மனோன்மணியம் சுந்தரனார் பல்கலைக்கழகம்

MANONMANIAM SUNDARANAR UNIVERSITY

TIRUNELVELI – 12

தொலைநிலை தொடர்கல்வி இயக்கம்

DIRECTORATE OF DISTANCE & CONTINUING EDUCATION

BBA – SECOND YEAR

COMPUTER APPLICATION IN BUSINESS - II

COMPUTER APPLICATION IN BUSINESS - II

PRACTICAL SUBJECT

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COURSE OBJECTIVE:

1. To impart knowledge regarding concepts of Financial Accounting.
2. To make students to make capable to create company, entering accounting vouchers entries including voucher entries, and also print financial statements.
3. To make students ready with required skill for employability in the job market.

Course Outcomes:

CO1: To help students to work with well- known accounting software i.e. Tally ERP.9.

CO2: Students will learn to create company, enter accounting voucher entries including advance voucher entries

CO3: Demonstrate an understanding of various predefined inventory vouchers to suit the various business requirements and flexibility to create unlimited stock items.

CO 4: Demonstrate an understanding of how to maintain a payroll register.

CO5: To prepare Accounting, Payroll, Billing, Sales and Profit Analysis, Auditing Banking Inventory, Taxation such as GST, VAT, TDS, TCS etc

SOFTWARE: Tally

1. To Create, Alter and Delete a Company owned by you.

2. Do the voucher entry for the transactions

       1. Mr. Girish started business with Rs. 1,00,000

2. Bought furniture for Rs.1,000

3. Goods purchased for Rs.1,500

4. Goods sold for Rs.2,500

5. Goods purchased from Selva & Co for credit worth Rs.7,500

6. Goods sold from Cheenu & Co for credit worth Rs.10,000

3. Alter the following vouchers:

Entry No	Date	Party Name	Alternations
4	7.4.2019	Britannia Industries	Order No. SO 118-due on 7.4.2019
6	9.4.2019	Britannia Industries	Order No. SO 156-due on 10.4.2019 for both items
33	3.5.2019	Beauty Care Centre	Order No. So 1189-due on 5.5.2019
41	5.5.2019	Beauty Care Centre	Order No. SO 2369-due on 15.5.2019

4. Enter the following transactions of the company in Tally and show various reports

January 1   Commenced business with a capital of 80,000

January 3   Purchased machinery 10,000

January 5   Withdrawn from bank for office use 10,000

January 7   Purchased goods from Siama on credit 9,000

January 8   Paid cash to Siama 8,800

Discount received 200

January 11   Sold goods to Kima 5,000

January 16   Received cash from Kima 4,900

Discount allowed 100

January 18   Purchased goods from Siama from cash 6,000

January 20   Paid wages 3,000

January 22   Rent received 5,000

5. Record the following transaction that took place during the April to September 2020

Sl. No.	Transactions	Item	Quantity	amount
1	Purchase from Suresh	Reynolds Pen	20	200
2	Sales to Vani	Parker Pen	125	2400
3	Sales to Ragu	Camel Geometry	100	7500
4	Paid money to Suresh in full settlement for the transaction at Ser.No 1 above			190
5	Received from Vani and Ragu Rs.9,500 cash in full settlement for their asset transaction at Ser.No2 and 3 above.			
6	Paid to Manoj			1000
7	Purchase from Hari	Parker Pen	15	1600
8	Purchase from Manoj	Reynolds pen	18	360
9	Sales to Priya	Pilot Pen	100	15000
10	Purchased furniture			2500
11	Paid insurance premium			1560
12	Sold all the investments			25000
13	Paid 1. Outstanding salaries 2. Electricity charges 3. Tax of the last year			2000 1000 23000
14	Out standing 1. Salaries 2. Provision for Tax			5000 24000

Charge depreciation for the period 1.4.2020 to 30.9.2020 on furniture @ 20% p.a and Machinery @10% p.a.

1. Create a company as per details given above
2. Create appropriate groups and ledgers
3. Enter the transaction as given selecting appropriate voucher type
4. Trail balance as on 30.9.2020
5. Profit and loss account
6. Balance sheet as on 30.9.2020
7. Cash book

6. From the following Trial Balance, prepare Trading, Profit & Loss A/c and a Balance Sheet as on 31st March, 2015:

TRAIL BALANCE

Particulars	Debit	Credit
Machinery	14,000	
Furniture	200	
Opening stock	2,000	
Wages	5,000	
Purchases	10,500	
Return inward	400	
Cash at bank	800	
Cash in hand	200	
Debtors	2,400	
Drawings	1,000	
Manufacturing expenses	800	
Rent	400	
Depreciation	420	
Sundry expenses	400	
Repairs	50	

Traveling expenses	100	
Bad debts	150	
Printing and stationary	50	
Carriage	130	
Capital		10,000
Sales		26,800
Creditors		1,700
Return outward		500
	39,000	**39,000**

The value of closing stock was Rs.11,355

7. Bill of Material Purchase the following items from Rishav Stores vide Ref No./Invoice No. 01/19-20

Sl No.	Particulars	Under	Rate	Qty (Pcs)	Amount	Godown
1	Perk	Raw Materials	7	100	700	Girish Park
2	Dairy Milk	Raw Materials	8	100	800	Girish Park
3	Gems	Raw Materials	8	100	800	Girish Park
4	Double Shots	Raw Materials	8	100	800	Girish Park
5	5Star	Raw Materials	6	100	600	Girish Park
After purchase all the items the company has decided to create 50 box finished goods named "Cadbury Celebration" containing the above items plus cost Rs.2/- per box and labour charges of Rs.500						
Sold 25 boxes of "Cadbury Celebration" @ 15% Profit on cost to Shuvam Stores (Invoice No.S/001)						

8. Create the following stock particulars for Vimal Distribution

Stock Item	Stock Group	Sub stock Group	Unitsof Measures	Opening Quantity	Unit Price
Bourbon	Biscuits	Cream Biscuits	Packet of 10 Pieces	500 Pcs	10/pkt
Horlicks	Biscuits	Plain Biscuits	Packet of 10 Pieces	1000 pkts	15/pkt
Lacto king	Chocolates	Candy	Packet of 50 Pieces	250 pkts	1/pce
Five star	Chocolates	Bar	Box of 100 Pieces	50 Boxes	10/piece
Lays	Snacks	Potato chips	Box of 100 pieces	150 pkts	10/pkt
Sunfest	Biscuits	Plain biscuits	Packet of 10 pieces	100 pkts	12/pkt
Bournvita	Biscuits	Plain biscuits	Packet of 10 pieces	800 pkts	20/pkt
Alphenliebe	Chocolates	Candy	Packet of 50 Pieces	100 pkts	1/pce
Dairy Milk	Chocolates	Bar	Box of 100 Pieces	250 Boxes	10/piece
Bingo	Snacks	Potato chips	Box of 100 packets	300 boxes	15/pkt

9. On 1st October 2017 purchase raw material in cash for manufacture of pressure cooker voice GST-0111

Sl. No.	Item name	Qty	Rate	GST rate
1	Handel set	100 pcs	50	28%
2	Rubber gasket	100 pcs	3.10	28%
3	Aluminium circle sheet	100 kg	190	18%
4	Safety valve	100 pcs	25	18%
5	Weight set	100 pcs	50	18%
6	Vent tube	100 pcs	53	18%
7	Pressure cooker manual	100 pcs	5	12%
8	Pressure cooker box	100 pcs	11	12%

Pass the necessary entry

10. Generate salary slip from the following particulars

Date	Name	Pay Heads	Amount Rs.	Dr/Cr
30.04.2020	Thamizhselvan	Basic pay	30000	Dr
		D.A	15000	Dr
		H.R.A	2500	Dr
		C.C.A	1500	Dr
		Gratuity	2000	Cr
		P.F	1000	Cr
30.04.2020	Malar	Basic pay	25000	Dr
		D.A	9000	Dr
		H.R.A	1500	Dr
		C.C.A	1000	Dr

		Gratuity	1500	Cr
		P.F	800	Cr
30.04.2020	Manimaran	Basic pay	20000	Dr
		D.A	7000	Dr
		H.R.A	5000	Dr
		C.C.A	3000	Dr
		Gratuity	2000	Cr
		P.F	3000	Cr
30.04.2020	Palani	Basic pay	20000	Dr
		D.A	7500	Dr
		H.R.A	6000	Dr
		C.C.A	3500	Dr
		Gratuity	2500	Cr
		P.F	4000	Cr

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INTRODUCTION:

Tally Solutions has released a new version of its Tally 9 software. It is most popular software for accounts and inventory management. It offers different feature for maintaining accounts. Tally 9 is integrated with a lot of advanced features like better data migrating, fast data speed, payroll management, TDS, TCS, Job costing and point of sale invoicing.

AN OVERVIW OF ACCOUNTING

The main purpose of accounting is to ascertain profit or loss during a specified period, to show financial condition of the business on a particular date and to have the control over the firm's property. In other words, an account is a systematic record of all transaction relating to a person, an asset, a liability, an expense or an income. Account is also called A/C. such accounting records are required to be maintained to measure the income of the business, communicate the information. So that it may be used by manager, owners and other parties.

DOUBLE ENTRY SYSTEM:

Every business transaction has two aspects, i.e., when we received something, we give. Something else in return. For Example, when we purchased goods for cash, we received goods and give cash in return, similarly in a credit sale of goods, goods are given to the customer and customer becomes debtor for the amount of goods sold to him.

This method of writing every transaction in two accounts is known as **Double Entry System of Accounting** of the two accounts, one account is given debit while the other account is given credit with an equal amount. Thus, on any date, the total of all debits must be equal to the total of all credit because every debit has a corresponding credit.

Rules of Double Entry System/ Golden Rule of Accounting:

There are separate rules of the double entry system in respect of personal, real, and nominal accounts which are discussed below……

1. Personal account:

These accounts record a business's dealing with persons or firms. The person receiving something is given debit and the person giving something is given credit.

In other word personal account recording transaction with person or firm.

Personal Account Rule	DEBIT THE RECEIVER
	CREDIT THE GIVER

2. Real account:

These are the accounts of asset entering the business is given debit and assert leaving the business is given credit. In other word real account is that A/C of property or possession E.g., Goods A/c, furniture A/C, etc.

For example, when goods are sold for cash, cash account will be giving debit as cash comes in and Goods account will be credited as goods go out. So, the rule ….

Real Account Rule	DEBIT WHAT COMES IN
	CREDIT WHAT GOES OUT

3. Nominal/ Fictitious Account:

These account deals with expenses, income, profit and losses.

For example, when rent is paid to the land lord, rent account will be debited as it is an expense and cash account will be credited as it goes out.

Other example commission A/C, Advertising A/C, Discount A/c, wages A/C.

	DEBIT ALL EXPENSES & LOSSES
Nominal Account Rule	CREDIT ALL INCOME & GAIN

(Account recording transaction which do not affect particular person but effect business in general is known as IMPERSONAL A/C'S. it may be either Real or Nominal A/C RULE.)

FEW BASIC TERMS:

• Business transaction:

Any exchange of money or money's worth as goods and service between two parties is called a business transaction. It may relate to purchased and sale of goods, receipt and payment of cash and rending of service by one party to another.

• Debtor:

A debtor is a person who owes money. The amount due from him is called debt. The amount due from a person as per the books of account is called a book debt. For example, Sold Goods to Rolex Industry in credit. The Rolex Industry is known as Debtor.

• Creditor:

A person to whom money is owing or payable is called a creditor. For example, purchased goods from Sam Company in credit basis. The Sam Company is known as Creditors.

• Capital:

This is the owner's financial interest or holding in business and is represented by the value of net assets.

• Goods:

This including all articles, commodities or merchandise in which the business deals. Thus, cloth would be goods for a dealer in cloth; furniture would be goods for a dealer in furniture and so on.

• Assets:

Any physical thing or right owned that has money value is an asset. In other words, an asset is that expenditure which results in acquiring of some property or benefit of a lasting nature.

• Drawings:

Any amount or goods withdrawn by the owner of a business for personal use is called drawing.

• Voucher:

Any written document in support of a business transaction is called a voucher.

JOURNAL:

Journal is derived from the French word "JOUR" which means a day. Journal therefore means a daily record of business transaction. Journal is a book of original entry because transaction is first written in the journal from which it is posted to the ledger at any convenient time.

LEDGER:

We know, journal records all business transaction separately and date wise. The transaction pertaining to a particular person, assets, expense, or income is recorded at different place in the journal as they occur on different dates. Hence, journal fails to bring the similar transaction together at one place. Thus, to have a consolidated view of the similar transaction different accounts are prepare in the ledger. A ledger account may be defined as a summary statement of all the transaction relating to a person, assert, expense or income which have taken place during a given period of time and shows their net effect.

TRIAL BALANCE:

The end of the financial year or at any other time, the balance of the all-ledger accounts are extracted and are written up in a statement known as trial balance and finally totaled up to

see if the total of debit balances is equal to the total of credit balances. A Trial Balance may thus be defined as a statement of debit and credit total or balance extracted from the various A/C in the ledger with a view to test the arithmetical accuracy of the book.

1. To have balances of all the accounts of the ledger.

2. To have proof that the double entry of each transaction has been recorded because of its agreement.

3. To have material accuracy of preparing the profit and loss account and balance sheet of the business.

BALANCE SHEET:

A balance sheet is a statement prepared with a view to measure the financial position of a business on a certain fixes date. The financial position of a concern is indicating by its assets on a given date and its liabilities on that date. Excess of asserts over liabilities represents the capital and is indicative of the financial soundness of the company. A balance sheet is also described as a statement showing the source and application of the capital. It is a statement and not an account and prepared from real and personal A/C. the left-hand side of the balance sheet may be viewed as a description of sources from which it currently operated and the right-hand side as a description of the firm in which that capital is invested on a specified date.

The balance sheet is a statement, which projects the financial position of a business on a given date. This is one of the backbones of TALLY. At the gateway of Tally, press B to being up the balance sheet.

PROFIT AND LOSS A/ C:

To display the profit and loss A/c. at gateway of tally press P or select the option profit and loss A/c. on selection of this option profit and loss A/c is display in the horizontal format as at last voucher entered. It displays expenses on the left side and income on the right side.

ASSETS:

Assets are property and possession of a business. Stock, Land and Buildings, Cash, Bills Receivable, are some examples of assets. The classification of assets depends on their nature the various types of assets are….

• **Fixed Assets-** land and building. Machinery (Permanently Nature)

• **Current Assets**- Cash, Stock, Bills Receivable (Operating Cycle of One Year)

• **Tangible Assets** -Assets can be seen & touched, like furniture

• **Intangible Assets**- assets which cannot be seen & touched like Goodwill.

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LIABILITIES:

A liability is an amount which a business is legally bound to pay. It is a claim by an outside on the assets of a business. Liabilities may be classified into following categories.

- Fixed liabilities
- Long term liabilities
- Current liabilities

TALLY - INTRODUCTION

Tally is financial accounting software that helps you to computerize your manual accounting system. In other words, the tally is accounting software. It is software of keeping all kind of business transaction. It used POST TRANSATION system. It means, that the information that is being fed into TALLY as voucher, has been already executed. E.G., in POST TRANSACTION SYSTEM the payment is first made based on your exiting methods (i.e.) against a cash bill, against a voucher, etc.) & that information is fed into the program. In other word POST TANSACTION means after the completion of the transaction.

In tally there are two main accounts namely account only and account with inventory. Account only deals with account like sale and purchased of goods whereas account with inventory includes sale and purchase of goods and also the quantity of stock item, which help us in maintain complete information of particular transaction.

What is Tally. ERP 9?

Tally. ERP 9 is one of the most popular accounting software used in India. It is complete enterprise software for small & medium enterprises.

Tally. ERP 9 is a perfect business management solution and GST software with an ideal combination of function, control, and in-built customisability.\

Tally. ERP 9 permits business owners and their associates to interact more in accounts related discussions and is a complete product that retains its original simplicity yet offers comprehensive business functionalities such as Accounting, Finance, Inventory, Sales, Purchase, Point of Sales, Manufacturing, Costing, Job Costing, Payroll and Branch Management along with compliance capabilities for Excise, TDS, TCS, and now GST too!

TALLY VERSIONS LIST WITH THEIR LAUNCHING YEARS

➢ In *1990*, the very first version **Tally 3.0** was launched, which worked only on Microsoft

DOS.A similar version as Tally 3.0 with little upgrades was released in *1991*, named as **Tally 3.12**. **Tally 4** was released in *1992*, which only operated on MS-DOS.

➢ In *1994*, **Tally 4.5** came out, which was used more in financial activities with the help of Ledgers and Classification vouchers entry.

➢ In the year *1996*, an upgraded version was released as **Tally 5,** which could not only run on MS-DOS but on the windows operating system as well. Inventory was added as a tool in it. It could perform the functions of Inventory Records and Accounting.

➢ In the same year *1996*, **Tally 5.4** was released with an update of importing data which helped in importing data from one operating system to another.

➢ In *2001*, **Tally 6.3** was released which was an upgrade to all the previous versions. Through open data connectivity, it was able to connect to other operating networks.

➢ In *2005*, **Tally 7.2** was released with a new tool of Taxes.

➢ In *2006*, **Tally 8.1** came out with multiple language support.

➢ In *2006*, **Tally 9** was launched which was an upgrade given. It included Payroll and POS which supported 13 Languages including some foreign languages too.

➢ In *2009*, **Tally ERP 9** was released, with high-security features. Tally then became a work efficient and very useful software of new generation.

➢ After that, they have just made various releases available with more additional features and the recent release is **Tally Prime** which was launched in **November 2020**.

ADVANTAGES OF TALLY:

1. Tally has saved all paper works, it means the cost of all paper work = Zero = It means before tally, we had to all work on papers and sometime paper work cost was more than the benefit of information in small business type organization. But after tally using, most benefit is gotten by small scale business organizations.

2. In one tally software, you can keep records of unlimited companies. In manual accounting, it is not possible that a single accountant can keep the record of 20 companies. But, in my contacts, there are many professional accountants of Mumbai and Delhi who are tracking all records of more than 20 companies in tally. Billions of Rupees transactions of more than 20 companies and just one tally software. Take idea what is the efficiency and what are the benefits of tally software.

3. After coming tally, it has made simple system of recording and calculation of all tax responsibility. Different tax responsibilities like VAT, FBT, Service tax, Excise Mod VAT,

Custom duty, TDS, Advance tax, etc. can easily calculate and record in tally. Now, companies are demanding tally professional in first eligibility because they are keeping all records in tally and without knowledge of tally.

4. Tally provides some exceptional reports which are not possible to make in manual accounting. In these exceptional reports, you can find negative stock, negative ledger, overdue receivables, overdue payables, Memorandum vouchers. These reports are very useful, if you know its benefit. These reports are also used to find out frauds and check by spot internal auditors. Many accountants did not know that tally can be easy use to track accounting of foreign business. Because in tally's configuration makes suitable tally for providing the information export shipping details, nos. of containers and kinds of packages use in export option. These in formations are very useful for exporters. For activate these options, you have to click configuration, then click invoices, delivery notes and orders. Here you can yes different exporter's options.

5. There are few accountants who know that when we make the voucher entries of payroll, at that time we also create cost allocation by only writing yes in voucher entry configuration in the front of (Allow cost center allocation in payroll vouchers.)

6. One of the best advantages of tally that in tally we can see any report by filtering rang option. If you know to use excel, you can better understand what is filtering and what is rang. But here I am telling you that it is just option. Suppose if you see cash flow statement greater than Rs. 100000 on all items then you can check cash inflow and cash outflow more than Rs. 100000 each item.

7. With tally accounting software we can synchronize data over multiple locations. Data synchronize is simple, cost effective and just few minutes we can apply it. With synchronizing option of tally, we can easy share or collaborates all accounting information more than one branch of company.

8. With the help of tally, accountants can generate all type of VAT through ereturn files.

9. Tally can be operated in 13 languages, if you are businessman and prefer to use tally in your local language, tally is providing support to record your transactions in your own language. You can also print and view reports another language also.

Life time benefits = Speed + Advance + Safe + Universal Accounting software.

DISADVANTAGES OF TALLY:

`1. Tally is not as easy as Excel or MS Word of Microsoft Company. Because, Excel and MS Word can learn by self. But even senior accountants, if they do not know how to operate, they can also mistake in maintaining of accounts in tally.

2. There is no improvement in old version of tally. Tally Company is launching new version one by one from tally 3.0 to tally erp9. It is one of most disadvantages of tally that the expert in old version of tally cannot get improvement in same version. Suppose I am expert in tally 7.2 and tally launch new version tally 8.1, 9 and tally 9erp. But tally Co. is not care for improving tally 7.2. But now after migration facility from tally 7.2 to tally erp9 is good step of Tally Company for removing this advantage.

3. Tally making and maintain system of budgeting is no so advance. There is no provision of capital budgeting in tally 9 with different methods of capital budgeting.

4. Tally does not provide one button of default setting of this software, suppose a new customer purchased tally for maintaining accounts on it and he has changed some setting of features and configuration after this, if his accountant found something wrong in tally, there is no one button to correct it because without deleting ledger and voucher , you can return to default setting of feature menu .

5. Tally support system is no so effective. There is still need to improve to the support system of tally. So that training of this software becomes simple.

How to use Tally. ERP 9?

Tally is nothing but accounting in digital format. Maintaining accounts in manual books, we write accounting entries as debit and credit. In Tally, we create entries the same way. So how do we do it Tally then?

The entire thing could be pictured as the installation of any machinery in the workplace.

Process 1: Installation: (Buying a machine, we first install it for using it)

Tally software can be purchased and downloaded from the Tally website. We can trial version if we are not sure if we want to use it yet. Tally 9 is for Windows only. We can also use Tally in Educational Mode, which allows you to learn how to use the software without having to purchase a license. Some features are restricted in this mode.

Process 2: Navigation: (After installation is complete, we use its hardware supports or software supports to use the machine)

Tally. ERP 9 is designed to be navigated by using the keyboard. While we can click any option we want, everything in Tally has a keyboard shortcut. The Shortcut as we say is usually the key displayed next to each available option. Learning how to get around with the keyboard will increase efficiency.

Process 3: Create a Company: (After we get some idea about the machine, we set the program for it to work)

To use Tally, we will first need to create a company in the program.

HOW TO OPEN TALLY?

Double click on Tally icon on Desktop or Click on start then programs then tally and again tally. When you open tally, it may display gateway of tally screen or company info screen. But you are required company info screen to create company at the beginning. You can move to company info screen from another screen by pressing ALT + F3 key

CREATIING COMPANY IN TALLY ERP9

You can open Tally.ERP9 software by double clicking on Tally.ERP9 icon. The first step is how to create a company, and without creating a company you will not move further to create masters and recording of business transactions etc.

You can easily create a company in Tally.ERP9 by using the below steps.

Step 1: Gateway of Tally –> ALT+F3 –> Click on Create Company
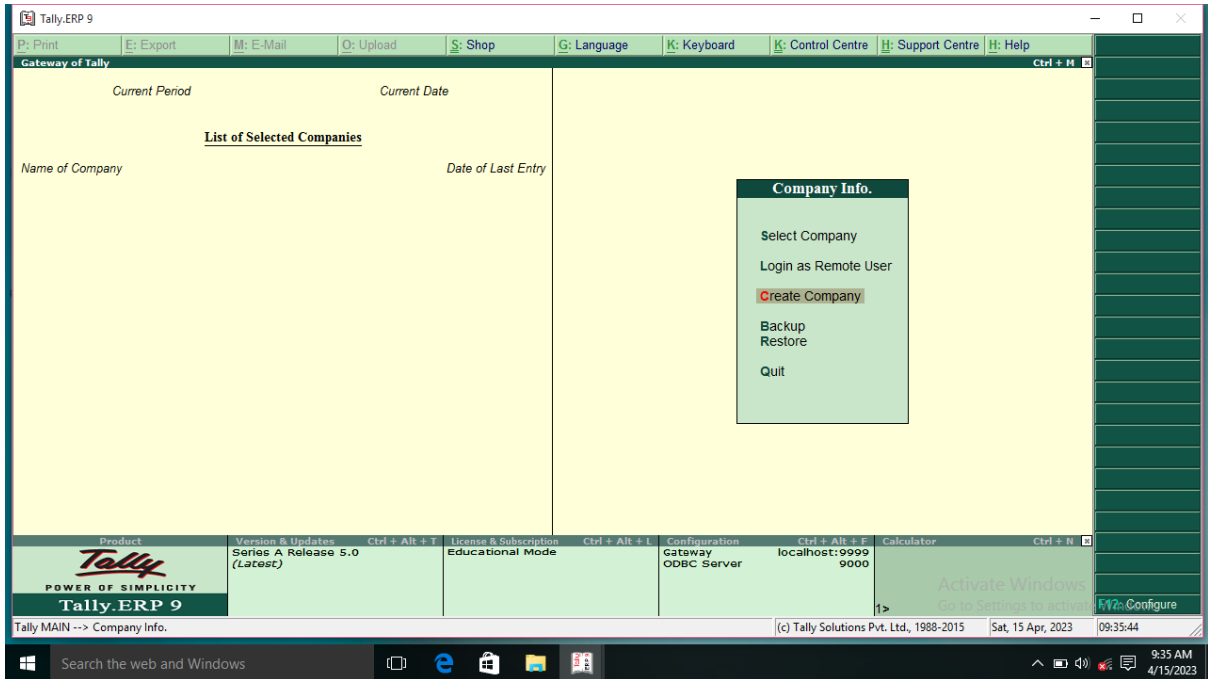
Figure 1

Step 2: Click on **create company**, once you click on create company then the below screen will appear.

Figure 2

Step 3: You have to go through the above 2 steps and fill the information related to your company like, address of company, contact details and other information.

Name: Enter company name in this field like, ABC Company

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Address: Enter company address

Country: Select country

State: Enter State like, Telangana or Karnataka

Pin Code: Enter pin code

Telephone: Enter telephone number

Mobile No: Enter mobile number

Fax No: Enter Fax number

Email: Enter your company official communication mail id

Website: Enter your company website address

Financial year begins from: Enter financial year begins from like, 01.04.2023

Books beginning from: Most of the cases financial year begins date from and books beginning date from are same but when you have created a company in Tally.ERP9 on 01.07.2023 in this case financial year begins from 01.04.2023 and books beginning date from 01.07.2023.

Security Control: This is very useful option in Tally by activating this option you can avoid unauthorized access of company data.

Use security control: Yes / No, If Yes, *You have to remember username and password.*

Base Currency symbol: ₹ Currency symbol of the country

Formal Name: INR is formal name of the currency

Is Symbol Suffixed to Amounts: If required you can enable this option, the purpose of this option is whether currency symbol is required prior to amount like, ₹650

Add space between amount and symbol: Yes, this is like space between amount and currency symbol **₹ 650**

Show Amount in Millions: If you enable this option then it will display amount in reports like, balance sheet and other reports in Millions example, Rs.1000000 is equal to 1 million.

Number of decimal places: Generally, will use 2 decimals for paisa purpose in India like, Rs.58.65.

Word representing amount after decimal: It is by default set as paisa in Tally and not require any changes.

No. of decimal places for amount in words: This is for decimal places for

amount in words.

