



**DIRECTORATE OF DISTANCE & CONTINUING EDUCATION
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BBA Course Material

JSBA41 - TALLY

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Unit – I

Basic of Accounting and Fundamentals of Tally- ERP 9

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1.1 Definition of Accounting

Accounting is a process of keeping a track of all important financial transactions, such as sales, receipts, payments, purchases, deposits, etc and keeping their record, summarising them and making reports for organisations. These maintained records help to calculate different financial information during month end and when exchanging information with other businesses.

Accounting is consolidating the financial transactions of a company using a systematic approach. It involves recording, analysing, reporting, and retrieving financial transactions when required. Accounting is mandatory for legal reasons, taxes, and to understand business health. Accounting ensures that every business transaction is accounted for and if you need to pull out information



about any expense you can do so with ease. Accounting can be divided into two parts; financial accounting and management accounting.

Financial accounting deals with the proper presentation of the transactions in the form of financial statements such as income statements which are shared with people outside the business. Management accounting is a form of accounting whereby the management department receives financial information so they can take vital business decisions to ensure efficient business continuity. Management accounting is part of the internal process as it is used for improving the overall business. It includes information such as the budget.

1.2. Key Objectives of Accounting

The three key objectives of accounting are as follows.

Record Keeping

The fundamentals of accounting include record keeping which is the primary function of accounting. A business must use standard forms of storing and retaining information so it can be retrieved when the need for it arises. Thorough and accurate storage of records is essential for all transaction-related purposes. A software package such as Tally can be utilized to store every transaction that takes place.

Reporting

Financial reporting is a key accounting objective after record keeping. Accounting enables businesses to record and report their financial status at the end of a particular period. It involves putting together transaction details and reports that are necessary to make sense of a certain aspect of a business during a specific time period. Financial statements are results of aggregating financial information of a business and these are useful tools for reporting the financial parts of a business.

Analysis

The reports which are based on the business records are analysed in accounting. When business health needs to be determined then the business reports are analysed. Analysis in accounting enables accountants to find out ways to improve business efficiency, upgrade processes, and to



see where unnecessary expenses are being made. Analysis of financial reporting allows your business to run without problems as it ensures no discrepancies are found.

1.3 Accounting process and steps

The accounting process is one of the fundamentals of accounting. Also known as an accounting cycle, it follows a transaction from the moment it was recorded to when a report is made using various transactions that occurred in a particular period of time. Businesses can use single-entry accounting or double-entry accounting. Firms use accounting software packages such as Tally to automate the accounting process. The benefits include saving time, effort, and money for storage, analysis, and retrieval purposes. Companies can fully automate their accounting or they can leave some aspects to be manually handled.

Steps of the accounting process

There are 8 steps in the accounting process. This is a framework and it can vary from company to company as each company has an individual model that it works with.

Step 1: Transaction identification

You need to identify your business transactions first. Every unique transaction needs to be recorded so that it is reflected correctly. All expenses such as costs to acquire, repair, and upgrade need to be accounted for. Additionally, every sale record must be stored so all sales transactions are in one place.

Step 2: Journal creation

This step involves recording each transaction in a journal. You can choose between two types of accounting; cash accounting and accrual accounting. The difference is when the transactions are recorded and stored. Cash accounting is recorded the moment the cash is paid or received. Accrual accounting is when transactions are recorded as they occur.

Step 3: General ledger posting

After the entry in the journal, the transaction details need to be reflected in the general ledger. The general ledger allows the categorization of transactions because they are saved according to



different accounts. That is, transactions of the same account are recorded in one place and so on. This allows easy monitoring according to particular accounts.

Step 4: Trial balance

In this step, the trial balance is calculated. Ideally, the debits must be equal to credits for every account. The trial balance throws light on the balances which have not been adjusted yet in every account. When an unadjusted trial balance is found, it is analysed in the next step of the accounting cycle

Step 5: Worksheet analysis

Adjustment of the various transaction entries is done in this step of the accounting process. First, you need to create a worksheet and make sure that the credits and debits are equal to each other. In the case of accrual accounting, there is an additional step here which is to adjust the entries for revenue and expense matching purposes.

Step 6: Journal entries adjustment

This is the stage in the accounting cycle where adjustments need to be made. Once the adjustments have been done, the trial balance is prepared again to ensure that the debits are equal to the credits. Only then can you move on to the next step.

Step 7: Financial statements

This step involves the financial statements that are generated after all the entries have been adjusted in the journal. In the majority of the cases, the major financial statements will include the cash flow statement, income statement, and balance sheet. These uncover the truth behind how the business is doing financially and how much profits it is earning.

Step 8: Closing

The last step of the accounting cycle is when the books are closed. This holds for the temporary accounts as they are shifted to permanent accounts. For example, the profit and loss statement is



transferred to the retained earnings accounts and so on. The closing occurs at the end of the reporting period. After this, the cycle starts again.

1.4 Key Accounting Reports

The critical accounting reports are as follows.

Balance sheet

The balance sheet contains information about the total liabilities, assets, and stockholder equity. It gives information about the company's resources and how these sources are being financed. A balance sheet can help you make better business decisions.

Profit and loss statement

The profit and loss statement is also known as P&L and income statement. It shows the revenues and expenses of a business over a period of time. A business is going in the right direction when the profits exceed its losses.

Statement of cash flows

This report summarizes the cash that is received or paid. It doesn't reflect the non-cash transactions that take place such as purchases made on the basis of credit. It contains three parts; investing, operating, and financing. It gives information about cash generation.

1.5 Accounting Principles

Accounting principles are the common guidelines and rules related to accounting transactions that are followed to prepare financial statements successfully. These principles are the founding guidelines for preparing and recording financials for proper analysis. These accounting principles are also known as Generally Accepted Accounting Principles or GAAP.

These principles guide accountants in financial analysis and ensure that the quality of financial information a company has is improved as efficiently as possible. Moreover, the rules prepare an accountant to develop error-free and consistent accounting data. It also helps organisational stakeholders to compare the financial data of different companies over the years.

Purpose of Accounting Principles



The main purpose of accounting principles is to guarantee that a business's financial recordings and statements are consistent and to the point. Accurate knowledge of accounting principles makes it easy for investors to extract and analyse necessary information from financial statements.

Furthermore, these rules help mitigate any fraud arising in the accounting process, thus making business finances transparent. Any red flags in the company's finances get identified, making it easy to compare the details over a specific period.

Importance of Accounting Principle

There are a few reasons why accounting principles are considered important for a business. They are discussed as follows -

- The principles are important to prepare financial statements that are complete, consistent and fruitful.
- This concept determines the expenses, income, liabilities, profit, assets and losses for financial reporting.
- Accounting rules help to compare financial information and statements easily.
- Transparency in the financial system is maintained, and efficient detection of financial fraud is possible.
- The accounting principles allow investors to analyse and tally significant information to make financial decisions.

1.5.1 Types of Accounting Principles

There are a number of accounting principles that accountants and investors follow to implement appropriate financial processes and make informed decisions. The list is given below.

Accrual Principle

Accounting's accrual principle recognises income and costs when they are generated or spent, regardless of when cash is exchanged. It guarantees that a company's financial situation and performance are appropriately reflected in its financial statements at any given moment.



Conservatism Principle

The conservatism principle directs accountants to be cautious in recognising potential gains, only recognising them when realised while recognising potential losses as soon as they are probable. This principle safeguards against over-optimistic reporting, and promoting prudence in financial statements.

Cost Principle

Assets are first documented at their historical cost under the cost principle, assuring financial reporting dependability and impartiality. Adjustments for depreciation or impairment may occur in the future, but the concept prioritises actual transaction values.

Revenue Recognition Principle

This principle dictates that revenue should be recognised when it is both earned and realisable. It ensures that revenue is not prematurely recognised and reflects the actual value a company has generated.

Economic Entity Principle

The economic entity principle distinguishes between personal and business finances. It treats the firm as a separate accounting entity, limiting the mixing of personal and corporate assets and liabilities and improving financial transparency.

Consistency Principle

The consistency principle encourages uniformity in accounting methods from one period to the next. It promotes comparability of financial statements over time, allowing stakeholders to analyse trends and make informed decisions.

Objectivity Principle



According to the objectivity principle, financial information must be reliable and free of prejudice. It emphasizes the need to rely on objective evidence rather than human judgements to ensure the trustworthiness of financial data.

Going Concern Principle

The going concern principle assumes that a company will continue to operate indefinitely unless there is substantial evidence to the contrary. It allows for the valuation of assets and liabilities as if the business will continue to operate, fostering realistic financial reporting.

1.5.2 Characteristics of Accounting Principles

Before implementing the different types of accounting principles in your accounting processes, it is important to know the characteristics of such principles. They are as follows.

- The set of rules focuses on bringing uniformity and easy understanding of different accounting information.
- The principles are not static in nature. It could change over time as per changes in government legislations, business practices and demands of accounting users.
- Accounting principles are generated as per reasons and experiences. They can vary in different business scenarios and are not applicable universally.

1.5.3 Features of Accounting Principles

There are three main features of accounting principles. It is discussed below.

Usefulness

A Generally Accepted Accounting Principle (GAAP) will only be useful or relevant if it satisfies the requirements of its users. These principles provide necessary and required information to accountants or stakeholders.

Feasibility

The principles of accounting are applicable as required. If any cost continuously changes, suppose due to a change in market prices, it will be difficult for the bookkeeper to show them in the books. Hence, the rules of accounting are quite flexible in this regard.

Objectivity



Any rule can be justified objectively if it is based on accurate figures and facts. There are not any personal biases or external influences when it comes to incorporating accounting figures in the books; if there are, the usefulness of such values will become limited and may not be as per business requirements.

1.5.4 Limitations of Accounting Principles

- Even though accounting principles are important during the bookkeeping process, there are certain limitations of the rules which can affect the company's financial recordings. Some major limitations of accounting principles are:
- The recordings are only measured in monetary value. Some events can affect a business's finances, but if it is not in terms of money, they are not accounted for.
- Accounting principles are treated as per 'time value of money' and maintained as per historical cost. The rule ignores current changes in values, which can fail to exhibit the proper financial position.
- Only past records can be accounted for. GAAP does not provide any scope of accounting or recording any future events that can affect business finances in some cases.
- A key limitation of the accounting principle is its importance of form over substance. This suggests that while preparing the accounts, importance is given to tables or forms and not to explanations of substantial information.

1.6 Golden Rules of Accounting

The three golden rules of accounting apply to different types of accounts and the rules are as follows.



Golden Rules of Accounting



Debit the receiver and credit the giver

This golden rule applies to the personal account. When the business receives something, then the account must be debited and when the business gives something then the account must be credited as per this rule of accounting.

Debit what comes in and credit what goes out

This golden rule applies to real accounts (also known as permanent accounts). Examples of real accounts include equity, asset, and liability accounts. When the business is acquiring something such as an asset, then the account of the business has to be debited. On the other hand, when the business is giving something out then the account will be credited.

Debit expenses and losses, credit income and gains

This golden rule applies to nominal accounts (also known as temporary accounts). Examples of nominal accounts include expense, gain, loss, and revenue accounts. As per the rule, when the business incurs a loss or has an expense then you need to debit the account. If the business has a gain or earns an income then the account should have a credit.



1.6.1 Types of Accounts

Account Type	Definition	Examples
Real Account	Real accounts are those accounts which are related to assets or properties or possessions. It includes both tangible and intangible.	Plant and Machinery, Stock, Cash, Vehicle, Goodwill, Trademark, Patents & Copyrights, Intellectual Property Rights etc.
Personal Account	This includes all accounts related persons consist of natural, artificial and representative accounts.	Mr Ram's a/c, A&B Bros trading a/c, salary payable etc.
Nominal Account	Nominal accounts are those accounts that are related to expenses or losses and incomes or gains.	Wages, Salaries, Rent, Travelling Expenses, Commission received, Loss by fire etc.

1.7 Introduction to Tally

Tally is a financial accounting software package which is used to complete various financial, accounting tasks and manage day to day business data of an organisation. It consists of various features and tools to manage records, calculation, inventory management, GST calculations and report management.

Tally Solutions has released a new version of its Tally ERP 9 software. It is most popular software for accounts and inventory management. It offers different feature for maintaining accounts. Tally ERP 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.

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.

1.7.1 Basics of Accounting and Tally

Let us learn some of the basics terminologies in accounting below.



- **Assets:** These are the possessed resources which are owned by a particular company or individual. Some examples of assets are land, inventory, cash, buildings, supplies, etc.
- **Liabilities:** These are debts or financial obligations a company has during their business operations. They are settled with time with transfer of money services or goods. Some examples of liabilities are deferred revenues, earned premiums, mortgages, etc.
- **Expenses:** These are costs of different processes and operations which companies incur while generating revenue. Some of the expenses are wages of employees, suppliers payment, leases, etc.
- **Revenue:** Revenue is money which a business earns from its products and services.
- **Equity:** It is the amount of money which a company needs to return to its shareholders when all its assets are liquidated after the company pays off its debts.

1.7.2 Uses of Tally

- Tally is financial accounting software used to record daily business transactions in a company. It saves time and also provides greater accuracy.
- It is used by businesses to carry out their daily accounting activities. It is used by small and big enterprises due to its useful features and control.
- It is also used in making the final balance sheet.
- It can also generate different types of reports such as tax filing.
- It also helps in inventory maintenance.
- Less chances of error when compared to manual accounting.
- With each entry the balance sheet gets automatically tailed up.

1.7.3 History of Tally

Tally Solutions is a Bangalore-based company that was co-founded by Mr Shyam Sunder Goenka and Mr Bharat Goenka in the year 1986. This father-son duo came up with this software to help manage the financial transactions in their own company and then given its efficiency launched it for the world.

To understand what is tally, let's unveil its history. The first version of Tally was called Peutronics Financial Accountant and it only offered basic accounting features. The software was updated with new versions through the years and by the year 2006, Tally Solutions had more



than 1 million customers. Bharat Goenka won the Padma Shri Award in the field of Trade and Industry for all his hard work in developing this world-renowned software.

Here is a brief history of Tally software through the years:

Tally 3.0: Founded in the year 1990 and it offered basic accounting features.

Tally 3.12: Developed in the year 1992 and it offered similar features to the previous version.

Tally 4: Developed in the year 1992 and it supported Microsoft DOS.

Tally 4.5: Developed in the year 1994 and it offered enhanced performance than the previous versions.

Tally 5.4: Developed in the year 1996 and it offered a graphic interface version.

Tally 6.3: Developed in the year 2001. It was compatible with Windows and offered features to calculate VAT.

Tally 7.2: Developed in the year 2005 with more enhanced features.

Tally 8.1: Developed in the year 2006 with features for managing payroll and point of sale.

Tally 9: Developed in the same year 2006 with features for TDS calculation, E-TDS filing, and FBT among other features.

Tally ERP 9: Developed in the year 2009. It could help with GST calculations, had a multi-user login feature, could generate invoices, and could also be remotely accessed from various office locations.

Tally Prime: Developed in the year 2020 with easier navigation, user experience, and multi-tasking features

Tally has changed the lives of many students, entrepreneurs, and chartered accountants as it simplifies all the complex business calculations and records invoices. The latest version of Tally Prime can even generate automatic electronic invoices among other latest features. You can learn more about Tally by taking a tally course in hindi.

1.7.4 Features of Tally

Here are some of the main features of Tally:

- The software is easy to install, has simple navigation features, and can solve complex business functions.
- You can create and maintain the records of up to 99,999 companies.



- With the latest version of this software, you can now automate employee record management.
- With its synchronization features, transactions and records from multiple office locations can be updated automatically.
- Chartered Accountants can use tally for their audits.
- It can generate instant reports for any particular month or year which is helpful for inventory management and accounting.
- Tally can generate consolidated financial statements for an organization.
- The software also offers online assistance to help you navigate the software and learn about its various features.
- The software supports multiple languages hence reports made in one language can be viewed in another language with ease.
- This can be used to manage your company's inventories, invoices, sales, and purchase records.

1.7.5 Types of Tally Software

There are two different versions of the Tally software depending on the needs of your organization:

- **Single-Use Tally Software**

With Single-Use Tally software, you can use Tally in one operating system only. This is helpful for small organizations, especially startups, where all business operations can be easily done in one system. The best single-use tally software is Tally ERP 9 Silver.

- **Multi-User Tally Software**

With multi-user Tally software, you can use this software in multiple systems. It is mostly used by large organizations, schools, colleges, hospitals, and other institutions in the world. This allows you to use Tally in multiple office locations which is helpful in the case of multinational companies. The best multi-user tally software is Tally ERP 9 Gold.



Additionally, large corporations can buy Tally servers to boost their software speed and efficiency. Multi-user Tally software is more expensive than single-use Tally software as it can be used on multiple PCs.

1.7.6 Accounting and Tally

How to install Tally Software?

Follow the steps given below to know the steps to install tally software system in your computer.

- First, go to the official website of Tally and download it. If you are a student you can learn Tally for free.
- Tally is mainly dependent on function keys and keyboard to perform various functions. These shortcut keys can be learned through the table below.
- Now, create your company by giving it a name by creating a company option in the menu bar.
- Enter the required informations and choose your currency and then mention the starting date of financial year and starting date.
- You can choose accounts only option when you are managing only your account.
- If you are managing your inventories then Accounts with inventory tally options are used.

