST is a replacement for the SGST in Union Territories. Thus, the UTGST will be levied in addition to the CGST in Union Territories.

Types of GST	Authority which is benefitted	Priority of Tax Credit use	Who is it collected by?	Transactions which are applicable (Goods and Services)
CGST	Central Government	CGST IGST	Central Government	Within a single state, i.e. intrastate
SGST	State Government	SGST IGST	State Government	Within a single state, i.e. intrastate
IGST	Central Government and State Government	IGST CGST SGST	Central Government	Between two different states or a state and a Union Territory, i.e. interstate
UTGST/UGST	Union Territory (UT) Government	UTGST IGST	Union Territory (UT) Government	Within a single Union Territory (UT)

GST NUMBERS:

19AAACW4495Q1ZD (WB)

19AAATB4004B1ZH (WB)

19AABCB6072D1ZV (WB)

19AABCE7178B1ZN (WB)

07AAACB5343E1Z3 (DELHI)

10AAACB1534F1ZL (BIHAR)

30AAACB1534F4ZG (GOA)

NAME OF ITEMS	APPLICABLE GST
COMPUTER ITEMS	18%
MOBILE PHONE	12%
SANITIZER	18%
GOLD JEWELLERY	3%
TWO WHEELER	28%
FOUR WHEELER	28%

AF NO: 87723