Figure 3

Step 4: Entered company details press **Enter Key** –> Accept –> Yes

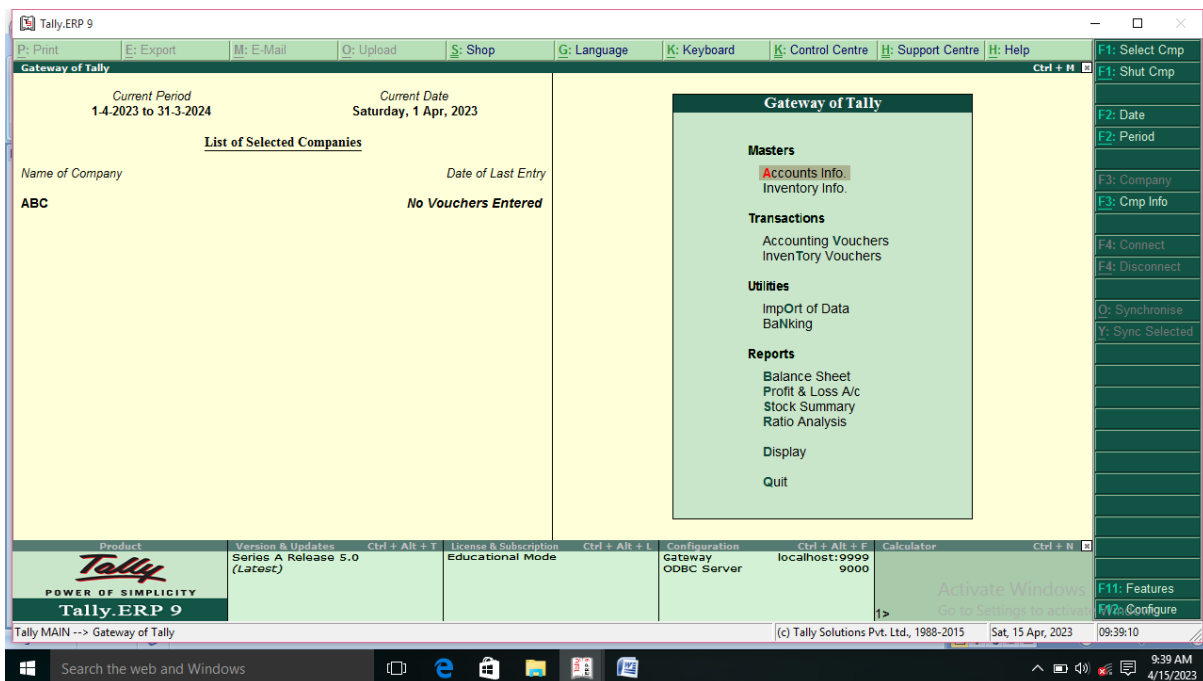Now our company will be created

Figure 4

ALTERING/ DELETING COMPANY IN TALLY

In this section, we will learn how to alter and delete company in Tally ERP 9 software.

How to Alter Company?

Companies will alter or edit their information when they have changed company address or contact number or email and other any information.

After the company creation in Tally, the given information of the company can alter/ modify/ change as per requirement. Use the following steps to alter company in Tally:

Step 1: Gateway of Tally → Press Alt+F3 → Alter

Figure 5

Step 2: Under list of companies, choose the company name and click on name of company to alter.
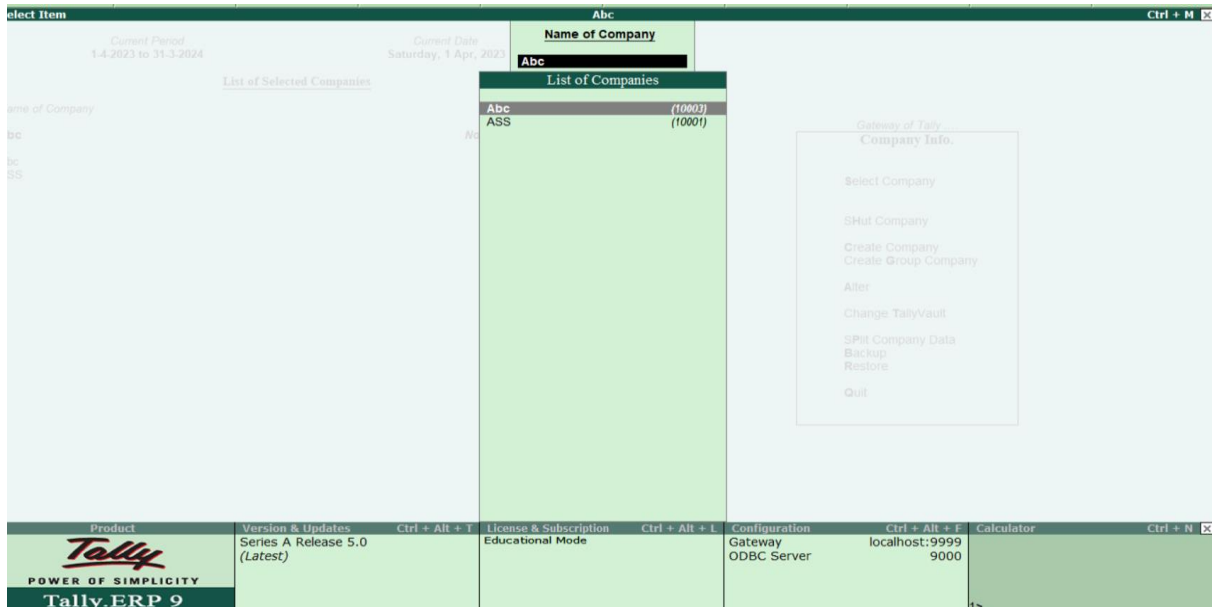
Figure 6

Step 3: On company alteration screen, add and modify the required details and use Ctrl+ A options to save the details. Here we have added contact details of phone number.
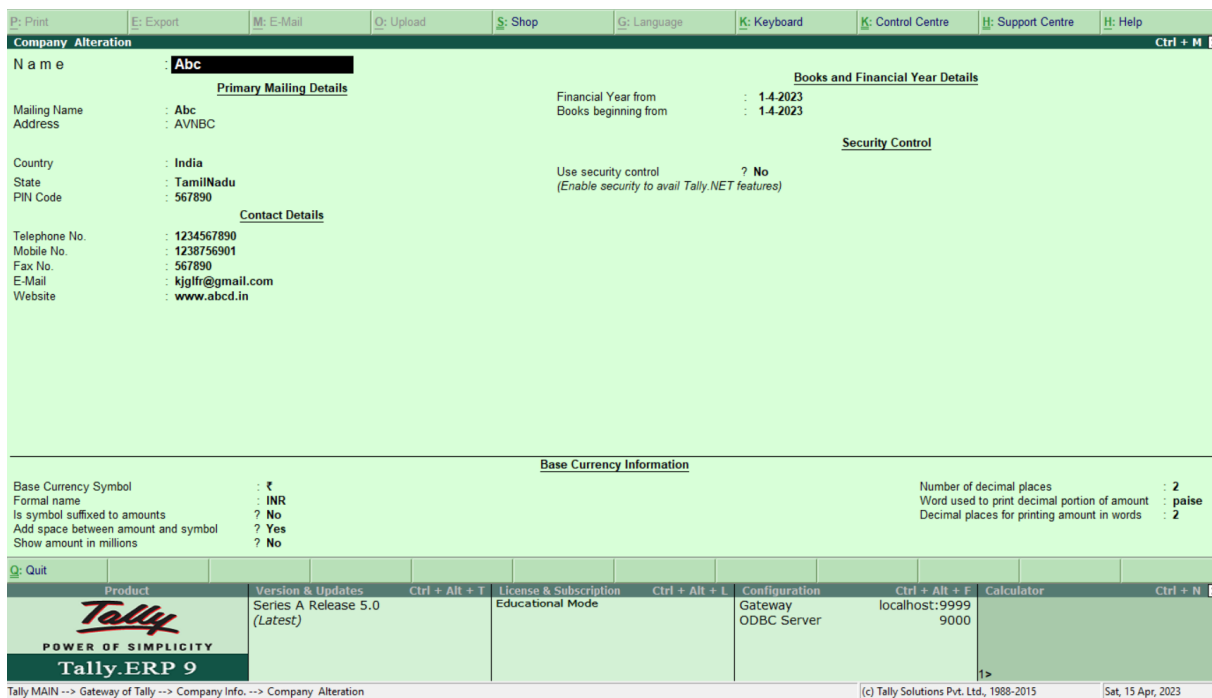
Figure 7

HOW TO DELETE COMPANY IN TALLY ERP 9?

If you delete company in Tally, it removes the complete information of company from Hard drive, all the files and directories that are associated with company will be deleted permanently and it cannot be reversed.

To delete company in Tally ERP 9: **Gateway of Tally > Alt+F3 > Alter > Alt+D**.
Step 1: After using Alt+F3 keys, the company information screen displays on the screen. Here the delete option will be not available. Click on alter option.
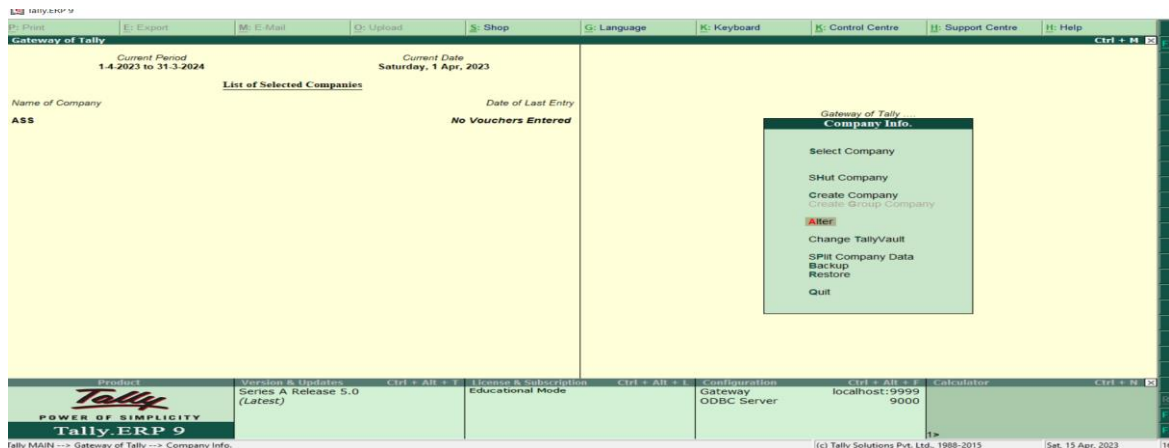
Figure 8

Step 2: Now select company and click Alt+D and click on YES option to delete the company in Tally ERP 9.
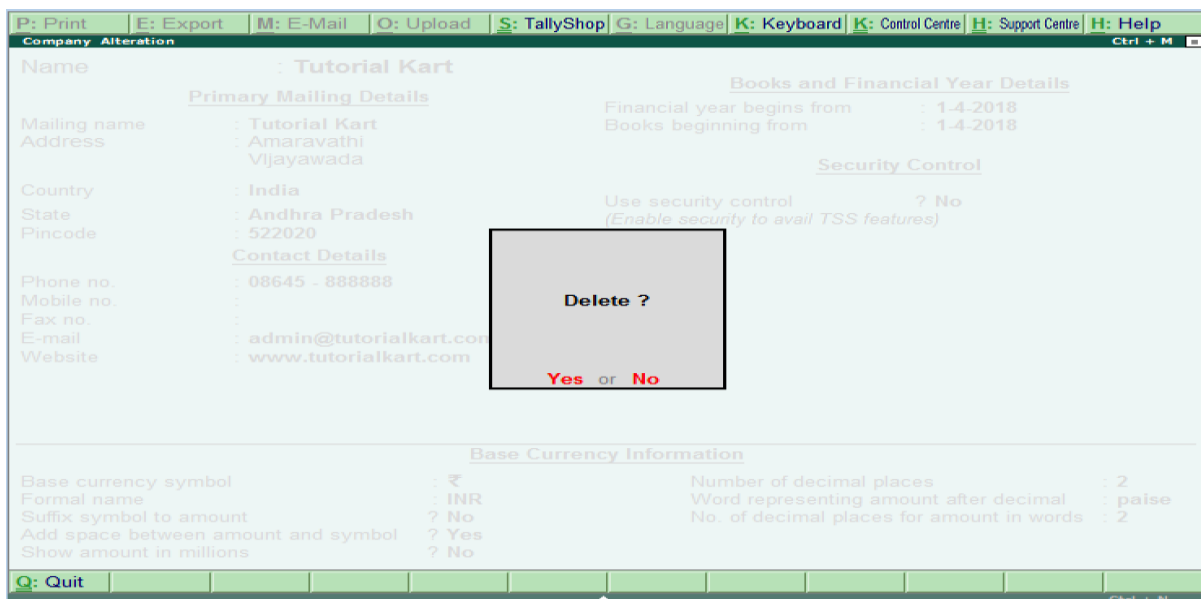
Figure 9

GATEWAY OF TALLY:

The gateway of Tally Screen control center of tally. Gateway of tally is that menu which actually deals with the accounting of transactions, creating ledger, generating statement like balance sheet and profit and loss account, displaying ledgers, vouchers etc. after selecting the required company 'gateway of tally' menu is displayed on the screen.

This screen is the **Gateway of Tally**. The various components of **Gateway of Tally** are described in the table below:

I.   **Horizontal Button Bar:** Option to print, e-mail, import and upload data is available here. This bar also has options to help you to access the help manual, control centre and support centre.

II.   **Vertical Button Bar:** All the button options are displayed here. The buttons vary from screen to screen.

III.   **Main Area (Ctrl+M):** Main area is divided into two parts:

1.   **Left-hand side:** Information on the date and list of companies loaded are displayed here.

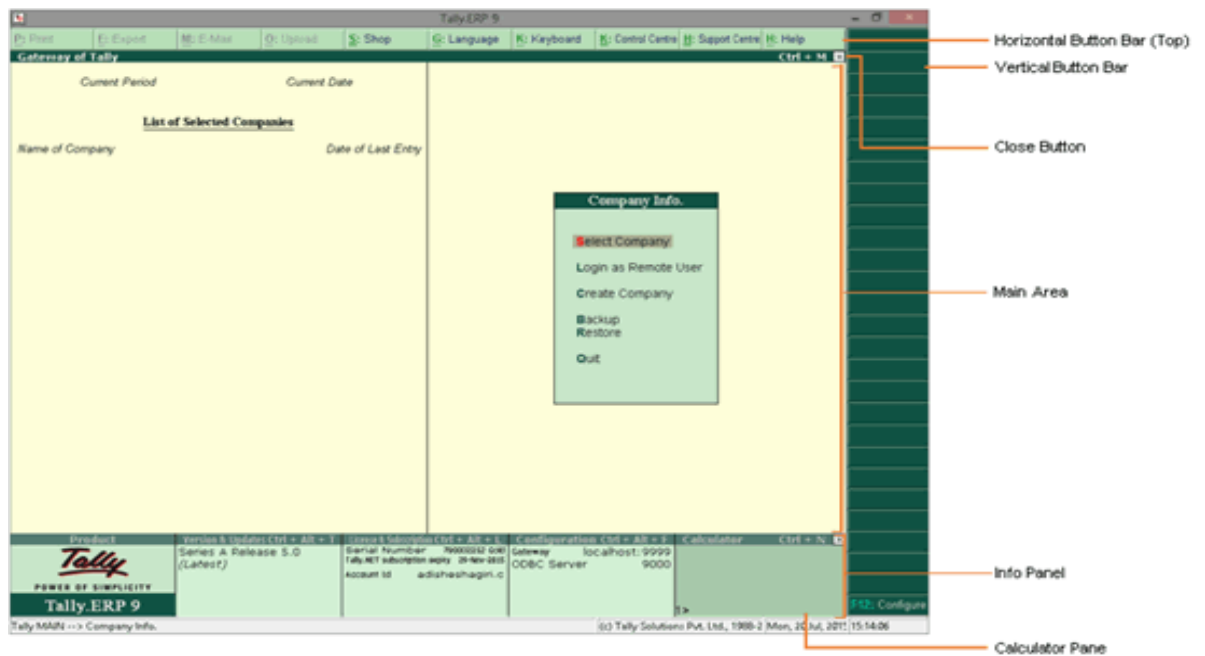2.   **Right-hand side**: The **Gateway of Tally** menu is displayed here.

Figure 10

IV.   **Info. Panel:** The info. panel is divided into five sections:

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1. **Product**:

   Displays the Tally logo. You can click the logo to visit the website.

2. **Versions and Updates**:

   Displays details about the current and latest releases and the TDL information. Press Ctrl+Alt+T to display the version and updates information.

3. **License and Subscription**:

   Displays information related to the product license such as Site ID, Account ID, Serial Number and so on. Press Ctrl+Alt+L to display the license and subscription information.

4. **Configuration**:

   Displays statutory details, configuration details such as proxy configuration, data configuration and so on. Press Ctrl+Alt+F to display the configuration information.

5. **Calculator**:

   Mathematical calculation can be done here. Press Ctrl+N to activate the calculator panel.

   V.   Task Bar:

   System date and time are displayed here.

BUTTON BAR

 Top Button Bar Options:

Buttons	Shortcut Key	Functionality
Print	Alt + P	Navigate to Print menu
Export	Alt + E	These buttons are disabled in the **Gateway of Tally** screen.
E-Mail	Alt + M	
Upload	Alt + O	

Language	Alt + G	To change the language
Keyboard	Alt + K	To change the keyboard language
Control Centre	Ctrl + K	Login to **Control Centre**
Support Centre	Ctrl + H	To post queries, if any, relating to the product.

Right-Side Button Bar Options:

BUTTONS	SHORTCUT KEY	FUNCTIONALITY
Select Cmp	F1	To select a company
Shut Cmp	Alt + F1	To shut or close the company
Date	F2	To change the current date
Period	Alt + F2	To change the period
Company	F3	To select a different company which is already loaded. (If a company is loaded, this button is disabled)
Company Info	Alt + F3	To access the **Company Info.** Menu
Connect	F4	To connect companies to Tally.NET Server
Disconnect	Alt + F4	To disconnect companies from Tally.NET Server
Features	F11	To access the **Company Features** menu for a company
Configure	F12	To access configuration settings

CREATING LEDGER

Ledger accounts represent the assorted, summarized and balanced transaction of similar nature.

For example: the ledger account conveyance represents the set of transactions related to conveyance expenses and their summarized net figure. All accounting transactions are linked to ledger account.

Create Ledger

• Go to account info from Gateway of Tally

• Choose Ledger

• Choose Create from Single Ledger.

1. Type Ledger Name

2. Choose Account Type on under option.

3. Set other details if required.

4. Set Opening balance if any.

• Accept Data

Alter Ledger:

• When you need to change or correct the ledger you have created we use Alter.

• Go to Account Info.

• Go to Ledger

• Select Alter from Single Ledger

• Choose the Ledger you want to modify

• Change the required information of the Ledger

• Accept Data.

Display Ledger:

• Using Display Ledger, you can view the list of ledgers you have created.

Single ledger:

• **Step 1:** To create single ledger, select create under single ledger and press enter

• **Step 2:** In ledger creation dialogue box, type Hasan's capital in the Name field and press enter key twice to skip the field Alias and go to the next field.

• **Step 3:** In the field under, type the alphabet 'C' and select capital account from the list of groups displayed on the right side of the screen.

• **Step 4**: Fill other information as par the condition and if you want.

Multiple ledgers:

> • **Step 1:** In ledgers menu, to create multiple ledgers press R.

> • **Step 2:** In multi ledger creation dialogue box, in this the field under group, type the alphabet 'C' and select current liabilities from the list of groups displayed on the right side of the screen.

> • **Step 3:** In the field name of ledger, type the account name 'drawing'. And press enter key.

NOTE: Ledger and the Group appear in the filed under.

LEDGER	GROUP
Purchase	Purchase Account
Purchase Return	Purchase Account
Fright Charges	Direct Expenses
Carriage Inwards	Direct Expenses
Octroi	Direct Expenses
Wages	Direct Expenses
Sales	Sales Account
Paid	
Salary	Indirect Expenses
Rent Paid	Indirect Expenses
Postage and Telegrams	Indirect Expenses
Telephone Charges	Indirect Expenses
Rates And Taxes	Indirect Expenses
Insurance	Indirect Expenses
Audit Fees	Indirect Expenses
Interest on Loans Paid	Indirect Expenses
Printing and Stationery	Indirect Expenses
General Expenses	Indirect Expenses
Discount Allowed	Indirect Expenses
Carriage Outwards or Sales	Indirect Expenses
Traveling Expenses	Indirect Expenses

Bad Debts	Indirect Expenses
Advertisement	Indirect Expenses
Received	
Interest on Investment Received	Indirect Income
Interest on Deposit Received	Indirect Income
Interest on Loans Received	Indirect Income
Commission Received	Indirect Income
Discount Received	Indirect Income
Rent Received	Indirect Income
Dividend Received	Indirect Income
Loan From Others	Loan Liabilities
Bank Loan	Loan Liabilities
Bank Overdraft	Bank OD
Bills Payable	Current Liabilities
Sundry Creditors	Sundry Creditors
Income Received in Advance	Current Liabilities
Other Liabilities	Current Liabilities
Capital	Capital Account
Drawings	Capital Account
Cash in Hand	Cash In Hand
Cash at Bank	Bank Account
Fixed Deposit at Bank	Deposit
Investments	Investments
Bills Receivable	Current Asset
Sundry Debtors	Sundry Debtors
Furniture	Fixed Asset
Motor Vehicles	Fixed Asset
Plant and Machinery	Fixed Asset
Land and Building	Fixed Asset
Patents	Fixed Asset
Goodwill	Fixed Asset

USES OF FEATURE OPTIONS (F11)

Features is used to change the options related to the selected company only.

- For this F11 button in button panel is a short cut.

- Using this menu, feature of the company is changed that means enables or disables.

- Various features are available like whether company wants invoicing or not, whether company required multiple currencies or cheque printing or not, etc.

USES OF CONFIGURATION OF COMPANY (F12)

To configure company, click on F12 button from the button panel. It shows the following screen in gateway of tally:

Configuration
General
Numeric symbol
Accts/inv. Info
Voucher entry
Invoice/order entry
Printing
Quit

1.   Configuration changes may affect all the active companies.

2.   Configuration has different options like general, numeric symbols, accts/inv. Info, voucher entry, invoice, order entry, printing, etc.

3.   General options are used to change information like country detail, date format or graphs in monthly report, etc.

4.   Numeric symbol option is used to change format of the numbers.

5.   Accts/inv info option is used to check the default settings. In this option, if user sets allow alias for the name, then only it asks the alias otherwise it doesn't ask any alias for the name.

6. Voucher entry set the features of the vouchers, such as cost vouchers details, bill wise details, ledger current balance, etc.

7.   Invoice/order entry sets the features of the invoices and purchase, sales order entry.

8.   Printing options is used for printing Vouchers, Invoices, Financial Statements, etc.

9.   Quit option is used to quit from the configuration menu and go to the previous menu.

GROUP IN TALLY

- In tally, all accounts entries can be grouped or sub grouped according to the need of users.
- Group means the type of the account. Functions of each group are fixed.
- Tally provides facility to user to create own group. Also, it provides 28 predefined groups.
- Out of these 28 groups, 15 are primary groups and 13 are sub groups.

Following is the list of groups that affects the Balance sheet.

1. CAPITAL ACCOUNT:

Handle investments or owner's account. It has a subgroup.

(A) Reserves and surplus:

All reserves accounts like general reserves, capital reserves et

2. CURRENT ASSETS:

These assets are divided in 6 sub-groups as follows

i. **Bank accounts:**

Holds bank transactions that means current accounts, savings accounts, etc.

ii. **Cash in hand:**

All cash track in ledger.

iii. **Deposits (assets):**

Fixed deposits, security deposits made by company.

iv. **Loan and Advances (assets):**

If the company gives any loan or advanced to other.

v. **Stock in hand:**

Keep records of opening or closing stock of the material.

vi. **Sundry debtors:**

This maintains the list of all companies or persons to whom company gives material on credit.

3. CURRENT LIABILITIES:

It keeps track of outstanding liabilities or statutory liabilities.

i. **Duties and Taxes:**

All taxes and duties that are paid by company like Trade duties, Excise, Local Sales Tax etc., are recorded under duties and taxes.

ii. Provisions:

It maintains records of all financial arrangement for possible future requirements.

iii. Sundry Creditors:

Company purchase material or any other things on credit. Then the list of all companies or persons is under sundry creditors to whom company purchased material.

4. FIXED ASSETS:

Handle accounts of all assets like machinery, buildings, etc.

5. INVESTMENTS:

It keeps records of overall investment like shares, Govt. securities, Deposits etc.

6. LOANS (LIABILITY):

It keeps an account of the loans taken by company and has following three subgroups:

i. Bank OD accounts:

Keep all overdraft accounts.

ii. Secured Loans:

Keep track of loans taken by the company securities against the fixed assets.

iii. Unsecured Loans:

Unconditional loan obtained from Partners/ Directors or other parties.

7. SUSPENSE ACCOUNT:

This account is used to enter the transactions whose details are to be finalized.

8. BRANCH / DIVISIONS:

All the names of branches, divisions and subsidiaries of the company.

9. MISCELLANEOUS EXPENSES:

Under this group all expenses are entered.

Following group affect Manufacturing, Trading and Profit and loss accounts:

10. PURCHASE ACCOUNT:

It is used to maintain records of all purchase account.

11. SALES ACCOUNT:

It keeps record of all sales.

12. DIRECT INCOME:

This group is used for entering all direct incomes like sales of goods.

13. INDIRECT INCOME:

This group maintains the all incomes other than sales. That means it keeps record of all incomes like rent received, interest received etc.

14. DIRECT EXPENSES:

This group is used for recording all direct expenses means the purchase of raw material, or wages of workers.

15. INDIRECT EXPENSES:

This group is used to maintain the records of all expenses other than direct expense. All salary paid, rent paid, advertisement charges are under indirect expenses.

HOW TO CREATE SINGLE AND MULTIPLE GROUPS?

1.   Group is the type of account. Group decides how transactions take place in accounting.

2.   Tally provides 28 predefined group. But if user wants to create any other group, then use create group option.

3.   These new group is a sub group of existing groups.

4.   If user wants to create a new subgroup under different groups, then follow the following steps:

      i.   From Gateway of Tally, select Account info.

      ii.   Then select Group option, as user wants to create group.

      iii.   If user wants to create single group at a time, then select create option from single group.

      iv.   Now tally shows data entry screen for group as follows.

Group creation
Name
(alias)
Under:
Group behaves like a sub – ledger?
No.

Name: Enter the name of a group that user want to create.

Under: Select the existing primary group name.

      v.   If user wants to create subgroups under more than one parent group or under one parent group then user must select create option from Multiple groups.

      vi.   Then multiple group creation screen will appear.

a.   To create subgroup under one parent group, select that group in the option under group.

b.	To create subgroups under more than one parent group, select all items in the option under group.

EXAMPLE: 1

STATE GROUPS FOR LEDGERS

1.	Ashok starts business with Rs. 100000/-

2.	Purchase machinery for Rs. 50000/ and furniture for Rs. 10000

3.	Paid amount for rent Rs. 1000/

4.	Deposits Rs. 10000/- in Bank

5.	Purchase of goods for Rs. 20000/ from Mr. Ram on credit.

6.	Sold goods to Mr. Rakesh for Rs. 10000/

7.	Rs. 5000/ withdraws from bank for personal use.

8.	Withdraws Rs. 1000/ for office use.

9.	Received cash from Mr. Rakesh.

10.	Paid to Mr. Ram.

SOLUTION:

Sl. No.	LEDGER	GROUP
1.	Mr. Ashok a/c	Capital a/c
2.	Furniture a/c	Fixed asset
3.	Machinery a/c	Fixed asset
4.	Rent a/c	Indirect expenses
5.	Bank a/c	Bank a/c
6.	Purchase a/c	Purchase a/c
7.	Sales a/c	Sales a/c
8.	Mr. Ram a/c	Sundry creditor
9.	Mr. Rakesh a/c	Sundry debtor
10.	Drawing a/c	Capital a/c

EXAMPLE: 2

STATE GROUPS FOR LEDGERS

1.	Mr. Ram starts business with Rs. 200000/- and deposited into bank Rs. 40,000.

2.	Paid for office building Rs. 50000/ and furniture for Rs. 10000/-

3.	Purchase raw material of Rs. 10000 on credit from Mr. Avinash.

4. Paid Wages Rs. 2000

5. Paid salary Rs. 10000

6. Return money to Mr. Avinash in settlement of Rs. 9500.

7. Sold goods to Mr. Shekar Rs. 15000/-

8. Received interest on bank amount Rs. 500.

9. Received from Mr. Shekar after discount of Rs. 500.

10. Sold old newspaper Rs. 450/-

11. Sold old furniture Rs. 4000/-

SOLUTION:

Sl. No.	LEDGER	GROUP
1.	Mr. Ram a/c	Capital a/c
2.	Bank a/c	Bank a/c
3.	Furniture a/c	Fixed assets
4.	Building a/c	Fixed assets
5.	Purchase a/c	Purchase a/c
6.	Mr. Avinash a/c	Sundry creditor
7.	Wages a/c	Direct expenses
8.	Salary a/c	Indirect expenses
9.	Discount a/c	Indirect expenses
10.	Sales a/c	Sales a/c
11.	Mr. Shekar	Sundry debtor
12.	Interest a/c	Indirect expenses
13.	Old newspapers	Indirect income

Main Differences between Group and ledger in tally

The difference between Group and Ledger is as follows:

➢ Tally provides us 34 automatic groups for ledger creation. But tally provides only 2 ledger account in tally software and its names are cash are profit and loss account.