1.7.7 Benefits of Tally ERP 9

Tally ERP 9 offers numerous benefits for businesses, including streamlined accounting, inventory management, and GST compliance. It also provides real-time access to financial data, facilitates remote access and collaboration, and enhances data security. Here's a more detailed look at the benefits:

- **Accounting and Financial Management:** Tally ERP 9 simplifies complex accounting tasks, allowing businesses to manage ledgers, vouchers, journals, and generate financial statements.
- **Inventory Management:** The software provides robust inventory management features, enabling businesses to track stock levels, manage orders, and plan purchases efficiently.
- **GST Compliance:** Tally ERP 9 assists with GST compliance by generating GST returns, ensuring accurate and timely filing.



- **Banking and Payroll:** It supports banking transactions and payroll management, including calculating salaries and taxes.
- **Real-time Financial View:** Tally ERP 9 provides businesses with a comprehensive view of their financial health, allowing them to monitor cash flow, manage expenses, and track profitability.
- **Remote Access and Collaboration:** The software offers remote access and collaboration features, enabling businesses to work together effectively, regardless of location.
- **Data Security and Reliability:** Tally ERP 9 prioritizes data security, with features like user-level permissions and data backup to protect financial information.
- **User-Friendly Interface:** The software's user-friendly interface makes it easy for businesses to learn and use.
- **Multilingual Capabilities:** Tally ERP 9 supports multiple languages, making it suitable for businesses with diverse teams or customers.
- **Multiple User Support:** A single connection can support multiple users, allowing for efficient collaboration.
- **Global Financial Reporting:** Tally ERP 9 allows businesses to generate and publish global financial reports.
- **Core Functionality and Business Efficiency and Management**
- **Data Integration:** The software can integrate with various third-party applications.

1.8 Company Creation

How to create a company on Tally?

Follow the below steps to create a company on Tally-

- Go to Gateway of Tally > Alt + F3 > Create Company
- Enter the basic information, i.e., name, mailing name and address of the company, currency symbol etc.
- In the 'maintain field', select Accounts Only or Accounts with Inventory as per the company requirements.
- In the Financial Year from, the first day of the current financial year for e.g., 1-4-2017



will be displayed by default, which can be changed as per requirement.

- Enter the Tally Vault Password if required.
- Press Y or Enter to accept and save.

Steps	Actions	Instructions to be followed
Step 1	To open Tally Software	Double click on Tally icon from your desktop.
Step 2	To go to Create Company Screen	To do this Select Create company from the Company Info. Menu using up and down arrow key and press Enter Key.
Step 3	To fill up the Details in Company Creation Screen	In this company creation screen, you should enter all the details of the company that you been asked for.

1.8.1 Details to be filled in the company creation screen

Directory



Directory refers to the data storage location. The tally directory will store all data you entered in Tally ERP 9. Anyway, by default, the data storage will be inside the installation folder.

Name

In this field, you must type the name of the company. For example, XYZ INC.

Primary mailing details

➤ **Mailing name**

In this field, type the name of the company, for example. XYZ INC.

➤ **Address**

In this data field, enter the address of the company.

➤ **Country**

Select the country from the list in which the business operates.

➤ **State**

In this data field, Select the state in which we would comply with statutory laws.

➤ **Pin code**

Type in the pin code of the location where the office exists.

Contact details

➤ **Phone no**

Enter the Company contact number which we would like to display on invoices.

➤ **Mobile no**

Enter the contact number of managing person who can be reached out for any queries related to invoicing or delivery of product or complaints in the product.

➤ **Fax No**

Enter the Fax number to which any confirmation statements, ledger copies, etc., could be sent and received.

➤ **E-mail**

Enter the company's email address to which any product inquiry and other communications could be made.



➤ **Website**

Enter the company's web address, if any.

Books and financial year details

➤ **The financial year begins from**

In this data field, type the financial year in which you want to create a company. This remains April 1st (or as per the applicable financial year in the country). Suppose you may be starting a company on 1st February 2025, you should enter the financial year from 01.04.2024.

➤ **Book beginning from**

It refers to the date when the company starts recording transactions in Tally ERP 9. Suppose the company was incorporated in the middle of the financial year and your team will be using Tally ERP for accounting then in this data field, type the incorporation date. Suppose you may be starting a company on 1st February 2025, you should enter 01.02.2025. However, for any subsequent year, it shall be 1st of April of that financial year. In the same example given above, it will be 01.04.2025 for the next year. Companies that are migrating from Manual Accounting to Tally ERP 9 in the middle of the financial year-

For example:- A company follows the financial year 1st April 2024 – 31st March 2025 but decides to migrate to Tally ERP 9 on 1st October 2024. 'Financial Year Beginning From' will be 1st April 2024 whereas 'Books Beginning From' will be 1st October 2024. This means transactions before 1st October 2024 remain in the manual system and from 1st October 2024 onwards, these are recorded in Tally ERP 9.

Security control

➤ **Tally Vault password (if any)**

This data filled is for security purposes. By enabling this field, Tally ERP 9 converts the data into an encrypted format. To encrypt means convert data from recognised format to unrecognised format.

By entering the Tally Vault password we can prevent unauthorised access to company data. Now, in Latest Tally ERP 9, there is a password strength indicator, which will help you to set a strong password. Red colour indicates a weak password whereas peach-orange colour: fair, Yellow is good and Green colour indicates a strong password.



Caution: Forgetting Tally vault password will render the data inaccessible

➤ **Use security control**

Enabling this data field, we will get complete control over the data, we can assign users for specific purposes, for example:

- We can assign data entry operators who can access only voucher entry screens.
- We can assign billing clerks who can access only the Sales invoice voucher
- We can assign Financial managers who can access financial data and reports as the administrator controls his access.
- In this data field, we will be asked the administrator name and password.

Base currency information

➤ **Base currency symbol**

In this data field, the currency symbol of the country is auto-selected based on the country of origin fed by you in the previous data field. There is no need to change this data field if you are using the same currency for accounting.

➤ **Formal name**

This is the formal name of the currency selected in the previous field

➤ **Suffix symbol to amount?**

This data field will ask you whether a currency symbol is required for example: prior to an amount like Rs. 4,500

➤ **Add space between amount and symbol?**

This data field is like Rs.4,500 space in between currency symbol and amount.

➤ **Show amount in millions?**

If we set this data field to Yes, Tally will display the amount in millions that are in the Balance sheet or other reports. The amount for example 100,00,000 will be shown as 10. [One million equals 10,00,000].

➤ **Number of decimal places**

It is a general practice to use 2 decimal places, for example :



- for using Paisa in Indian currency we use 2 decimal place.
- for using cents in American dollar currency we use 2 decimal places

➤ **Word representing the amount after decimal**

This data field is used in printing, in Indian currency decimal portion is said to be Paisa. Set this field as per your formal name of the decimal value in your currency. For USD it is cents. Hundred cents make one dollar.

➤ **Number of decimal places for the amount in words**

If we set this data field to 1 decimal places in Indian currency, then while printing 75 Paisa. Will print as seventy Paisa, if we set this to 2 decimal places, then it will print the second fraction like seventy-five Paisa.

To save the details entered in the company creation screen.

If you have entered all the details and after verifying it seems to be right, then you have to accept the screen by pressing Enter and again enter to accept and save the details.

1.9 Select the Company

- Open Tally.ERP 9 > Select Company > and select the company from the List of Companies.

Configure Tally.ERP 9

If you wish Tally.ERP 9 to load the company whenever you open Tally.ERP 9

- Gateway of Tally > F12 (Configure) > Data Configuration .
- Set Load companies on startup to Yes .
- Select companies to preload on startup : You can select one or more companies to get loaded based on your choice, when you open Tally.ERP 9 next time onwards.

For more information, see Data Configuration.

In Tally.ERP 9, you can configure the buffering time to load a company. See more...

If you are also using Tally. Server 9, click here.



1.10 Alter, Shut and Delete the Company

To manage companies in Tally ERP 9, you can alter, delete, or shut a company. Altering a company involves modifying its details, deleting permanently removes it from the system, and shutting temporarily closes the company to allow for more actions.

Altering a Company:

- Go to Gateway of Tally > F3: Cmp Info > Alter.
- Select the company you want to alter and press Enter.
- Modify the company details as needed.
- Press Ctrl+A to save the changes.

Shutting a Company:

- Go to Gateway of Tally > F3: Cmp Info > Shut Company.
- Select the company you want to shut and press Enter.
- This action unloads the company, but it's not permanently deleted.
- You can re-select the company later to work with it again.

Deleting a Company

- Select the company to be deleted.
- Go to Gateway of Tally > F3: Cmp Info .
- Select Alter .
- Press Enter .
- Select the company to be deleted.
- Press Alt+D to delete. A confirmation message appears as shown below:
- Press Enter to delete the company.
- Deleting a company is irreversible, meaning the company data will be permanently removed.

1.11 Update Company Details

If your company address, phone number, or any other contact information was not provided earlier or has changed, you can update such details in Tally.ERP 9. Any changes made to these details will be reflected accordingly in your reports and printed invoices.



1. Gateway of Tally > press Alt + F3 (Cmp Info) > Alter .
2. In the Company Alteration screen, make the necessary changes.

Company Alteration	
Name	: National Enterprises
Primary Mailing Details	
Mailing name	: National Enterprises
Address	: #27, 80 Ft Road, Industrial Area Koramangala 6th Block, Bangalore
Country	: India
State	: Karnataka
Pincode	: 560068
Contact Details	
Phone no.	: 080-22282982
Mobile no.	: 9731555401
Fax no.	:
E-mail	: salesho@nationalenterprises.com
Website	: www.nationalenterprises.co.in

3. Accept the changes. As always, press Ctrl + A to save.

If you do not need the company anymore, you can delete the company as well. See more...

1.11.1 Allow Back-Dated Transaction Entries | Update Financial Year

If you have maintained your books of accounts prior to the current financial year, you can add all of the back-dated transactions to your company in Tally.ERP 9. Let us assume that you started your business in 1-Jun-2018 and have maintained your business transactions since then. However, you created a company in Tally.ERP 9 on 1-May-2019. By default, the books and financial years in Tally.ERP 9 are both set to 1-Apr-2019. To allow entries of transactions in Tally.ERP 9 starting 1-Jun-2018, you will need to update the financial year information of the company.

1. Gateway of Tally > Alt + F3 (Cmp Info) > Alter .
2. In the Company Alteration screen, update the Financial year begins from as 1-Apr-2018 and the Books beginning date as 1-Jun-2018.
3. Accept the changes. As always, press Ctrl + A to save.



You can change the Books beginning date in the Company Alteration screen anytime to make back-dated entries up to 1-Apr-2018 for the financial year 2018-2019. See more...

1.11.2 Ensure Authorised Access to Company | Set/Remove Security Settings

Security of business transactions and financial reports is critical, especially to avoid misuse or unauthorised access. Tally.ERP 9 helps you set up security for your company and change the credentials when required. Based on your business practice, you can enable the security feature by altering the company in Tally.ERP 9.

Set/Alter Security Control

1. Gateway of Tally > Alt + F3 (Cmp Info) > Alter .

2. To set the security control options.

- Set Use security control to Yes .
- Name of administrator and Password : The credentials you specify here must be entered every time you open your company.

Company Alteration		Books and Financial Year Details	
Name	: National Enterprises	Financial year begins from	: 1-4-2019
<u>Primary Mailing Details</u>		Books beginning from	: 1-4-2019
Mailing name	: National Enterprises		
Address	: #27, 80 Ft Road, Industrial Area Koramangala 6th Block, Bangalore		
<u>Contact Details</u>		<u>Security Control</u>	
Country	: India	Use security control	? Yes
State	: Karnataka	(Enable security to avail TSS features)	
Pincode	: 560068	Name of administrator	: admin
Phone no.	: 080-22282982	Password	:
Mobile no.	: 9731555401	Repeat password	:
Fax no.	:	Old password	: *
E-mail	: salesho@nationalenterprises.com	(Password strength: Strong)	
Website	: www.nationalenterprises.co.in	Use Tally Audit features	? Yes
		Disallow opening in Educational Mode?	No

3. Accept the changes. As always, you can press Ctrl + A to save. See more...

Once you have saved the company, you can alter the credentials anytime later. To do so:

1. Open the company by entering the Name of User and Password .

2. In Gateway of Tally > click Alt+F3 (Cmp Info) > Alter .



3. Select the company.
4. You can change the administrator name, or the password or both.
 - To alter only the name of administrator:
 - Security Control > enter a new Name of administrator .
 - Enter the existing password in all the password fields.
 - To alter only the password:
 - Security Control > enter the existing Name of administrator .
 - Enter a new Password , and repeat it in the Repeat Password field.
 - Enter the Old password .
 - To alter both the administrator name and the password
 - Enter a new Name of administrator and a new Password .
 - Enter the Old password .

When altering security setting, providing the old password ensures that an authorised user is attempting to alter the credentials of the company.

Remove Security Control

1. In Gateway of Tally > click Alt+F3 (Cmp Info) > Alter .
2. Select the company.
3. Set the option Use security control to No .
4. Enter the existing password in the Current/Existing Password field.
5. Accept the changes. As always, you can press Ctrl + A to save.

1.11.3 Tally Vault

Based on your business environment, if you want to maintain privacy of the company that you have created in Tally.ERP 9, use Tally Vault. Providing a Tally Vault password encrypts your company and all the transaction details, including the company name. Next time you open your company, you will need to first enter this password to view the company name and other details.

Tally Vault is an enhanced security system that allows encryption of your company data. Encryption involves converting normally accessible Tally information into unrecognizable information, which can only be reconverted by authorised persons.

- While creating the company in Tally.ERP 9, you can set the Tally Vault password.



- If you had already set the Tally Vault password and would like to alter it, use Gateway of Tally > Alt + F3 (Cmp Info) > Change Tally Vault .

1.11.4 Use Currency as Applicable for Transactions | Set Up Base Currency

Currency details for your company are pre-filled based on the country that you have selected during company creation. If your business is set up in India, the base currency is by default set to Rupees. All the transactions that you record and the reports that you view in Tally.ERP 9 will show the values in the base currency that is set for your company. If your business is set up in India but you have customers from a different country, you can specify the base currency as applicable for that country.

1. Gateway of Tally > Alt + F3 (Cmp Info) > Alter .

2. Base Currency Symbol : For example, ₹ for Rupee, AED for United Arab Emirates (UAE), and so on.

Based on the currency you choose, you can update the remaining options applicable to that currency. For example, if you have chosen AED as the base currency,

- Update the Formal name to Dirham .
- Set Suffix symbol to amount to Yes , because the AED always appears after the number (for example, 5000 AED).

Similarly, update the other options as applicable for the currency chosen.

Base Currency Information			
Base currency symbol	: AED	Number of decimal places	: 2
Formal name	: Dirham	Word representing amount after decimal	: paise
Suffix symbol to amount	? Yes	No. of decimal places for amount in words	: 2
Add space between amount and symbol	? Yes		
Show amount in millions	? No		

3. Accept the changes. As always, press Ctrl + A to save.

Multi-currency : If your business has customers in more than one country or you need to maintain transactions in different currencies, you can use multiple currencies in Tally.ERP 9.

1.11.5 Data Configuration

You can add and modify the path where the language files, data files and other configuration files can be saved.



1. Go to Gateway of Tally > F12: Configure > Data Configuration .
2. Specify the Location of data files where you want your company data to be saved . By default the location is set to C:\Users\Public\Tally.ERP9\Data .
3. Specify the Location of export files where you want to save the exported files. By default the location is set to C:\Program Files\Tally.ERP9 .
4. Disable the option Load companies on startup? if you do not want to load the companies on starting Tally.ERP 9. By default this option is set to Yes .
5. Specify the list of companies that should be loaded on starting Tally.ERP 9 in the field Select companies to preload on startup .
6. Specify the Location of language files where you want the language files to be saved. By default the location is set to C:\Program Files\Tally.ERP9\Lang.
7. Specify the Location of configuration file where you want to configuration files to be saved. By default the location is set to C:\Program Files\Tally.ERP9 . The Data Configuration screen appears as shown below:

Data Configuration

Location of data files : C:\Tally.ERP9\data

Location of export files : C:\ProgramFiles\Tally.ERP9

Load companies on startup ? Yes

Select companies to preload on startup : █ End of List

Location of language files : \tally\Lang

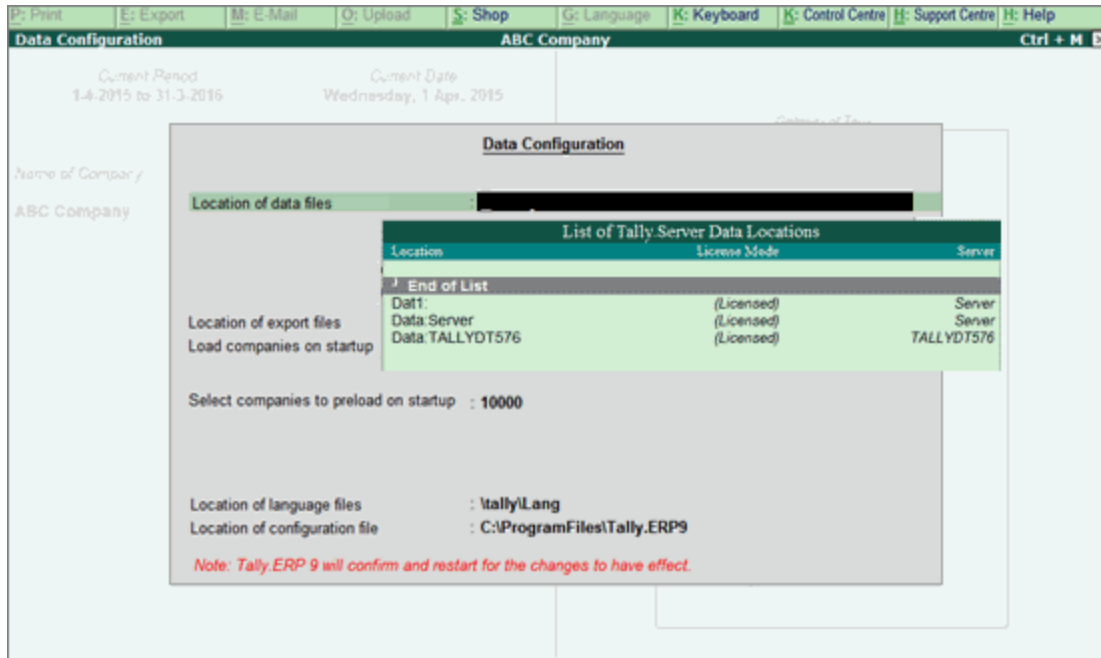
Location of configuration file : C:\ProgramFiles\Tally.ERP9_

The application has to be restart for the changes to apply.