➢ Group is head category or it is base of ledger creation. We can simply take an example from you day to day field. Suppose you have taken commerce subject and it can also divide into management theory, accounts, business math's and economics. So, Main

group is commerce and all other are called ledger accounts but under this commerce group. Same will apply in accounting in tally, we can create several groups under single ledger

➢ We generally neither create extra groups nor change them which is provided by tally software but we must create different ledger according to the need of recording of different vouchers in tally

➢ If we have changed group from one category to another, all ledger will automatically change by this. So be serious for making any change in group.

➢ Group is most helpful to make final account according the nature of organization, but ledger creation is not helpful for any redesigning of final account in tally 9.

JOURNAL VOUCHER IN TALLY - EXAMPLES, AND HOW TO ENTER JOURNAL VOUCHERS IN TALLY

A Journal voucher in Tally is a crucial voucher in Tally ERP 9 that involves making adjustment entries, entries regarding fixed assets and credit purchases or sales. You need to press the shortcut key "F7" from the accounting vouchers to use Journal Vouchers. There are innumerable examples of journal vouchers which we will be presenting below. By the end of this article, you will have complete knowledge on how to enter Journal vouchers in tally with ease.

WHAT IS A JOURNAL VOUCHER IN TALLY?

Every transaction requires a piece of documentary evidence like a Journal voucher. Journal Voucher in Tally ERP 9 is used to record transactions other than cash and bank. Transactions related to depreciation, provisions, purchase and sale of fixed assets on credit, write-off balances, adjustment entries are recorded in Journal Voucher. It is the most important voucher in accounting vouchers.

You can easily trace these vouchers in any accounting system. Auditors generally use Journal Vouchers during an audit as a part of Audit Procedures. These transactions are of routine nature.

Purpose of Journal Vouchers

Journal vouchers are prepared to serve multi-fold purposes as described below:

➢ **To record non-cash transactions in the books of accounts**

Non-cash transactions are those transactions that do not involve a cash payment. For example- depreciation, loss or gain on fixed assets, provision for discount expenses, asset

write-downs and deferred income taxes.

➢ **To rectify any business transaction which was wrongly recorded in the books of accounts.**

There may be situations when the business transactions are wrongfully recorded in the books of accounts. It may be incorrect debit or credit of accounts. Journal Vouchers helps in a reversal of the first entry using a journal entry in Tally ERP 9.

➢ **To record the transactions not recorded by other accounting vouchers in Tally ERP 9.**

All accounting vouchers record transactions of specific nature or type. Some are described as follows:

- The receipt voucher records all the money received.
- Payment voucher records all the money paid.
- Contra voucher records the transactions involving cash and bank.
- Sales voucher records the transactions involving the sale of goods or services.
- Purchase voucher records the transactions involving the purchase of goods or services.
- Journal voucher records the transaction entries not recorded by other accounting vouchers.

TYPES OF JOURNAL VOUCHERS

Journal Vouchers are divided into different types:

Depreciation Voucher:

This voucher records the depreciation expense on fixed assets for the year. Generally, we use a payment voucher to book an expense. In this case, we use Journal Voucher as depreciation is a non-cash expense. Non-cash expenses are not booked through payment vouchers.

Prepaid Voucher:

Prepaid Voucher records all the pre-paid expenses paid during the year. For example-payment of salary for 6 months in advance during the financial year 2020-2021.

Fixed Assets Voucher:

This voucher records the purchase of fixed assets during the year. Note that fixed assets purchased for cash are recorded in a payment voucher. On the other hand, credit purchases or sales of fixed assets are booked through a journal voucher.

Adjustment Vouchers:

These vouchers record all the closing entries for the year. The main purpose of the adjustment entries is to communicate an accurate and fair view of the company's finances.

Transfer Voucher:

These vouchers involve the shifting of balances of one account to another account. Also, you can record the transfer of materials from one warehouse to another.

Rectification Voucher:

These vouchers record the rectification entries of the tally. Sometimes, wrong transactions are recorded due to a wrong journal entry in tally or journal voucher. All the mistakes are corrected using rectification entries in the journal voucher.

Provision Voucher:

This voucher involves the booking of the provision of expenses on an estimation basis. Provisions are made for future contingent liability. You can book your losses in advance to prepare for future liability.

Accrual Voucher:

This voucher records the actual expenses or income. Actual means the transactions have occurred but were not paid or received during an accounting year.

Examples of Journal Voucher in Tally ERP 9

There are various examples of recording Journal Vouchers in Tally ERP 9. Some of them are described as follows:

1. Outstanding expenses

Outstanding expenses are those expenses that are due but not paid over the year. It is a liability. For example- Outstanding rent, outstanding salary, outstanding wages and outstanding subscription etc. Let's say wages for the months from January to March are paid during May of the new Financial Year. As per the accrual concept, the expense should be recorded from January to March itself to show the accurate figure of a business.

You can record the Journal entry at the end of March as:

Debit Salary Account   XXX

Credit Outstanding Salary Account XXX

2. Prepaid Expenses

Prepaid expenses are the expenses paid in advance. These expenses haven't occurred in this financial year yet. As per accrual basis, the expenses should be booked in the year to which it pertains. But as per cash basis, we will record this transaction in the year of cash outflow.

We will record these expenses as an asset in this financial year to reach an accurate net profit. Let's say I have paid my house rent for the next financial year in this financial year only.

The Journal Entry for the same will be:

Debit Prepaid Rent Account   XXX

Credit Rent Account   XXX

3. Accrued Income/ Expense

Accrued Income is an income that is earned but not received. It is a current asset for the organization. For example- accrued interest receivable, accrued rent, accrued salary etc.

Journal entry for accrued income:

Debit Accrued Income Account XXX

Credit Profit and Loss Account   XXX

Accrued Expense is an expense that is recognized in the books of accounts before it is paid. It is a current liability for the organization. For example- bonus, salary payable, unused sick leaves, accrued interest payable etc.

Journal Entry for Accrued Expense:

Debit Profit and Loss Account   XXX

Credit Accrued Expense Account   XXX

4. Credit Purchases or Sales

Credit purchases are made when fixed assets or materials are bought on credit. For example- Mohan bought Plant and Machinery from Sohan on credit for Rupees 10 lakhs.

The journal entry in tally for the transaction will be:

Debit Plant and Machinery Account: 10,00,000

Credit Sohan Account: 10,00,000

Credit sales are made when fixed assets or materials are sold on credit. For example- Rashi sold Land and Building to Komal on credit for Rupees 15 lakhs.

The tally journal entries for the transaction:

Debit Komal Account: 15,00,000

Credit Land and Building Account: 15,00,000

5. Transfer Entries

These Journal Voucher entries in tally are made when you require to transfer funds between different accounts. You can say it as writing off the accounts too. For example- A company has a debtor balance of Rupees 20,000 and a creditor balance of Rupees 25,000. I can

write off the debtors from the creditors. It means that my debtors worth Rupees 20,000 can directly pay my creditors worth 20,000 and the values in the books of accounts will be:

Debtors: 0

Creditors: 5000

The journal entry for the transaction will be:

Debit Creditors Account: 20,000

Credit Debtors Account: 20,000

Difference between a Journal Voucher and Journal Entry

Although these two important terms, "Journal voucher" and "Journal Entry," are used interchangeably, but they are different from each other.

The following are key differences found between these two:

➢ The Journal Voucher is the commencement of any financial transaction & the Journal Entry is the effect of that financial transaction recorded in the books of accounts.

➢ Journal entries are recorded in the books of accounts, i.e., Journal while on the other hand, Journal Vouchers are the evidence of recorded documents for the journal entry.

➢ Journal entries can be of two types- Simple and compound. Simple Journal entries are those entries where debit or credit of only one account takes place. On the other hand, compound entries are those entries where debit or credit of more than one account takes place. However, there is no such difference found in journal vouchers. You can draw any number of the journal from a single Journal voucher.

➢ Journal entry in tally is posted to appropriate/ suitable ledgers. Whereas the Journal Vouchers are recorded into the system

How to pass Journal Entries in Tally?

Passing Journal Entries in Tally through Journal Vouchers is very simple. If one knows the basic accounting rules, they can post the accounting entries in Tally ERP 9 without serious effort. However, most people have a confusion regarding the basic rules of accounting. You need to clear some concepts regarding:

➢ The golden rules of accounting

➢ What is an expense or income?

➢ What comes under fixed assets?

➢ Sales or purchase of goods or services

➢ GST related entries

Steps to enter Journal Voucher in Tally ERP 9

Journal entries in Tally are posted through journal vouchers. Journal Vouchers are easily accessible by pressing the shortcut key "F7," or you can move your cursor to the Journal Voucher to access the same.

There are some broad steps to enter the journal entries in Tally ERP 9 as described below:

Step 1: Open your Tally ERP 9. If you are working under the educational mode, click on the same. If you are a professional and have a license, open it under licensing operations.

Step 2: After opening the software, the screen will display the Gateway of Tally. There are significant heads like Masters, Transactions, Utilities, Reports, Display and Quit. Go to the transaction vouchers and select the accounting vouchers.

Step 3: Under the Accounting Vouchers, different vouchrs are displaying on the screen like:

I. Inventory Voucher
II. Order Voucher
III. Contra Voucher
IV. Payment Voucher
V. Receipt Voucher
VI. Journal Voucher
VII. Sales Voucher
VIII. Purchase Voucher
IX. Credit Note
X. Debit Note

Among these vouchers, select the Journal Voucher or press "F7" on the right side of the screen.

Step 4: Enter the ledger to be debited or credited after By /Dr under the particulars column. One can enter multiple debit or credit entries one by one only if required. There may be some situations where you need to debit or credit various ledger accounts. Before debiting/crediting, you need to create an appropriate ledger by pressing alt+c for the same.

Step 5: If you are debiting, use the option By/Dr or crediting the accounts, use To/Cr. Using these options, enter the respective amount.

Step 6: After posting the entry and the amount, you will see the narration field on the screen's bottom-left corner. Enter the narration (details of the transactions) and press enter to save the final Journal Voucher.

In this way, you can add multiple Journal Vouchers in Tally ERP 9 for the respective transactions.

VOUCHER ENTRY

Account	Dr	Cr
Personal Account	The Receiver	The Giver
Real Account	What comes in	What goes out
Nominal Account	All expenses and losses	All income or gains.

- Associated ledgers and their Dr./cr. Side.

- Voucher date

- Dr. /Cr. Amounts should be equal.

- Types of vouchers (i.e., Receipt, payment, contra, sales, purchase, journal etc)

Settings for Voucher Entry

➢ Press f12 after entering Accounting Voucher

➢ Set "Use Single entry mode for Pymt/Rcpt/contra". -- No.

➢ Set "Use Cr. /Dr. instead of To/By during entry". – Yes

➢ Press Enter continuously until you accept data.

➢ Now processed for voucher entry.

VOUCHER ALTERATION AND DELETION

After pressing all entries if you want to check all passed entries for correction or deletion of voucher you may perform these in voucher alteration mode, in following 2 ways

• From voucher screen

To get any voucher of current date in Alteration mode

• Press page up key to get previous voucher.

• Press page down key to get next voucher.

To get a voucher of any other date

Step 1: In Gateway of Tally press D for Display Menu.

Step 2: In Display Menu press Day Book or Statement of Accounts.

Step 3: In statement of account press S for statistics.

Step 4: For Alteration mode press enter key till you get alteration screen, then make a desire change in it. Press Ctrl+A to SAVE changes you made or Ctrl+Q for quit from the screen without any changes.

Step5: For deletion of voucher at alteration mode, press Alt+D, at DELETE? Press YES or NO to confirm deletion.

TYPES OF VOUCHERS

1. **Receipt (F6)**:

This voucher is made when we receipt cash from any person, company or parties. Cash received on sales of fixed assets and scrap items are also entered through this voucher.

Cash received on sales of Business goods/trading items are not entered through this voucher. They are entered via sales voucher.

This voucher is entered by pressing F6 key.

2. PAYMENT (F5):

This voucher is made when we pay cash or cheque to any person, company or parties. Fixed assets purchased on cash also entered through this voucher but purchase of Business goods are not entered through this voucher. They are entered via purchase voucher.

Dr.	Cr.
• All Creditors • Fixed assets. • Payment of Interest/salary/commission/bills payable etc.	**Cash/ Bank**

3. CONTRA (F4):

This voucher is made when we deposit cash into bank or withdraw cash from bank or transfer cash from one bank to another bank.

	Dr. (+)	Cr. (-)
Deposit	Bank	Cash
Withdraw	Cash	Bank
Transfer	Bank 1 to where cash deposited)	Bank 2 (From where cash Transferred)

4. PURCHASE (F9):

Purchase voucher is made when we purchase business goods or trading items on cash or credit.

Purchase of fixed assets and official goods are not entered through this voucher.

When you entered this voucher, you also need to mention Stock Item name, Qty. of Stock item and Rate of the item.

Dr	Cr.
Purchase a/c	Cash/Bank Sundry creditors or suppliers

• **Purchased goods from Hasan on credit basis RS.8000/-**

Purchased A/C…………………Dr

To Hasan A/C

5. SALES A/C (F8):

This voucher is made when we sale business goods or trading items on cash or credit. Sale of fixed assets or scrap items are not entered through this voucher.

Dr	Cr.
Cash/Bank Sundry Debtors or Customers	Sales a/c (mention Name of Item, Qty and Rate.)

• **Goods sale to Ahmed on credit Rs. 5000/-**

Ahmed A/C…………………. Dr

To sale A/C

6. JOURNAL (F7):

This voucher is made to adjust two accounts. i.e., Depreciation calculation, Fixed assets sale or purchase on credit etc.

• **Depreciation on furniture**

Depreciation A/C……………Dr

To furniture A/C

• **Outstanding salary**

Outstanding salary A/C……………Dr

To salary A/C

SETTINGS FOR THE DR. NOTE AND CR. NOTE.

1. Press F11 Key for setting

2. Choose Accounting Features

3. Set Yes on "Use Debit/Credit Notes"

4. Press Enter until you accept data.

Debit Note (Ctrl+F9):

This voucher is made when we return purchased goods or trading items to the suppliers or creditors.

Dr.	Cr.
Cash/Bank.	Purchase Return A/c
Creditors/Suppliers	(made under Purchase a/c) Apply Returned stock item name, qty and rate

Credit Note (Ctrl+F8):

This voucher is made when our customer returns sold goods /trading items to us.

Dr.	Cr.
Sales Return A/c Under sales a/c Apply Returned Stock item name, qty and rate	Cash/ Bank Customers /Debtors a/c

Advantages of Vouchers

- All **business transactions** are kept in the chronological order of their occurrence.
- It helps in the rectification of errors.
- It helps track the **non-cash expenses** easily.
- It helps close the books of accounts at the end of the year.
- It provides smooth backup for a **reversal of entries**.
- It helps comply with significant financial reporting standards prescribed by the relevant authority.

Disadvantages of Vouchers

- The most significant disadvantage is that it is incapable of giving all the information in case of large transactions.
- The voucher itself does not help keep track of all the financial transactions. There is a chance that a few transactions are missed out on being recorded. Here is where the role of the auditor comes into play.
- There is no actual **cash flow** involved in the transaction. Hence, if proper disclosures are not provided in the books of accounts, the reader of **financial statements** may not understand the impact of all such recordings.

Documents Required for Preparation of Voucher

- Debit Notes & **Credit notes** for any purchase return or sale return

- In case of any services supplied or procured, **debit notes** or credit notes
- Bill of the expense in case of prepaid or outstanding expenses.
- Documents for substantiating the correction of any error
- Trail mails can also be used as a basis for journal vouchers.
- Base working for the provisions.

Use and Importance of Vouchers

- It is used for recording the non-cash & non-trading types of transactions.
- It helps the auditors understand the impact of financial transactions in a business.
- It acts as evidence for future reference.
- It forms the basis of rectification entries.

Purpose of Vouchers

- The primary purpose is to correct any business transaction which is wrongly recorded. Also, the dual purpose is to record non-cash-oriented transactions in the books of accounts.
- Every transaction does not necessarily involve an outflow. Hence, transactions such as the depreciation of tangible assets, amortization of intangibles, **write off** account balances, adjusting journal entries, etc., require the use of journal vouchers.

Features of Vouchers

1. The journals are standardized
2. Every journal voucher requires information on the following:
   - Identification number
   - Name of the counterparty
   - Transaction amount
   - Date of the transaction
   - Debit & credit accounts with GL (**General Ledger**) Codes
   - Documentary evidence
   - Brief description of the nature of the transaction effected.
3. Every journal voucher requires the approval of an authorized person

INVENTORY INFO.

How to create Stock Group?

- Go to Inventory info from Gateway of Tally

.   • Choose Stock Group.

- Choose Create

  1. Type Stock Group Name

  2. Choose Primary on Under option

  3. Accept data to save Stock Group.

How to create Unit of Measure?

Stock items are purchased or sold on the basis of quantity. The quantity is measured by units. Hence it is necessary to create units of measure. You can have simple units such as number meters, kilograms and pieces or compound units like box of 10 pieces (1 box=10 pieces).

- Go to Inventory info from Gateway of Tally.

- Go to Unit of Measure.

- Choose create

  1. Type Symbol of Unit

  2. Type Formal Name of Unit

  3. Accept data to save.

How To create Stock Item?

The item, for which you maintain quantitative details of materials IN & Out in your tally system for materials accounting, is known as a stock item.

• Go to inventory info from Gateway of Tally.

 • Choose stock Item

• Choose create

     o Type Name of Stock Item

     o Choose Stock Group on Under option.

     o Choose Unit of measure on Unit option

     o Set opening balance stock if any

Accept data

MULITIPLE GODOWN:

    Godown means a store for keeping the goods safe and secure. It may be warehouse, rack, shelf or bin etc. It also includes principal's stock on consignment basis.

    Settings of Multiple Godown

1. Press F11 from (From Gateway of tally or from Inventory Info Screen or from Any screen)
2. Choose Inventory features.
3. Set Yes on "Maintain Multiple Godowns" --- 'yes'
4. Press Enter until you accept data.

This option enables the Godowns option in Inventory info Screen.

How to Create Godown?

1. Go to Inventory info

2. Choose Godown

3. Choose Create and press Enter.

➢ Type Godown Name

- ➢ Choose "primary" on Under option (Choose other godown if you are creating sub-godowns on under option)
- ➢ Accept data.

Now Godowns are created. Now when you purchase or sale the stock items tally asked you the godown name.

How to Check Stock Items Godown wise?
- ➢ Go to Display from Gateway of tally.
- ➢ Choose Statements of Inventory
- ➢ Choose Godowns
- ➢ Choose Godown Name and see details of the stock items.

STOCK JOURNAL

This voucher is use to transfer Stock Items from one Godown to another Godown. This voucher is entered by ALT + F7 on Inventory Voucher.

Source	Destination
Name of Item Godown Qty Rate Amount	**Name of Item Godown Qty Rate Amount**
• Choose the Item name which you want to transfer	• Choose the Item name which you want to Store.
• Choose Godown from where you want to transfer	• Choose Godown where you want to Store
• Choose Quantity of Stock Item to be transferred	• Choose Quantity of Stock Item to be Stored
• Give Rate of the stock Item	• Give Rate of the stock Item
Press Enter until Cursor moves Destination column	Press Enter until Accept Data.

Physical Stock

This voucher is used to closing the stock on the last of month or last of year, it known as stock adjustment. On the physical counting, you find that the book stock and stock found on physical verification may not match; a discrepancy may between the actual stock and

the computer stock figure. When the time is comes to close the stock at that time count the physical stock and enter in physical stock voucher respectively.

This voucher is entered by pressing ALT + F10 Key.

Memo Voucher:

This voucher is entered to remember any transaction. Any voucher entered through Memo Voucher doesn't affect in other accounts like P/L a/c, B/L A/c or other books.

PURCHASE AND SALES ORDER PROCESSING

Settings for enabling purchase order and Sales order.

• Go to inventory accounting from Gateway of tally.

• Press F11

• Set "Allow Purchase order processing" ---Yes.

• Set "Allow Sales order processing" -------Yes.

• Press Enter until you accept data.

Purchase order:

We make this voucher when we send order to suppliers to send us some goods/stock items.

It's an inventory voucher.

- Go to Inventory Voucher
- Press ALT + F4 key
- Choose Party's A/c Name: Cash or supplier a/c
- Set Order Number:
- Choose Purchase Ledger: Purchase a/c
- Choose Stock Item name
- Set Due Date
- Set Qty and Rate.

Press Enter until you accept Data.

Sales Order:

We make this voucher when we receive an order from our customer to send goods or stock items.

It's also Inventory Voucher

- Go to Inventory Voucher

- Press ALT + F5 Key

- Choose Party's A/c Name: Cash or Customer a/c

- Set Order Number:

- Choose Sales Ledger: Sales a/c

- Choose Stock Item name

- Set Due Date

- Set Qty and Rate.

Press Enter until you accept Data.

WHAT IS PROFIT & LOSS STATEMENT (P&L STATEMENT)?

Profit and Loss Account is a type of financial statement which reflects the outcome of business activities during an accounting period (i.e. Profit or loss). Reported income and expenses are directly related to an organization's are considered to measure the performance in terms of profit & loss.

Profit & loss a/c is popularly known as P&L A/c. It is also called as Profit and Loss Statement of income and expense statement. No matter whether how you call profit & loss statement, it reveals money spent or cost incurred in an organization's effort to generate revenue, representing the cost of doing business.

Objective of Profit & Loss A/c

The very purpose of profit and loss account is to ascertain whether the business is making profit or loss for a given period. In other words, Profit & Loss Account reveals money spent or cost incurred in an organization's effort to generate revenue, representing the cost of doing business.

Profit and Loss A/c Statement

The profit and loss (P&L) statement is an extremely crucial financial statement that gives a summary of the revenues, costs, and expenses incurred by a business during a specific period, usually a fiscal quarter or year.

This component considers all the indirect expenses and incomes including the gross profit/loss to arrive the net profit or loss.

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Debit side of Profit and Loss Account	
Items	**Description**
Cost of Sales	This term refers to the cost of goods sold. The goods could be manufactured and sold.
Other Expenses	All expenses which are not directly related to the main business activity will be reflected in the P & L component. The expenses covered here are mostly related to administrative, selling and distribution expenses. Examples are salary to office staff, salesmen commission, insurance, legal charges, audit fees, advertising, free samples, bad debts etc. It will also include items like loss on sale of fixed assets, interest & provisions and accrued expenses as well.
Abnormal losses	All abnormal losses are charged against Profit & Loss Account. It includes stock destroyed by fire, goods lost in transit etc.

CREDIT SIDE OF PROFIT AND LOSS ACCOUNT	
Items	**Description**
Revenue Incomes	These incomes arise in the ordinary course of business, which includes commission received, discount received etc.
Other Income	The business will generate incomes other than from its main activity. These are purely incidental. It includes items like interest received, dividend received, etc,.

Components of Profit and Loss A/C

Profit & Loss Account consists of two broad components mentioned below

- Trading Account
- Profit and loss account statement.
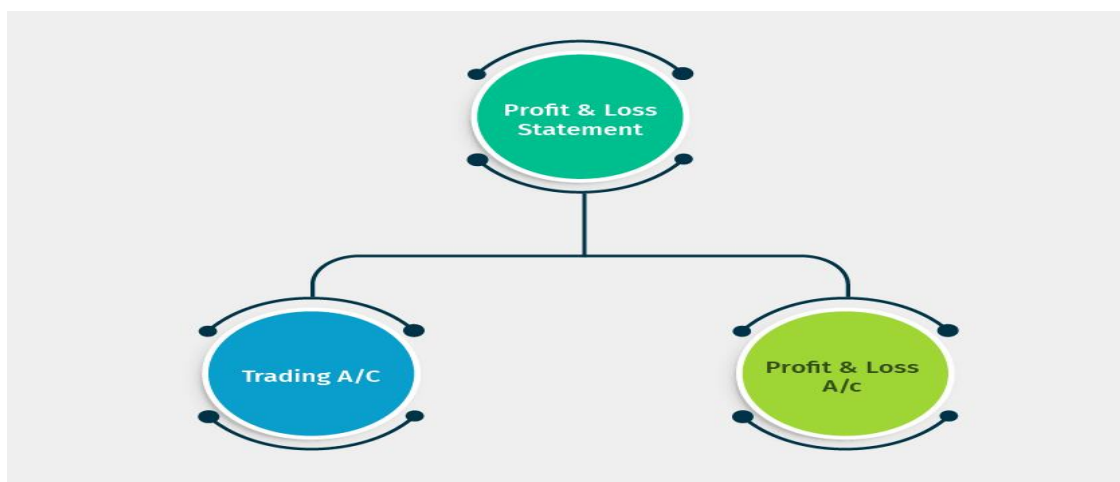
TRADING ACCOUNT

Trading Account is an account which is prepared by a manufacturing/merchandising concern. The purpose of trading account or this financial statement is to find out the gross profit or gross loss which, is an important indicator of business efficiency. All the expenses and income which are direct in nature are considered.

The components which form part of the trading account:

Debit side of Trading Account	
Items	**Description**
Opening Stock	This includes the closing balance inventory carried forwarded from previous period. In the case of trading concern, the opening stock includes only finished goods. The amount of opening stock should be taken from Trial Balance.

Purchases	The amount of purchases made during the year. Purchases include cash as well as a credit purchase. The deductions can be made from purchases related to purchase return, goods withdrawn by the proprietor, goods distributed as free sample etc.
Direct Expenses	It means all those expenses which are incurred from the time of purchases to making the goods in a suitable condition. These expenses include freight inward, packaging cost, wages etc.
Gross Profit	If the credit side of trading A/c is greater than the debit side of trading A/c, gross profit will arise.

Credit side of Trading Account	
Items	**Description**
Sales Revenue	It denotes income earned from the main business activity or activities. The income is earned when goods or services are sold to customers. If there is any return, it should be deducted from the sales value.
Closing Stock	This includes all the value of inventory held on the date of closure of books of accounts. In case of trading business, there will be closing stocks of finished goods only. According to conservatism convention, stock is valued at cost or net realizable value whichever is lower.
Gross Loss	If the debit side of trading A/c is greater than the credit side of trading A/c, gross loss will appear.

Gross Profit	If the credit side of trading A/c is greater than the debit side of trading A/c, gross profit will arise.

How to prepare Profit and Loss Statement?

Traditionally, to prepare profit and loss statement, set of other statements are prepared that help you gather the data to prepare this statement. Below are the steps to prepare profit and loss statement

- **Prepare ledger accounts**:

   From the journal book, you need prepare an account statement for each ledger to determine the closing balance.

- **Create trial balance**:

   Trial balance is a summary of all the ledger accounts. It lists all ledger accounts with closing balance posted from individual ledger accounts statement

- **Preparing trading and profit & loss statement**:

   Here, all the ledger accounts having a nature of the purchase, sales, direct expense and income, indirect expenses and income are posted to profit and loss statement in the structure that we discussed above.

Profit and loss statement being a crucial financial statement and most sought-after statement for decision making, the requirement to view the reports is more frequent than the traditional need of viewing it yearly or half-yearly. As a result, most businesses have automated the process of preparing the profit and loss statement using an accounting software.

Using Tally Prime, the powerful business management, you can generate all the financial reports automatically with a click of button. Its powerful analytical tolls help you get **more insights to run your business better.**

Figure 11

View Profit & Loss Account

You can view the Profit & Loss account details in Tally.ERP 9 for a specified period.

Note: By default, the Profit & Loss A/c report will be generated as on the date of the last voucher entry. You can change the date to view the report for the required period.

1. Go to **Gateway of Tally** > **Display** > **Profit & Loss A/c** .

2. Click **F1: Detailed** to view the Profit & Loss Account in detailed format. The Profit & Loss Account appears as shown below:(Figure 12)

The Profit & Loss Account is generated and updated immediately from the date of opening of books till the date of last entry.

Figure 12

3. Press **F2: Period** to change the period as required.

The **Profit & Loss A/c** is in horizontal form, by default. You can view the report in vertical format by enabling the option **Show Vertical Profit & Loss?** by clicking F12: Configure. You can view additional information or toggle to another report using the options available in the button bar.

4. Click **S: Schedule VI** in the Schedule VI Profit & Loss A/c, as shown below:

Figure 13

BALANCE SHEET DEFINITION

Balance Sheet is one of topmost financial statement prepared by the businesses. The financial details of the balance sheet help you and the external stakeholders to evaluate the financial performance of the business on a given date. Before knowing the steps to prepare a balance sheet and reading the balance sheet, it is important to be familiar with the components and format of the balance sheet.

Balance Sheet Format:

Balance Sheet format includes assets on one side and liabilities on the other. For balance sheet to reflect the true picture, both sides should tally. For us to understand the balance sheet format, we must know the components which forms part of it.

LIABILITIES	
Liabilities	**Equity**
- Current Liabilities - Long-term liabilities	- Shareholders capital - Additional paid-in capital - Retained Earnings
ASSETS	
- Current Assets - Buildings, Plant and Machinery - Investments - Other Assets	

How to prepare balance sheet?

Just like every other report, the source for you to prepare a balance sheet is from the transactions accounted in your books of accounts. In the process of preparing the balance sheet, you need to prepare other financial statements which will help you gather the accounting data. Let's start with a step-by-step process to prepare the balance sheet.

Steps to prepare balance sheet

As mention in the above illustration, you need to follow 4 steps to complete the balance sheet. The steps are listed and explained below:

- Preparing ledger account
- Creating trial balance
- Preparing trading and profit & loss account
- Preparing balance sheet

Step- 1: Prepare ledger accounts

From the transaction you have accounted in the journal book (a book where day to day transactions are recorded), you must prepare an account statement for each ledger to determine the closing balance. This is because a ledger account may have several transactions and there is no way that journal book will tell you the current balance of each account.

Here, preparing ledger account is nothing but posting all the debit and credit transaction into a statement belonging to a ledger account. For example, in preparing cash ledger account, you must post all debit (receipts) and credit (payments) into statement and difference between these two including the opening balance of cash will be the closing balance.

Step-2: Create trial balance

Trial balance is a summary of all the ledger accounts. It lists all ledger accounts with closing balance posted from individual ledger accounts statement (discussed above). The format of trial balance consists of the Debit column and Credit column in which the closing balance of each ledger accounts will be posted.

As a thumb rule, the total of debit balance in trial balance should match the total of credit balance. Only when it matches, it is assumed that the posting and ledger accounts are arithmetically correct. The purpose of preparing trial balance is to ascertain whether recording and posting of ledger accounts are correct. It's the first statement in the process of preparing a balance sheet and hence, it always preferred to do a trial check whether every debit is equal to the credit.

Figure 14

Step- 3: Preparing trading and profit & loss account

Profit and loss accounts is a financial statement prepared to know the profitability of the business. This consists of 2 sections namely Trading account and profit & loss account. Most businesses combine these two in a single statement and few, especially into manufacturing segment prefer to prepare separately.

Trading Account reflects the result of buying and selling of goods including the direct cost associated with it. It shows the gross loss or gross profit without considering the operational expenses and incomes. On the other side, profit & loss account shows you the net profit considering the gross profit/loss and all the indirect expenses and income.

Trading and Profit & loss account consists of all the ledger accounts having a nature of the purchase, sales, direct expense and income, indirect expenses and income. While preparing Trading and profit & loss account, you need to post only the ledgers belong to above nature.

Figure 15

Step-4: Prepare Balance Sheet

Now that you have prepared all the above statements, it's time to prepare a balance sheet. You need to consider all the ledgers which are non-revenue in nature. In other words, all the ledgers except the one which you have already considered for the Trading and Profit & loss account should be considered for the balance sheet.

Broadly, the balance sheet consists of assets and liabilities. In the process of preparing a balance sheet, first, start with the assets side. Start capturing fixed assets ledgers like land and buildings, furniture, etc., and then investments and all the current assets like cash, Bank, Accounts receivables, Closing stock, etc.

Next step is to bring all the ledgers having nature of liability under the liabilities side of the balance sheet. Remember, if there is any adjustment like depreciation, bad debts, etc. you can do it in the balance sheet as well.

Once you have captured all details into the balance sheet, the assets side should be equal to the liabilities side of the balance sheet. Only then, your balance sheet is arithmetically correct.

View Balance Sheet

The Balance Sheet in Tally Prime will help you monitor the health of your business and also take timely decisions for its growth and betterment.

1. **Gateway of Tally** > **Balance Sheet**. You can see the **Liabilities** for your company on the left and the **Assets** on the right.

   Alternatively, **Alt+G** (Go To) > type or select **Balance Sheet** > press **Enter**.

Balance Sheet	National Enterprises			x
Liabilities	National Enterprises as at 1-Sep-2020	Assets		National Enterprises as at 1-Sep-2020
Capital Account	5,95,00,000.00	Fixed Assets		5,70,50,000.00
Loans (Liability)	58,69,318.00	Investments		50,000.00
Current Liabilities	1,90,672.58	Current Assets		42,44,207.21
Difference in opening balances	8,75,000.00	Profit & Loss A/c		50,90,783.37
		Opening Balance		
		Current Period	50,90,783.37	
Total	6,64,34,990.58	Total		6,64,34,990.58

Figure 16

2. Press **Alt+F5** (Detailed) for a comprehensive view of the **Balance Sheet**. You can see the details of your assets (such as cash in the bank, inventory, vehicles, equipment, buildings, and accounts receivable) and liabilities (such as taxes, loans, mortgages, and accounts payable).

Figure 17

If you have a group company in Tally Prime, you can use the Balance Sheet to view the consolidated financial data and measure the overall performance of your business.

What is Payroll?

Payroll is simply an aggregation of total amount of wages paid by the company to its employees. It is one of the most significant expenses for businesses; hence it is very complicated expense for companies to process. Processing payroll slips is a very time-consuming task and can be prepared weekly, semi - monthly or monthly depending upon the resources which the company has in its reserve.

Create Employees (Payroll)

The employee master in Tally. ERP 9 can be used record all employee-related information. You can capture not only general information consisting basic details of the employee but you can also enter Payment, Statutory, Expat and Contract details of employees. To enter Statutory related information in the Employee Master, enable the option **Show Statutory Details** in the Payroll Configurations screen.

Salient Payroll features in Tally. ERP 9

- Payroll accounting in Tally offers the benefits of simplified Payroll processing and accounting due to its added benefit of integration with accounts.

- The Pay roll module in Tally. ERP 9 reports comprehensively as it has user defined classifications and sub classifications. This might be associated with the employees, employee groups, pay components, departments etc.

- The payroll module also lets flexible and user defined criteria for users.

- It also offers the facility to create user defined earnings and deductions pay heads.

- The module lets us use unlimited grouping of Payroll Masters.

- Supports production/attendance/time-based remuneration units which are user defined production units.

- It offers all-inclusive cost centre as well as employee wise costing reports.

- Ensures timely and precise processing of salary along with employee statutory deductions and employer statutory contributions with the help of predefined processes.

- It helps generate Statutory forms and challans for EPF & ESI as prescribed.

- The payroll module helps in tracking the loan details of employees as well.

How to generate a payslip in Tally ERP 9?

We can generate a payslip in Tally with just 6 simple steps:

Step 1	The first step is to *create employee master.* · *Path for employee creation:* - G.O.T. (Gateway of Tally) --> Payroll Info --> Employees --> Create (Single). · *Path for employee group creation:* - G.O.T. (Gateway of Tally) --> Payroll Info --> Employee Group --> Create (Single). We are here required to enter the requisite Employee Details & Employee group by grouping employees under the function they perform such as their department or designation.
Step 2	The next step in this process is to **create payroll units.**

	Path for attendance/ production types creation: - G.O.T. (Gateway of Tally) --> Payroll Info --> Attendance/ Production Types --> Create. Here we are required to brief on Attendance/Production type which will be used to record the Attendance and Production details.
Step 3	In this step we will **create pay heads for salary components.** **Path for pay head creation:** - G.O.T. (Gateway of Tally) --> Payroll Info --> Pay Heads --> Create. All the components of structured salary are created under Pay Head. Pay head creation in Tally ERP 9 is very user-friendly as it allows creating any complex type of pay heads.
Step 4	In this stage we will **journalize or record salary details.** **Path for salary detail creation:** - G.O.T. (Gateway of Tally) --> Payroll Info --> Salary Detail --> Create Here we will key into the Tally ERP 9 system the details of salary applicable for both Employee Groups as well as Individual Employees with earnings, deductions and basis of computation.
Step 5	**path for voucher creation:** - G.O.T. (Gateway of Tally) --> Payroll Voucher --> Press "Ctrl + F5" and then press "Ctrl + F4" to open payroll voucher: and finally Press "Alt + A" to auto fill information. This is the final step in the process to **pass payroll voucher** Here we will be required to enter all Earnings and Deductions in payroll transactions that are paid along with the salary payslip for all employees.
Step 6	To **generate the payslip** created. **Path for view report of payroll:** - G.O.T. (Gateway of Tally) --> Display --> Payroll Report --> Statement of Payroll

	Finally we have to generate the Payslip which will provide details of employee such as attendance details, and we will also see that Tally ERP 9 system itemizing each components of employee's earnings and deductions, and displaying the net amount paid to him for a given pay period.

Create Multiple Employees

1. Go to **Gateway of Tally** > **Payroll Info.** > **Employees** > **Create** (under **Multiple Employees**).

2. Select the employee group under which you want to create all the employees, in the **Under Employee Group** field. If an independent employee is to be created, select **All Items** in this field.

3. Select the employee category in which you want to add the group, in the **Category** field. The default category **Primary Cost Category** appears selected in this field.

4. Specify the name of the employee in the **Employee Name** field.

5. Select the employee group into which you want to add the employee in the **Under** field.

6. Select the Regular Tax Regime (old regime) or Tax Regime U/s 115BAC (new regime) in the **Applicable Tax Regime** column.

7. Enter the employee's PAN in the **Income Tax Number (PAN)** column.

8. Enter the joining date of the employees in the **Date of Joining** field.

The **Multi Employee Creation** screen appears, as shown below, displaying the details of employees you added.

Figure 18

9. Press **Ctrl+A** to accept the changes.

In the **Multi Employee Alteration** screen, there is an additional column provided to capture the effective from date for the tax regime selected. The **Multi Employee Alteration** screen appears as shown below:

Figure 19

Note: In Multi Employee Creation and Multi Employee Alteration screens, you can disable tax regime details by setting the option Show Tax Regime to No under F12: Configure. Further, you can enter date of leaving in the alteration screen by enabling Show Date of Leaving option.

VAT (value added tax):

VAT is a system of indirect taxation, which has been introduced in lieu of sale tax. It is the tax paid by the producers, manufactures, retailers or any other dealer who add value to the goods and that is ultimately passed on to the consumer. VAT has been introduced in India to ensure a fair and uniform system of taxation. It is an efficient, transparent revenue-neutral, globally acceptable and easy to administer taxation system. It benefits the common man (consumer), businessman and Government.

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The cascading effect is brought about by the existing structure of taxation where inputs are taxed before a commodity is produced and the output is taxed after is produced. This causes an unfair double-taxation. However, is VAT, a set off is given for input tax (tax paid on purchased). This result in the overall tax burden being rationalized and a fall in price of goods.

VAT PAYABLE= OUTPUT TAX- INPUT TAX

Advantage of VAT:

- Uniform tax rates across the country.
- Simplify producers to help lower prices by eliminating the effects of taxation.
- Reduce total tax expenses and improve cash flows.
- It will also increase transparency in the way we do business.

Enabling VAT Returns

Go to Gateway of Tally> Accounts Info. > F11: Features > F3: Statutory & Taxation

1. Set Enable Value Added Tax (VAT) to Yes

2. Select Type of Dealer as Regular

3. Enter the VAT Registration number

4. Enter VAT Applicable from date

5. Enter the Line of Business

6. Enter RDO Code given by the Philippines Customs and Excise Department

7. Accept to save the changes.

TDS (Tax Deducted at source)

Tax deducted at source is one of the modes of collecting income tax from the taxpayers as per the rates mentioned under IT Act and Rules. The deductor of the Tax (TDS) deducts the tax form the deductee, on payment of specified incomes and deposits the same to the credit of central government within the specified period along with the challan in prescribed format.

TDS Features

  i. Simple and user-friendly

  ii. Quick and easy to set up and use

  iii. Create single Expenses Ledger for Multiple Nature of Payment

iv. Create single TDS Duty Ledger for Multiple Nature of Payment

v. Book & Deduct TDS in the same voucher

vi. Single TDS deduction for multiple vouchers

vii. Single TDS deduction for Multiple Nature of Payments

viii. TDS deduction on partial applicable value

ix. Retrospective Surcharge Deduction

x. Party wise configuration for Lower / Zero rate

xi. Party wise configuration to Ignore IT / Surcharge exemption Limit

xii. TDS deduction on Non-Resident payments

xiii. Reversal of TDS

xiv. Deduction of TDS on advance payments

To enable TDS Feature

• Go to Gateway of Tally > F11: Features > F3: Statutory & Taxation

• Set > Enable Tax deducted at Source to Yes

• Enable>Set/Alter TDS Details to Yes

• The Statutory & Taxation features screen appears

TCS in Tally

TCS (Tax Collected at Source) is the tax that a seller collects from the buyer during the sale of specific goods under provision 206C, or any other goods on the basis of realisation. Tally Prime not only supports the latest budget changes for TCS but also provides you with a comprehensive TCS solution for your business needs. You now have the flexibility to calculate TCS either after receiving the payment or during billing.

If you are a seller of goods such as timber wood, tendu leaves, scrap, and so on, then you have to collect TCS at the time of sale. However, as per the latest budget changes, TCS will be charged for other goods as well when the value of sales or receipt crosses Rs 50 lakhs for a particular party. This is applicable only for sellers whose annual income has exceeded Rs 10 crore in the previous financial year. Tally Prime provides you with the option to track the threshold limit for a party. TCS will

be automatically calculated when the sales exceed the threshold limit (Rs 50 lakhs, for instance) for the party across transactions.

You now have the choice to calculate TCS on either realisation/receipt of the invoice value or directly in the invoice (accrual method), depending on your business practice. If you choose accrual, then you will collect TCS while billing the customers. If you choose realisation, then you will collect TCS on receipt of the invoice value. Tally Prime provides you with the flexibility to apply either method of calculation as per the Nature of Goods. Once you have selected the basis of calculation, it will be applied to all your transactions under that particular Nature of Goods. For instance, you can set TCS calculation on accrual for the sale of goods such as luxury cars or timber wood, and on realisation for any other goods. Accordingly, Tally Prime will keep aggregating the values for each party across transactions and calculate TCS once the aggregate amount crosses the threshold limit for a party.

Apart from recording transactions based on realisation and accrual, you can also calculate TCS on advance receipt and record TCS-exempt transactions for government-listed buyers and buyers deducting TDS. You can view and track the status of your TCS-related transactions in Form 27EQ in Tally Prime, and identify any incomplete information or mismatch in details. Once you verify the details, you can export the details as a text file and proceed for filing TCS returns.

What's more, with Tally Prime you can easily configure TCS in either the stock items or in the sales ledger, which will help you calculate TCS with great ease and accuracy. If you have hundreds or thousands of stock items, then you don't have to configure TCS for each stock item. You can just configure TCS in the sales ledger, and the TCS amount will be calculated in the transaction. For some reason, if you do not want to calculate TCS in the transaction, then you can set TCS to Not applicable in the stock items or sales ledger.

Enable TCS

You can enable the TCS feature in Tally. ERP 9, provide surcharge details, record transactions and generate the required reports and returns.

1. Go to **Gateway of Tally** > **F11: Features** > **Statutory and Taxation**.

2. In the **Company Operations Alteration** screen, set **Enable Tax Collected at Source (TCS)** to **Yes**

3. Enable the option **Set/alter TCS details**. The **Company Operations Alteration** screen appears as shown below:
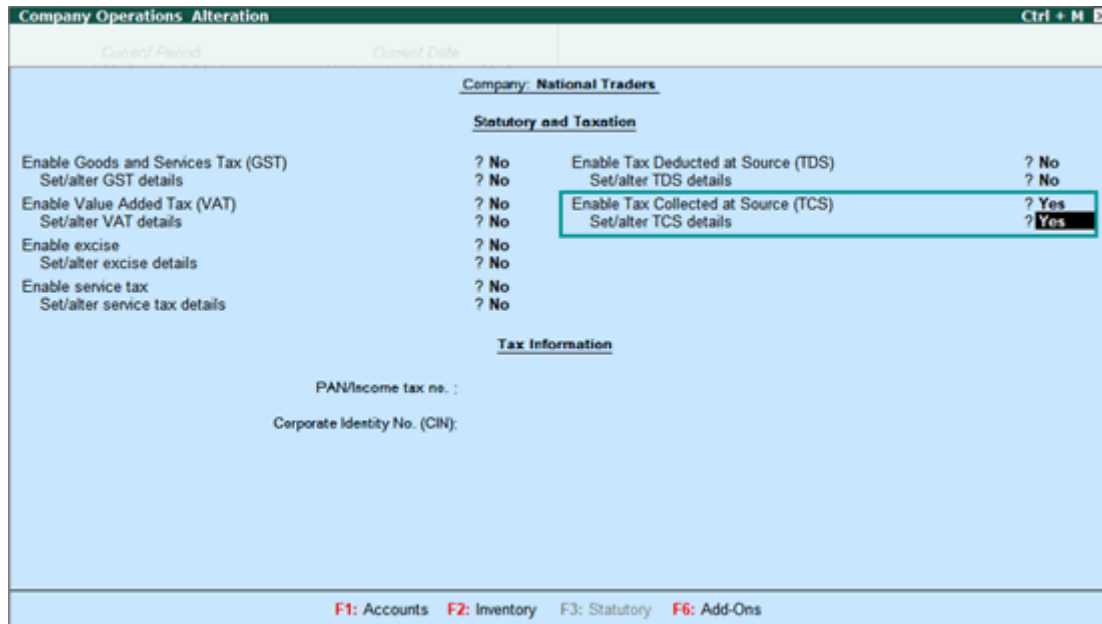
Figure 20

4. Press **F12**

   ● Set **Enable surcharge and cess details for TCS** to **Yes** .
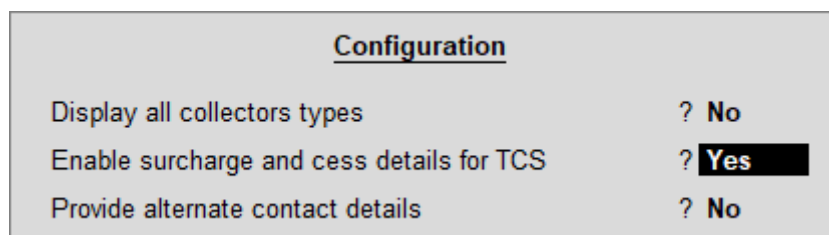
Figure 21

   ● Press **Ctrl+A** to save.

5. Enter the **TAN registration number**.

6. Enter the **Tax deduction and collection Account Number (TAN)**.

7. Select the **Collector Type**

8. Enter the **Collector branch/division**

9. Enable the option **Set/alter details of person responsible** to display the **Person Responsible Details** screen. Enter the relevant details:

Person Responsible Details

Name	: **Mayur**
Son/daughter of	: **Kumar**
Designation	: **Manager**
PAN	: **AAAAA1111D**
Flat no.	: **#34**
Name of the premises/building	: **Diya Chambers**
Road/Street/Lane	: **Hosur Main Road**
Area/Location	: **Bommanahalli**
Town/City/District	: **Bengaluru**
State	: **Karnataka**
Pincode	: **560068**
Mobile no.	: **9999999999**
STD code	: **080**
Telephone	: **1234567890**
E-mail ID	: **mayur@email.com**

(Note: All the above details will be used in Challan, Forms & Returns)

Figure 22

Note:

♦ **In Release 6.5.5 and later versions, you can enable the TCS features for a company located in Ladakh. You can select the State as Ladakh in the Person Responsible Details screen.**

♦ **The name of new union territory Dadra & Nagar Haveli and Daman & Diu is provided in Release 6.6.3. All masters with Daman & Diu and Dadra & Nagar Haveli are automatically updated with the name of new union territory.**

10. Press **Enter** the **TCS Collector Details** screen appears.

11. Set **Ignore IT Exemption Limit** to:

● **Yes**, if you don't want to consider the IT exemption limit.

● **No**, if you want to consider the IT exemption limit.

12. Set **Provide surcharge and cess details** to **Yes**. This option appears only when you have set **Enable surcharge and cess details for TCS** to **Yes** in the configuration screen.

13. Enter the surcharge and cess details for each collectee status. You can enter the required surcharge slab details with the applicability date.

TCS Surcharge Details						
Residential Status	Collectee Status	Applicable Date	Surcharge Rate	Exemption Limit	Cess Rate	Sec.Ed.Cess Rate
NonResident	Individual/HUF - Non Resident	1-4-2020			2 %	1 %
			10 %	5,00,000.00		
			15 %	1,00,00,000.00		
			25 %	2,00,00,000.00		
			37 %	5,00,00,000.00		
	Company - Non Resident	1-4-2020			2 %	1 %
			2 %	1,00,00,000.00		
			5 %	10,00,00,000.00		
	Co-Operative Society - Non Resident	1-4-2020			2 %	1 %
			12 %	1,00,00,000.00		

Figure 23

14. Press **Ctrl+A** to save the details.

GOODS AND SERVICE TAX ACT 2017

GST is an Indirect Tax which has replaced many Indirect Taxes in India. The Goods and Service Tax Act was passed in the Parliament on 29th March 2017. The Act came into effect on 1st July 2017; Goods & Services Tax Law in India is a comprehensive, multi-stage, destination-based tax that is levied on every value addition.

In simple words, Goods and Service Tax (GST) is an indirect tax levied on the supply of goods and services. This law has replaced many indirect tax laws that previously existed in India.

Types of taxes under GST

There are currently three types of GST

- CGST – Central GST – Applies to sales within the state – goes to Central Government
- SGST – State GST – Applies to sales within the state – goes to State Government
- IGST – Integrated GST – Applies to sales outside the state – goes to Central Government

For example, if you sell something within the state, 50% of the GST will be CGST and 50% of the GST will be SGST. But when you sell something outside a state, 100% of it will be IGST which will go to the Central Government.

How to begin Tally ERP 9?

In order to use Tally, following steps must be followed

To create a company in Tally
To enable GST Features
To create ledgers

Let's discuss the above in detail

I. To create a company in Tally

Step 1: -	Go to Gateway of Tally > Alt + F3 > Create Company
Step 2: -	Enter the basic information, i.e., name, mailing name and address of the company, currency symbol etc.
Step 3: -	In the 'maintain field', select Accounts Only or Accounts with Inventory as per the company requirements.
Step 4: -	In the Financial Year from, the first day of the current financial year for e.g., 1-4-2018 will be displayed by default, which can be changed as per requirement.
Step 5: -	Enter the Tally Vault Password if required.
Step 6: -	Press Y or Enter to accept and save.

II. To enable GST features in Tally

Step 1: -	Go to Gateway of Tally > F11: Features > F3 : Statutory & Taxation
Step 2: -	In the screen you will find the following options o Enable goods and service tax (GST): Yes

	o Set/alter GST Details: Yes. This will display another screen where you can set GST details of the company such as the state in which the company is registered, registration type, GSTIN number etc.
Step 3: -	Press Y or Enter to accept and save.

III. To create ledgers

After creating a company and activating GST features, you need to create ledgers that will enable you to pass accounting entries in Tally ERP 9.

Step 1: -	Go to Gateway of Tally > Accounts Info > Ledgers > Create
Step 2: -	Create ledgers such as Purchase, Sales, State GST, Central, Integrated GST, Stock item names etc.
Step 3: -	Select the appropriate group to which such ledger belongs for example state tax under duties and taxes group.
Step 4: -	Enter the other related information required and press Y or Enter to accept and save.

After creating ledgers, we can proceed with preparing accounting entries in Tally ERP9 For that we have to follow: -

Gateway of Tally > Accounting Vouchers

There are many accounting vouchers in Tally such as Payment, Receipt, Contra, Sales, Purchase, etc. After choosing the relevant voucher we start passing the accounting entries.

How will GST work in Tally ERP 9?

The functionality of GST in Tally is almost the same as prevalent during erstwhile taxation laws such as VAT or CST or Service Tax.

The first step before passing an Accounting Entry in Tally is to make GST Calculation. But first, let's take an example for our understanding. For example: M/s ABC Ltd of Mumbai sold goods worth Rs. 50,000/- to M/s XYZ Inc. of Ahmedabad; GST rate applicable for the given product is 18%

GST Calculation -	M/s ABC Ltd has to collect GST and say it is 18%. Then GST will come at Rs. 9,000/-.
Taxable Value -	This is the portion on which tax will be levied (i.e.,) Rs. 50,000/- in this case.
Type of Tax to select -	Since it is a transaction involving Inter-State trade, the ledger to create and select while preparing accounting entry is IGST ledger.
Rate of Tax to be fed during Tax Ledger creation screen	18% IGST (Tax type: Integrated Tax) .
Tax rate to key while preparing Stock Item Ledger -	18% IGST and Tally will automatically bifurcate and distribute the tax rate to CGST and SGST as 9% each.
Other ledgers to create -	Create XYZ Inc., ledger along with GSTIN number.

Now we have to go to the Accounting Voucher Screen and fit these details in Sales Voucher screen (F8). We are also not required to worry about tax calculation as Tally automatically calculates Tax amount portion based on the details fed in Stock Item Creation Screen and Tax ledger creation screen.

WHAT IS A CASH BOOK IN TALLY?

Cash Book in Tally is a financial record-keeping system that tracks all cash transactions. It provides an easy, automated way to keep track of all cash inflows and outflows. It records income from sales, expenses, payments, and other transactions. All entries are stored in an accounting ledger, which can be viewed in Tally's main interface.

Tally's cash book allows users to easily categorize their transactions, making it easier to view and analyze their financial data. It also includes features that enable users to generate financial reports, set up reminders, and manage their budgets. This makes it easier to track expenses, analyze performance, and identify areas of improvement. It helps users make more informed financial decisions and ensures accurate financial record-keeping.

How to create a Cash Book in Tally?