8. Press Ctrl+A to accept.

1.11.6 Accessing data from Tally. Server 9

1. Click S : Server Data Loc in the Data Configuration screen. The List of Tally.Server Data Locations list appears as shown below.
2. Select the required location.
3. Press Ctrl+A to accept.



Check Your Progress

Choose the Correct Answer:

1. Which of the following is a basic accounting principle?

- a) Prudence
- b) Flexibility
- c) Creativity
- d) Innovation

Answer: a

2. The Accounting Equation is represented as:

- a) Assets + Liabilities = Capital
- b) Assets = Liabilities + Capital
- c) Capital = Assets - Liabilities



d) Assets - Liabilities = Revenue

Answer: b

3. Which of the following is a rule of debit and credit for personal accounts?

a) Debit what comes in, credit what goes out

b) Debit the receiver, credit the giver

c) Debit all expenses, credit all incomes

d) Debit all losses, credit all gains

Answer: b

4. In Tally ERP 9, to create a new company, which menu is used?

a) Gateway of Tally → Accounts Info

b) Gateway of Tally → Create Company

c) Gateway of Tally → Inventory Info

d) Gateway of Tally → Balance Sheet

Answer: b

5. Which of the following is configured under F11 (Features) in Tally ERP 9?

a) Company Info

b) Accounting Features

c) Voucher Types

d) Ledger Reports

Answer: b

6. According to the principle of conservatism or prudence, accountants should:

a) Overstate profits

b) Understate profits



- c) Ignore losses
- d) Ignore expenses

Answer: b

7. Which of the following is a correct rule of debit and credit for real accounts?

- a) Debit what comes in, credit what goes out
- b) Debit the giver, credit the receiver
- c) Debit all gains, credit all losses
- d) Debit all liabilities, credit all assets

Answer: a

8. In Tally ERP 9, which option is used to configure accounting features for a company?

- a) F1: Help
- b) F2: Change Company
- c) F11: Features → Accounting Features
- d) F12: Configure → Company

Answer: c

9. Which of the following is not a type of account in accounting?

- a) Personal Account
- b) Real Account
- c) Nominal Account
- d) Virtual Account

Answer: d



10. While creating a company in Tally ERP 9, which of the following details is mandatory?

- a) Company Name
- b) Nature of Business
- c) Email Address
- d) Website

Answer: a

Small Questions – LOCF Mapping Table

S.No	Small Question	CO	Bloom's Level	PO
1	Define Accounting.	CO1	Remember	PO1
2	What is the Accounting Equation?	CO1	Understand	PO1
3	State the rules of Personal Account.	CO2	Remember	PO2
4	What is Tally ERP 9?	CO3	Understand	PO1
5	Write the steps to create a company in Tally ERP 9.	CO3	Apply	PO2

Big Questions – LOCF Mapping Table

S.No	Big Question	CO	Bloom's Level	PO
1	Explain the basic concepts and principles of Accounting.	CO1	Understand	PO1
2	Describe the types of accounts and explain the rules of debit and credit with examples.	CO2	Understand	PO2
3	Explain the accounting equation and its importance in accounting.	CO1	Apply	PO1
4	Describe the steps involved in creating a company in Tally ERP 9.	CO3	Apply	PO2
5	Explain the features and configuration of Tally ERP 9.	CO3	Understand	PO3



Unit – II

Accounting master in tally

Sl.No.	Contents
2.1	Introduction
2.2	Create, Alter, Delete Account Groups
2.3	Ledger
2.4	Ledger in Tally
2.5	Ledger Creation in Tally
2.6	Delete Ledger in Tally
2.7	Tally ledger list
2.8	Inventory Master in Tally
2.9	Creating Inventory Masters in Tally.ERP 9
2.10	Creating Stock Group

2.1 Introduction

In Tally.ERP 9, accounting masters are fundamental for structuring and organizing your accounting data. They include groups, ledgers, and voucher types, which are used to categorize and record transactions. Ledgers are the specific accounting heads used for recording transactions, while groups classify these ledgers. Voucher types categorize different types of transactions and configure their behavior.

Groups:

These are collections of ledgers that share a similar nature or function. For example, "Sundry Debtors" is a group that includes ledgers for all customers.

Ledgers:

These are the individual accounting heads or accounts used to record transactions. For example, a "Sundry Debtors" ledger would be used to track the amount owed by a specific customer.



Voucher Types:

These define the type of transaction being recorded (e.g., Sales, Purchases, Payments, Receipts). They also determine the voucher number format and can be configured to display specific details during voucher entry.

Creating Accounting Masters in Tally.ERP 9

- Gateway of Tally > Accounts Info > Groups/Ledgers/Voucher Types: Choose the master you want to create.
- Create a Master: Enter the necessary details, such as the name, group (for ledgers), and other relevant information.
- Accept: Press Enter to save the master.

2.2 Create, Alter, Delete Account Groups

You can create a single group or multiple groups in Tally.ERP 9 and configure the details as per your requirement. You can also view, alter or delete these groups.

2.2.1 Create account groups one-by-one

1. Go to Gateway of Tally > Accounts Info. > Groups > Create (under Single Group)
2. Enter the Name of the group.
3. Enter the Alias name, if required.
4. In the field Under, from the List of Groups displayed, select the parent group under which the group has to be classified. For example, Indirect Expenses.
 - Click F12: Configure from Gateway of Tally .
 - Select Accts/ Inventory Info. from the Configuration menu.
 - In the Master Configuration screen, set the option Allow advanced entries in masters .

The Group Creation screen appears as shown below:

Group Creation	
Name	: Administrative Expenses
(alias)	: Office Expenses
Under	: Indirect Expenses
Accept ?	
Yes or No	



5. Click Yes to accept the screen.

A new group created under primary will not be reflected in reports until you pass masters/transactions for that group.

2.2.2 View account groups one-by-one in display mode

1. Go to Gateway of Tally > Accounts Info. > Groups > Display (under Single Group).
2. Select the name of the group required from the List of Groups displayed. The ledger display screen appears as shown below:

Group Display		National Enterprises
Name	: Administrative Expenses	
(alias)	: Office Expenses	
Under	: Indirect Expenses	
<hr/>		
Group behaves like a sub-ledger		? No
Nett Debit/Credit Balances for Reporting		? No
Used for calculation (for example: taxes, discounts) (for sales invoice entries)		? No
Method to allocate when used in purchase invoice		? Not Applicable

2.2.3 Alter a Group

The details entered in a group can be modified when required.

1. Go to Gateway of Tally > Accounts Info. > Groups > Alter (under Single Group) .
2. Select the name of the group required from the List of Groups displayed.
3. Make the necessary changes in the Group Alteration screen.
4. Click Yes to save the changes.

2.2.4 Create Multiple Groups

You can create, edit or delete multiple groups in Tally.ERP 9.

1. Go to Gateway of Tally > Accounts Info. > Groups > Create (Multiple Groups).
2. Select the group category in the field Under .



3. Enter the Name of the group. The screen appears as shown below:

Multi Group Creation		Company A	Ctrl + M
Under Group : Sundry Creditors			
S.No.	Name of Group	Under	
1.	Creditors - Raw Materials	Sundry Creditors	
2.	Creditors - Consumables	Sundry Creditors	

4. Select All Items in the field under to create multiple groups of different categories.

A new group created under primary will not be reflected in reports until you pass masters/transactions for that group.

2.2.5 Buttons in Multiple Group Creation

Button	Shortcut Keys	Behaviour
F4: Parent	F4	The Parent Group can be changed
L: Ledgers	Ctrl+L	Navigate to Ledger Creation screen
S: Cost Category	Ctrl+S	Navigate to Cost Category Creation Screen
C: Cost Center	Ctrl+C	Navigate to Cost Centre Creation Screen
O: Employee Groups	Ctrl+O	Navigate to Employee Group Creation Screen
P: Employee	Ctrl+P	Navigate to Employee Creation Screen

2.2.6 Display Multiple Groups

1. Go to Gateway of Tally > Accounts Info. > Groups.

2. Click Display (Multiple Groups). The Multi Group Display screen appears as shown below:

Multi Group Display		Company A	Ctrl + M
Under Group : Sundry Creditors			
S.No.	Name of Group	Under	
1.	Creditors - Consumables	Sundry Creditors	
2.	Creditors - Raw Materials	Sundry Creditors	

3. Select the groups to display from the List of Groups or select All Items to display all groups.

2.2.7 Delete a Group

Groups can be deleted from the alteration screen. You cannot delete groups from the Multiple group Alteration mode.



1. Go to Gateway of Tally > Accounts Info. > Groups > Alter (under Single Group).
2. Select the group from the List of Groups .
3. Click D : Delete .
4. Click Yes to confirm deletion.

2.3 Ledger

Journal is a memorandum book to record transactions date wise. On a particular date, what are total purchases, total sales, debtors, creditors, incomes, expenses may not be known as journal. And to get information about the above, the entries passed in the journal are classified on the basis of their nature in another book which is known as ledger.

An account represents a detailed record of changes that have occurred in a particular asset, liability, expense, loss, gain or capital during the accounting period. All these separate accounts are kept in a loose leaf binder, and the entire group of accounts is called a ledger.

2.3.1 Utility of a Ledger

- The ledger is a master record of all the accounts of a business unit
- It is a principal book of double entry system of accounting which provides all important information
- Separate accounts are maintained based on their nature, so all information relating to transactions may be obtained through ledgers, such as to whom what is payable, from whom what is receivable, what is the position of assets and liabilities of the business
- Ledger helps us preparing the trial balance to ensure the arithmetical accuracy of the account
- Moreover, ledger assists us in preparing trading, profit and loss account and Balance sheet

2.4 Ledger in Tally

A ledger in tally can be compared to a journal that maintains track of all financial transactions related to a certain account. The ledger is similar to a financial journal that allows the user to keep track of all money inputs and outflows, just as a diary allows the user to keep track of all their activities and experiences, chronologically and consistently.



In accounting, the notion of a ledger extends back to ancient times, when merchants used to record their transactions in a tangible ledger book. Ledgers were digitized with the introduction of computers and software, and accounting software such as Tally was developed to make bookkeeping more efficient and accurate.

A Tally ledger is a necessary tool for organizations to keep accurate financial records, manage transactions, and produce financial reports. It is an essential part of the accounting process, and learning ledger management in Tally can provide enhanced financial accuracy, efficient record-keeping, better financial analysis, and career chances. Tally's usage of ledgers guarantees that financial transactions are documented correctly, allowing firms to make educated financial choices in today's competitive corporate world.

A ledger in Tally is a record that maintains financial transactions. A ledger's goal is to keep a thorough record of all financial transactions associated with a particular account, such as a bank account, a customer or vendor account, a sales or purchase account, or any other account.

Tally ledgers are associated with a group, which defines the type of account. A Tally allows users to create, modify, and remove ledgers according to their needs.

Sales, purchases, receipts, and other such items are instances of ledger accounts. They give crucial information for constructing balance sheets, profit and loss (P/L) statements, and more. They also assist in creating a trial balance worksheet for account correctness. Once you have created the ledger, you can use it to record financial transactions related to the account. You can also modify or delete the ledger as per your requirements from the list of ledgers in Tally.

2.4.1 Tally Ledger List

Numerous kinds of ledgers can be generated. Let's understand the different ledgers in the tally ledger list:

- **Purchase/Sales Tally Ledger**

Sales invoices, debit notes, and other source documents, such as credit sales, are kept in the sales ledger. Purchase transactions are recorded in the purchase ledger. Both of these ledgers are necessary for buying, selling, or creating goods. They are utilized in the profit and loss (P/L) account and are under the category of revenue accounts.



- **Income and Expense Ledger**

The income ledger includes all the ledger accounts that keep track of the money made or owed concerning goods and services within a fiscal year. An expenditure ledger can be made to record expenses. The sets of direct income, indirect income, direct expense, and indirect expense can be applied to these ledgers. Therefore, if necessary, these records can be included in the assessable value of excise.

- **Party Ledger**

In the party ledger transactions involving supplies, receipts, payments, and other things are recorded. Customers, distributors, and retailers are just a few examples of the parties. The account name, closing balance, credited/debited amount, and other information are all included in the party ledger.

- **Tax Ledger**

The tax ledger is categorized into customs and tax groups and contains various tax accounts such as sales, VAT, excise tax including business tax, and joint and several liabilities. GST also falls under this ledger type in Tally.

- **Bank Account**

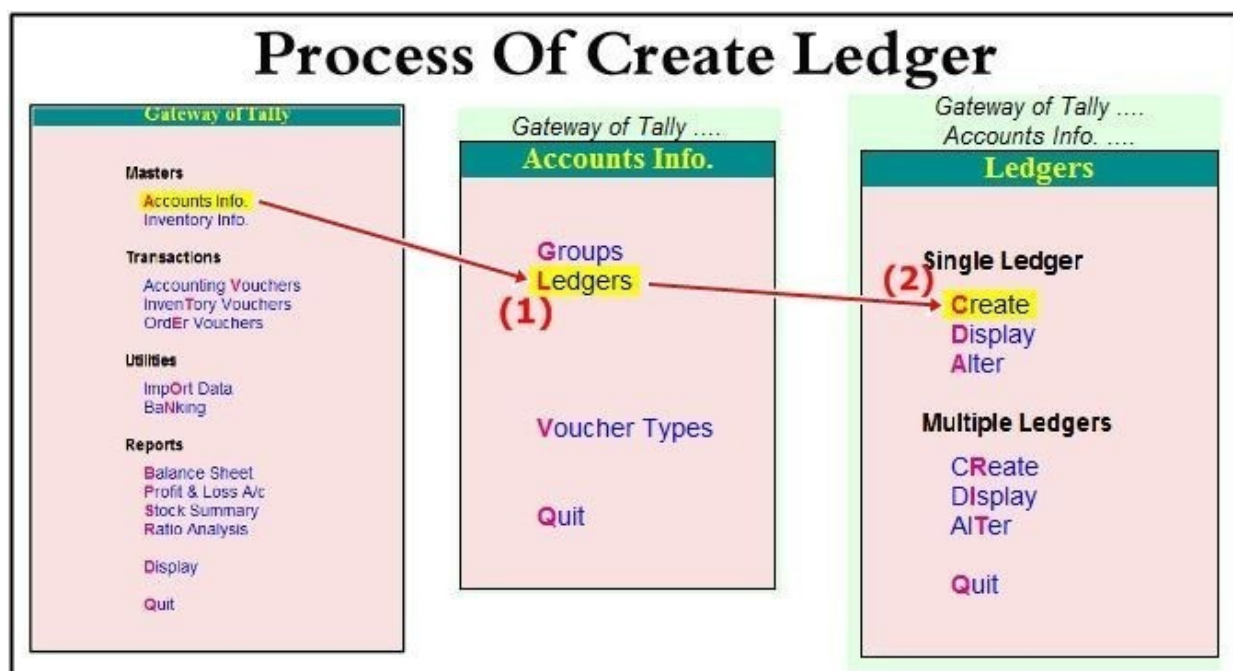
Information on the bank that is connected to your business and used for payment sending or receiving is contained in Bank Ledger. Bank name, Account no., IFSC code, and address are all included in this data.

- **Current Liabilities and Assets**

The current assets/fixed assets ledger contains the total amount that the company has to pay in the future in the form of money or goods.

2.5 Ledger Creation in Tally

Ledger creation in tally is a straightforward process. Tally has two predefined ledgers that are automatically created for you. These are the profit and loss account and the cash in hand account. Tally does not allow you to create separate profit and loss accounts. Additionally, you can create other cash accounts and other general ledger accounts depending on your business needs.