A Cash Book is a record of all cash transactions that take place within a business. It is an important document used to keep track of cash inflows and outflows and can help a business to monitor their financial position. Tally is a popular accounting software used to create a Cash Book.
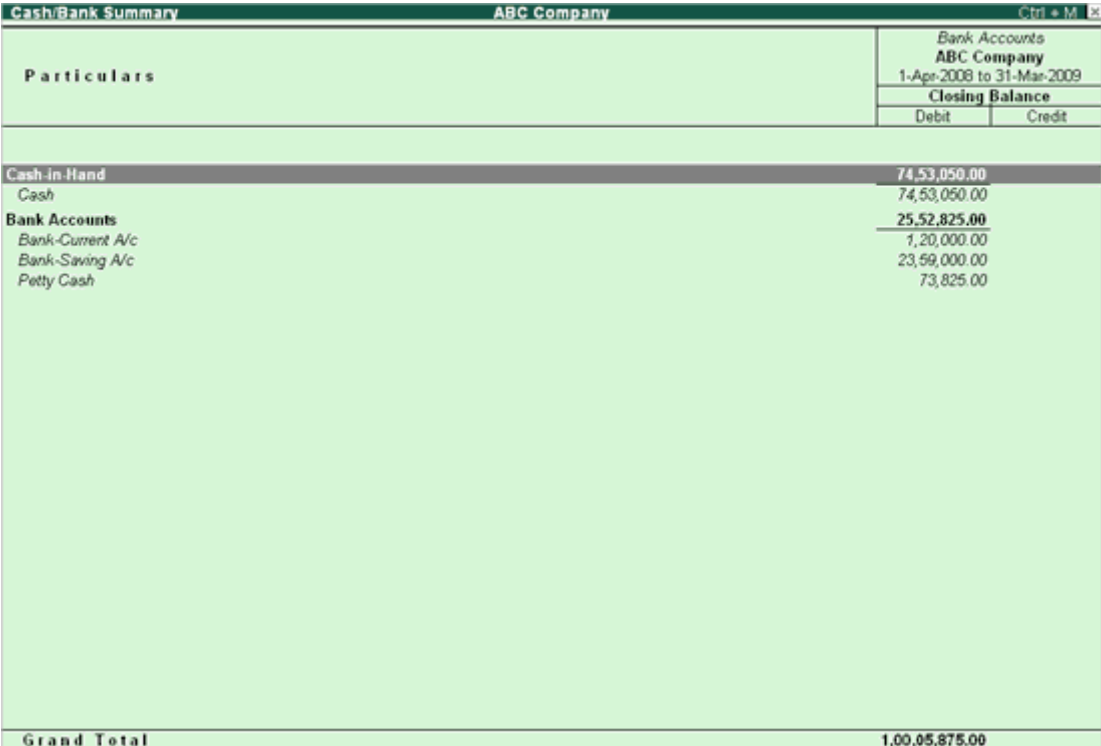
To record a cash receipt, go to the "Accounting Vouchers" menu and select "Receipt."

The Cash Book in Tally will keep a record of all cash transactions and can be used to monitor the financial position of your business.

Steps to Create Cash Book in Tally

To create a Cash Book in Tally, follow these steps:

1. Open Tally and navigate to the Gateway of Tally screen.

Figure 24

2.   Select the "Accounts Info" menu, then select "Ledgers" and "Create" from the sub-menus.

Figure 25

3.   Enter the name of the Cash Book in the "Name" field and select "Cash" as the "Group" from the drop-down menu.

Figure 26

4.   In the "Opening Balance" field, enter the starting balance of the Cash Book.

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5. In the "Under" field, select the appropriate parent group or ledger under which the Cash Book will be created.

Configuration

Nett transactions only	? No
Show Closing Balances	? Yes
Show Percentages	? No
Appearance of Names	: Name Only
Scale Factor for Values	: Default
Periodicity to use	: Monthly
Show Average Details	? No
Show High/Low Details	? Yes

Graphs

Show with Graph	? No

Figure 27

6. Select the "Cash and Bank" option in the "Type of Account" field.

7. If the Cash Book is for a specific bank account, enter the bank account details in the "Bank A/C Name" and "Bank Branch" fields.

Ledger Monthly Summary	ABC Company		Ctrl + M

Cash
ABC Company
1-Apr-2008 to 31-Mar-2009

Particulars	Transactions		Closing
	Debit	Credit	Balance
Opening Balance			2,17,850.00 Dr
April	8,00,000.00	6,76,500.00	3,41,350.00 Dr
May	5,25,000.00		8,66,350.00 Dr
June	1,25,000.00		9,91,350.00 Dr
July	1,25,000.00	800.00	11,15,550.00 Dr
August	61,250.00		11,76,800.00 Dr
September			11,76,800.00 Dr
October	23,55,000.00	18,750.00	35,13,050.00 Dr
November			35,13,050.00 Dr
December			35,13,050.00 Dr
January	22,96,250.00	43,750.00	57,65,550.00 Dr
February	16,87,500.00		74,53,050.00 Dr
March			74,53,050.00 Dr
Grand Total	**79,75,000.00**	**7,39,800.00**	**74,53,050.00 Dr**
Highest	(dt. 10-Oct-2008)	(dt. 10-Oct-2008)	(dt. 10-Oct-2008)
Balance	23,55,000.00	5,32,500.00	74,53,050.00 Dr
Lowest	(dt. 1-Aug-2008)	(dt. 30-Jul-2008)	(dt. 1-Apr-2008)
Balance	15,000.00	800.00	3,14,650.00 Cr

Figure 28

8.   Select the "Create" button to save the Cash Book.

The Cash Book will now be listed in the Ledgers list in Tally. You can now use the Cash Book to record transactions and manage your organization's cash flow.

Tips for Using a Cash Book in Tally Effectively

Some tips and tricks for businesses that use the cash book feature in Tally can help maximize its effectiveness

1. Always keep accurate records of your transactions. It is important to keep track of all the money that goes in and out of your business to understand your company's financial health. You can easily and accurately record all your transactions using Tally's cashbook feature.
2. Utilize the cash book as a forecasting tool. By entering your projected cash inflows and outflows, you can use the cash book to forecast your financial future. This is especially helpful for businesses that have irregular cash flow patterns.
3. Use the cash book to compare and analyze expenses. By entering all your expenses into the cash book, you can easily compare and analyze them for better financial decision-making.
4. Use the cash book to keep track of your accounts receivable and accounts payable. By entering all your accounts receivable and accounts payable into the cash book, you can easily track who you owe you money and who you owe money to.
5. Take advantage of the cashbook's reporting features. Tally's cash book can generate reports on your income and expenses, allowing you to better understand your financial health.

By following these tips, you can effectively use the Tally cash book feature to maximise your business's financial performance.

Benefits of Displaying a Cash Book in Tally

Tally is a popular accounting software used to manage business transactions and accounts. Keeping a cashbook in Tally helps keep the business's financial records organized and up to date. It also allows the company to quickly generate financial reports and keep track of its financial health.

Following are some of the benefits of displaying a cash book in Tally:

1. Easy to Track Cash Flow:

Cash flow is a key indicator of a business's financial health. By displaying a cash book in Tally, businesses can easily track their cash flow and ensure that their finances are in order. This makes it easier for businesses to make informed decisions about their finances.

2. Easy to Reconcile Transactions:

Tally allows users to easily reconcile transactions by displaying a cash book. This makes it easier for businesses to track their finances and ensure that their financial records are accurate and up to date.

3. Easy to Generate Reports:

Tally also makes it easy to generate financial reports such as balance sheets, income statements, and cash flow statements. This makes it easier for businesses to keep track of their financial health and make informed decisions.

4. Easy to Maintain Ledgers:

Tally also makes it easy to maintain ledgers. This helps businesses to keep track of their accounts and ensure that their financial records are accurate. Overall, displaying a cash book in Tally makes it easier for businesses to track their cash flow, reconcile their transactions, generate financial reports, and maintain ledgers. This makes it easier for businesses to keep their finances in order and make informed decisions.

SHORTCUT KEYS IN TALLY

SHORTCUT KEYS	ACTIONS	
F1	Select or open the company using this key.	
Alt + F1	To see the constrained messages, use this shortcut key to select the inventor.	
Ctrl + F1	This key could be used for selecting a payroll voucher from the accounting screen or Inventory voucher.	
F2	To change the date.	
F3	Tax Properties and selecting the company for selecting the corporate statutes.	

F4	For selecting the Contra Voucher.	
F5	To select the payment client.	
F6	To select a Receipt Voucher.	
F7	To select a Journal Voucher.	
F8	To have a choice of Business Voucher.	
Ctrl + F8	To select a Credit Note Voucher.	
F9	To select any Purchase Voucher.	
Ctrl + F9	To initiate Selection of Debit Note Voucher.	
F10	To select any Reverse Journal Voucher.	
Ctrl + F10	To initiate selection of Reminder Voucher.	
F11	For selecting Screen Functions.	
F12	To go to the Configuration Screen.	
Alt + 2	To initiate use for Duplicate Voucher.	
Alt + A	Adding the voucher to change to make a change in the center of the column report.	
Alt + B	To check Outstanding balances.	
Alt + C	To create a master on voucher screen (This will work only if you have not changed the function for the same).	
Alt + D	To remove the Voucher or Delete the Master. Remove the table in the column report using this key.	
Alt + E	For exporting the reports in ASCII, Excel, HTML, PDF, XML format.	
Alt + I	To Insert Voucher/ Changes Between Items and Accounting.	
Alt + G	For Selecting Language Configuration.	
Alt + K	For making keyword configurations.	
Alt + O	To Upload Reports.	
Alt + G	To arrive at the Language Selection for Tally ERP 9.	
Alt + M	For Deleting any message.	
Alt + N	For Displaying Messages in Automatic Columns.	
Alt + P	To initiate Printing of the Report.	
Alt + R	For Removing Line from Report.	

Alt + S	To check the Public Return of the Line Removed with Alt + R.	
Alt + U	To Get the Last Used Line which was also removed before.	
Alt + V	For Connecting invoice Screen with Stock Journals Screen.	
Alt + X	To cancel Voucher in Daily List or Voucher List.	
Alt + R	For Registering your Tally ERP 9.	
Ctrl + B	For accommodation of Budget.	
Ctrl + Alt + B	To Check the Statutory Details of the Company.	
Ctrl + C	For choosing the Cost category.	
Ctrl + E	To select any currency.	
Ctrl + G	For selecting Group.	
Ctrl + H	To take help from Help & Support Center.	
Ctrl + I	For Selecting the Items in Stock.	
Ctrl + Alt + I	For Implementation of Legal Masters.	
Ctrl + K	For Logging in to Remote User Http://Tally.Net	
Ctrl + L	For ledger selection.	
Ctrl + O	For checking the Godowns in Tally Selection.	
Ctrl + Q	The Screen exits and is left without Changes saved.	
Ctrl + R	Helps you to Return directly to the Voucher Type.	
Ctrl + Alt + R	To access the Company's Data.	
Ctrl + S	To Change the Master of the Attack Items.	
Ctrl + U	For Selecting any Unit.	
Ctrl + V	To initiate Selection of Voucher Types and Wiring Between Billing and Goods.	
Ctrl + K	For connecting directly to the Control Center.	
Ctrl + H	To access the Help Center directly where You Can Send Questions Directly to the Tally erp9 developer and tally executives.	
Alt + ENTER	To view the Voucher Display.	
Alt + S	To forsee the Financial Report.	
Alt + F1	For Detailed News.	
Alt + F2	To Change the Period.	
Alt + F3	To modify company information.	

Alt + F4	To select the Trading order Type.	
Alt + F5	For Selection of Sales order. Also, to gain Monthly and Quarterly display.	
Alt + F6	For the selection of the order. To select or reject the voucher type.	
Alt + F7	For Choosing an additional Vehicle Type to Accept all kind of Tests.	
Alt + F8	For initiating the Display of Columnar Report.	
Alt + F9	For the selection of External Paper Type.	
Alt + F10	To select the Physical Vehicle Type.	
Alt + F12	For filtering of Money Value information.	
Alt + J	For the selection of Job Work Out Order Voucher.	
Alt + W	For selecting Job Work in Order Voucher.	
CTRL + A	For selecting a Form.	
CTRL + N	To Switch to Calculator.	
R	To generate ratio.	
S	To look for stock.	
P	To go to P&L.	
B	To go to the Balance Sheet.	
D + T	To go to Trial Balance.	
E	For developing Order Voucher.	
T	For developing Inventory Voucher.	
Ctrl + Alt + F12	For going to Advanced Configuration.	
PgUp	Helps Displaying the Previous Voucher When You Change the Voucher.	
PgDn	Helps to display the Next Voucher While Changing the Voucher.	
Esc + Enter	To Exit.	
Q + Enter	For Quitting.	
ENTER	To Accept Anything in a Field.	
ESC	For Clearing the Entry.	
Shift + ENTER	To Condense Next Level of Details.	

CTRL + ENTER	To change the Master While Entering or Displaying a Message.	

EXAMPLE: 1

Journalize the following transactions

1. Commenced business with cash Rs.10, 000.

2. Deposit into bank Rs. 15,000

3. Bought office furniture Rs.3,000

4. Soled goods for cash Rs.2,500

5. Purchased goods form Mr X on credit Rs.2,000

6. Soled goods to Mr Y on credit Rs.3,000

7. Received cash form Mr. Y on account Rs.2,000

8. Paid cash to Mr X Rs. 1,000

9. Received commission Rs. 50

10. Received interest on bank deposit Rs. 100

11. Paid into bank Rs. 1,000

12. Paid for advertisement Rs.500

13. Purchased goods for cash Rs. 800

14. Sold goods for cash Rs. 1,500

15. Paid salary Rs. 500

SOLUTION:

	Key	Voucher	Ledger	Group	Type of account	Principles	Amount
1	F6	Receipt	Cr. Capital	Capital account	Personal	Giver	10,000
			Dr. Cash	Cash in hand	Real	Comes in	10,000
2	F4	Contra	Cr. Cash	Cash in hand	Real	Goes out	15,000
			Dr. Bank	Bank account	Real	Comes in	15,000
3	F5	Payment	Dr. Office furniture	Fixed asset	Real	Comes in	3,000
			Cr. Cash	Cash in hand	Real	Goes out	3,000
4	F8	Sales	Dr. Cash	Cash in hand	Real	Comes in	2,500
			Cr. Sales	Sales account	Real	Goes out	2,500
5	F9	Purchase	Cr. X	Sundry creditor	Personal	Giver	2,000
			Dr. purchase	Purchase account	Real	Comes in	2,000
6	F8	Sales	Dr. Y	Sundry debtors	Personal	Receiver	3,000
			Cr. Sales	Sales account	Real	Goes out	3,000
7	F6	Receipt	Cr. Y	Sundry debtors	Personal	Giver	2,000

			Dr. cash	Cash in hand	Real	Comes in	2,000
8	F5	Payment	Dr. X	Sundry creditor	Personal	Receiver	1,000
			Cr. Cash	Cash in hand	Real	Goes out	1,000
9	F6	Receipt	Cr. commission	Indirect income	Nominal	Credit all income	50
			Dr. cash	Cash in hand	Real	Comes in	50
10	F6	Receipt	Cr. Interest on bank deposit	Indirect income	Nominal	Credit all income	100
			Dr. Bank	Bank account	Real	Comes in	100
11	F4	Contra	Cr. Cash	Cash in hand	Real	Goes out	1,000
			Dr. Bank	Bank account	Real	Comes in	1,000
12	F5	Payment	Dr. Advertisement	Indirect expenses	Nominal	Debit all expenses	500
			Cr. Cash	Cash in hand	Real	Goes out	500
13	F9	Purchase	Cr. Cash	Cash in hand	Real	Goes out	800
			Dr. purchase	Purchase account	Real	Comes in	800
14	F8	Sales	Dr. cash	Cash in hand	Real	Comes in	1,500
			Cr. Sales	Sales account	Real	Goes out	1,500

15	F5	Payment	Dr. salary	Indirect expense	Nominal	Debit all expenses	500
			Cr. Cash	Cash in hand	Real	Goes out	500

EXAMPLE 2

Do the voucher entry for the transactions

Mr. Girish started business with Rs. 1,00,000

Bought furniture for Rs.1,000

Goods purchased for Rs.1,500

Goods sold for Rs.2,500

Goods purchased from Selva & Co for credit worth Rs.7,500

Goods sold from Cheenu & Co for credit worth Rs.10,000

AIM

To create a Voucher Entry from the transactions.

PROCEDURE

Step 1: Company Creation

Start → Programme → Tally 9 → Gateway of Tally →Alt F3 →Create Company → Save

Step 2: Ledger Creation

Gateway of Tally → Account info → Ledger → Multiple Ledger → Create

5. Mr. Girish Capital → Capital a/c

6. Furniture a/c → Fixed Asset

7. Purchase a/c → Purchase a/c

8. Sales a/c → Sales a/c

9. Selva & Co → Sundry Creditors a/c

10. Cheenu & Co   →   Sundry Debtors a/c
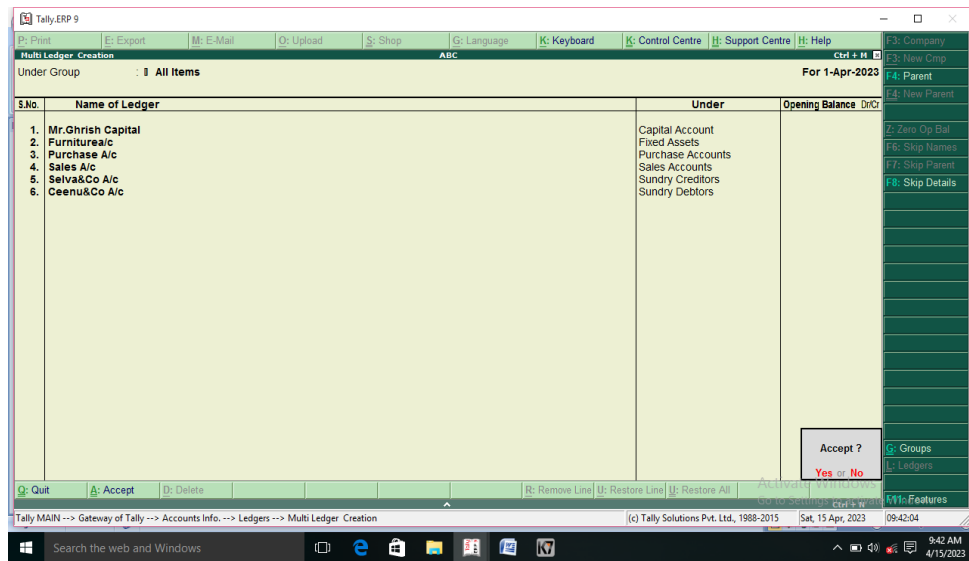
Figure 2.1

Step 3: Voucher Entry

Gateway of Tally → Accounting Vouchers

(i) Receipts (F6)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Cash a/c ……………………………... Dr	1,00,000	
To Girish capital a/c		1,00,000

(ii) Purchase (F9)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Purchase a/c ………………………... Dr	1,000	
To Cash a/c		1,000

(iii) **Purchase (F9)**

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Purchase a/c ……………………... Dr	1,500	
To Cash a/c		1,500

(iv) **Sales (F8)**

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Cash a/c ………………………... Dr	2,500	
To Sales a/c		2,500

(v) **Purchase (F9)**

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Purchase a/c ………………………... Dr	7,500	
To Selva & co a/c		7,500

(iv) **Sales (F8)**

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Cheenu & co a/c …………………... Dr	10,000	
To Sales a/c		10,000

REPORT:

Voucher entry for all the transaction created.

Figure 2.2

Figure 2.3

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Figure 2.4

EXAMPLE: 3

Alter the following vouchers:

Entry No	Date	Party Name	Alternations
4	7.4.2019	Britannia Industries	Order No. SO 118-due on 7.4.2019
6	9.4.2019	Britannia Industries	Order No. SO 156-due on 10.4.2019 for both items
33	3.5.2019	Beauty Care Centre	Order No. So 1189-due on 5.5.2019
41	5.5.2019	Beauty Care Centre	Order No. SO 2369-due on 15.5.2019

SOLUTION:

AIM:

To Alter the date of existing company

Step 1:

From the Gateway of Tally press Alt+F3 Key to involve the Company info

Step 2:

In company info select alter the date option

Step 3:

Select the Company

Step 4:

Make the changes in the alteration screen displays and press Ctrl+A to save and quit

EXAMPLE: 4

Enter the following transactions of the company in Tally and show various reports

January 1	Commenced business with a capital of 80,000
January 3	Purchased machinery 10,000
January 5	Withdrawn from bank for office use 10,000
January 7	Purchased goods from Siama on credit 9,000
January 8	Paid cash to Siama 8,800
	Discount received 200
January 11	Sold goods to Kima 5,000
January 16	Received cash from Kima 4,900
	Discount allowed 100
January 18	Purchased goods from Siama from cash 6,000
January 20	Paid wages 3,000
January 22	Rent received 5,000

SOLUTION:

AIM:

To prepare a Trading and Profit and Loss account and a Balance Sheet

PROCEDURE

Step 1: Company Creation

Start → Programme → Tally 9 → Gateway of Tally → Alt F3 → Create Company

→ Save

Step 2: Ledger Creation

Gateway of Tally → Account info → Ledger → Multiple Ledger → Create under group → All items

Sl. No.	Name of Ledger	Under
1.	Anu Capital	Capital a/c
2.	Machinery	Fixed Asset
3.	Bank	Bank a/c
4.	Siama	Sundry Creditors a/c
5.	Purchase	Purchase a/c
6.	Kiama	Sundry Debtors a/c
7.	Discount received	Indirect Income
8.	Sales	Sales a/c
9.	Discount Allowed	Indirect Expenses
10.	Wages	Indirect Expenses
11.	Rent	Indirect Income

Step 3: Voucher Entry

Gateway of Tally → Accounting Vouchers → Enter in necessary Voucher Type → Save

(i)   Receipts (F6)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Cash a/c ……………………………... Dr	80,000	
To Anu Capital a/c		80,000

(ii) Payment (F5)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Machinery a/c ………………………... Dr	10,000	
To Cash a/c		10,000

(iii) Contra (F4)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Cash a/c ……………………………... Dr	10,000	
To Bank a/c		10,000

(iv) Purchase (F9)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Purchase a/c ………………………... Dr	9,000	
To Siama a/c		9,000

(v) Payment (F5)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Siama a/c ……………………... Dr	9,000	
To Cash a/c		8,800
To discount received a/c		200

(vi) Sales (F8)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Kiama a/c ………………………... Dr	5,000	
To Sales a/c		5,000

(vii) Receipt (F6)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Cash a/c ………………………... Dr	4,900	
Discount Allowed ……………... Dr	100	
To Kiama a/c		5,000

(viii) Receipt (F6)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Cash a/c ………………………... Dr	6,000	

PARTICULARS		6,000
To Siama a/c		**6,000**

(ix) Payment (F5)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Wages a/c ……………………... Dr	**3,000**	
To Cash a/c		**3,000**

(x) Receipt (F6)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Cash a/c ………………………... Dr	**5,000**	
To Rent Received a/c		**5,000**

REPORT

Gateway of Tally → Balance Sheet

Gateway of Tally → Profit and Loss account

Gateway of Tally → Display → Trail Balance

Figure 4.1

Figure 4.2

Figure 4.3

EXAMPLE: 5

Record the following transaction that took place during the April to September 2020

Sl. No.	Transactions	Item	Quantity	amount
1	Purchase from Suresh	Reynolds Pen	20	200
2	Sales to Vani	Parker Pen	125	2400
3	Sales to Ragu	Camel Geometry	100	7500
4	Paid money to Suresh in full settlement for the transaction at Ser.No 1 above			190
5	Received from Vani and Ragu Rs.9,500 cash in full settlement for their asset transaction at Ser.No2 and 3 above.			
6	Paid to Manoj			1000
7	Purchase from Hari	Parker Pen	15	1600
8	Purchase from Manoj	Reynolds pen	18	360

9	Sales to Priya	Pilot Pen	100	15000
10	Purchased furniture			2500
11	Paid insurance premium			1560
12	Sold all the investments			25000

13	Paid
	
	    1. Outstanding salaries
	    2. Electricity charges
	    3. Tax of the last year
				2000
				1000
				23000

14	Out standing
	
	    1. Salaries
	    2. Provision for Tax
				5000
				24000

Charge depreciation for the period 1.4.2020 to 30.9.2020 on furniture @ 20% p.a and Machinery @10% p.a.

1. Create a company as per details given above
2. Create appropriate groups and ledgers
3. Enter the transaction as given selecting appropriate voucher type
4. Trail balance as on 30.9.2020
5. Profit and loss account
6. Balance sheet as on 30.9.2020
7. Cash book

SOLUTION:

AIM:

To prepare a Balance Sheet and Profit and Loss account using the adjustments given

Step 1:

Start → Programme → Tally 9 → Gateway of Tally →Alt F3 →Create Company

→ (Accounts with inventory) → Save

Step 2: Ledger Creation

Gateway of Tally → F11 → Inventory

(i) Integrate accounts and Inventory → Yes

(ii) Allowing Invoice → Yes

(iii) Maintain Stock Categories → Yes

(iv) Maintain Multiple Godowns → Yes

Step 3:

Gateway of Tally → F11 → Accounting features → Maintain Bill Wise Details →

Yes

Step 4:

Gateway of Tally → Inventory info → Units of Measure → Create

(i) Type   : Simple

(ii) Symbol   **:** Nos

(iii) Formal Name   ; Numbers

(iv) Number of Optimal Place: 0

SAVE

Step 5:

Gateway of Tally → Inventory info → Stock Group → Multiple → Create

Sl. No.	Name of the Stock Group	Under	Item and add
1.	Office Item	Primary	Yes

Step 6:

Gateway of Tally → Inventory info → Stock Categories → Single → Create

Sl. No.	Name of Categories	Under
1.	Stationary	Primary

Step 7:

Gateway of Tally → Inventory info → Godowns → Multiple Godowns → Create

Sl. No.	Name of Godown	Under
1.	Godown	Primary
2.	Godown	Primary

Step 8:

Gateway of Tally → Inventory info → Stock Item → Multiple → Create

Sl. No.	Name of Item	Under	Categories	Units
1.	Reynolds	Office	Stationary	Nos
2.	Parker Pen	Office	Stationary	Nos
3.	Camel Geometry	Office	Stationary	Nos
4.	Pilot Pen	Office	Stationary	Nos

Step 9:

Gateway of Tally → Account info → Ledger → Multiple → Create

Sl. No.	Name of Ledger	Under
1.	Purchase	Purchase
2.	Suresh	Sundry Creditors
3.	Sales	Sales
4.	Vani	Sundry Debtors
5.	Ragu	Sundry Debtors
6.	Cash	Cash
7.	Vani & Ragu	Sundry Creditors

8.	Manoj	Sundry Debtors
9.	Hari	Sundry Creditors
10.	Priya	Sundry Debtors
11.	Furniture	Fixed Asset
12.	Insurance Premium	Indirect Expenses
13.	Investment	Fixed Asset
14.	Outstanding Salaries	Indirect Expenses
15.	Electricity Charges	Indirect Expenses
16.	Tax	Indirect Expenses
17.	Salaries	Indirect Expenses
18.	Provision for Tax	Indirect Expenses
19.	Discount Received	Indirect Income
20.	Depreciation	Indirect Expenses

Step 9:

Gateway of Tally → Accounting Vouchers

(i) Purchase (F9)

Parties Name: Suresh

Ledger **:** Credit Purchase

Sl. No.	Name of Item	Quantity	Amount (Rs.)
1.	Reynolds Pen	20	200

(ii) Sales (F8)

Parties Name: Vani

Ledger : Credit Sales

Sl. No.	Name of Item	Quantity	Amount (Rs.)
1.	Parker Pen	125	2,400

(ii) Sales (F8)

Parties Name: Ragu

Ledger : Credit Sales

Sl. No.	Name of Item	Quantity	Amount (Rs.)
1.	Camel Geometry	100	7,500

(iv) Payment (F5)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Suresh a/c ……………………………. Dr	200	
To Cash a/c		190
To Discount a/c		10

(v) Receipts (F6)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Cash a/c ……………………………... Dr	9,500	
Discount a/c………………………….. Dr	400	
To Vani & Ragu a/c		9,900

(vi) Payment (F5)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Manoj a/c ……………………….. Dr	**1,000**	
To Cash a/c		**1,000**

(vii) Purchase (F9)

     Parties Name: Hari

     Ledger   **:** Credit Purchase

Sl. No.	Name of Item	Quantity	Amount (Rs.)
1.	Parker Pen	15	1,600

(viii) Purchase (F9)