2.5.1 Single Ledger Creation

For creating a single Tally ledger, users must follow the following steps:

Path: Gateway of Tally → Accounts Info → Ledgers → Single Ledger → Create

Step 1: First, visit the “Gateway of Tally”.

Step 2: Under “Gateway of Tally”, select “Accounts Info”.

Step 3: Next, choose “Ledgers” under Accounts Info

Step 4: In the “Single Ledger” sub-option, choose “Create”.



Step 5: The “Ledger Creation” screen will be displayed. Enter the name of your general ledger. Names must not be duplicated and must be unique. You can also enter an alias for the account if you prefer. Both names and aliases can be used to access the ledger.

Step 6: Choose the group name or category in “List of Groups” according to the type of ledger account you want to create. Enter the required details.

Step 7: Finally, select the “Yes” option under “Accept” for saving the configured details.

2.5.2 Multiple Ledgers

If you wish to save time, you can make several ledgers at once.

Path: Gateway of Tally → Accounts Info → Ledgers → Multiple Ledger → Create

The ‘Inventory values are affected’ field is automatically set to ‘Yes’ for Sales and Purchase Accounts and ‘No’ for all other accounts in multiple modes. For Revenue accounts, the ‘Cost Centres are applicable’ field’s default setting is Yes. The setting for the remaining accounts is “No.” The steps below can be used to generate many ledgers:

Step 1: First, navigate to the Gateway of Tally and click Accounts Details.

Step 2: Select the Ledgers option under the Accounts Info option.

Step 3: You can also select multiple ledgers and then click Create.

Step 4: A screen labeled “Multi Ledger Creation” displays. Choose All Items or the necessary group to create the ledger. Choose the group for each ledger in the “Under” column if you pick All Items. With the aid of the group name, you can search for a group in the group text box.

Step 5: Enter the desired information in the “Name of the Ledgers” field.

Step 6: After that, enter the “Opening Balance” value. You must supply bill information to keep bill-by-bill balances. Enter the opening balance’s debit or credit in the “Dr/Cr” column.

Step 7: Finally, save the “Multi Ledger Creation” screen.



List of Ledgers	For 1-Apr-2018
Lists Of Ledgers	
<ul style="list-style-type: none"> Branch / Divisions Capital Account Reserves & Surplus (Retained Earnings) Current Assets Bank Accounts SDI Cash in Hand Cash Deposits (Asset) Loans & Advances (Asset) Stock-in-Hand Sundry Debtors Stocks/Agar Current Liabilities Duties & Taxes Provisions Sundry Creditors Direct Expenses (Expense (Direct)) Direct Incomes (Income (Direct)) Fixed Assets Indirect Expenses (Expense (Indirect)) Indirect Incomes (Income (Indirect)) Investments Loans (Liability) Bank OD A/c (Bank ODD A/c) Secured Loans Unsecured Loans Misc. Expenses (ASSET) Purchase Accounts Sales Accounts Suspense A/c 	1 more ...
28 Groups and 4 Ledgers	

2.6 Delete Ledger in Tally

If the ledger has no vouchers in Tally, follow the following steps:

Path: Gateway of Tally ledger → Accounts Info. → Ledgers → Alter → Press Alt + D.

To ledger deletes in tally if it has been established with vouchers attached, first delete the vouchers.

If there are multiple Tally ledgers you can select unused ledgers and delete the same. Follow the steps below

Path: Gateway of Tally → Display → List of Accounts → F5: Show Unused → Press Alt+D → Press Enter

2.6.1 Alter Single Tally Ledger

Path: Gateway of Tally → Accounts Info → Ledgers → Single Ledger → Choose Alter

Step 1: Use the following path to alter the single Tally Ledger

Step 2: Under the List of Ledgers, choose the ledger account option.

Step 3: In Tally, now modify/ alter the required details for the ledger account. To save the changed details, select “Yes” under “Accept”.

2.6.2 Grouping Ledger



Groups or heading in Tally helps Tally determine the type of ledger (whether the ledger account is affecting the income side or is its nature that of an expense or is it an item which will give benefits or returns to business such as Assets or is it an item which creates a liability for business which has to be settled using company's current assets.

So, it becomes necessary to put the ledger incorrect head or group so that Tally can account it properly.

For Example: To pass entry for expense says machinery repair expense.

Step 1: Creating ledger	<p>We have to create two ledgers here:</p> <ul style="list-style-type: none"> • Machinery maintenance (Expense Ledger) • Party Ledger (To credit with the expense amount)
Step 2: Deciding on the Grouping	<ul style="list-style-type: none"> • Machinery maintenance is in nature of expense and so it will have to be grouped under Indirect expenses • Party ledger under Sundry creditors (Liability) as a business has to repay creditors after the credit period lapses
Step 3: Passing a Journal entry	<p>From Gateway of Tally we need to navigate to Accounting vouchers and select "F – 7" Journal to pass the entry. Entry will be like :</p> <ul style="list-style-type: none"> • Debiting Expense Account (Machinery repairs) • Crediting Party Ledger Account

2.7 Tally ledger list

Group Name	Ledger Name
Purchase Accounts	All types of Purchase Accounts like
	Purchase Local 12 %
	Purchase Interstate 12%
	Purchase Local 0%
	Purchase Interstate 0%
	Purchase (Composition)
	Purchase Exempt (Unregistered Dealer)
	Purchase Local (Exempt Registered)
	Purchase Taxable (Unregistered Dealer)
	Purchase Nil Rated (Unregistered Dealer)



	Purchase Reverse Charge
	Purchase Import Taxable 12%
	Purchase Import Exempt
	Purchase Import Nil Rated
	Purchase (Own Branch)
	Purchase Return
Sales Account	All types of Sales Accounts like
	Sales Local 12 % (Registered)
	Sales Interstate 12%
	Sales Local Nil Rated
	Sales Interstate Nil Rated
	Salers Export With Bond
	Salers Export Taxable
	Export (0%)
	Sales Local (Exempt Registered)
	Sale To Consumer (Taxable 12%)
	Sale To Consumer (0%)
	Sale To Consumer (Exempt)
	Sales (Own Branch)
	Sale Return
Duties and Taxes	All types of Taxes like
	INPUT CGST SGST IGST CESS
	OUTPUT GST SGST IGST CESS
	Excise Duty Payable etc
	Service Tax Payable
	TDS Payables
	Input Vat Accounts
	Output Vat Accounts
	Cenvat Accounts
	Sale tax
	Income Tax
	VAT Payable
Direct Expenses OR Expenses(Direct)	All expenses which appear in Trading Account (except purchases) like
	Labor
	Power
	Electricity Expense (Factory)
	Loading Unloading Expense



	Warehousing Expenses
	Custom Clearing Charges
	Carriage
	Freight & Cartage
	Import duty
	Wages
	Coal & Fuel
	Coal, Gas & Water of Factory
	Consumed Material
	Export Duty
	Wages on Production
	Delivery Charges(In Purchase Bill
Indirect Expenses Expense(Indirect)	All Indirect Expenses like
	Rounded Off
	Salary
	Advertisement Expense
	Maintenance Expense
	Rent Expense
	Director Remuneration Expense
	Bad Debts
	Printing Expense
	Stationary Expense
	Foreign Exchange fluctuation
	Audit Fees
	Professional Charges
	Legal Expenses/Charges
	Depreciation Expenses
	Interest Expense
	Penalty
	Royalty
	Bank charges
	Commission allowed
	Discount allowed
	Donation & charity
	Free sample
	Insurance premium
	Interest on loan
	Legal charge
Loss by fire	
Postage & courier	



	Repair charge
	Taxi fare
	Telephone charge
	Travelling expenses
	Outstanding expenses
	Accrued expenses
	Bad debt
	Loss on theft
	depreciation
	Coffee Expenses
	Coke Expenses
	Manager's Commission
	UPTT
	Fuel Expenses A/c
	Liability of Expenses
	Preliminary Expenses A/c
	Professional Fees
Indirect Income OR Income(Indirect)	All Indirect Income like
	Discount Received
	Interest on Investment
Already Created in Tally	Only 2 Accounts Already Created like
	Cash
	Profit and Loss Account
Bank Account	All Bank Current Account
	All Bank FD Account
	(Personal Savings Account and FD not recorded)
Deposit Account	All types of deposits like
	Security Deposit
	Electricity Deposit
	Rent Deposit
Capital A/c	All types of Capital Account like
	Share Capital
	Partner Capital Account
	Partner Current Account
	Proprietor Account
	Drawings



	Life insurance
	Equity Capital A/c
	Partners Capital A/c
Current Assets	Prepaid Maintenance Expense
	Prepaid Expense
	Prepaid Rent
	Prepaid Insurance Charges
	Interest Receivables
	Bill receivable
	Accrued income
	Mutual Fund
	CGST SGST IGST Credit
Current Liabilities	Bill drawn
	Bill Payable
	CGST SGST IGST Payable
Sundry Creditor	Any Party from Whom Goods Purchased
	Party from Whom any Bill of Expense Received
Loans and Advances (Assets)	Any Party to whom we gave loan
	like Loan Given to Friends Relatives/Related Companies
	Any Party to whom we gave Advance
	like Advance to Supplier
Loans Liabilities	Any Party from whom we take loan.
	We can also put group Secured loan or Unsecured loan
	Debenture A/c
	Loans From Bank
	Loans From Outside Party
	Loans From Aravind(Friend)
Fixed Assets	All Fixed Assets on which Depreciation charged like
	Furniture
	Machine
	Plant and Machinery
	Mobile
	Computers
	Furniture and Fittings
	Car



	Scooter
	Laptops
	Office lighting
	Land & Building
	Good will
	Factory lighting
	Air Conditioner
	Accumulated depreciation
Bank OCC	Cash Credit Limit (CC)
	taken from bank
Bank OD	Overdraft Limit (OD)
	taken from bank
Branch/Divisions	Any Branch whose Separate Accounting Done
	(If branch account maintained by head office only, then this account not required)
	Delhi Branch
	Branch in division
Cash in Hand	Imprest Account
	(Cash kept with Employee)
	Petty Cash
Investments	All types of Investments like
	Investment in Shares
	Investment in Bonds
	Investment in Property/Plot etc.
	Long term investment
	Short Term Investment
Stock-in-hand	Stock
	Closing Stock
	Consignment Stock
	Opening Stock
Misc. Expense (ASSET)	Preliminary Expenses
	NOT yet written off
Suspense A/c	Suspense Account



	Any payment or receipt from party whose name not known
	Suspense
Secured Loan	Loans for whom Security Given like loan from bank/ Financial Institution
Unsecured Loan	Loans taken for whom no Security given Like Short term loan from directors or loan from friends /relatives
Reserve & Surplus	Any type of reserve like General Reserve Capital Reserve Capital Reserve A/c Investment Allowance Reserve A/c Share Premium A/c Reverse and Surplus
Provisions	All Provisions except Provisions for bad debts Provision for Tax Provision for Expense Provision for Sinking Fund All types of Payables like Salary Payable, Audit fees Payable,
Sundry Debtors	Any Party to Whom Sales Made Provision for Bad Debts
Retained Earning	General Reserve Share Premium Any other Reserve
Direct Incomes OR Income(Direct)	Any Income from main service like Freight Charges Income Delivery Charges Income Transportation Charges Income Professional Charges Income Consultancy Charges Income Maintenance Service Income

2.8 Inventory Master in Tally



In Tally ERP 9, inventory masters are foundational elements for managing stock and related activities. These masters define the basic structure of your inventory, allowing you to track and manage your stock effectively. They include:

Master	Information
Stock Group	Stock groups holds collection of stock items.
Stock Items	A Stock item is the actual inventory master used in the transactions
Unit of Measure	Stock Items are transacted based on the quantity. The quantity is measured by the Unit of Measure.
Locations/Godowns	To maintain the availability of stock at various locations. Stock items are stored under the Godowns

Stock Groups:

Stock Group in inventory are similar to Groups in Accounting masters. Stock Groups are useful to classify the Stock Items. The stock group classification can be made based on some common features such as brand name, product type, quality, etc. Grouping helps to locate Stock Items easily and report their details in statements. The stock group can have collection of stock groups (sub stock groups) as well. These are used to categorize your stock items (e.g., by product line, manufacturer, or type).

Stock Items:

Stock Item refers to the goods that an organization manufacture, trade or maintains. A stock item can be created by providing a Name in Tally. However, the inventory master UOM (Unit of Measure) is mandatory to define the quantity. It is good to create the dependent masters of the



stock items before creating a stock item. This is where you define the specific items you're selling or using in production, including details like name, description, and associated UoM.

Stock Categories:

These are sub-categories within stock groups, providing further organization (e.g., different sizes of a clothing item within a clothing group).

Unit of Measure (UoM):

This defines how your inventory is measured (e.g., pieces, kg, liters). Stock Items are purchased or sold on the basis of quantity. The quantity is measured by Units. There are two type of UOMs, Simple and Compound. Simple unit is for basic requirement such as numbers, meters, kilograms, and pieces. Compound units can be used with the combination of two UOMs, like 1 box of 10 pieces [1 box = 10 pieces], to measure the stock items in two aspects

- **Simple UOM**

Simple units are nos, pcs, and so on.

- **Compound UOM**

A Compound unit is a relation between two Simple Units. Hence, before you create a Compound Unit, ensure that you have already created two Simple Units.

For example, To Create Compound unit – Doz (Dozen) of 12 Nos (Numbers), you have to create two simple units, Doz (Dozen) and Nos (Numbers) and set the conversion factor as 12.

Godowns/Locations:

These define the physical locations where your inventory is stored (e.g., warehouse, retail store, different sections within a warehouse). These masters are essential for accurate inventory tracking, reporting, and decision-making within Tally ERP 9.

2.9 Creating Inventory Masters in Tally.ERP 9

Inventory accounting includes recording of stock details like the purchase of stock, the sale of stock, stock movement between storage locations or godowns and providing information on stock availability. Tally.ERP 9 makes it possible to integrate the inventory and accounting



systems so that the financial statements reflect the closing stock value from the Inventory system. The inventory system operates in much the same way as the accounting system.

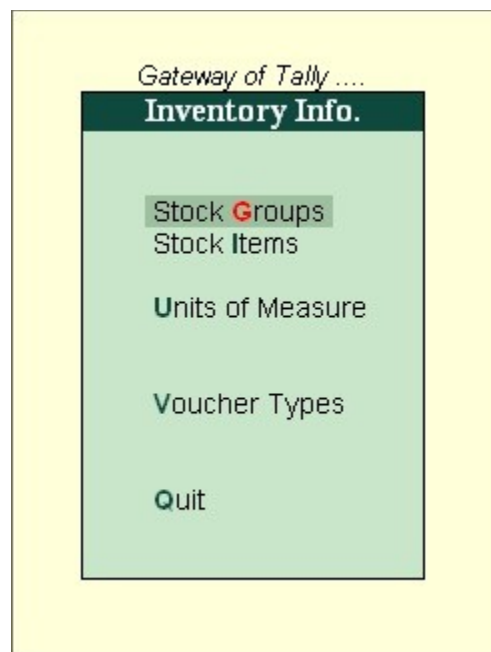
First you set up the inventory details, which is a similar operation to creating the chart of accounts although, in this case, there are no pre-defined set of stock groups.

Second, you create the individual stock items, which is similar to setting up the ledgers.

In a newly created company the Inventory Info. menu comprises of four types of Masters, viz. Stock Groups, Stock Items, Units of Measure and Voucher Types.

- Go to the Gateway of Tally > Inventory Info.

The Inventory info. menu is displayed as shown:



The above Inventory Masters types are explained in detailed in the following sections.

- Units of Measure

Let us take the example of Indus Enterprises that sells Televisions and Music Systems.

Given below is the structure of items being sold.



Group A – Televisions

A1 – Sony	A1a – Sony 29 inches TV
	A1b – Sony 25 inches TV
A2 – Philips	A2a – Philips 29 inches TV
	A2b – Philips 25 inches TV
A3 – Videocon	A3a – Videocon 29 inches TV
	A3b – Videocon 25 inches TV

Group B – Music Systems

B1 – Sony	B1a – Sony Tape-Recorder
	B1b – Sony CD Player
B2 – Videocon	B2a – Videocon Tape-Recorder
	B2b – Videocon CD Player

The televisions are sold in numbers. Hence, the Unit of Measure will be Nos.

Indus Enterprises has two Godowns, the Bangalore Godown and the Mumbai Godown.

The grouping structure in Tally.ERP 9 is as follows:

➤ Stock Group

1. Televisions (main stock group)

- Sony TV – stock group under Televisions
- Philips TV – stock group under Televisions

Videocon TV – stock group under Televisions

2. Music Systems (main stock group)



- Sony Music Systems – Stock Group under Music Systems
- Videocon Music Systems – Stock Group under Music Systems

Under the stock group Televisions, let us create stock groups based on the different brands being sold viz. Sony, Philips and Videocon. This helps to find the total sales of a particular brand of televisions at any given point of time. In order to compare the total sales of the 29 and 25 inches televisions respectively, Tally.ERP 9's feature of Stock Categories for parallel classification can be used.

2.10 Creating Stock Group

Create the Stock Group – Television under Primary.

Go to the Gateway of Tally > Inventory Info. > Stock Groups > Create (under the Single Stock Group).

Ensure that the screen appears as shown below:

Stock Group Creation	
Name	: Television
Under	: <input type="checkbox"/> Primary
Can Quantities of items be ADDED	? Yes

Press Y or Enter to accept the screen.

Similarly, create Music Systems under Primary.

Create Sony TV under Televisions.

Press Y or Enter to accept the screen.



Check Your Progress

Choose the Correct Answer:

1. In Tally ERP 9, groups are used to:

- a) Classify ledger accounts
- b) Create vouchers
- c) Enter transactions
- d) Print reports

Answer: a

2. Which of the following is a primary group in Tally?

- a) Capital Account
- b) Furniture Account
- c) Purchase Account
- d) Sales Account

Answer: a

3. A ledger in Tally is used to:

- a) Record financial transactions
- b) Create stock items
- c) Maintain employee data
- d) Create reports

Answer: a

4. Which menu is used to create Ledgers in Tally ERP 9?

- a) Gateway of Tally → Accounting Info → Ledgers → Create
- b) Gateway of Tally → Inventory Info → Stock Items



- c) Gateway of Tally → Display → Accounts Book
- d) Gateway of Tally → Balance Sheet

Answer: a

5. Stock Groups in Tally are used to:

- a) Classify stock items
- b) Record vouchers
- c) Maintain accounts
- d) Create reports

Answer: a

6. Stock Categories are mainly used to:

- a) Classify similar stock items across groups
- b) Record purchases
- c) Maintain ledgers
- d) Record expenses

Answer: a

7. Units of Measure in Tally are used to:

- a) Measure quantity of stock items
- b) Calculate profit
- c) Record payments
- d) Create ledgers

Answer: a

8. Which of the following is an example of a Unit of Measure?

- a) Kilogram



- b) Furniture
- c) Purchase
- d) Capital

Answer: a

9. Which option is used to create Stock Groups in Tally ERP 9?

- a) Gateway of Tally → Inventory Info → Stock Groups → Create
- b) Gateway of Tally → Accounting Info → Groups
- c) Gateway of Tally → Display → Stock Summary
- d) Gateway of Tally → Balance Sheet

Answer: a

10. Which master is required before creating stock items in Tally?

- a) Units of Measure
- b) Voucher Types
- c) Cost Centers
- d) Budgets

Answer: a

Small Questions – LOCF Mapping Table

S.No	Small Question	CO	Bloom's Level	PO
1	What is a Group in Tally?	CO1	Remember	PO1
2	Define Ledger in Tally.	CO1	Remember	PO1
3	What is a Stock Group?	CO2	Understand	PO2
4	Define Stock Category in Tally.	CO2	Understand	PO2
5	What is Unit of Measure?	CO3	Remember	PO1



Big Questions – LOCF Mapping Table

S.No	Big Question	CO	Bloom's Level	PO
1	Explain the concept of Groups in Tally and its types.	CO1	Understand	PO1
2	Describe the steps to create a Ledger in Tally ERP.	CO1	Apply	PO2
3	Explain the procedure for creating Stock Groups in Tally ERP.	CO2	Apply	PO2
4	Discuss the importance of Stock Categories in inventory management.	CO2	Understand	PO3
5	Explain the creation and uses of Units of Measure in Tally ERP.	CO3	Apply	PO2



Unit – III

Voucher Entries and Advance Accounting In Tally

Sl.No.	Contents
3.1	Vouchers in Tally
3.2	Types of Accounting Vouchers in Tally
3.3	Steps to Perform Voucher Entry
3.4	Types of Inventory Vouchers in Tally
3.5	Invoices
3.6	Bill wise Details
3.7	Cost Center and Cost Category in Tally.ERP9
3.8	Bank Reconciliation
3.9	Scenario Management

3.1 Vouchers in Tally

Tally offers two different types of vouchers namely – accounting vouchers and inventory vouchers. This helps businesses separate accounting and inventory operations. These vouchers allow users to record financial activities or track inventory items.

Tally offers two different types of vouchers, accounting vouchers and inventory vouchers. This helps businesses separate accounting and inventory operations.

In Tally, an accounting voucher is a document used to record financial transactions, such as payments, receipts, purchases, and sales. These vouchers act as proof or evidence of the transaction and provide an accurate record of financial activities in an organization.

Accounting vouchers in Tally provide a simple and effective way to record financial transactions accurately and efficiently, ensuring that businesses have reliable financial records to make informed decisions.

3.2 Types of Accounting Vouchers in Tally



Accounting vouchers in Tally are divided into various categories; these include:

Sales Vouchers

Sales vouchers are one of Tally's most popular accounting tools, allowing users to record sales entries with great flexibility. There are two modes to choose from:

- Invoice mode
- Voucher mode

In invoice mode, you can print a copy of your transaction to give to your customer. On the other hand, in voucher mode, you can only record a transaction that is intended for statutory purposes. The toggle button lets you switch between these two options easily.

Purchase Vouchers

Creating a purchase record is essential for tracking necessary services and products. This can be carried out with a purchase voucher in Tally. There are two modes to choose from:

- Voucher mode
- Invoice mode

You can also print out invoices issued by other parties or any invoice sheet you have already created. Furthermore, transactions can be entered under Voucher Mode for statutory purposes, and these need not be printed. You can also modify the transaction mode, similar to sales vouchers.

Payment Vouchers

Tally ERP9 is comprehensive ERM software designed to facilitate payment transactions. The payment voucher in Tally provides you with all the essential data, including bank details, instrument numbers, balances, and more. You can even print out a cheque after updating the payment voucher.

To access the cheque list for printing, navigate to 'Banking' in Tally and choose 'Cheque Printing'. It supports over 500 banks from India and other nations. Finally, you can send your vendor the receipt after receiving their payments.

Receipt Vouchers

You can use receipt vouchers to document transactions when you receive a payment. Users can add information about each payment and choose their desired mode of payment, such as cash or cheque using this voucher. Receipt voucher in Tally is designed to provide transparency in sales between the company and its customers.



Contra Vouchers

A contra voucher in Tally is a vital accounting tool to document a cash transaction involving one or more banks, cash, or deposits. It helps to keep a record of any withdrawal, deposit, or transfer between the accounts available on Tally. Additionally, it provides details regarding the value in monetary denominations associated with the procedure.

Journal Vouchers

The journal voucher in Tally is a multi-purpose voucher used to document purchases, sales, and depreciation. It is available in both inventory and accounting modes.

Credit Note Token

For sales return transactions, a credit note record is necessary. The credit note voucher is typically deactivated by default. To make this voucher active, you can use the F11 key and customize the invoicing feature.

Maintaining a record of these transactions is essential so you can refer back to the original sales invoice against which the credit note entry is made. When you select a party for this transaction, you'll see a list of invoices against which the voucher is used. A credit note voucher can also be accessed under either an invoice or a voucher mode.

Debit Note Voucher

Debit and credit note vouchers record returns in sale or purchase transactions. To create a debit or credit note, start by pressing the F11 button and configuring its features. Then, use the original invoices associated with the transaction as reference points when entering records.

Inventory Vouchers

Inventory vouchers in Tally are used to record transactions related to inventory or stock items. These vouchers help businesses maintain accurate inventory records and track stock movements, including stock inwards and stock outwards.

Inventory vouchers provide an easy and effective way to manage inventory and ensure that stock records are accurate and up-to-date. With inventory vouchers, businesses can track their stock movements, make informed decisions about stock management, and maintain reliable financial records.

Tally.ERP is Pre-programmed with a variety of accounting vouchers, each designed to perform a specific job. The standard vouchers are :



1. Contra Voucher
2. Payment Voucher
3. Receipt Voucher
4. Journal Voucher
5. Sales voucher
6. Purchase voucher

Tally.ERP 9 has a set of short cut keys for accessing vouchers easily.

3.2.1 Contra Voucher (F4)

As per accounting rules, contra entry is a transaction indicating transfer of funds from..

- Cash Account to Bank Account (Cash Deposit)
- Bank Account to Cash Account (Cash Withdrawal)
- One Bank Account to another Bank Account (Bank Transfer)

The following Vouchers can be done through the Contra Vouchers :

- a) Cash Deposited into Bank
- b) Cash Withdrawal from the Bank
- c) Funds Transfer from One Bank to another Bank
- d) Cash Transfer to Petty Cash

Go to **Gateway of Tally.ERP 9 > Accounting Vouchers > F4 : Contra** to display the Contra Voucher.

(A) Cash Deposit Voucher



Transactions : ₹. 5000 deposited in State Bank Of India as on 1-04-2020.

The screenshot shows the 'Accounting Voucher Creation' window in Tally ERP 9. The voucher is a 'Contra' type, No. 1, dated 1-Apr-2020. The voucher class is 'Not Applicable'. The account is 'State Bank of India' with a current balance of 5,000.00 Dr. The particular is 'Cash' with a current balance of 5,000.00 Cr. The amount is 5,000.00. The narration is redacted. The 'F4: Contra' option is highlighted in the right-hand menu.

Particulars	Amount
Cash	5,000.00
	5,000.00

(B) Cash Withdrawal Voucher

Transactions : ₹. 5000 withdrawn from Axis Bank Ltd. as on 1-04-2020.

The screenshot shows the 'Accounting Voucher Creation' window in Tally ERP 9. The voucher is a 'Contra' type, No. 1, dated 1-Apr-2020. The voucher class is 'Not Applicable'. The account is 'Cash' with a current balance of 5,000.00 Dr. The particular is 'Axis Bank Ltd.' with a current balance of 60,000.00 Dr. The amount is 5,000.00. The narration is redacted. The 'F4: Contra' option is highlighted in the right-hand menu.

Particulars	Amount
Axis Bank Ltd.	5,000.00
	5,000.00



(C) Fund Transfer Voucher

Transactions : ₹. 5000 transfer from Axis Bank Ltd to State Bank Of India as on 1-04-2020.

The screenshot shows the Tally.ERP 9 Accounting Voucher Creation window. The voucher type is 'Contra' (No. 1) with a voucher class of 'Not Applicable' and a date of '1-Apr-2020 Wednesday'. The account is 'State Bank of India' with a current balance of '5,000.00 Dr'. The particulars table shows a debit to 'Axis Bank Ltd.' for '5,000.00' and a credit to 'Narration' for '5,000.00'. The bottom status bar indicates 'Tally MAIN --> Gateway of Tally --> Acc' and the date 'Fri, 12 Jun, 2020'.

Particulars	Amount
Axis Bank Ltd. Cur Bal: 60,000.00 Dr	5,000.00
Narration:	5,000.00

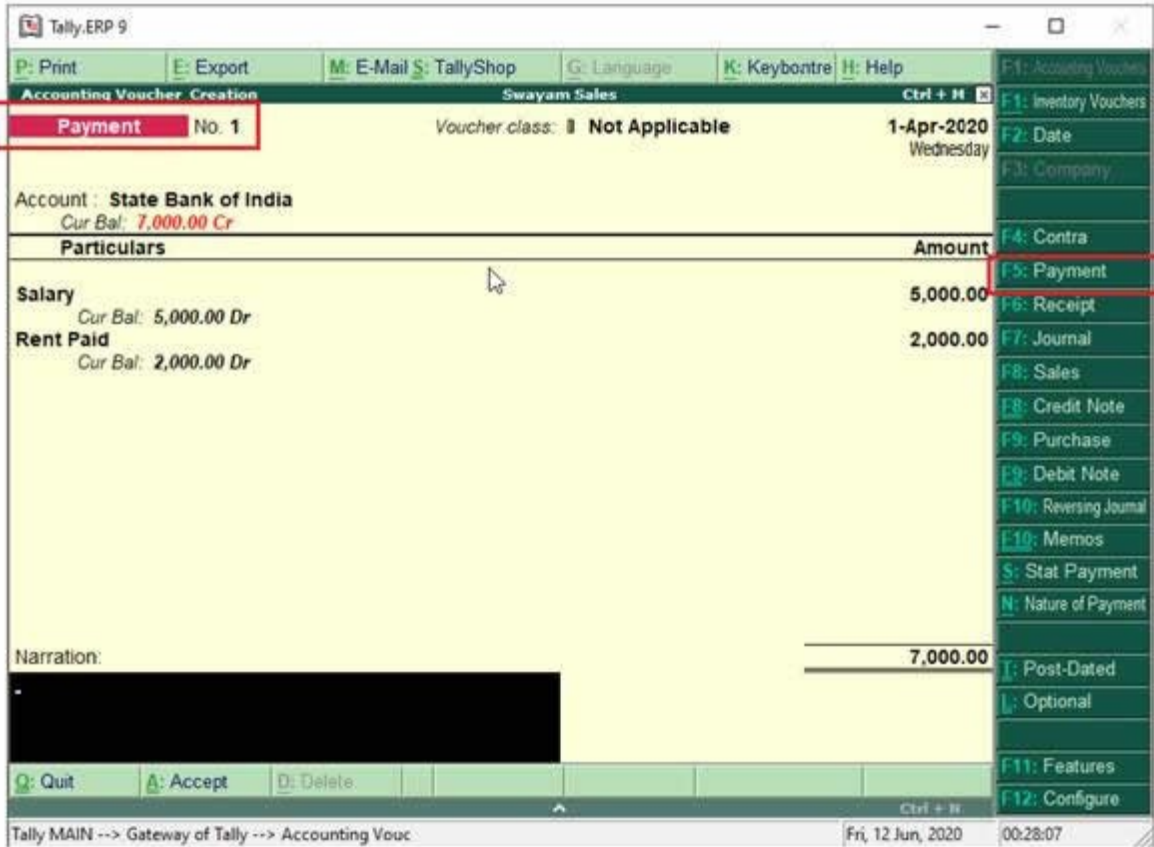
3.2.2 Payment Voucher (F5)

Payment voucher is used to account all the payments made by the company by way of Cash/Bank.

Payment voucher can be passed using **Single Entry** or **Double Entry mode** by configuring the setting **Use Single Entry mode for Pymt/Rcpt/Contra** in **F12 configuration**.

Gateway of Tally.ERP 9 > Accounting Vouchers > F5 : Payment displays the Payment Voucher.

Transactions : Paid **Salaries** of ₹. 5000 and **Rent** of ₹.2000 by cheque of State Bank of India as on 1-04-2020.



1. Voucher Classes for Payment & Receipt Voucher

All Payment or Receipt are of two types....either Cash or Bank (may be NEFT/Debit Card/ Credit Card/Direct Transfer)

Voucher Classes are available for all major voucher types like Contra, Payment, Receipt, Journal, Sales, Credit Note, Purchases, Debit Note, Sales Order, Purchase Order, Delivery Note, and Stock Journal.

So, we can create two Classes – Cash Payment/Receipt & Bank Payment/Receipt.

Let's we create a Two Class in case of Payment Voucher:

<u>Name of Class</u>
Cash Payment
Bank Payment



Alter the Payment Voucher Type

1. Go to Gateway of Tally.ERP9 > Accounts Info > Voucher Type > Alter 'Payment Voucher'

The screenshot shows the 'Voucher Type Alteration' window in Tally.ERP 9. The window title is 'Tally.ERP 9' and the menu bar includes 'P: Print', 'E: Export', 'M: E-Mail', 'S: TallyShop', 'G: Language', 'K: Control Centre', and 'H: Support Cen'. The main title is 'Voucher Type Alteration' and the company name is 'Swayam Sales'. The 'Name' field is set to 'Payment' and the '(alias)' field is empty. The window is divided into three columns: 'General', 'Printing', and 'Name of Class'. The 'General' column contains fields for 'Select type of voucher' (Payment), 'Abbreviation' (Pymt), 'Method of voucher numbering' (Automatic), 'Use advanced configuration' (No), 'Use effective dates for vouchers' (No), 'Make this voucher type as 'Optional' by default' (No), 'Allow narration in voucher' (Yes), 'Provide narrations for each ledger in voucher' (No), 'Enable default accounting allocations' (No), and 'Set/Alter Default Accounting Entries' (No). The 'Printing' column contains the field 'Print voucher after saving' (No). The 'Name of Class' column contains the text 'Cash Payment' and 'Bank Payment', with a red box highlighting this area and a mouse cursor pointing to it.

General	Printing	Name of Class
Select type of voucher : Payment	Print voucher after saving ? No	Cash Payment
Abbreviation : Pymt		Bank Payment
Method of voucher numbering ? Automatic		
Use advanced configuration ? No		
Use effective dates for vouchers ? No		
Make this voucher type as 'Optional' by default ? No		
Allow narration in voucher ? Yes		
Provide narrations for each ledger in voucher ? No		
Enable default accounting allocations ? No		
Set/Alter Default Accounting Entries ? No		

2. Retain the rest of the fields as they are.
3. In the Voucher Type alternation screen, write '**Cash Payment**' in the **Name of Class** field.
4. Ensure that voucher type class is defined as shown in figure.



Swayam Sales Ctrl + M

Class: Cash Payment

If you wish to restrict the groups to which this class can be used, specify them here.