     Parties Name: Suresh

     Ledger   **:** Credit Purchase

Sl. No.	Name of Item	Quantity	Amount (Rs.)
1.	Reynolds Pen	18	360

(ix) Sales (F8)

     Parties Name: Priya

     Ledger   **:** Credit Sales

Sl. No.	Name of Item	Quantity	Amount (Rs.)
1.	Pilot Pen	100	15,000

(x) Payment (F5)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Furniture a/c ………………………… Dr	2,500	
To Cash a/c		2,500

(xi) Payment (F5)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Insurance Premium a/c ……………… Dr	1,560	
To Cash a/c		1,560

(xii) Journal (F7)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Investment a/c ………………………… Dr	25,000	
To Sales a/c		25,000

(xiii) Payment (F5)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Outstanding Salary a/c ……………… Dr	2,000	

PARTICULARS	DEBIT	CREDIT
Electricity Charge a/c ……………… Dr	1,000	
Tax a/c…………………………... Dr	23,000	
To Cash a/c		26,000

(xiv) Journal (F7)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Salary a/c ……………………… Dr	5,000	
To Outstanding Salary a/c		5,000

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Provision for Tax a/c ……………… Dr	24,000	
To Outstanding Provision a/c		24,000

(xv) Journal (F7)

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Furniture a/c ………………………… Dr	500	
To Depreciation a/c		500

REPORT

Gateway of Tally → Balance Sheet

Gateway of Tally → Profit and Loss account

Gateway of Tally → Display → Trail Balance

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Figure 5.1

Figure 5.2

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Figure 5.3

EXAMPLE: 6

From the following Trial Balance, prepare Trading, Profit & Loss A/c and a Balance Sheet as on 31st March, 2015:

TRAIL BALANCE

Particulars	Debit	Credit
Machinery	14,000	
Furniture	200	
Opening stock	2,000	
Wages	5,000	
Purchases	10,500	
Return inward	400	
Cash at bank	800	
Cash in hand	200	
Debtors	2,400	
Drawings	1,000	
Manufacturing expenses	800	

Rent	400	
Depreciation	420	
Sundry expenses	400	
Repairs	50	
Traveling expenses	100	
Bad debts	150	
Printing and stationary	50	
Carriage	130	
Capital		10,000
Sales		26,800
Creditors		1,700
Return outward		500
	39000	**39000**

The value of closing stock was Rs.11,355

SOLUTION:

AIM:

To prepare a Trading and Profit and Loss account and a Balance Sheet

Step 1:

Start → Programme → Tally 9 → Gateway of Tally → Alt F3 → Create Company

→ Save

Figure 6.1

Figure 6.2

Step 2:

Gateway of Tally → Account info → Ledger → Multiple Ledger → Create
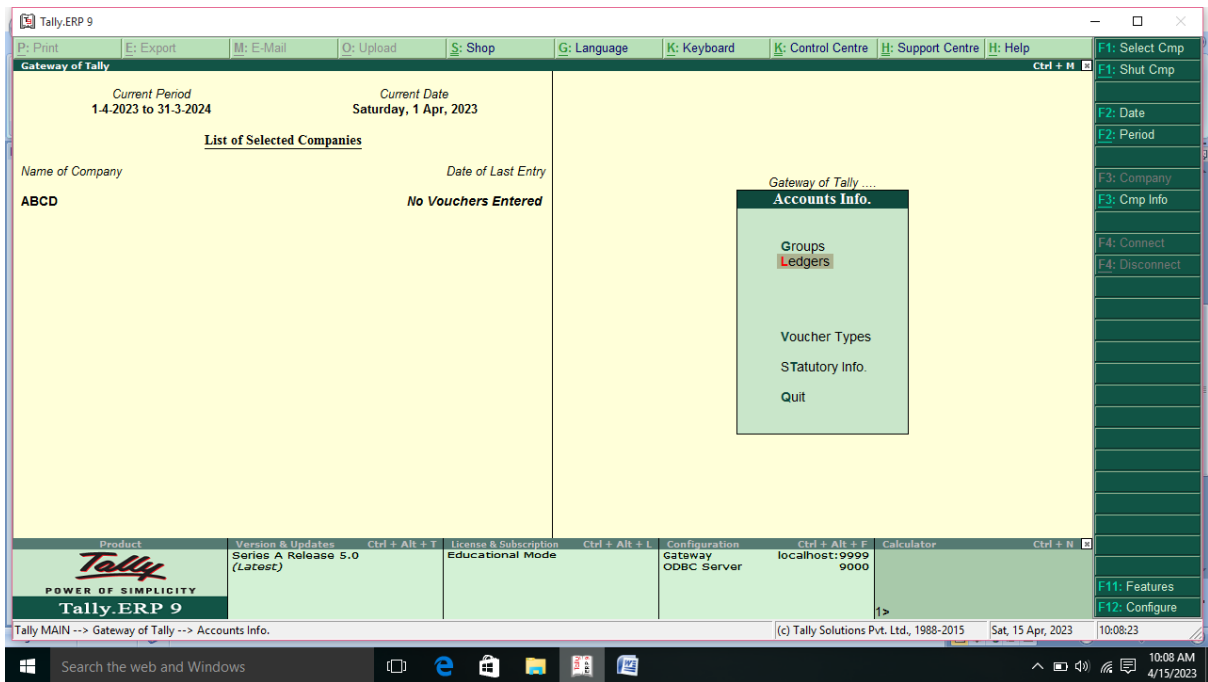
Figure 6.3
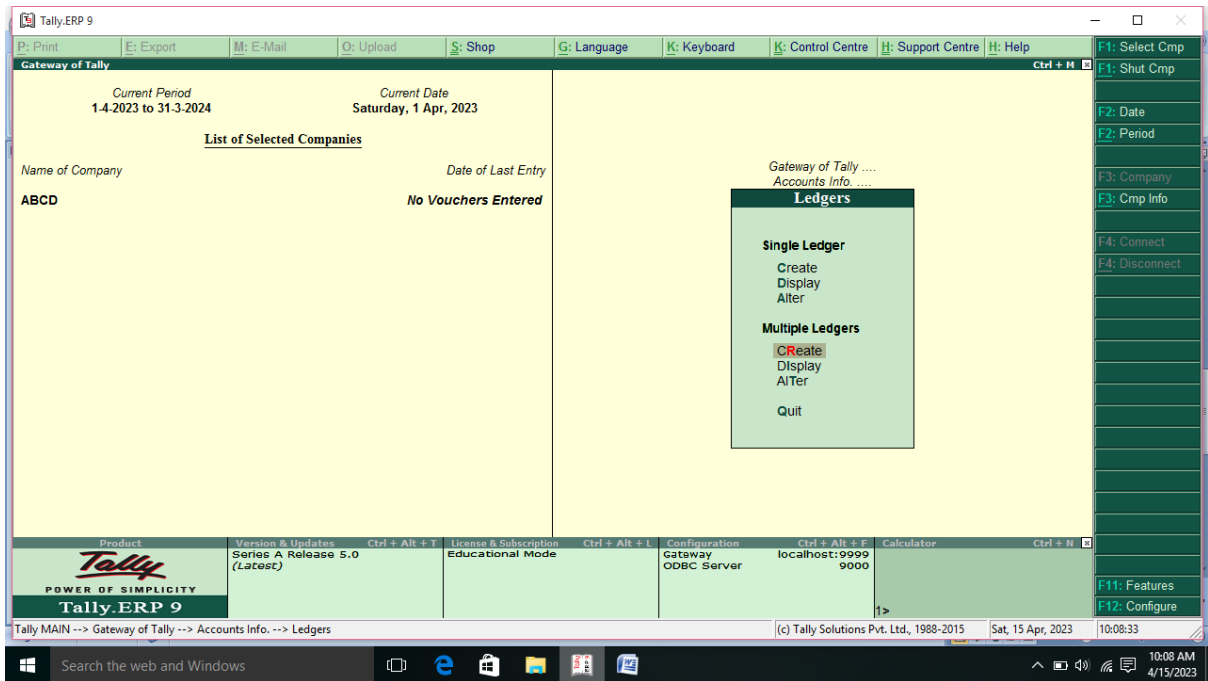
Figure 6.4

Sl. No.	Particulars	Under	Amount (RS.)
1.	Machinery	Fixed Asset a/c	14,000 Dr.

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2.	Furniture	Fixed Asset a/c	200 Dr.
3.	Opening stock	Stock in Hand	2,000 Dr.
4.	Wages	Direct Expenses	5,000 Dr.
5.	Purchase	Purchase a/c	10,500 Dr.
6.	Return Inward	Sales a/c	400 Dr.
7.	Cash at Bank	Bank a/c	800 Dr.
8.	Cash	Cash in hand	200 Dr.
9.	Debtors	Sundry Debtors	2,400 Dr.
10.	Drawings	Sundry Debtors	1,000 Dr.
11.	Manufacturing Expenses	Indirect Expenses	800 Dr.
12.	Rent	Indirect Expenses	400 Dr.
13.	Depreciation	Indirect Expenses	420 Dr.
14.	Sundry Expenses	Indirect Expenses	400 Dr.
15.	Repairs	Indirect Expenses	50 Dr.
16.	Travelling Expenses	Indirect Expenses	100 Dr.
17.	Bad Debts	Indirect Expenses	150 Dr.
18.	Printing and Stationary	Indirect Expenses	50 Dr.
19.	Carriage	Indirect Expenses	130 Dr.
20.	Capital	Capital a/c	10,000 Cr.
21.	Sales	Sales	26,800 Cr.
22.	Creditors	Sundry Creditors	1,700 Cr.
23.	Return outwards	Purchase	500 Cr.
24.	Closing stock	Stock in hand	11,355 Dr.

Figure 6.5

Report:

In the Gateway of Tally select Balance Sheet from Reports, Balance Sheet will appear.
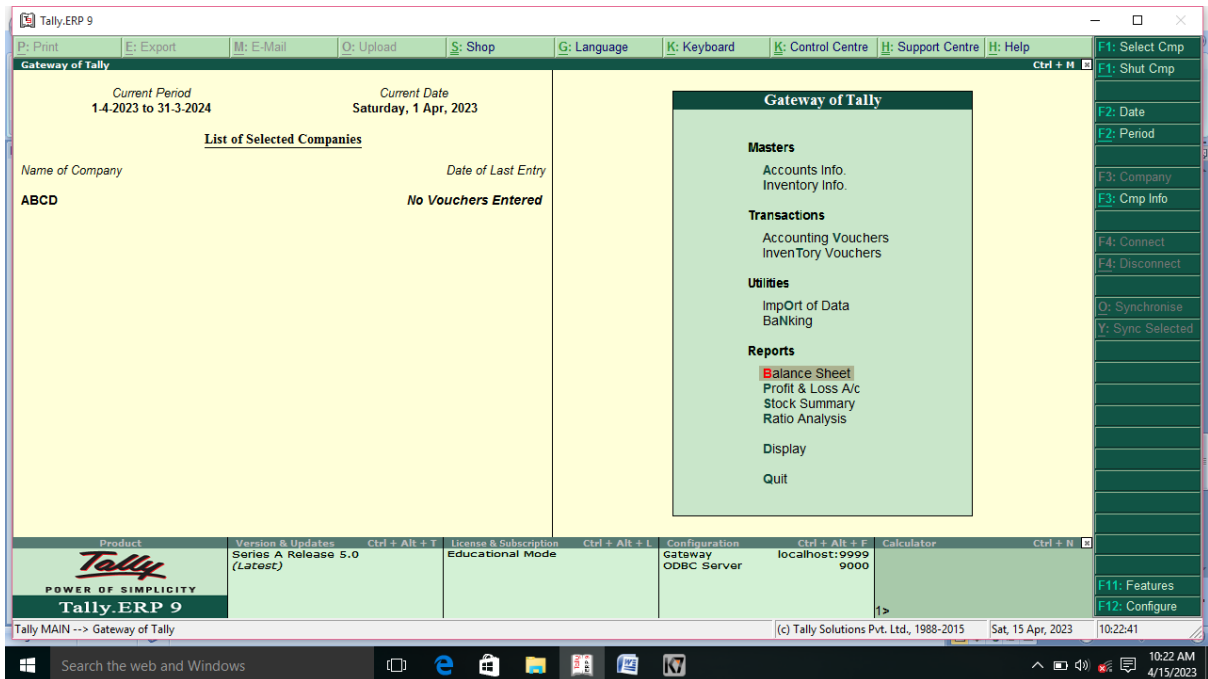
Figure 6.6
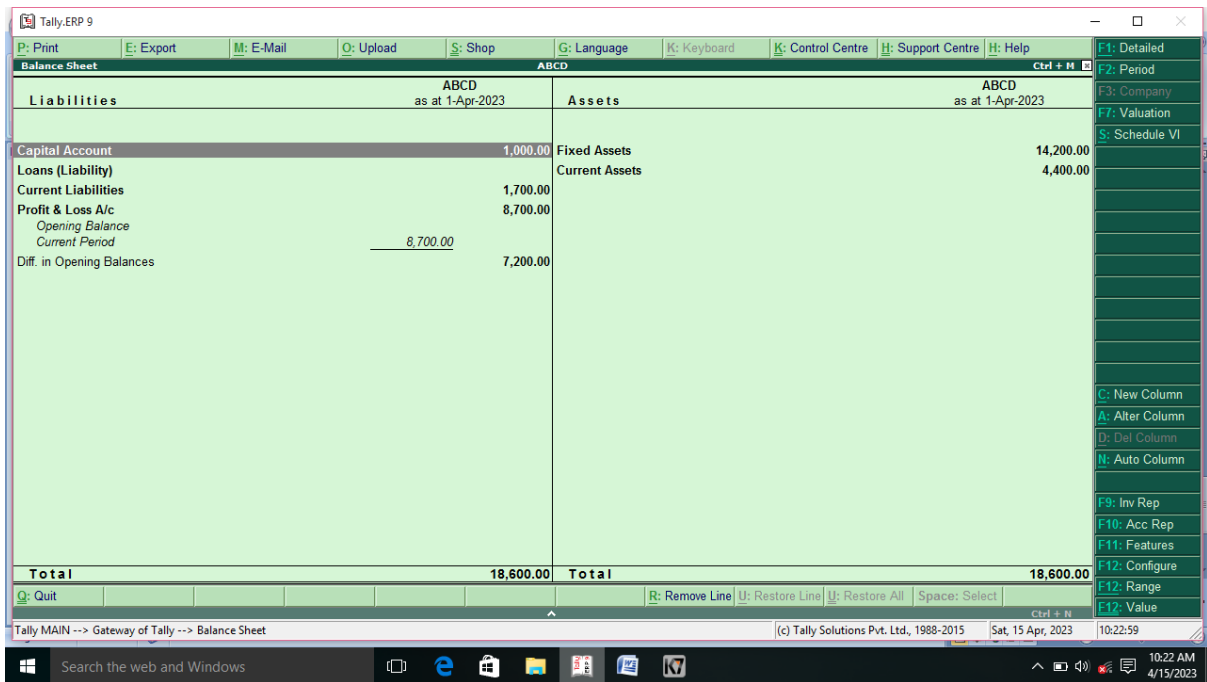
Figure 6.7

In the Gateway of Tally select Profit & Loss account from Reports, Profit & Loss account will appear.

Figure 6.8

Figure 6.9

In the Gateway of Tally select Display option from Reports (Figure 6.10) , the following screen will appear (Figure 6.11), Select Trail Balance (Figure 6.12), from Display Menu Trail Balance (Figure 6.13) will appear

Figure 6.10

Figure 6.11

Figure 6.12

Figure 6.13

EXAMPLE: 7

Bill of Material Purchase the following items from Rishav Stores vide Ref No./Invoice No. 01/19-20

Sl. No.	Particulars	Under	Rate	Qty (Pcs)	Amount	Godown
1	Perk	Raw Materials	7	100	700	Girish Park
2	Dairy Milk	Raw Materials	8	100	800	Girish Park
3	Gems	Raw Materials	8	100	800	Girish Park
4	Double Shots	Raw Materials	8	100	800	Girish Park
5	5Star	Raw Materials	6	100	600	Girish Park
After purchase all the items the company has decided to create 50 box finished goods named "Cadbury Celebration" containing the above items plus cost Rs.2/- per box and labour charges of Rs.500							
Sold 25 boxes of "Cadbury Celebration" @ 15% Profit on cost to Shuvam Stores (Invoice No.S/001)							

SOLUTION:

AIM:

To prepare Inventory Book Movement analysis stock group of analysis Cadbury celebration using the bill of material purchase given.

Step 1:

Start → Programme → Tally 9 → Gateway of Tally →Alt + F3 →Create Company → (Accounts with inventory) → Save

Figure 7.1

Step 2:

Gateway of Tally → F12 → Accounts / Inventory info

(i) Allow Component list details → Yes

(Bill of Materials)
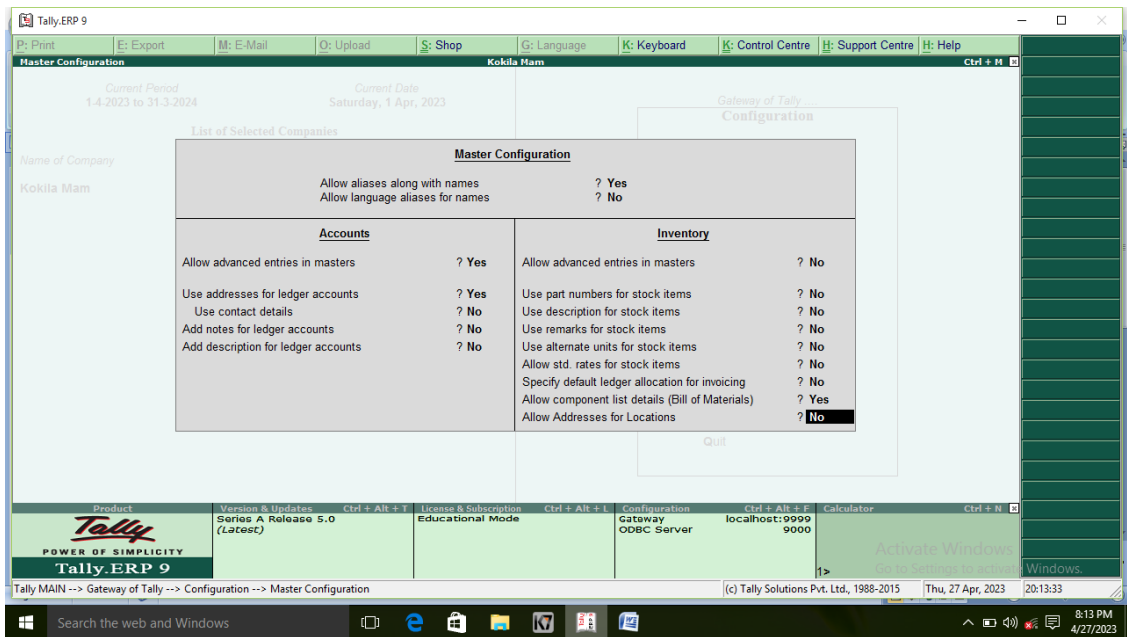
Figure 7.2

Step 3:

Gateway of Tally → Accounts info → Voucher Type → Create

Name : Manufacturing Journal

Type of Voucher : Stock Journal

Method of Voucher Numbering : Automatic

Use as a Manufacturing Journal: Yes

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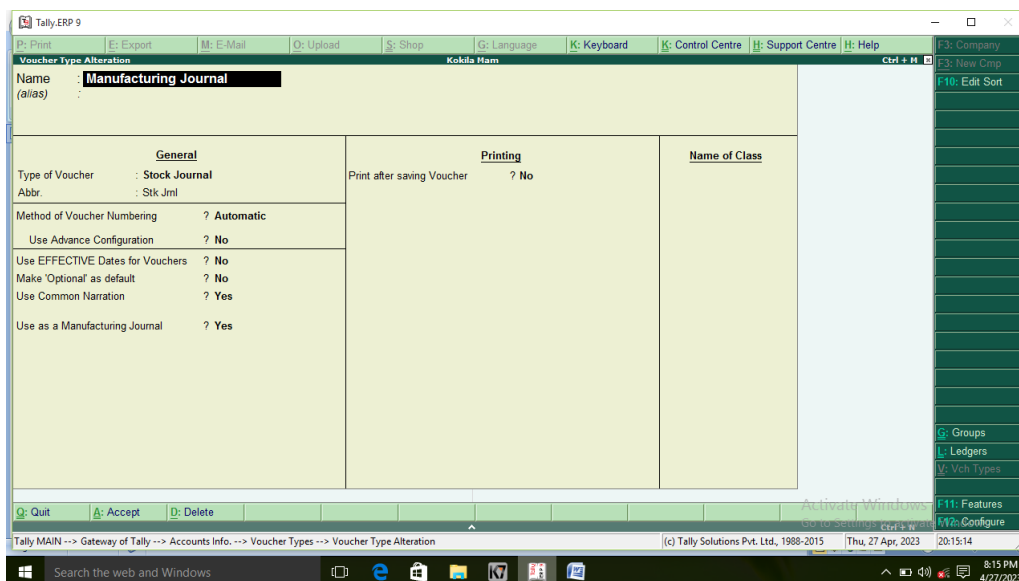
Figure 7.3

Step 4: Stock Group Create

Gateway of Tally → Inventory info → Stock Group → Single → Create

Name : Cadbury Celebration

Under : Primary

Can Quantity of items be Added: Yes

Step 5: Stock item Create

Gateway of Tally → Inventory info → Units of Measure → Create

Type : Simple

Symbol: Pcs

Gateway of Tally → Inventory info → Stock item → Single → Create
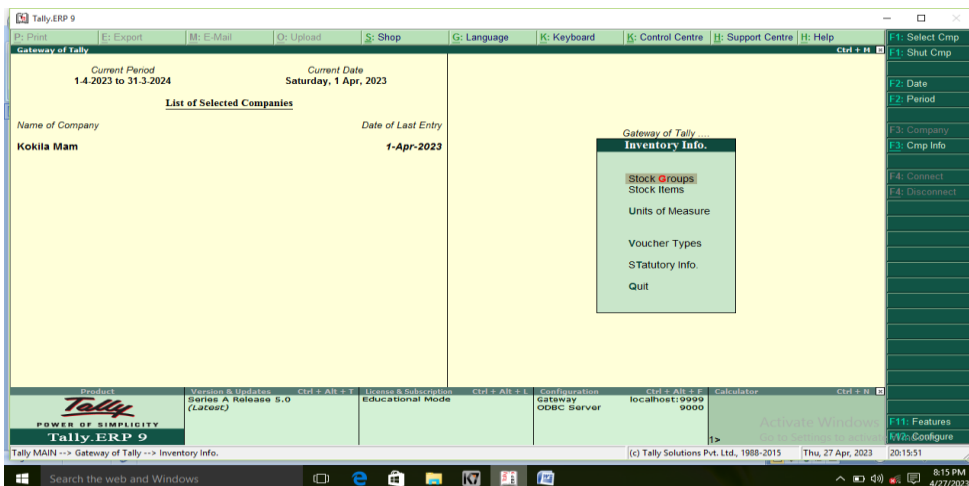
Figure 7.4
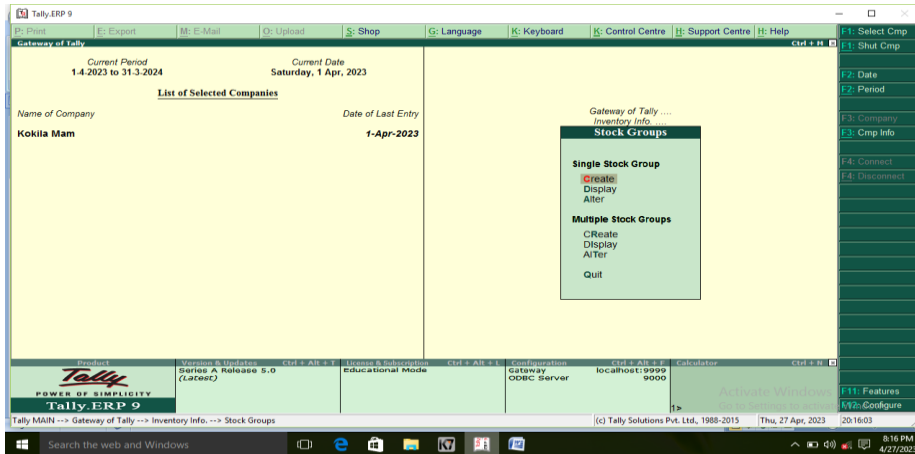
Figure 7.5

(i) Name : Perk

   Under : Cadbury Celebration

   Units : Pcs

   Alter Components (BoM): Yes

(ii) Name : Dairy Milk

   Under : Cadbury Celebration

   Units : Pcs

   Alter Components (BoM): Yes

(iii) Name : Germs

   Under : Cadbury Celebration

   Units : Pcs

   Alter Components (BoM): Yes

(iv) Name : Double Shots

   Under : Cadbury Celebration

   Units : Pcs

   Alter Components (BoM): Yes
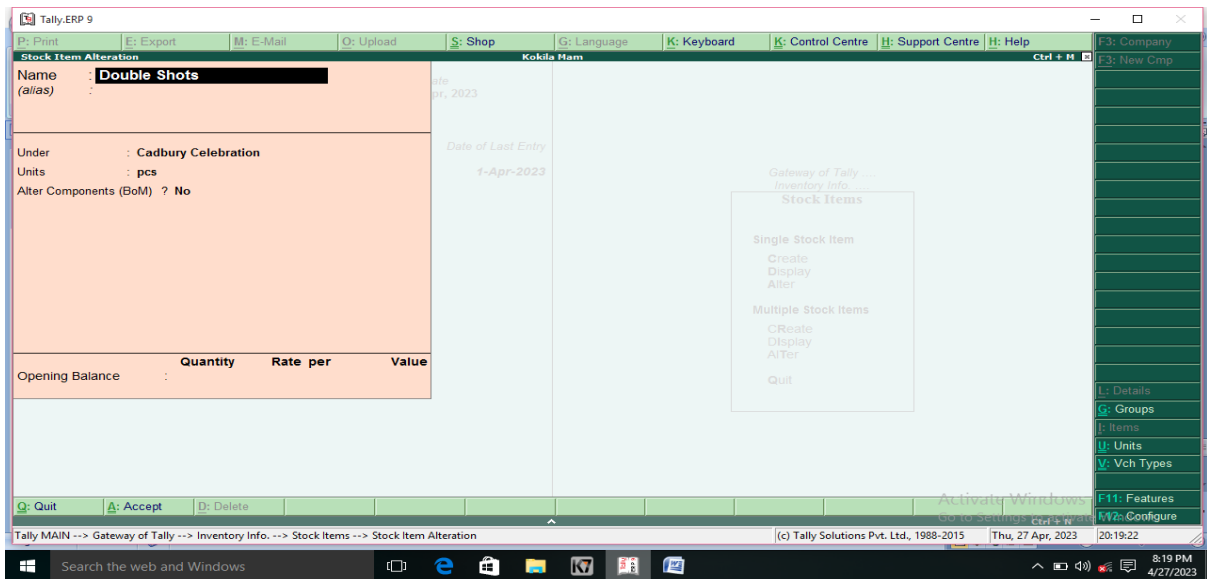
Figure 7.6

(v) Name : 5 Star

   Under : Cadbury Celebration

   Units : Pcs

   Alter Components (BoM): Yes

Step 6:

    Gateway of Tally → Inventory info → Stock item → Single → Create

Name : Raw Material

Under : Primary

Units : Pcs

Alter Components (BoM) : Yes

Components of (BoM) : Raw Materials

Name of BoM : Rishav Store

Units of Manufacture : 1

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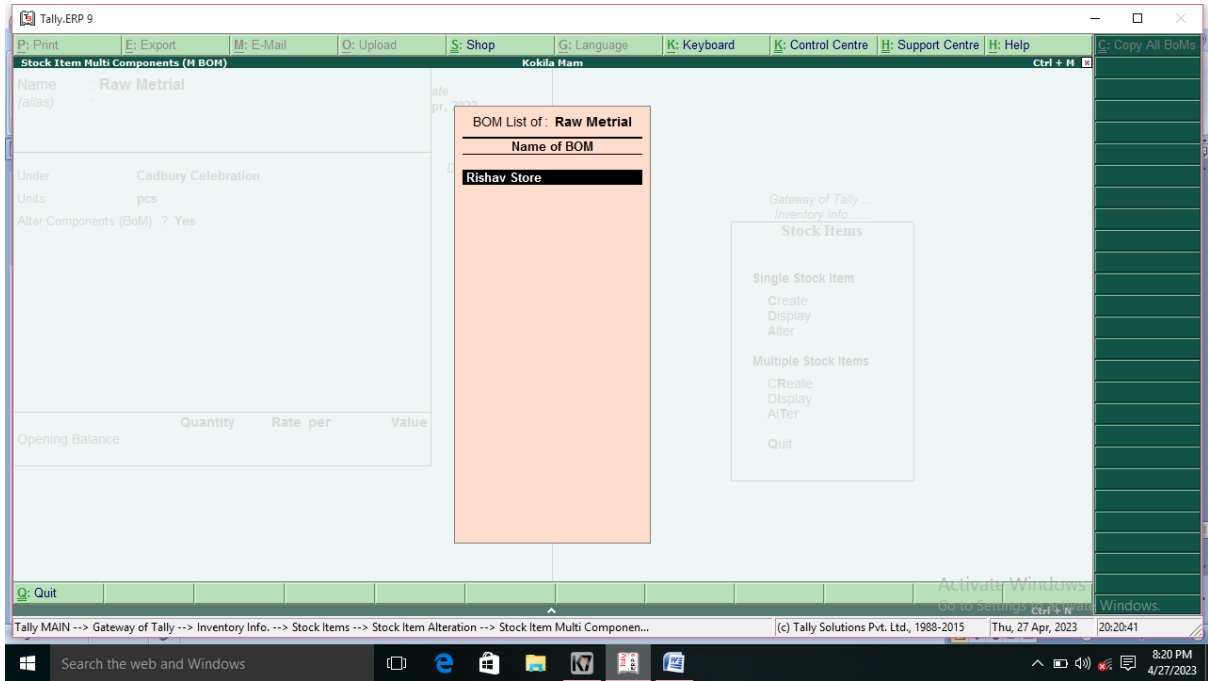
Figure 7.7

Sl. No.	ITEM	QUANTITY
1.	Perk	100
2.	Dairy Milk	100
3.	Gems	100
4.	Double Shots	100
5.	5 Star	100
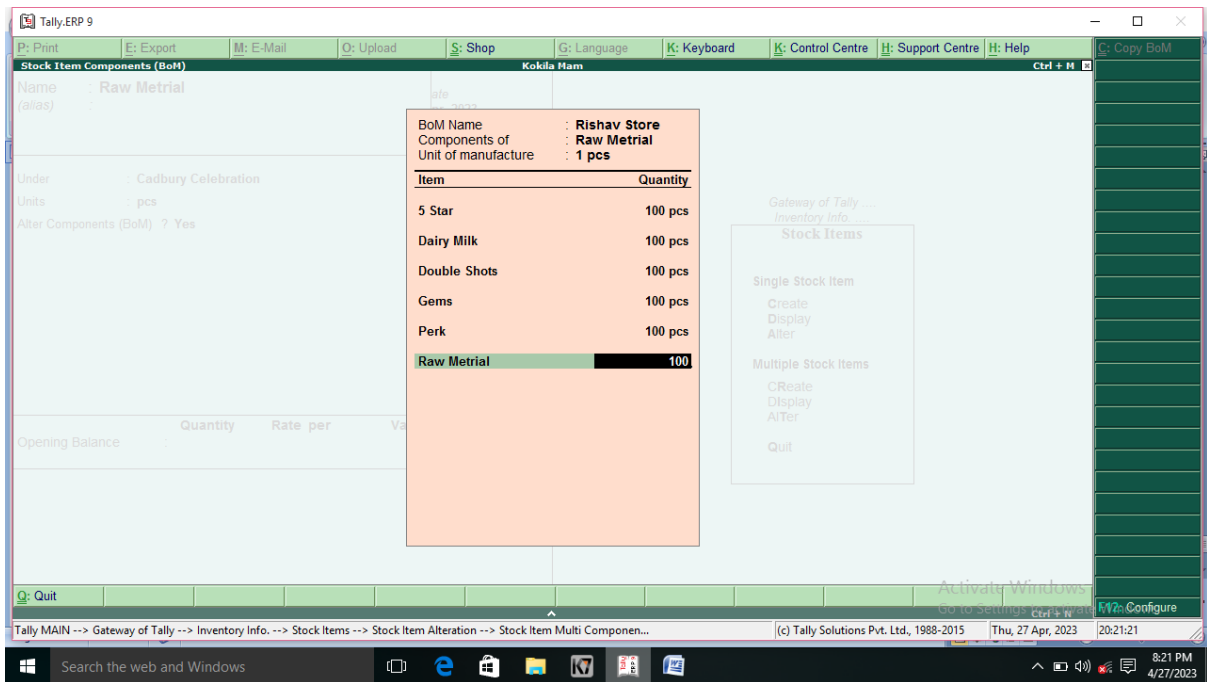
Figure 7.8

Step 7:

Gateway of Tally → Account info → Ledger → Multiple → Create

Sl. No.	PARTICULARS	UNDER
1.	Purchase	Purchase
2.	Rishav Store	Sundry Creditors
3.	Labour Charges	Indirect Expenses
4.	Sales	Sales
5.	Shuvam Stores	Sundry Debtors

Figure 7.9

Step 8:

Gateway of Tally → Accounting Vouchers → F9 Purchase → Ctrl + V
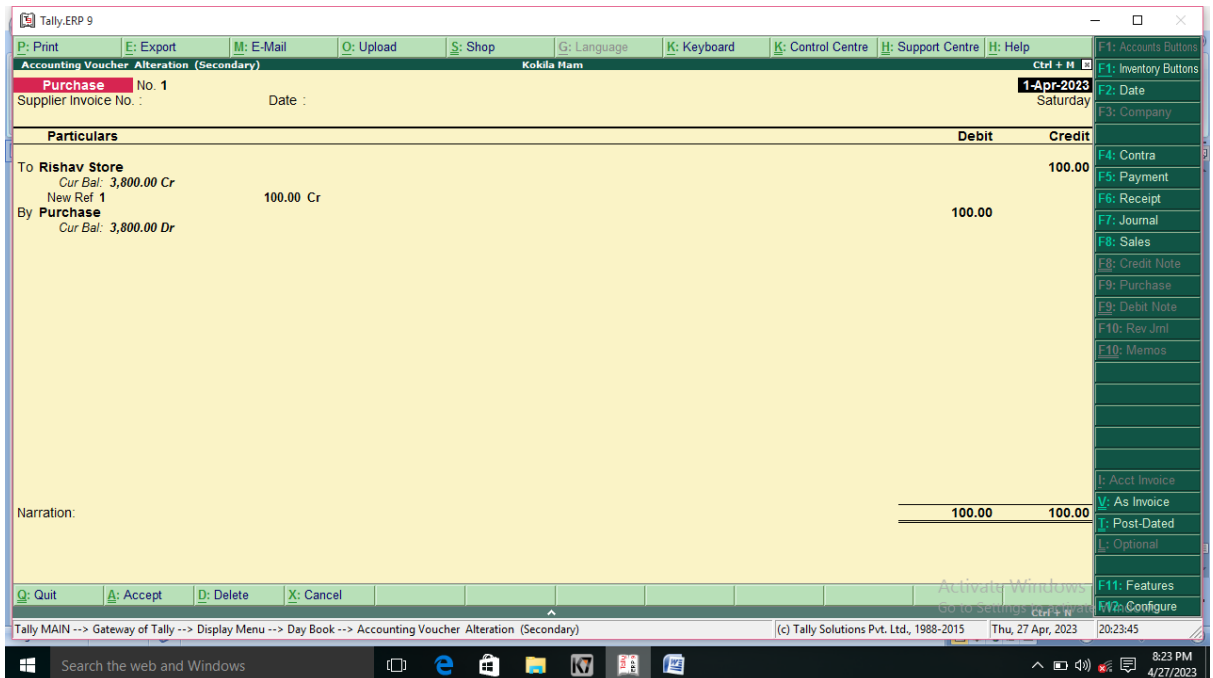
Figure 7. 10

(i) **Purchase (F9)**

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Purchase a/c ………………………... Dr	100	
To Rishav a/c		100

(ii) **Payment (F5)**

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Labour charges a/c …………………... Dr	500	
To Cash a/c		500

(iii) **Receipt (F6)**
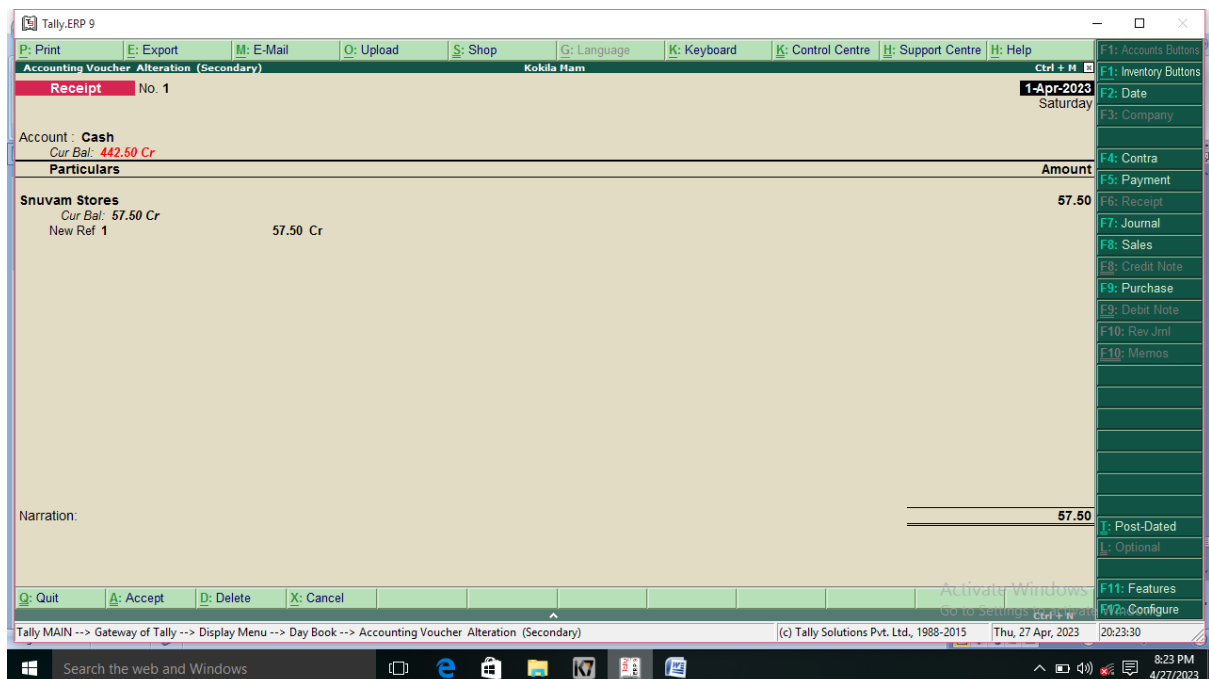
Figure 7. 11

PARTICULARS	DEBIT Rs.	CREDIT Rs.
Cash a/c ……………………... Dr	57.50	
To Shuvam a/c		57.50

VOUCHER TYPE

Name : Rishav Stores

Name of Product: Purchase

Quantity : 1

Sl. No.	Name of Item	Quantity	Rate	Amount Rs.
1.	Perk	100	7	700
2.	Dairy Milk	100	8	800
3.	Gems	100	8	800
4.	Double Shots	100	8	800
5.	5 Star	100	6	600
		500		3,700

Report:

Gateway of Tally → Display → Inventory Books → Movement Analysis →
Stock Group Analysis → Cadbury Celebration → 2 Time press the Enter button

Figure 7.12

EXAMPLE: 8

Create the following stock particulars for Vimal Distribution

Stock Item	Stock Group	Sub stock Group	Units of Measures	Opening Quantity	Unit Price
Bourbon	Biscuits	Cream Biscuits	Packet of 10 Pieces	500 Pcs	10/pkt
Horlicks	Biscuits	Plain Biscuits	Packet of 10 Pieces	1000 pkts	15/pkt
Lacto king	Chocolates	Candy	Packet of 50 Pieces	250 pkts	1/pce
Five star	Chocolates	Bar	Box of 100 Pieces	50 Boxes	10/piece
Lays	Snacks	Potato chips	Box of 100 pieces	150 pkts	10/pkt
Sunfest	Biscuits	Plain biscuits	Packet of 10 pieces	100 pkts	12/pkt
Bournvita	Biscuits	Plain biscuits	Packet of 10 pieces	800 pkts	20/pkt
Alphenliebe	Chocolates	Candy	Packet of 50 Pieces	100 pkts	1/pce
Dairy Milk	Chocolates	Bar	Box of 100 Pieces	250 Boxes	10/piece

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Bingo	Snacks	Potato chips	Box of 100 packets	300 boxes	15/pkt

SOLUTION:

Step 1:

Start → Programme → Tally 9 → Gateway of Tally →Alt + F3/F1 →Create

Company → (Accounts with inventory) → Save

Step 2:

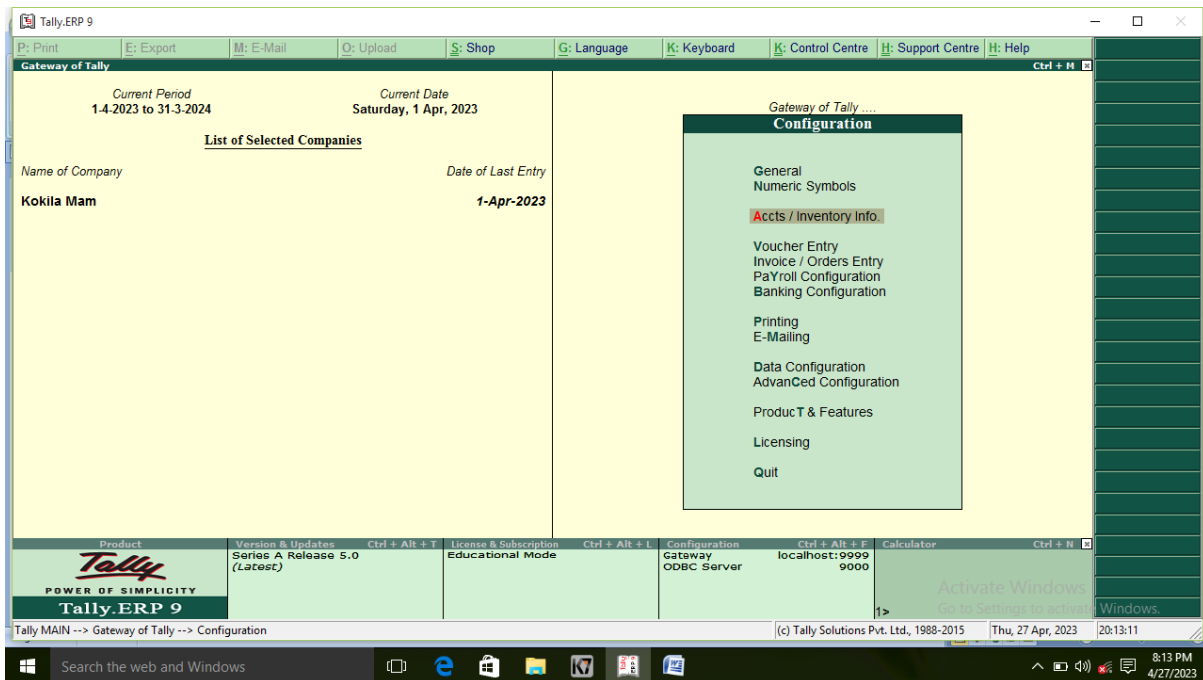Gateway of Tally → F2 → Inventory features

    (ii)   Integrate Accounts and Inventory → Yes

    (iii)   Allowing Invoice → Yes

    (iv)   Maintain Stock Categories → Yes

    (v)   Maintain Multiple Godowns → Yes

Step 3:

Gateway of Tally → F11 → Accounting Features →Maintain Bill wise Details →

Yes

Step 4:

Gateway of Tally → Inventory info → Units of Measure → Create

    (i) Type   : Simple

      Symbol   : Pcs

      Formal Name   :

      Number of Decimal Place : 0

    (ii) Type   : Simple

      Symbol   : Pckts

      Formal Name   :

Number of Decimal Place : 0

(iii) Type   **:** Simple

    Symbol   **:** Box

    Formal Name   **:**

    Number of Decimal Place : 0

Step 5:

Gateway of Tally → Inventory info → Stock Group → Multiple → Create

Sl. No.	SUBSTOCK GROUP	UNDER	ITEM AND ADD
1.	Cream Biscuits	Primary	Yes
2.	Plain Biscuits	Primary	Yes
3.	Candy	Primary	Yes
4.	Bar	Primary	Yes
5.	Potato Chips	Primary	Yes
6.	Plain Biscuits	Primary	Yes
7.	Plain Biscuits	Primary	Yes
8.	Candy	Primary	Yes
9.	Bar	Primary	Yes
10.	Potato Chips	Primary	Yes

Step 6:

Gateway of Tally → Inventory Info → Godowns →Multiple Godown → Create

SL. No.	Name of Godown	Under

	1.	First Floor	Primary
	2.	Second Floor	Primary

Step 6:

Gateway of Tally → Inventory Info → Stock Item →Multiple → Create

Sl. No.	Name of Item	Under	Categories	Unit	Opening	Rate (RS.)	Amt (RS.)
1.	Bourbon	Cream Biscuits	Not Applicable	Packet	500	10	5,000
2.	Horlicks	Plain Biscuits	Not Applicable	Packet	1000	15	15,000
3.	Lacto king	Candy	Not Applicable	Packet	250	1	250
4.	Five Star	Bar	Not Applicable	Box	50	10	500
5.	Lays	Potato chips	Not Applicable	Box	150	10	1,500
6.	Sunfest	Plain biscuits	Not Applicable	Packet	100	12	1,200
7.	Bournvita	Plain biscuits	Not Applicable	Packet	800	20	16,000
8.	Alphenliebe	Candy	Not Applicable	Packet	100	1	100
9.	Dairy Milk	Bar	Not Applicable	Box	250	10	2,500
10.	Bingo	Potato chips	Not Applicable	Box	300	15	4,500

Report:

(i) Gateway of Tally → Stock Summary

Figure 8.1

(ii)   Gateway of Tally → Display → Statement of Inventory →Categories →

Primary

Figure 8.2

(iii)   Gateway of Tally → Profit and Loss account

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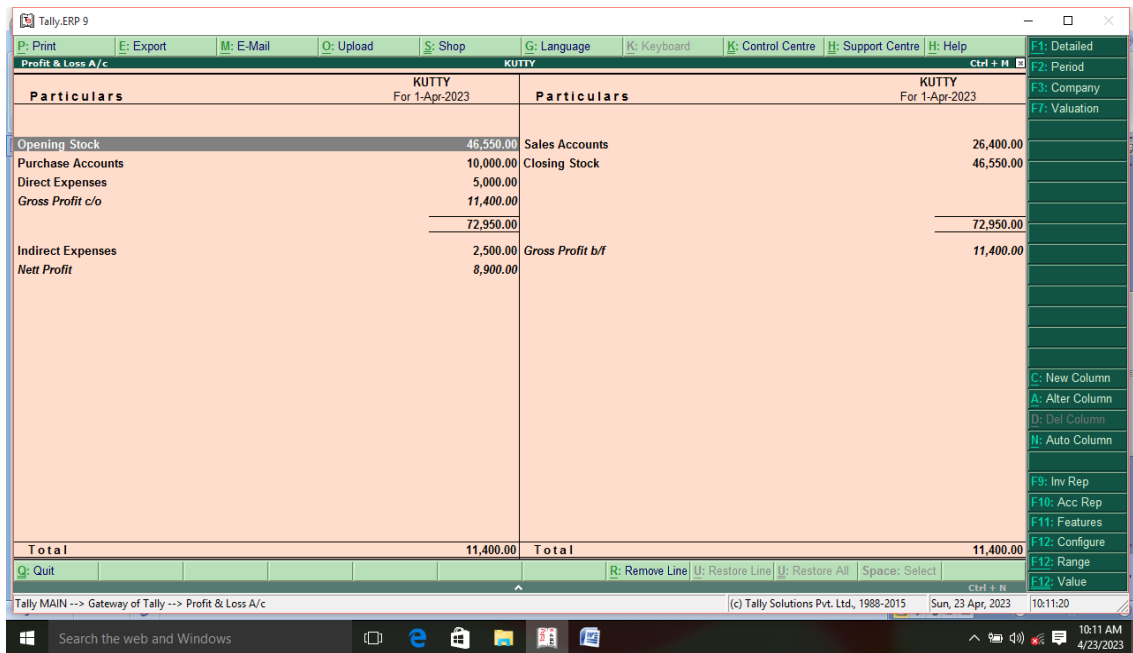
Figure 8.3

EXAMPLE: 9

On 1ˢᵗ October 2017 purchase raw material in cash for manufacture of pressure cooker voice GST-0111

Sl. No.	Item name	Qty	Rate	GST rate
1	Handel set	100 pcs	50	28%
2	Rubber gasket	100 pcs	3.10	28%
3	Aluminium circle sheet	100 kg	190	18%
4	Safety valve	100 pcs	25	18%
5	Weight set	100 pcs	50	18%
6	Vent tube	100 pcs	53	18%
7	Pressure cooker manual	100 pcs	5	12%
8	Pressure cooker box	100 pcs	11	12%

Pass the necessary entry

SOLUTION:

Step 1:

Start → Programme → Tally 9 → Gateway of Tally →Alt F3 →Create Company

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→ Save

Step 2:

Gateway of Tally → F11 → Inventory Features

(i) Integrate accounts and Inventory → Yes

(ii) Allowing Invoice → Yes

(iii) Maintain Stock Categories → Yes

(iv) Maintain Multiple Godowns → Yes

Step 3:

Gateway of Tally → F11 → Accounting features → Maintain Bill Wise Details →

Yes

Step 4:

Gateway of Tally →Account info → Ledgers → Multiple → Create

(i) XY & Co → Sundry Creditors

(ii) AB & Co → Sundry Creditors

(iii) NM & Co → Sundry Creditors

(iv) Purchases → Purchases

(v) GST → Taxes

Step 5:

Gateway of Tally → Inventory info → Units of Measure → Create

(i) Type : Simple

Symbol : Nos

Formal Name : Pcs

Number of Decimal Place : 0

(ii) Type : Simple

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Symbol   **:** No

Formal Name   **: Kg**

Number of Decimal Place : 0

Step 6:

Gateway of Tally → Inventory info → Stock Group → Multiple → Create

Sl. No.	Name of the Stock Group	Under	Item and add
1.	Pressure Cooker	Primary	Yes

Step 7:

Gateway of Tally → Inventory info → Stock Categories → Single → Create

Sl. No.	Name of Categories	Under
1.	Manufacture	Primary

Step 8:

Gateway of Tally → Inventory info → Stock Item → Multiple → Create

Sl. No.	Name of Item	Under	Categories	Unit
1.	Handel set	Primary	Manufacture	Pcs
2.	Rubber gasket	Primary	Manufacture	Pcs
3.	Aluminium circle sheet	Primary	Manufacture	Kg
4.	Safety valve	Primary	Manufacture	Pcs
5.	Weight set	Primary	Manufacture	Pcs
6.	Vent tube	Primary	Manufacture	Pcs
7.	Pressure cooker manual	Primary	Manufacture	Pcs

8.	Pressure cooker box	Primary	Manufacture	Pcs

(i) Purchase (F9)

> **Party Name:** XY & Co
>
> **Ledger:** Credit Purchase

Sl. No.	Name of Item	Quantity	Rate Rs.	Amount Rs.
1.	Handel set	100	50	5,000
2.	Rubber gasket	100	3.10	310
		TOTAL		5,310
		Less: GST 28%		1,486.8
				3,513.2

(ii) Purchase (F9)

> **Party Name:** AB & Co
>
> **Ledger:** Credit Purchase

Sl. No.	Name of Item	Quantity	Rate Rs.	Amount Rs.
1.	Aluminium circle sheet	100	190	19,000
2.	Safety valve	100	25	2,500
3.	Weight set	100	50	5,000
4.	Vent tube	100	53	5,300
		TOTAL		**31,800**
		Less: GST 18%		5,724
				26,076

(iii) Purchase (F9)

> **Party Name:** NM & Co
>
> **Ledger:** Credit Purchase

Sl. No.	Name of Item	Quantity	Rate (Rs.)	Amount (Rs.)
1.	Pressure cooker manual	100	5	500
2.	Pressure cooker box	100	11	1,100
		TOTAL		1,600
		Less: GST 12%		192
				1,408

Report:

(i) Gateway of Tally → Stock Summary

Figure 9.1

(ii) Gateway of Tally → Display → Statement of Inventory →Categories

Figure 9.2

(iv)   Gateway of Tally → Profit and Loss account

Figure 9.3

EXAMPLE:10

Generate salary slip from the following particulars

Date	Name	Pay Heads	Amout Rs.	Dr/Cr
30.04.2020	Thamizhselvan	Basic pay	30000	Dr
		D.A	15000	Dr
		H.R.A	2500	Dr
		C.C.A	1500	Dr
		Gratuity	2000	Cr
		P.F	1000	Cr
30.04.2020	Malar	Basic pay	25000	Dr
		D.A	9000	Dr
		H.R.A	1500	Dr
		C.C.A	1000	Dr
		Gratuity	1500	Cr
		P.F	800	Cr
30.04.2020	Manimaran	Basic pay	20000	Dr
		D.A	7000	Dr
		H.R.A	5000	Dr
		C.C.A	3000	Dr
		Gratuity	2000	Cr
		P.F	3000	Cr
30.04.2020	Palani	Basic pay	20000	Dr
		D.A	7500	Dr
		H.R.A	6000	Dr
		C.C.A	3500	Dr
		Gratuity	2500	Cr
		P.F	4000	Cr

SOLUTION:

Step 1: Company Creation

Start → Programme → Tally 9 → Gateway of Tally →Alt F3 →Create Company

(accounts only) → Save

Step 2: Accounting Features

Gateway of Tally → F11 → Accounting Features

(i) Maintain Payroll→ Yes

(ii) More than ONE Payroll / Category → Yes

Step 3:

Gateway of Tally → Payroll info → Units (work) → Create → Save

Type: Simple

Symbol: Days

Step 4: Pay Heads Create

Gateway of Tally → Payroll info → Pay heads→ Create

(i)   **Name**   **: Basic Pay**

       Pay Head Type   **:** Earnings for Employees

       Under   **:**   Indirect Expenses

       Calculation Type   **:** Flat Rate

       Calculation Period : Days

(ii)   **Name**   **: D.A**

       Pay Head Type   **:** Earnings for Employees

       Under   **:**   Indirect Expenses

       Calculation Type   **:** Flat Rate

       Calculation Period   **:** Days

       Appears in Pay slip   **:** Yes

       Name of Appears in Pay slip: D.A

(iii)   **Name**   **: H.R.A**

       Pay Head Type   **:** Earnings for Employees

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	Under	: Indirect Expenses
	Calculation Type	: Flat Rate
	Calculation Period	: Days
	Appears in Pay slip	: Yes

Name of Appears in Pay slip: H.R.A

(iv)   Name   : C.C.A

      Pay Head Type : Earnings for Employees

      Under : Indirect Expenses

      Calculation Type : Flat Rate

      Calculation Period : Days

      Appears in Pay slip : Yes

      Name of Appears in Pay slip: C.C.A

(v)   Name   : Gratuity

      Pay Head Type : Earnings for Employees

      Under : Indirect Expenses

      Calculation Type : Flat Rate

      Calculation Period : Days

      Appears in Pay slip : Yes

      Name of Appears in Pay slip: Gratuity

(vi)   Name   : P.F

      Pay Head Type : Earnings for Employees

      Under : Indirect Expenses

      Calculation Type : Flat Rate

      Calculation Period : Days

      Appears in Pay slip : Yes

      Name of Appears in Pay slip: P.F

Step 5:

      Gateway of Tally → Payroll info → Employee Groups → Create

Category: Primary Cost Category

Name   : Employees

Under   : Primary

Step 6:

Gateway of Tally → Payroll info → Employee → Multiple → Create

Under Employee Groups: Employees

S.No	Category	Employee Name	Under
1.	Primary Cost Category	Tamizhselvan	Employee
2.	Primary Cost Category	Malar	Employee
3.	Primary Cost Category	Manimaran	Employee
4.	Primary Cost Category	Palani	Employee

Step 7:

Gateway of Tally → Payroll Vouchers

Payroll Account: Cash

Particulars		Amount (RS.)
TAMIZHSELVAN		**46,000 Dr.**
Basic pay	30,000 Dr.	
D.A	15,000 Dr.	
H.R.A	2,500 Dr.	
C.C.A	1,500 Dr.	
Gratuity	2,000 Cr.	
P.F	1,000 Cr.	
MALAR		**34,200 Dr.**
Basic pay	25,000 Dr.	
D.A	9,000 Dr.	
H.R.A	1,500 Dr.	
C.C.A	1,000 Dr.	