Exclude these Groups	Include these Groups
End of List	Cash-in-Hand

Specific Ledger for which this Class is created (e.g. Cash, or a Bank Account)

Ledger Name

Cash

List of Ledger Accounts

- Not Applicable
- Axis Bank Ltd
- Cash**
- SBI

5. Make an entry of the transaction in a Payment Voucher – Voucher Class **Cash Payment**

Go to *Gateway of Tally.ERP 9 > Accounting Vouchers > F5 : Payment > Select 'Cash Payment' under Voucher Class List*

Voucher Type

Name : **Payment**

Class : **Cash Payment**

Voucher Class List

- Not Applicable
- Bank Payment
- Cash Payment**

Ensure that the Payment Voucher entries are as given in the Figure:



Tally.ERP 9

P: Print E: Export S: TallyShop G: Language K: Keyboard H: Help

Accounting Voucher Creation Swayam Sales Ctrl + M

Payment No. 1 Voucher class: **Cash Payment** 1-Apr-2020
Wednesday

Account : **Cash** Auto Selection ..
Cur Bal: 10,000.00 Cr

Particulars	Amount
Salary Cur Bal: 10,000.00 Dr	10,000.00
Narration:	10,000.00

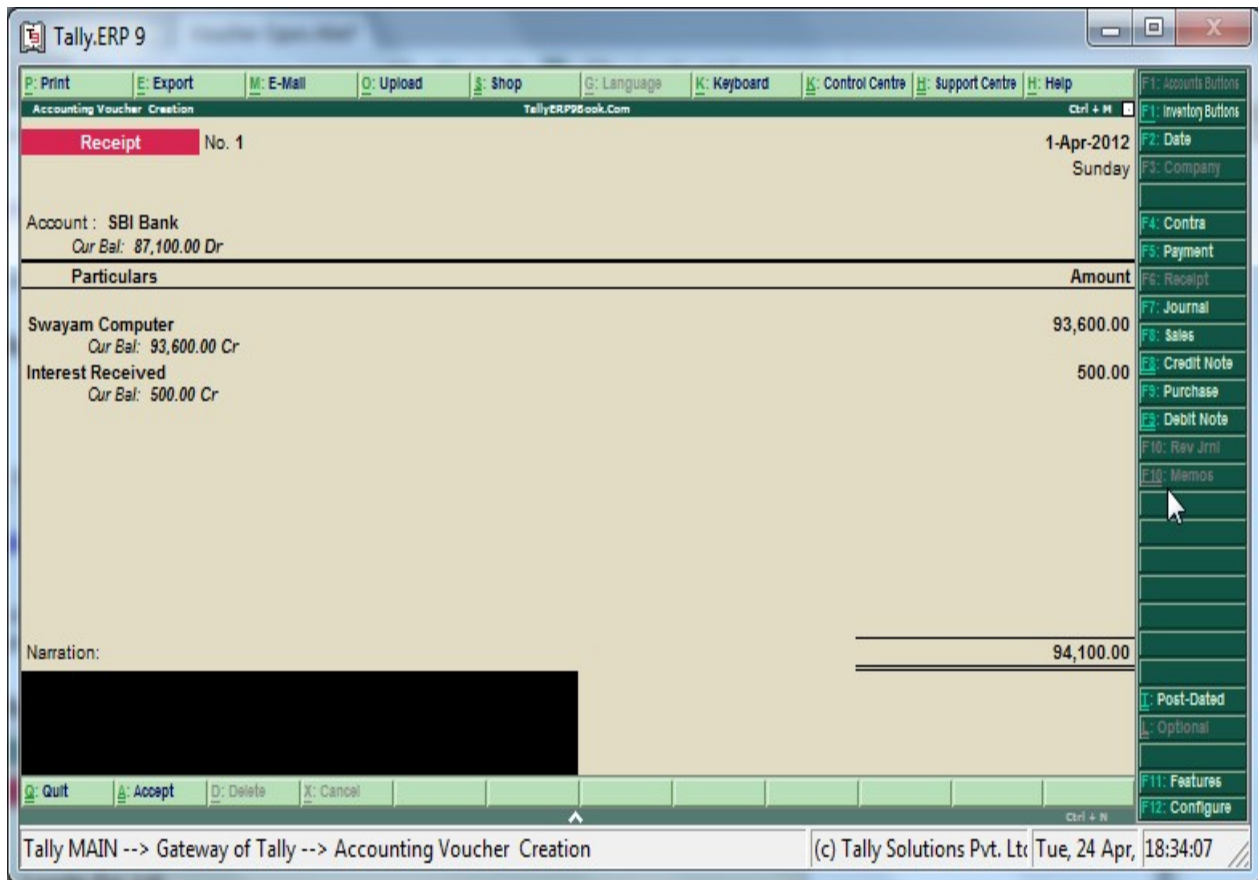
3.2.3 Receipt Voucher (F6)

Transactions involving receipt of Money are entered in the Receipt Voucher.

Gateway of Tally.ERP > Accounting Vouchers > F6 : Receipt displays the Receipt Voucher.

Transactions : Amount collected and deposited to SBI Bank Rs. 93,600 from Swayam Computer

Transactions : Rs.500 interest received from SBI Bank.



3.2.4 Sales voucher (F8)

You can record the sales of both goods and services in the same invoice by selecting the required sales ledger and GST ledgers (state tax and central tax for local sales; integrated tax for interstate sales)

Example:

Transactions : Sold the following Goods to Chitra & Co. (within state customer) on Credit on 01/04/2020 with 'Installation Charges' Rs.1,000 extra which attracts GST 5% apart from Products GST.

<u>Name of Product</u>	<u>Qty.</u>	<u>Rate</u>	<u>Value</u>
Desktop HCL Infinity (GST-18%)	1 Nos.	30,000	30,000
Desktop Lenovo K200 (GST-18%)	1 Nos.	45,000	45,000

Setup :



Create a Ledger “**Installation Charges**” under ‘Direct Income’ with GST Applicable @ 5% as details below :

Tally.ERP 9

P: Print E: Export M: E-Mail O: Upload

Ledger Creation (Secondary)

Name : **Installation Charges**
(alias) :

Under : **Indirect Incomes**

Inventory values are affected ? **No**
Type of Ledger ? **|| Not Applicable**

Statutory Information

Is GST Applicable ? **|| Applicable**
Set/alter GST Details ? **Yes**
Type of Supply : **Services**

Under Statutory Information, write YES in Set/Alter GST Details. Immediately you will be move to GST Details for Ledger screen as below :

Select ‘Sales Taxable’ under Nature of Transaction list with GST % i.e. 5% as per screen below:



Tally.ERP 9

P: Print | E: Export | M: E-Mail | O: Upload | S: TallyShop | G: Language | H: Support Centre | H: Help

GST Details | Swayam Sales | Natures of Transaction

GST Details for Ledger:
Installation Charges

HSN/SAC Details

Description :
HSN/SAC :

Is non-GST goods ? No
Nature of transaction : **Sales Taxable**

Tax Details

Taxability : Taxable
Is reverse charge applicable ? No

Tax Type

Tax Type	Rate
Integrated Tax	5 %
Central Tax	2.50 %
State Tax	2.50 %
Cess	0 %

Natures of Transaction

- Not Applicable
- Branch Transfer Outward
- Deemed Exports Exempt
- Deemed Exports Nil Rated
- Deemed Exports Taxable
- Exports Exempt
- Exports LUT/Bond
- Exports Nil Rated
- Exports Taxable
- Interstate Sales Exempt
- Interstate Sales Nil Rated
- Interstate Sales Taxable
- Interstate Sales to Embassy/UN Body Exempt
- Interstate Sales to Embassy/UN Body Nil Rated
- Interstate Sales to Embassy/UN Body Taxable
- Intrastate Deemed Exports Exempt
- Intrastate Deemed Exports Nil Rated
- Intrastate Deemed Exports Taxable
- Sales Exempt
- Sales Nil Rated
- Sales Taxable**
- Sales to Consumer - Exempt
- Sales to consumer Nil Rated
- Sales to Consumer - Taxable
- Sales to SEZ - Exempt
- Sales to SEZ - LUT/Bond
- Sales to SEZ - Nil Rated
- Sales to SEZ - Taxable

Tally.ERP 9

P: Print | E: Export | M: S: TallyShop | G: Language | K: Control Centre | H: Support Centre | H: Help

Accounting Voucher Creation | Swayam Sales | Ctrl + M

Sales No. 1 | Voucher class: Not Applicable | 1-Apr-2020
Wednesday

Reference no.:

Party A/c name : Chitra & Co.
Current balance :
Sales ledger : Sale - GST/IGST

Name of Item	Quantity	Rate	per Disc %	Amount
Desktop HCL Infinity	1 Nos.	30,000.00	Nos.	30,000.00
Desktop Lenovo K200	1 Nos.	45,000.00	Nos.	45,000.00
				75,000.00
Installation Charges				1,000.00
CGST				6,775.00
SGST				6,775.00
Provide GST/e-Way Bill details : No				
Narration:	2 Nos.			89,550.00



You can view the tax details by clicking Alt+A : Tax Analysis. Click Alt+F1 : Detailed to view the tax break-up.

Particulars	Taxable Value	Tax rate	Duty/Tax Value
GST Details			
Sales Taxable	76,000.00		13,550.00
Installation Charges	1,000.00		50.00
Sales Value	1,000.00		
Central Tax		2.50%	25.00
State Tax		2.50%	25.00
Desktop HCL Infinity (ABC123)	30,000.00		5,400.00
Item Value (Sales Value 30,000.00)	30,000.00		
Central Tax		9%	2,700.00
State Tax		9%	2,700.00
Desktop Lenovo K200 (ABC123)	45,000.00		8,100.00
Item Value (Sales Value 45,000.00)	45,000.00		
Central Tax		9%	4,050.00
State Tax		9%	4,050.00
Total			13,550.00

3.2.5 Purchase Vouchers (F9)

While recording a purchase transaction, if you want to allocate cost centers, then record the transaction in voucher mode else enter the transaction in item invoice mode.

1. Go to Gateway of Tally > Accounting Vouchers .
2. In the Voucher Creation screen select F9: Purchase .
3. Select As Invoice .
4. Enter the current date and reference.
5. Select the Party to be credited from the List of Ledger Accounts in Party's A/c name .
6. Select the required Purchase Ledger from the List of Ledger Accounts .
7. Select an item from the Stock Items List of Items. On selecting the Item, an Item Allocations sub screen for the selected Item is displayed as shown.



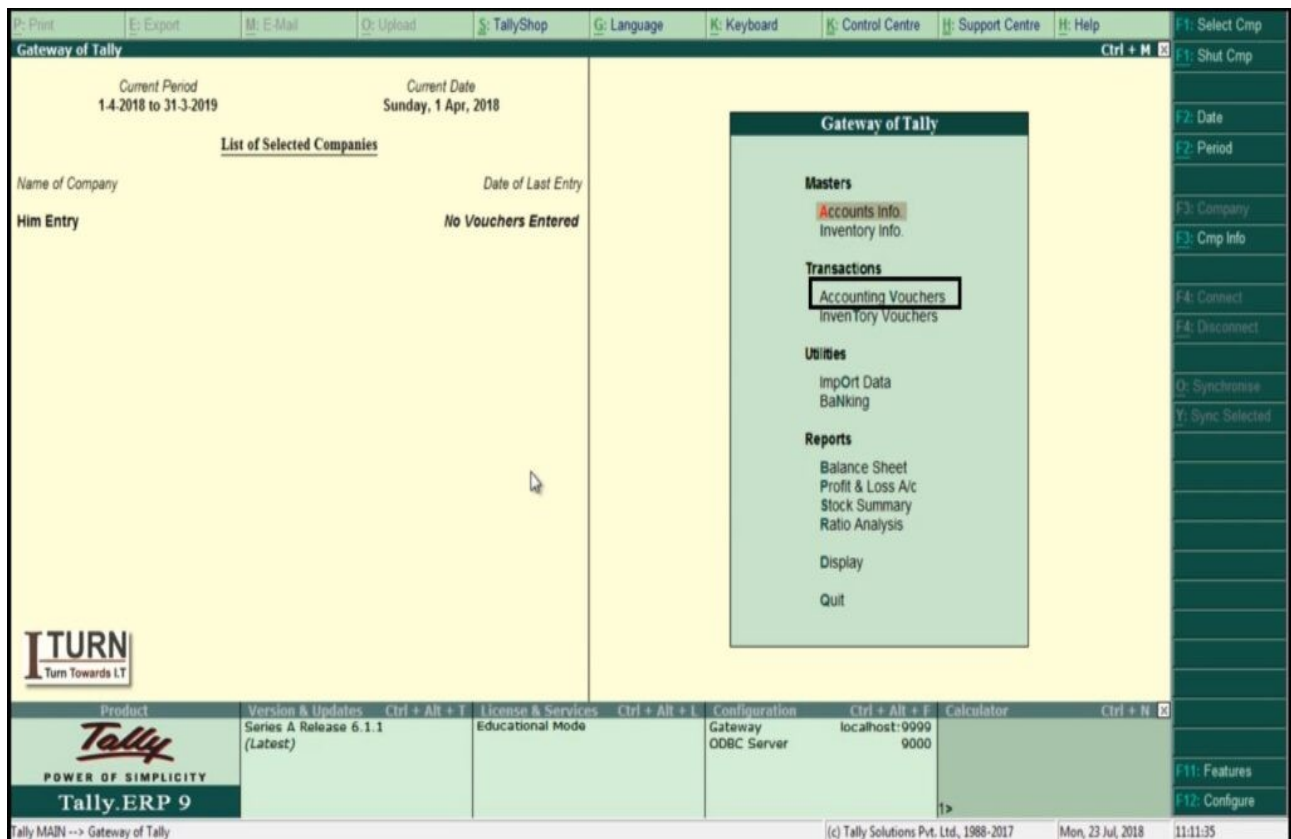
3.3 Steps to Perform Voucher Entry

- Open Tally ERP 9: Double-click the Tally ERP 9 icon on your desktop to launch the software.
- Select Company: Choose the company for which you want to perform voucher entry from the list of available companies.
- Access Voucher Entry Screen:

- Go to the Gateway of Tally (main screen).

- Navigate to the appropriate voucher entry screen based on the type of transaction you want to record. You can access voucher entry screens using shortcut keys or through the menu options.

- For example, press F9 for purchase voucher, F8 for sales voucher, F5 for payment voucher, F6 for receipt voucher, F7 for journal voucher, F4 for contra voucher, F10 for debit note voucher, F11 for credit note voucher, and so on.



Enter Voucher Details:



- Once you are in the voucher entry screen, you'll see various fields where you can enter details about the transaction.
- Fill in the date of the transaction in the appropriate field.
- Select the account (ledger) that is being debited or credited in the transaction. You can type the first few letters of the account name to search for it.
- Enter the amount of the transaction in the relevant field.
- Repeat the process for additional accounts involved in the transaction.

Save the Voucher:

- After entering all the necessary details, press Ctrl + A or click on the "Accept" button to save the voucher.
- Tally will validate the entries and save the voucher if there are no errors.

View or Print Vouchers:

- After saving the voucher, you can view it by going to the "Display" menu and selecting "Day Book" or "Vouchers."
- You can also print vouchers by selecting the voucher you want to print and clicking on the "Print" button.

Example:

Suppose you want to record a payment transaction where you paid rent amounting to ₹10,000.

Here's how you would do it in Tally ERP 9:

- Press F5 to access the Payment Voucher screen.
- Enter the date of the transaction.
- Select the bank account from which the payment is made.
- Enter ₹10,000 in the "Payment" field.
- Select the "Rent Expense" ledger under "Particulars" and enter ₹10,000 in the "Amount" field.
- Press Ctrl + A to save the voucher.



That's it! You have successfully recorded the payment transaction in Tally ERP 9. Repeat these steps for other transactions as needed.

Voucher Entry Examples:

Type 1: Payment Voucher:

Example: Payment of electricity bill amounting to ₹5,000.

- Go to Gateway of Tally > Accounting Vouchers > F5: Payment.
- Select the appropriate bank or cash account under “Account” field.
- Enter the amount of ₹5,000 in the “Payment” field.
- Select “Electricity Expense” under “Particulars” and enter ₹5,000 in the “Amount” field.
- Press Enter to save the voucher.

Type 2: Receipt Voucher:

Example: Receipt of rent from tenant amounting to ₹10,000.

- Go to Gateway of Tally > Accounting Vouchers > F6: Receipt.
- Select the appropriate bank or cash account under “Account” field.
- Enter the amount of ₹10,000 in the “Receipt” field.
- Select “Rent Income” under “Particulars” and enter ₹10,000 in the “Amount” field.
- Press Enter to save the voucher.

Type 3: Sales Voucher:

Example: Sales of goods to ABC Traders amounting to ₹20,000.

- Go to Gateway of Tally > Accounting Vouchers > F8: Sales.
- Select the sales ledger under “Account” field.
- Enter the amount of ₹20,000 in the “Amount” field.
- Select “ABC Traders” under “Particulars” and enter ₹20,000 in the “Amount” field.
- Press Enter to save the voucher.

Type 4: Purchase Voucher:

Example: Purchase of raw materials from XYZ Suppliers amounting to ₹15,000.

- Go to Gateway of Tally > Accounting Vouchers > F9: Purchase.
- Select the purchase ledger under “Account” field.
- Enter the amount of ₹15,000 in the “Amount” field.



- Select “XYZ Suppliers” under “Particulars” and enter ₹15,000 in the “Amount” field.
- Press Enter to save the voucher.

Type 5: Journal Voucher:

Example: Recording depreciation expense for the month amounting to ₹2,000.

- Go to Gateway of Tally > Accounting Vouchers > F7: Journal.
- Select the depreciation ledger under “Account” field.
- Enter the amount of ₹2,000 in the “Amount” field.
- Select the appropriate ledger under “Particulars” and enter ₹2,000 in the “Amount” field.
- Press Enter to save the voucher.

Type 6: Contra Voucher:

Example: Transfer of funds from Bank Account A to Bank Account B amounting to ₹50,000.

- Go to Gateway of Tally > Accounting Vouchers > F4: Contra.
- Select Bank Account A under “From” field and Bank Account B under “To” field.
- Enter the amount of ₹50,000 in the “Amount” field.
- Press Enter to save the voucher.

Type 7: Debit Note Voucher:

Example: Debit note issued to supplier for returned goods amounting to ₹7,000.

- Go to Gateway of Tally > Accounting Vouchers > F10: Debit Note.
- Select the supplier’s ledger under “Account” field.
- Enter the amount of ₹7,000 in the “Amount” field.
- Select the appropriate ledger under “Particulars” and enter ₹7,000 in the “Amount” field.
- Press Enter to save the voucher.

Type 8: Credit Note Voucher:

Example: Credit note issued to customer for returned goods amounting to ₹3,000.

- Go to Gateway of Tally > Accounting Vouchers > F11: Credit Note.
- Select the customer’s ledger under “Account” field.
- Enter the amount of ₹3,000 in the “Amount” field.
- Select the appropriate ledger under “Particulars” and enter ₹3,000 in the “Amount” field.
- Press Enter to save the voucher.



Type 9: Payment Advice Voucher:

Example: Payment advice issued to a vendor for the upcoming payment.

- Go to Gateway of Tally > Accounting Vouchers > F10: Payment Advice.
- Select the vendor's ledger under "Account" field.
- Enter the amount and other relevant details.
- Press Enter to save the voucher.

3.4 Types of Inventory Vouchers in Tally

Inventory vouchers in Tally are divided into several distinct categories, including:

Physical Stock Verification Vouchers

Organizations often use these vouchers to track inventory and ensure accurate calculation of physical stock verification. This system lets companies determine the types and quantities of commodities in each godown quickly.

The voucher includes details like item name, quantity, rates, batch/lot number, expiration date, production date, and more. Ultimately, this system helps managers make decisions and keeps numbers accurately aligned between physical inventories and accounting records.

Material In and Out Vouchers

Businesses use these vouchers to keep a track of how long products were with employees or when they were delivered. Additionally, it is also essential to comply with GST regulations.

Delivery Note Vouchers

This voucher is also known as a delivery challan. It is used for keeping a track of products sent out. It further allows customers to add the number of dispatch documents, vehicle number, and bill of lading number for easy reference. In addition, all other relevant information can also be included in this document.

Receipt Note Vouchers

This voucher serves as an official record of product receipt from the vendor. It allows users to document additional data like truck registration numbers, lading number bills, dispatch numbers, etc.

3.5 Invoices



In Tally, an invoice is a detailed document, often referred to as a bill or cash memo, that records a transaction between a seller and a buyer. It's a crucial part of the sales process, serving as proof of purchase and a request for payment for goods or services provided. In Tally, you can create and manage both sales and purchase invoices, and they can be customized to include details like item names, quantities, prices, taxes, and payment terms.



In Tally.ERP 9, creating an invoice involves navigating to Gateway of Tally > Accounting Vouchers > F8: Sales and then selecting the relevant ledger and items, specifying quantities and rates. For GST compliance, you'll need to select the appropriate central and state tax ledgers for local sales or the integrated tax ledger for interstate sales. You can also print the invoice by pressing Alt+P and customize the print configuration by pressing F12.

3.5.1 How to Create Sales Invoice in Tally ERP 9

Sales invoice can be of two types :

- Local Sales on which CGST and SGST are applicable.
- Interstate Sales on which IGST is applicable.



Before making sales entry in Tally, you need to create ledgers relates to sales. Let's first understand the creation of Ledgers Ledger Creation

You must create the following types of sales ledger and fill the related information required to create these ledgers :

- Local sales
- Interstate sales
- CGST
- SGST
- IGST
- Item name
- Party Account

Under Party account, you must also mention whether the party is composite dealer, consumer, registered or unregistered dealer.

Tax Invoice							
National Enterprises #27, 50 Ft Road, Industrial Area, Koramangala 5th Block, Bangalore GSTIN/UIN: _____ State Name : Karnataka, Code : 29 E-Mail : sales@nationalenterprises.com Consighee (SRP to)			Invoice No. 77	Dated 31-Mar-21			
Bharti Airtel Limited State Name : Karnataka, Code : 29			Delivery Note	Mode/Terms of Payment			
Buyer (Bill to) Bharti Airtel Limited State Name : Karnataka, Code : 29			Reference No. & Date.	Other References			
			Buyer's Order No.	Dated			
			Dispatch Doc No.	Delivery Note Date			
			Dispatched through	Destination			
			Terms of Delivery				
Sl	Description of Goods	HSN/SAC	Quantity	Rate	per	Disc %	Amount
1	Pencils	22345678	1.00 u	2,500.00	u		2,500.00
2	Paper Trays	22945678	1.00 u	16,250.00	u		16,250.00
							18,750.00
Central Tax							3,237.50
State Tax							3,237.50
Total							25,225.00
Amount Chargeable (in words)							₹ 25,225.00
INR Twenty Five Thousand Two Hundred Twenty Five Only							
HENSEC:							
	Taxable Value	Central Tax Rate	Central Tax Amount	State Tax Rate	State Tax Amount	Total Tax Amount	
	22345678	6%	150.00	6%	150.00	300.00	
	22945678	19%	3,087.50	19%	3,087.50	6,175.00	
	Total		3,237.50		3,237.50	6,475.00	
Tax Amount (in words) : INR Six Thousand Four Hundred Seventy Five Only							
Declaration We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.			for National Enterprises Authorized Signatory				
This is a Computer Generated Invoice							

Detailed Steps:

- Go to Gateway of Tally > Accounting Vouchers > F8: Sales.



- Select the Party A/c name: Choose the party ledger or cash ledger.
- Choose the Sales Ledger: Select the relevant sales ledger for local or interstate sales.
- Add Items and Rates: Select the required items and specify the quantities and rates.
- Select Tax Ledgers: For local sales, select central and state tax ledgers. For interstate sales, select the integrated tax ledger.
- Customize Invoice: Press F12 to configure additional details like buyer's order no, delivery note no, etc.,.
- Print Invoice: Press Alt+P to print the invoice in the required format.

3.6 Bill wise Details

'Bill wise Details' hence can be used to track the details of any already made or due payments and also to generate payables or receivables reports with minimum effort. How to activate: Go to Gateway of Tally > Press - F11: Accounting Features > Set 'Yes' to 'Maintain Bill wise Details (for Non-Trading A/c s also).

Maintaining Bill-wise Details of all Receivable and Payable of Bills in Tally.ERP9

If you want to maintain Party wise Bill details (sundry debtors / sundry creditors) of all receivable and payable of bills from the party (for example, acceptance of Bill, Payment of Bill, Pending Bill, Overdue Bill, etc.) you can use this option.

Gateway of Tally.ERP > Accounts Info > Ledger > Create

Example : Debtors statement (ABC Solutions & Co.) as below :

Date	Bill No.	Bill date	Due Date	Bill Amt.	Paid Amt.	Remarks
1-4-2019	159	1-4-2019	1-5-2019	5,800		Sales
1-5-2019	852	1-5-2019	31-5-2019	7,400		Sales
2-5-2019	582	1-5-2019			7,400	Ch. 123001

Step-1

Activate the features from Gateway of Tally.ERP > Features (F11) > Accounting Features



Outstanding Management	
Maintain bill-wise details For non-trading accounts also	? <input checked="" type="checkbox"/> Yes ? <input type="checkbox"/> No
Activate interest calculation	? <input type="checkbox"/> No
Use advanced parameters	? <input type="checkbox"/> No

Step-2

Create you Ledger. Select the (Billwise details) option at the time of Ledger creation Gateway of Tally.ERP > Accounts Info > Ledger > Create

Ledger Creation	
Name : ABC Solutions & Co.	
(alias) :	
<hr/>	
Under	: Sundry Debtors (Current Assets)
Maintain balances bill-by-bill	? <input checked="" type="checkbox"/> Yes
Default credit period	: 30 Days
Check for credit days during voucher entry	? <input checked="" type="checkbox"/> Yes
Inventory values are affected	? <input type="checkbox"/> No

Activate the Features for the respective Ledgers

Credit Period Specified here.

In case a ledger has already been created, modify it at the entry time with CTRL+ Enter to activate the option.

Step-3

Record the transaction from accounts voucher.

Gateway of Tally.ERP > Accounting Voucher > Sales



Accounting Voucher Creation www.TallyERP9Book.Com Ctrl + M

Sales No. 9 2-Sep-2017
Saturday

Reference no.:

Party A/c name : ABC Solutions & Co.
Current balance :
Sales ledger : SALE - 18%

Name of Item	Quantity	Rate per	Disc %	Amount
IBM Laptop	1 Nos.	50,000.00	Nos.	50,000.00
Output CGST				4,500.00
Output SGST				4,500.00
Narration:				1 Nos. 59,000.00

Bill-wise Details for : ABC Solutions & Co.
Upto: ₹ 59,000.00 Dr

Type of Ref	Name	Due Date, or Credit Days (wef. 2-Sep-2017)	Amount	Dr/ Cr
New Ref	9	30 Days (2-Oct-2017)	59,000.00	Dr
			59,000.00	Dr

Method of adjustment :

- **Advance** : This method is used for payment without any previous due arisen to the party.
- **Against Ref** : Is used for adjustment against any existing dues.
- **New Ref** : Is used for creating any dues.
- **On Account** : For lump sum amount.

Step-4

Record the Receipt Transaction from accounts voucher.

Gateway of Tally.ERP > Accounting Voucher > Receipt (F6)

Accounting Voucher Creation www.TallyERP9Book.Com Ctrl + M

Receipt No. 1 2-Sep-2017
Saturday

Account : **AXIS BANK**
Cur Bal: 59,000.00 Dr

Particulars	Amount
ABC Solutions & Co. Cur Bal: 0.00 Cr	59,000.00
Agst Ref 9 30 Days 59,000.00 Cr (2-Oct-2017)	
Narration:	
	59,000.00



3.7 Cost Center and Cost Category in Tally.ERP9

3.7.1 Cost Centre

A cost centre is any unit of an organisation to which transactions (generally, revenue) can be allocated. When only costs or expenses are allocated to these units, they are referred to as Cost Centres.

Transactions are allocated to cost centres. This enables accounting all transactions for that particular cost centre. You can view the cost centre break up of each transaction as well as the details of transactions for each Cost Centre.

Some examples of Cost Centres are:

Examples of cost centres:

1. Departments of an Organisation, e.g., Finance, Manufacturing, Marketing, etc.
2. Products of a company, e.g., Tally ess 4.5, Tally eis 5.4, Tally 6.3, Tally ies 7.2 , Tally 9.0, Tally.ERP9 etc.
3. Even individuals like, Salesman A, Salesman B, etc.

You can classify cost centres, just as you classify Group/Ledger accounts. You can have Primary Cost Centres and several levels of Cost Centres under each Primary Cost Centre.

Consider the following example.

- Primary Cost Centres - Finance, Manufacturing, Marketing.
- Under Marketing, classify the company's sales executives (Salesman A, Salesman B, Salesman C) as Cost Centres.

This will help you track a sales executive's performance, in terms of cost and revenue generated.

Allocate expenditure incurred on sales by the salesmen, as well as the sales generated by them, directly to their Cost Centres. The allocation is done at the time of voucher entry.

3.7.2 Cost Category

Cost categories are useful for organisations that require allocation of revenue and non-revenue items to parallel sets of cost centres means a transaction to more than one set of cost centres.

For example,



- > Cost Centres such as Marketing, Finance and Manufacturing can now belong to a category - Departments.
- > The Salesmen A, B, and C can be Cost Centres under a Category - Executives.

Matrix is as shown below :

Cost Category	Branch	Department	Manager	Mob No.
Cost Center	Kolkata	Marketing	Regional Manager	9437264738
	Mumbai	Administration	Area Manager	9437264739
	Delhi	Accounts	Sales Manager	9437264740

3.7.2.1 Creating Cost Category and Cost Centre

Example : Allocate the Expenditure.

Paid Telephone / Telex / Fax Charges – Rs. 2,500 by Cash as per following Cost Centre & Cost Categories :-

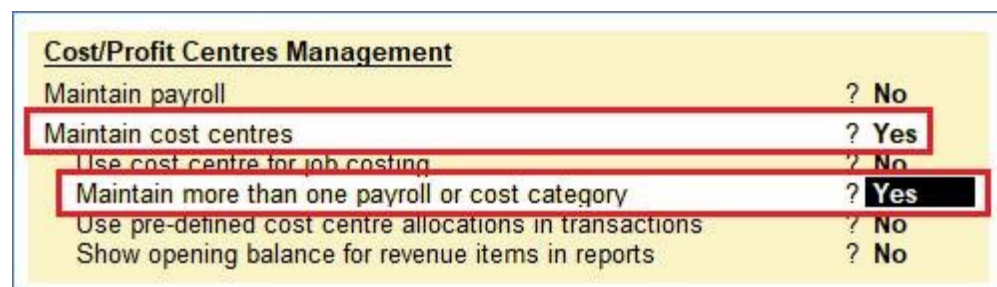
Branch	Department	Manager	Mob No.	Allocation Amount
Kolkata	Accounts	Regional	9437264738	2500

Paid Travelling Expenses – Rs. 3,000 by Cash as per following Cost Centre & Cost Categories :-

Branch	Department	Department	Allocation Amount
Mumbai	Marketing	Marketing	3000

Solutions:

1. Enable cost categories in F11 features to create and use cost categories & Cost Centres.



2. Create following Cost Category



- Branch
- Department
- Manger
- Mob. No.

Go to **Gateway of Tally > Accounts Info. > Cost Categories > Create** (under *Multiple Cost Category*).

Multi Cost Category Creation		Swayam Sales		Ctrl + M
S.No.	Name of Category	Allocations for		
		Revenue Items	Non-Revenue Items	
1.	Branch	Yes	No	
2.	Department	Yes	No	
3.	Manager	Yes	No	
4.	Mob. No.	Yes	No	
5.				

- Revenue Item : Items appears in Profit & Loss Accounts
- Non-revenue item : Item appears in the Balance Sheet.

3. Create following Cost Centres under their respective category.

Cost Category	Branch	Department	Manager	Mob No.
Cost Center	Kolkata	Marketing	Regional Manager	9437264738
	Mumbai	Administration	Area Manager	9437264739
	Delhi	Accounts	Sales Manager	9437264740

Go to **Gateway of Tally > Accounts Info. > Cost Centres > Create** (under *Multiple Cost Centres*)



Multi Cost Centre Creation			
Under Cost Centre : ♦ All Items			
S.No.	Category	Name of Cost Centre	Under
1.	Branch	Kolkata	♦ Primary
2.	Branch	Mumbai	♦ Primary
3.	Branch	Delhi	♦ Primary
4.	Department	Marketing	♦ Primary
5.	Department	Administration	♦ Primary
6.	Department	Accounts	♦ Primary
7.	Manager	Regional Manager	♦ Primary
8.	Manager	Area Manager	♦ Primary
9.	Manager	Sales Manager	♦ Primary
10.	Mob. No.	9437264738	♦ Primary
11.	Mob. No.	9437264739	♦ Primary
12.	Mob. No.	9437264740	♦ Primary

3.7.2.2 Applying Cost Centres to Ledger Accounts

To apply cost centres to ledger accounts,

For example, enable Cost Center for Payment ledger – **Telephone / Telex / Fax Charges & Travelling Expenses.**

Go to Gateway of Tally > Accounts Info > Ledgers > Create/Alter

Ledger Alteration	
Name	: Telephone/Telex/Fax Charges
(alias)	:
Under	: Administrative Expenses (Indirect Expenses)
Inventory values are affected	? No
Type of Ledger	? ♦ Not Applicable
Cost centres are applicable	? Yes_
Statutory Information	
Is GST Applicable	? ♦ Not Applicable
Set/alter GST Details	? No
Include in assessable value calculation for:	♦ Not Applicable

3.7.2.3 Cost Centres Allocation in Voucher Entry

Enter the payment Voucher as per example...

Gateway of Tally > Accounting Vouchers > Payment Voucher (F5)



Cost Centre allocations have to be done in the pop-up sub-screens in the main voucher entry screen. The sub-screen is displayed after the amount fields pertaining to the ledger for which cost centers have been activated. Hence, the following is the sub-screen for the ledger Conveyance A/c.