Gratuity	1,500 Cr.	
P.F	800 Cr.	
MANIMARAN		**30,000 Dr.**
Basic pay	20,000 Dr.	
D.A	7,000 Dr.	
H.R.A	5,000 Dr.	
C.C.A	3,000 Dr.	
Gratuity	2,000 Cr.	
P.F	3,000 Cr.	
PALANI		**30,500 Dr.**
Basic pay	20,000 Dr.	
D.A	7,500 Dr.	
H.R.A	6,000 Dr.	
C.C.A	3,500 Dr.	
Gratuity	2,500 Cr.	
P.F	4,000 Cr.	
		1,40,700 Dr.

Report:

Gateway of Tally → Display → Payroll Report → Statement of Payroll → Paysheet

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Figure 10.1

EXAMPLE: 11

Journal / voucher entry the following transactions in the accounting book of shri Kushal Cloth Store.

1. Shri kushal cloth store started from Rs. 5 lakh.

2. Opened an account with SBI Bank Dhamtari for Rs. 3 lakhs.

3. Purchased furniture worth Rs 10,000 for the shop.

4. Purchased clothes worth Rs 2 lakh from Shree Cloth Store Raipur and gave 12% GST.

   2000 rupees of electricity bill.

5. Gave 100 rupees for tea Nasta.

6. 1500 bill of telephone bill paid by Cheque.

7. Interest of Rs. 1500 was received from SBI Bank.

8. 5000 rupees of rent paid by Cheque.

9. Sold clothes worth Rs. 1 lakh to Shri Trisha Cloth Center Colliery with 12% GST.

10. The train fare was given 2500 rupees.

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11. Shree Cloth Store Raipur sent back the clothes of 15000 rupees on receipt of damage.

12. Office maintenance given 2000 rupees.

13. Withdraw 5000 rupees from SBI Bank for petty cash.

14. Shree Trisha returned from Cloth Center Colliery due to damage of clothes worth Rs 10 thousand.

15. Bank of Baroda Bank got a Cheque of 90 thousand rupees from Shri Trisha Cloth Center Colliery.

16. Paid 50 thousand rupees to Mr. Cloth Store Raipur and received 5 percent cash discount.

17. The clothes worth 2 thousand rupees have deteriorated.

18. Purchased a computer system of Rs. 15000 for the shop.

19. 5000 rupees given for the decoration of the shop.

20. Rs 5000 given for decoration of shop.

Solution –

Before entering Voucher in Tally, we have to create the ledger of all the transactions, so let's first create the ledger –

1. Go to the gateway of tally
2. Accounts Info
3. Select Ledger
4. Create

Now the screen of the ledger creation will be displayed in front of you, in which create all the ledger one by one and yes to the GST while creating the GST Ledger and fill the relevant information.

Ledger	Ledger Under Group
Capital A/c	Capital Account
SBI Bank Dhamtari	Bank Account
Furniture A/C	Fixed Account
Purchase A/c	Purchase Account

Ledger	Ledger Under Group
SGST	Duties & Taxes
CGST	Duties & Taxes
IGST	Duties & Taxes
Shri Cloth Store Raipur	Sundry Creditor
Electricity Bill A/c	Indirect Expenses
Food & Snacks	Indirect Expenses
Telephone Bill A/c	Indirect Expenses
Bank Interest Received A/c	Indirect Income
Rent	Indirect Expenses
Trisha Cloth Center	Sundry Debtor
Sales	Sales
Wages A/c	Direct Expenses
Purchase Return A/c	Purchase Account
Petty Cash A/c	Cash Account
Sales Return	Sales
Cash Discount Received A/c	Indirect Income
Cloth Damage	Indirect Expenses
Computer System A/C	Fixed Assets

Transaction 1

    5 lakh rupees Shri Kushal cloth store started.

Voucher entry in Receipt Voucher F6

Capital A / c Dr. 5,00,000

    To Cash Cr. 5,00,000

(Shri kushal cloth store started from 5 lakh rupees.)

Transaction 2.

    Opened an account with SBI Bank Dhamtari for Rs. 3 lakhs.

Voucher entry in Contra Voucher F4

SBI Bank Dhamtari A / c Dr. 3,00,000

    To Cash A / c Cr. 3,00,000

(Account opened in SBI Bank Dhamtari with Rs. 3 Lakh)

Transaction 3.

    Purchased furniture of Rs. 10,000 for the shop.

Voucher entry in Payment Voucher

Furniture A / c Dr. 10,000

    To Cash A / c cr. 10,000

(Purchased furniture worth Rs 10,000 for the shop.)

Transaction 4.

    Purchased clothes worth Rs 2 lakh from Shree Cloth Store Raipur and gave 12% GST.

Voucher entry in purchase Voucher

Purchase A / c Dr. 2,00,000

CGST A / c Dr. 12,000

SGST A / c Dr. 12,000

    To shri cloth store raipur a/c 2,24,000

(Buy clothes worth Rs 2 lakh from Shree Cloth Store Raipur and give 12% GST)

Transaction 5.

    2,000 rupees of electricity bill.

Voucher entry in Payment Voucher

Electricity bill A / c Dr. 2,000

    To cash ac / c cr. 2,000

(2,000 rupees of electricity bill.)

Transaction 6.

Gave 100 rupees of chai nasta.

Voucher entry in Payment Voucher

Food & Snacks A / c Dr. 100

To Cash A / c Cr. 100

(Tea Nasta given 100 rupees)

Transaction 7.

1,500 bill of telephone bill paid by check.

Voucher entry in Payment Voucher

Telephne Bill Dr. 1,500

To SBI Bank A / c Cr. 1,500

(1,500 bill of telephone bill paid by check)

Transaction 8.

Interest of Rs. 1,500 was received from SBI Bank.

Voucher entry in Receipt Voucher

SBI Bank A / c Dr. 1,500

To Bank Interest Received a/ c Cr. 1,500

(Interest of Rs. 1,500 received from SBI Bank)

Transaction 9.

5,000 rupees of rent paid by cheque.

Voucher entry in Payment Voucher

Rent a / c Dr. 5,000

To SBI Bank a / c Cr. 5,000

(5,000 rupees of rent paid by cheque)

Transaction 10.

Sold clothes worth Rs. 1 lakh to Shri Trisha Cloth Center Colliery with 12% GST.

Voucher entry in Sales Voucher

Shri Trisha cloth Center 1,12,000

To Sales A / c Cr. 1,00,000

To CGST A / c Cr. 6,000

To SGST A / c Cr. 6,000

(1 lakh rupees sold to Shri Trisha Cloth Center Colliery with 12% GST)

Transaction 11.

The train fare was given 2,500 rupees

Voucher entry in Payment Voucher

Wages A / c Dr. 2,500

To Cash A / c Cr. 2,500

(2,500 rupees for train fare)

Transaction 12.

Shree Cloth Store Raipur sent back on 15,000 rupees after receiving damage.

Voucher entry in Journal Voucher

Shri Cloth Store Raipur Dr. 15,000

To Purchase Return A / c Cr. 13,800

To CGST A / c Cr.   600

To SGST A / c Cr.   600

(Shree Cloth Store Raipur sent back on receipt of Damage of Rs. 15,000)

Transaction 13.

Office maintenance given 2,000 rupees.

Voucher entry in Payment Voucher

Office Maintenance a / c Dr. 2,000

To Cash a/ c Cr. 2,000

(Office maintenance 2,000 rupees given)

Transaction 14.

Withdraw 5,000 rupees from SBI Bank for petty cash.

Voucher entry in Payment Voucher

Petty Cash A / c Dr. 5,000

To SBI Bank A / c Cr. 5,000

(Withdraw 5,000 rupees for petty cash from SBI bank)

Transaction 15.

Shri Trisha returned from Cloth Center Colliery due to damage of clothes worth Rs. 10 thousand.

Voucher entry in Journal Voucher

Sales Reutrn A / c Dr. 8,800

CGST A / c Dr. 600

SGST A / c Dr. 600

To Tirsha Cloth Center A / c Cr. 10,000

(Shri Trisha Cloth Center returned from colliery due to damage of clothes worth Rs. 10 thousand)

Transaction 16.

Bank of Baroda bank cheque received from Shri Trisha Cloth Center Colliery for Rs. 90 thousand.

Voucher entry in Receipt Voucher

SBI Bank Dhamtari A / c Dr. 90,000

To Trisha Cloth Center Cr. 90,000

(Cheque of Bank of Baroda Bank got check of Rs. 90 thousand from Shri Trisha Cloth Center Colliery, Cheque Number 461556.)

Transaction 17.

Paid 50 thousand rupees to Mr. Cloth Store Raipur and received 5 percent cash discount.

Voucher entry in Payment Voucher

Shri Cloth Store Raipur Dr. 50,000

To Cash Discount Received Cr. 5,000

To Cash A / c Cr. 45,000.

(Paid Rs. 50 thousand to Mr. Cloth Store Raipur and received 5 percent cash discount)

Transaction 18.

2 thousand rupees of clothes went bad.

Voucher entry in Journal Voucher

Cloth Damaged A / c Dr. 2,000

To Purchase A / c Cr. 2,000

(2 thousand rupees of clothes spoiled)

Transaction 19.

Purchased a computer system of Rs. 15,000 for the shop.

Voucher entry in Payment Voucher

Computer System Dr. 15,000

To Cash A / c Cr. 15,000

(Purchased a computer system of Rs. 15,000 for the shop)

Transaction 20.

Rs 5,000 given for decoration of shop

Voucher entry in Payment Voucher

Office Maintenance A / c Dr. 5,000

To Cash A / c Cr. 5,000

(Office maintenance given Rs. 5,00)

****

EXERCISES

1. Enter the following transactions in the voucher entry

1.1.2021 Commenced business with cash Rs.1,80,000

2.1.2021 Deposited into Indian bank Rs.55,000

4.1.2021 Purchases goods for cash Rs.22,000

5.1.2021 Bought goods of Siva Rs.72,000

8.1.2021 Cash sales Rs.16,200

11.1.2021 Cash deposited into Bank Rs.23,000

14.1.2021 Purchased furniture for cash Rs.4,000

16.1.2021 Sold goods to Ram Rs.12,700

17.1.2021 Received cash from Ram Rs.12,446

18.1.2021 Paid Siva Cash Rs.12,000 and Discount allowed by him Rs.240

20.1.2021 Paid Wages Rs.1,800

21.1.2021 Sold goods to Raj Rs.35,000

22.1.2021 Paid cash for trade expenses Rs.150

24.1.2021 Sold goods to Roja Rs. 23,280

2. Enter the following transactions of the company in Tally and show various reports

1.   Ashok starts business with Rs. 1,00,000/-

2.   Purchase machinery for Rs. 50,000/ and furniture for Rs. 10,000

3.   Paid amount for rent Rs. 1,000/

4.   Deposits Rs. 10,000/- in Bank

5.   Purchase of goods for Rs. 20,000/ from Mr. Ram on credit.

6.   Sold goods to Mr. Rakesh for Rs. 10,000/

7.   Rs. 5,000/ withdraws from bank for personal use.

8.   Withdraws Rs. 1,000/ for office use.

9.   Received cash from Mr. Rakesh.

10.   Paid to Mr. Ram.

3. Bill of Material

        Purchase the following items from Krishna Stores vide Ref No./Invoice No. 02/19-20

Sl. No.	Particulars	Under	Rate	Qty (Pcs)	Amount	Godown
1	Dinner Plate	Raw Materials	150	600	90000	Bowbazar
2	Quarter Plate	Raw Materials	100	600	60000	Bowbazar
3	Veg Bowl	Raw Materials	75	600	45000	Bowbazar
4	Serving bowl	Raw Materials	200	200	40000	Bowbazar
5	Oval Platter	Raw Materials	350	100	35000	Bowbazar

After purchase all the items the company has decided to create 50 box finished goods named "Imperial Dinner Set –

21 Pcs" containing the above items in the following manner for each finished goods:

Sl. No.	Particulars	Qty (Pcs)
1	Dinner Plate	6
2	Quarter Plate	6
3	Veg Bowl	6
4	Serving bowl	2
5	Oval Platter	1

Additional cost will be added with each set of finished goods Rs. 100 per box and labour charges of Rs.5000

Sold 25 boxes of "Imperial Dinner Set – 21 Pcs" @ 15% Profit on cost to Keshav Stores (Invoice No.S/002)

4. The following balance sheet has been prepared from the books of Bright on 1-4-2018.

Liabilities	₹	Assets	₹
Capital	2,26,000	Machinery	1,00,000
Sundry creditors:		Furniture	10,000
Ramesh A/c	24,000	Stock	20,000
		Sundry debtors	
		Shankar	50,000
		Cash in hand	15,000
		Cash at bank	55,000
	2,50,000		2,50,000

During the year the following transactions took place:

a)   Wages paid by cash ₹ 2,000

b)   Rent paid by cheque ₹ 5,000

c)   Cash purchases made for ₹ 3,000

d)   Good purchased on credit from Senthamarai ₹ 15,000

e)   Goods sold on credit to Pushparaj ₹ 25,000

f)   Payment made to Senthamarai by cheque ₹ 5,000

g)   Cash received from Shankar ₹ 30,000

h)   Cash sales made for ₹ 6,000

i)   Depreciate machinery at 10%

j)   Closing stock on 31.03.2019 ₹ 15,000

You are required to prepare trading and profit and loss account for the year ended 31-03-2019 and a balance sheet as on that date using Tally.

5. On 01-07-2017 I Tech LTD Purchase some goods for office use from Great shop (Harsh vihar , Delhi) and charged IGST (invoice no-GST01)

Sl. No.	Particular	Qty	Rate	Amount	Dis.	GST
1.	Phool Bhari Jhadoo	8 pcs	60	480	10%	0%
2.	Tea	5 kg	55	275	10%	5%
3.	Umbrella	10 pcs	60	600	10%	12%
4.	Soap	20 pcs	25	500	10%	18%
5.	Fridge	1pcs	11,500	11,500	20%	28%

Pass the entry in the books of I Tech LTD. GSTIN is (07DQTCK9758M1ZG)

6. On 01-01-2018 purchased 500 nos office file @Rs.30 each from the Stationery House with

the invoice no-GST/05/2017-18 and paid GST@12%, GST

On 02-01-2018 purchased 100 pcs of stapler @ Rs.20 each from stationery House with the invoice no-GST/09/2017-18 and paid GST@18%

On 05-01-2018 purchased 200 nos of Markers @ Rs.35 each from stationery House with the invoice no-GST/352/2017-18 and paid GST@18%.

Pass the necessary Entry.

MODEL QUESTIONS

Manonmaniam Sundaranar University. Tirunelveli 627 012

BBA Degree Practical Examinations – April / May 2023

CSBAP2 – Computer applications in Business – II

1. Pass the following entries and create a company as per details given below

   (i)   Ramesh started " Ram & C0" by bringing capital Rs. 1,00,000
   (ii)   He deposited Rs. 10,000 cash at AXIS bank
   (iii) He paid electricity bill for Rs.600 by cash
   (iv) He withdrawn Rs. 2,000 cash for his personal use
   (v)   He purchased 10 computers @ Rs.25,000 per computer from Camel Ltd entered with 12 % GST
   (vi) He sold 5 computers @ Rs.30,000 per computer to Sonia Ltd entered with 12 % GST
   (vii) He received Rs. 6000 as commission from Sumesh by cash
   (viii) He paid house rent for Rs.3,000 by cash
   (ix) He withdrawn Rs 3,000 from AXIS bank
   (x)   He purchased furniture for Rs. 5,000 by cash for office use

2. Record the following transaction that took place during the April to September 2022 and Create appropriate groups and ledgers

S.No	Transactions	Item	Quantity	amount
1	Purchase from Suresh	Reynolds Pen	20	200
2	Sales to Vani	Parker Pen	125	2400
3	Sales to Ragu	Camel Geometry	100	7500
4	Paid money to Suresh in full settlement for the transaction at Ser.No 1 above			190
5	Received from Vani and Ragu Rs.9,500 cash in full settlement for their asset transaction at Ser.No 2 and 3 above.			
6	Paid to Manoj			1000
7	Purchase from Hari	Parker Pen	15	1600
8	Purchase from Manoj	Reynolds pen	18	360
9	Sales to Priya	Pilot Pen	100	15000
10	Purchased furniture			2500
11	Paid insurance premium			1560
12	Sold all the investments			25000
13	Paid 1. Outstanding salaries 2. Electricity charges 3. Tax of the last year			2000 1000 23000
14	Out standing 1. Salaries 2. Provision for Tax			5000 24000

Charge depreciation for the period 1.4.2020 to 30.9.2020 on furniture @ 20% p.a and Machinery @10% p.a.

3. Record the following transaction that took place during the April to September 2022 and Enter the transaction as given selecting appropriate voucher type

S.No	Transactions	Item	Quantity	amount
1	Purchase from Suresh	Reynolds Pen	20	200
2	Sales to Vani	Parker Pen	125	2400
3	Sales to Ragu	Camel Geometry	100	7500
4	Paid money to Suresh in full settlement for the transaction at Ser.No 1 above			190
5	Received from Vani and Ragu Rs.9,500 cash in full settlement for their asset transaction at Ser.No 2 and 3 above.			
6	Paid to Manoj			1000
7	Purchase from Hari	Parker Pen	15	1600
8	Purchase from Manoj	Reynolds pen	18	360
9	Sales to Priya	Pilot Pen	100	15000
10	Purchased furniture			2500
11	Paid insurance premium			1560
12	Sold all the investments			25000
13	Paid 3. Outstanding salaries 4. Electricity charges 5. Tax of the last year			2000 1000 23000
14	Out standing 6. Salaries 7. Provision for Tax			5000 24000

Charge depreciation for the period 1.4.2020 to 30.9.2020 on furniture @ 20% p.a and Machinery @10% p.a.

4. Record the following transaction that took place during the April to September 2022 and prepare the cash book .

S.No	Transactions	Item	Quantity	amount
1	Purchase from Suresh	Reynolds Pen	20	200
2	Sales to Vani	Parker Pen	125	2400
3	Sales to Ragu	Camel Geometry	100	7500
4	Paid money to Suresh in full settlement for the transaction at Ser.No 1 above			190
5	Received from Vani and Ragu Rs.9,500 cash in full settlement for their asset transaction at Ser.No 2 and 3 above.			
6	Paid to Manoj			1000
7	Purchase from Hari	Parker Pen	15	1600
8	Purchase from Manoj	Reynolds pen	18	360
9	Sales to Priya	Pilot Pen	100	15000
10	Purchased furniture			2500
11	Paid insurance premium			1560
12	Sold all the investments			25000

13	Paid			
	4. Outstanding salaries			2000
	5. Electricity charges			1000
	6. Tax of the last year			23000
14	Out standing			
	7. Salaries			5000
	8. Provision for Tax			24000

Charge depreciation for the period 1.4.2020 to 30.9.2020 on furniture @ 20% p.a and Machinery @10% p.a.

5. From the following Trial Balance, prepare Trading. Profit & Loss A/c and a Balance Sheet as on 31st March, 2021 :

Particulars	Debit	Credit
Machinery	14,000	
Furniture	200	
Opening stock	2,000	
Wages	5,000	
Purchases	10,500	
Return inward	400	
Cash at bank	800	
Cash in hand	200	
Debtors	2,400	
Drawings	1,000	
Manufacturing expenses	800	
Rent	400	
Depreciation	420	
Sundry expenses	400	
Repairs	50	
Traveling expenses	100	
Bad debts	150	
Printing and stationary	50	
Carriage	130	
Capital		10,000
Sales		26,800
Creditors		1,700
Return outward		500
	39000	39000

The value of closing stock was Rs.11,355

6. BY using Tally create voucher & ledger with adjustments Surendra commenced business on 1 March 2022.His transactions for the month are given below

Date	Particulars	Amount (in Rs.)
1.3.22	Started business with out of	80,000
	Which paid into bank	20,000
5.3.22	Bought goods of Ram	12,000
5.3.22	Bought goods from Suresh & Co	10,000
7.3.22	Sold goods to Rajesh	8,000
7.3.22	Sold goods to Mahesh	10,000
10.3.22	Received cheque from	6,800

Date	Particulars	Amount
	Rajesh	
	Discount allowed	200
12.3.22	Paid into Central Bank of India	8,000
14.3.22	Paid to Suresh & Co	9,000
	Discount received	200
17.3.22	Sold goods to Jagadish	7,200
17.3.22	Sold goods to Suresh	2,600
17.3.22	Sold goods to Mahesh	6,500
21.3.22	Payment received by cheque from Jagadish	5,200
25.3.22	Paid to Ram by Cheque	6,800
	Discount allowed by Ram	200
27.3.22	Received cheque from Jagadish in full settlement of his account	1,800
27.3.22	Mahesh returned goods not upto the sample	2,000
28.3.22	Bought goods for cash	15,000
31.3.22	Paid wages by cheque	1,000
31.3.22	Paid office expenses in cash	5,000
31.3.22	Paid salaries for the month	12,500

7.Create Taxation Ledgers in Tally.

(i) Purchase from Venus Electronics, 5 CDs of Antivirus Software @Rs.800 each, with Input GST rate @18 %. i.e. Rs.720

(ii) Purchase from Microteach India Ltd, 10 monitors @Rs.4,000 each, with Input GST @ 28 %i.e. Rs.11,200

(iii)Purchase from Reliance Digital, 2 ' HP -laptop' @Rs.45,000 with Input GST @18% i.e. Rs.16,200 and 2 Mi-Note 6 mobiles@Rs.10,000 each with Input GST 12 % i.e. Rs.2,400

(iv) Sale of 5 antivirus software CDs @Rs.1,500 to Rajiv & Sons with output GST 18% i.e. Rs. 1350

(V) Sale of 10 monitors @ Rs.4,500 , to Hari KrishnanTraders with output GST @28 % i.e Rs.12,600

(vi) sale of 2 ' HP -Laptop' @Rs.50,000 with Output GST @ 18 % i.e. Rs.18,000

(vii)   2 Mi-Note 6 Mobiles Outside state @ Rs.15,000each with Output IGST 12 % i.e. Rs. 3,600

8.Create stock items in Tally.

Stock Item	Stock Group	Sub stock group	Units of measures	Opening quantity	Unit Price
Milki bikis	Biscuits	Cream Biscuits	Packet of 10 Pieces	500 Pcs	10/pkt
Tiger	Biscuits	Plain Biscuits	Packet of 20 Pieces	500 pkts	5/pkt
Eclairs	Chocolates	Candy	Packet of 100 Pieces	100 pkts	1/piece
Munch	Chocolates	Bar	Box of 100 Pieces	150 Boxes	10/piece
Pringles	Snacks	Potato chips	Box of 100 pockets	200 pkts	20/pkt
Fifty fifty	Biscuits	Plain biscuits	Packet of 10 pieces	100 pkts	30/pkt
Marie Gold	Biscuits	Plain biscuits	Packet of 10 pieces	400 pkts	20/pkt
Melody	Chocolates	Candy	Packet of 50 Pieces	200 pkts	1/piece
Kit kat	Chocolates	Bar	Box of 100 Pieces	300 Boxes	10/piece
TagZ	Snacks	Potato chips	Box of 100 packets	300 boxes	15/pkt

9.Create GST Sundry Debtors and Creditors ledgers in Tally

Sundry Debtor

Name of the Party	Address with state	Registration type	GSTIN/UIN NO	Opening Balance (in Rs.)
Fashion Zone	Tamilnadu	Regular	33AAACC1206D2ZN	55,000
City Life	Tamilnadu	Regular	33AAACC1206D2ZN	30,000
Reliance Mart	Maharastra	Regular	08AAACC1206D2ZC	40,000
Big bazar	Tamilnadu	Regular	33AAACC1206D2ZN	22,000
Harnini Honda	Tamilnadu	Regular	33AAACC1206D2ZN	15,000
viveks	Tamilnadu	Regular	33AAACC1206D2ZN	20,000
Vasanth & Co	Tamilnadu	Regular	33AAACC1206D2ZN	10,000
Griyas	Tamilnadu	Regular	33AAACC1206D2ZN	7,500
Poorvika	Tamilnadu	Regular	33AAACC1206D2ZN	5,000
Univercel	Tamilnadu	Regular	33AAACC1206D2ZN	4,0000

Sundry Creditors

Name of the Party	Address with state	Registration type	GSTIN/UIN NO	Opening Balance (in Rs.)
Hindustan Uniliver	Delhi	Regular	07AAACC1206D1ZI	75,000

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Modicare	Rajasthan	Regular	21 AAACC1206D2ZR	80.000
ITC	Maharashtra	Regular	08AAACC1206D2ZC	50.000
Patanjali	Tamilnadu	Regular	33 AAACC1206IDZR	45.000
Amazon	Assaam	Regular	27AAACC1206D1ZG	1,00,000
Swayam	Tamilnadu	Regular	33AAACC1206D1ZN	0

Creditors for Expenses

Name of the Party	Address with state	Registration type	GSTIN/UIN NO	Opening Balance (in Rs.)
Jayanthi & Co	Tamilnadu	Regular	3AAACC1206D2ZN	0
RK Swamy Advertising	Tamilnadu	Regular	3AAACC1206D2ZN	0
NESCO	Tamilnadu	Regular	3AAACC1206D2ZN	0
BSNL	Tamilnadu	Regular	3AAACC1206D2ZN	0
Sri Enterprises	Tamilnadu	Regular	3AAACC1206D2ZN	0

10. Create GST Purchase and sales Entries in the following transactions ledger in Tally

(i) Purchase from Baby Electronics, 5 Water Heaters @Rs.800 each, with Input GST rate @18 %. i.e. Rs.720

(ii) Purchase from Ratna Fan House, 10 Mixer grinders @Rs.4,000 each, with Input GST @ 28 %i.e. Rs.11,200

(iii) Purchase from Kaveri & Co, 2 ' Samsung HD TV @Rs.45,000 with Input GST @18 %i.e. Rs.16,200 and 2 Mi-Note 6 mobiles @Rs.10,000 each with Input GST 12 % i.e. Rs.2,400

(iv) Sale of 5 Water heaters @Rs.1,500 to Sunitha & Sons with output GST @18 % i.e. Rs. 1350

(v)Sale of 10 Mixer grinders @ Rs.4,500 , to Radha Ltd, with output GST @ 28 % i.e Rs.12,600

(vi) sale of 2 ' Samsung HD TV' @Rs.50,000 to Ganesh & Co, with Output GST @ 18 % i.e. Rs.18,000

(vii) 2 Mi-Note 6 Mobiles Outside state @ Rs.15,000each with Output IGST 12 % i.e. Rs. 3,600