Cost Allocations for : Travelling Expenses Upto: ₹ 3,000.00 Dr		
Cost Category	Name of Cost Centre	Amount
Branch	Mumbai	<u>3,000.00</u>
Department	Marketing	<u>3,000.00</u>
Manager	Sales Manager	<u>3,000.00</u>

Accounting Voucher Creation		Swayam Sales	Ctrl + M
Payment No. 43		Voucher class: Cash Payment	2-Aug-2020 Sunday
Account : Cash Cur Bal: 3,71,030.00 Dr			
Particulars			Amount
Telephone/Telex/Fax Charges Cur Bal: 3,400.00 Dr			2,500.00
Branch			
Kolkata	2,500.00 Dr		
Department			
Accounts	2,500.00 Dr		
Manager			
Regional Manager	2,500.00 Dr		
Mob. No.			
9437264738	2,500.00 Dr		
Travelling Expenses Cur Bal: 5,000.00 Dr			3,000.00
Branch			
Mumbai	3,000.00 Dr		
Department			
Marketing	3,000.00 Dr		
Manager			
Sales Manager	3,000.00 Dr		
Narration:			<u>5,500.00</u>



3.7.2.4 Cost Centre Reports

Cost Centre Reports are primarily performance reports that give a different perspective to transactions.

Ensure the option **Maintain cost centres** is set to **Yes** in **F11: Features** .

Cost centre Break-up shows the ledger accounts that are used in vouchers, the cost centre they were allocated to, their total transaction values and the balance. If you consider only the revenue accounts, the Cost Centre break-up becomes the Profit or Loss statement of activities for the cost centre, and hence a powerful performance statement.

You can view cost centre vouchers in **Cost Category Summary** under **Category**

Summary .

1. Go to **Gateway of Tally > Display > Statements of Accounts > Cost centres > Category Summary** .

Cost Category Summary			
Swayam Sales			
Particulars	Swayam Sales		
	1-Apr-2020 to 1-Sep-2020		
	Transactions		Closing Balance
Debit	Credit		
Branch	5,500.00		5,500.00 Dr
Kolkata	2,500.00		2,500.00 Dr
Mumbai	3,000.00		3,000.00 Dr
Department	5,500.00		5,500.00 Dr
Accounts	2,500.00		2,500.00 Dr
Marketing	3,000.00		3,000.00 Dr
Manager	5,500.00		5,500.00 Dr
Regional Manager	2,500.00		2,500.00 Dr
Sales Manager	3,000.00		3,000.00 Dr
Mob. No.	2,500.00		2,500.00 Dr
9437264738	2,500.00		2,500.00 Dr

3.8 Bank Reconciliation

Reconciling the company's bank books with the banker's statement is a regular task of accounting. In Tally.ERP 9, Reconciliation of Bank Books facilitates the following:

3.8.1 Ability to check back the correctness of reconciliation



Tally.ERP 9 uses **Bank Date** to mark the voucher. For instance, if a cheque is issued on 8th April and the bank clears it on 19th April, the **Bank Date** for the voucher can be set to 19th April. This means that when there is a need to **check back** later, whether the entry made is correct or not, the bank statement of 19th April needs to be viewed for verification.

3.8.2 Recovering the Reconciliation of any Date

This is of crucial importance in Auditing. The Bank Reconciliation is one of the pre-requisites of auditing and verification of the correctness of accounts at the year end. However, it is not a **real-time** task, meaning auditors do not do it on the first day of the next year.

Bank accounts may have a different **Starting Date** for reconciliation purposes. When a bank account is created, user is prompted to give an **Effective Date for Reconciliation** . Normally, this would be the **Books Beginning from date** itself.

If the data is imported from a previous version of Tally or from any other system (where the reconciliation process was not available or was different), the reconciliation of bank account with the bank statements need to be done from the very beginning. To reconcile, give the date from which the reconciliation is to be done. Once this is done, entries made earlier than this date will not appear for reconciliation, but appears as a reconciled Opening Balance.

A quick experiment with Reconciliation will show what it all means.

1. Bring up the **monthly summary** of any **bank book** .

(Choose a bank book from any of the following: **Balance Sheet** , **Trial Balance** or **Display > Account Books > Cash/Bank Books**)

2. Bring the cursor to the first month (typically April), and press **Enter** . This brings up the vouchers for the month of April. Since this is a bank account, there is an additional button **F5: Reconcile** on the button bar, press to the right. Press **F5** to **reconcile** .

3. The display goes to the **Reconciliation mode** , which can be edited. The primary component of the current screen is the column for **Bank Date** .



Bank Reconciliation		ABC Company				Ctrl + M		
Ledger: Axis Bank		(Reconciliation - All Vouchers)				1-Apr-2012 to 30-Apr-2012		
Date	Particulars	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
5-4-2012	KLE Technologies	Payment	Same Bank Transfer	000002645637	5-4-2012	5-4-2012		7,501.00
9-4-2012	Bright Enterprises	Payment	Inter Bank Transfer	000051206214	9-4-2012	10-4-2012		5,400.00
25-4-2012	Top Distributers	Receipt	Inter Bank Transfer	000054125710	25-4-2012	2-5-2012	4,500.00	
30-4-2012	Conveyance Exp	Payment	Cheque	005412	30-4-2012	3-5-2012		850.00
Balance as per company books:							15,749.00	
Amounts not reflected in bank:							4,500.00	850.00
Amounts not reflected in company books:								
Balance as per bank:							12,099.00	
Balance as per Imported Bank Statement:								
Difference:								

4. The Reconciliation found at the bottom of the screen shows:

- Balance as per company books
- Amount not reflected in bank
- Amount not reflected in company books
- Balance as per bank
- Balance as per Imported Bank Statement
- Difference

The **Balance as per company books** reflects the balance as on the last date (in the example, it is 30th April).

The **Amount not reflected in bank** are the debit and credit sums of all those vouchers, whose Bank Date is either **BLANK**, or **LATER** than 30-Apr (i.e. these vouchers have not yet been reflected in the bank statement).

The **Amount not reflected in company books** are entries which are present in the bank statement but are not recorded in company's books.

The **Balance as per bank** is the net effect of the Book Balance offset by the amounts not reflected in the Bank – which must be equal to the balance in the bank statement.

The **Balance as per Imported Bank Statement** refers to the balance displayed on importing the bank statement for reconciliation.



The **difference** in **Bank Balance** (difference in **Balance as per Bank** and **Balance as per Imported Bank Statement**) will be shown here.

3.8.3 Reconciling Manually

As the individual vouchers are marked for reconciliation by setting the **Bank Date** , the Reconciled value at the bottom of the screen keeps updating the changes. Once this process is complete, press **Ctrl + A** or **Enter** as many times as necessary to skip over the unmarked vouchers and accept the screen.

The next time user opts for reconciliation, the screen displays only those vouchers that remain un-reconciled. However, the vouchers reconciled already can be viewed to edit the marking if required, by using **F12: Configure**

Set **Show Reconciled Vouchers also** to **Yes** to see the reconciled vouchers.

Set **Allow back dated Reconciliation** to **Yes** to enter **bank dates** which are lesser than the Voucher date.

Press **Alt+P** or click on the **Print** button to print your reconciliation report.

The **print preview** screen is displayed as shown below:

ABC Company								
Nice Building Clean Street Bangalore								
Axis Bank								
Reconciliation Statement								
1-Apr-2012 to 30-Apr-2012								
								Page 1
Date	Particulars	Vch Type	Transaction Type	Instrument No.	Instrument Date	Bank Date	Debit	Credit
5-4-2012	KLE Technologies	Payment	Same Bank Transfer	000002645637	5-4-2012	5-4-2012		7,501.00
9-4-2012	Bright Enterprises	Payment	Inter Bank Transfer	000051206214	9-4-2012	10-4-2012		5,400.00
25-4-2012	Top Distributers	Receipt	Inter Bank Transfer	000054125710	25-4-2012	2-5-2012	4,500.00	
30-4-2012	Conveyance Exp	Payment	Cheque	005412	30-4-2012	3-5-2012		850.00
Balance as per Company Books :							15,749.00	
Amounts not reflected in Bank :							4,500.00	850.00
Amounts not reflected in Company Books :								
Balance as per Bank :							12,099.00	
Balance as per Imported Bank Statement :								
Difference :								

3.8.4 Auto Reconciliation

For banks enabled with the feature of auto reconciliation in ledger master, the buttons:



- **B** : **Bank Statement** and **R** : **Reconcile Unlinked** appear on the **right side button bar**
- **D** : **Delete Unlinked** button appears on the button bar above **Info Panel** .

Since **e-Banking** is enabled for many banks, Import and View Bank Statements options will get enabled only if these banks are predefined for auto reconciliation while creating or altering the **Bank Ledger** .

The Excel, MT940 or .CSV files can be imported using **B** : **Bank Statement** button (**Alt+B**). On pressing this button, the **Bank Statement File** screen displays the **Directory** which was specified as the **Location** of Bank Statements in **F12: Configuration > Banking Configuration** . Select the **File Type** as per the bank statement format.

By setting the option **Show Imported Bank Statement** to **Yes** in **F12: Configuration** , the bank statement which is already imported can be selected again for import. The files will be listed in alphabetical order with details of file type and import status (showing whether it is already imported or not).

The **Bank Statement** which would be imported can be previewed using **I** : **With View** button (**Alt+I**) and then imported using **I** : **Import** button (**Alt+I**). It can also be imported even before generating the preview. Users must ensure that the bank statements being imported haven't been edited or altered in any way. If any changes are made, the error message - **Not a valid format** will be displayed while importing the statement.

During import, the **Import progress bar** gets displayed followed by the **Success** message with Count of Total Entries in bank Statement, transactions Reconciled and Additional Bank Entries. The imported statements can be hidden from the list of files displayed for selection using

After import, bank dates will get filled in **Bank Dates** field automatically in Bank Reconciliation statement.

The transactions which have been executed at the bank's end (example, bank charges, interest credit etc.) but not yet reflected in the books of accounts will appear under the **Amount Not Reflected in Company Books** .

The unlinked transactions can be reconciled to **existing transactions** or new vouchers can be created to link it (to create vouchers click on **C** : **Create Vouchers** button or press **Alt+C**) using this information or delete them.



3.9 Scenario Management

When we want to see the effect of our non - accounting voucher or profit and loss and balance sheet then we use after creating scenario we get a duplicate copy of our profit and loss and balance sheet.

Example:-

ABC company purchase a Computer for Rs. 25,000 on 1-Apr-2014 and the trader wants to know cost of Computer on 31-Mar-2015. He charges depreciation @ 10% on it.

Maintain this transaction.

To maintain:-

Create a company and then activate “budget & control and reversing journal & optional” as follow:-

To Activate Budget & Control and Reversing Journal & Optional: - G.O.T. (Gateway of Tally)--> Press F11 (Company Features)--> Press F1 (Accounting Features).

Company: <u>ABC Company</u>			
<u>Accounting Features</u>			
<u>General</u>		<u>Invoicing</u>	
Integrate Accounts and Inventory	? Yes	Allow Invoicing	? Yes
Income/Expense Statement instead of P & L	? No	Enter Purchases in Invoice Format	? Yes
Allow Multi-Currency	? No	Use Debit/Credit Notes	? No
		Use Invoice mode for Credit Notes	? No
		Use Invoice mode for Debit Notes	? No
<u>Outstandings Management</u>		<u>Budgets & Scenario Management</u>	
Maintain Bill-wise Details	? Yes	Maintain Budgets and Controls	? Yes
(for Non-Trading A/cs also)	? No	Use Reversing Journals & Optional Vouchers	? Yes
Activate Interest Calculation	? No		
(use advanced parameters)	? No		
<u>Cost/Profit Centres Management</u>		<u>Other Features</u>	
Maintain Payroll	? No	Enable Cheque Printing	? No
Maintain Cost Centres	? No	Set/Alter Cheque Printing Configuration	? No
Use Cost Centre for Job Costing	? No	Allow Zero valued entries	? No
More than ONE Payroll / Cost Category	? No	Maintain Multiple Mailing Details for Company & Ledgers	? No
Use Pre-defined Cost Centre Allocations during Entry	? No	Set/Alter Company Mailing Details	? No
Show Opening Balance for Revenue Items in Reports	? No	Enable Company Logo	? No

Accept ?
Yes or No

F1: Accounts F2: Inventory F3: Statutory F6: Add-Ons

Now create scenario as follow:-

Path for Scenario creation: - G.O.T. (Gateway of Tally)--> Accounts Info--> Scenario--> Create.



Scenario Creation	
Name	: Duplicate Balance Sheet
Include Actuals	? Yes
Include :	
Reversing Journal	
Exclude :	
J End of List	
Accept ? Yes or No	

After that create ledger as follow:-

Path for ledger creation: - G.O.T. (Gateway of Tally)--> Accounts Info--> Ledger--> Create (Single).

Ledger Creation	
Name	: Computer
(alias)	:
Under	: Fixed Assets
Inventory values are affected	? No
Accept ? Yes or No	

Ledger Creation	
Name	: Depreciation
(alias)	:
Under	: Indirect Expenses
Inventory values are affected	? No
Accept ? Yes or No	

Now do voucher entry:-

Path for voucher creation: - G.O.T. (Gateway of Tally)--> Inventory Voucher--> Press F7 (Journal Voucher).



Accounting Voucher Creation		ABC	Ctrl + M
Journal	No. 1	1-Apr-2014 Tuesday	
Particulars	Debit	Credit	
Dr Computer <i>Cur Bal: 25,000.00 Dr</i>	25,000.00		
Cr Cash <i>Cur Bal: 25,000.00 Cr</i>		25,000.00	
Narration:	25,000.00	25,000.00	

After that press F10 to open Reversing & Journal Voucher.

Press F2 to change the date and then do Reversing & Journal Voucher entry.



Accounting Voucher Creation		ABC	Ctrl + M
Reversing Journal	No. 1	1-Sep-2014 Monday	
Particulars	Debit	Credit	
Dr Depreciation <i>Cur Bal: 2,500.00 Dr</i>	2,500.00		
Cr Computer <i>Cur Bal: 22,500.00 Dr</i>		2,500.00	
Applicable Upto : 1-Sep-2014			
Narration:	2,500.00	2,500.00	

Now you can see the balance sheet as follow:-

Path for View Balance Sheet: - G.O.T. (Gateway of Tally)--> Balance Sheet--> Press “Alt + C” --> Duplicate Balance Sheet.



ABC

Column Details

From (blank for beginning) : **1-4-2014**

To (blank for end) :

Method of Stock Valuation : **Default**

Types of Value to show : **Duplicate Balance Sheet**
(Show Variance) ? **No**

Balance Sheet		Ctrl + M
	ABC Actuals as at 1-Sep-2014	ABC Duplicate Balance Sheet as at 1-Sep-2014
Sources of Funds :		
Capital Account		
Loans (Liability)		
Current Liabilities		
Branch / Divisions		
Suspense A/c		
Profit & Loss A/c		
Opening Balance		
Current Period		
Total		
Application of Funds :		
Fixed Assets		
Investments		
Current Assets		
Misc. Expenses (ASSET)		
Total		

Check Your Progress

Choose the Correct Answer:

1. Which voucher is used to record cash payments in Tally?
 - a) Payment Voucher
 - b) Receipt Voucher
 - c) Sales Voucher



d) Contra Voucher

Answer: a

2. Which voucher is used to record money received in cash or bank?

a) Payment Voucher

b) Receipt Voucher

c) Purchase Voucher

d) Journal Voucher

Answer: b

3. Which voucher type is used to transfer money between cash and bank accounts?

a) Contra Voucher

b) Journal Voucher

c) Sales Voucher

d) Purchase Voucher

Answer: a

4. Sales invoices in Tally are created using:

a) Payment Voucher

b) Receipt Voucher

c) Sales Voucher

d) Contra Voucher

Answer: c

5. Bill-wise details in Tally are mainly used for:

a) Tracking outstanding payments

b) Recording stock items



- c) Printing reports
- d) Creating groups

Answer: a

6. Cost Centers in Tally are used to:

- a) Classify expenses and income for analysis
- b) Record vouchers
- c) Maintain stock items
- d) Create ledgers

Answer: a

7. Bank Reconciliation in Tally helps to:

- a) Match bank statement with company books
- b) Record inventory
- c) Calculate profit
- d) Create vouchers

Answer: a

8. Which voucher is used to record credit purchases?

- a) Purchase Voucher
- b) Sales Voucher
- c) Receipt Voucher
- d) Contra Voucher

Answer: a

9. Scenario Management in Tally is used to:

- a) View provisional reports without affecting accounts



- b) Delete transactions
- c) Create stock items
- d) Maintain inventory

Answer: a



10. Which key is used to select voucher type in Tally?

- a) F4
- b) F7
- c) F5
- d) F9

**Answer: F4 (Contra), F5 (Payment), F6 (Receipt), F8 (Sales), F9 (Purchase) —
common example: d) F9 for Purchase Voucher**

Small Questions – LOCF Mapping Table

S.No	Small Question	CO	Bloom's Level	PO
1	What is a Voucher in Tally?	CO1	Remember	PO1
2	List any two types of vouchers used in Tally.	CO1	Remember	PO1
3	What is meant by Bill-wise Details?	CO2	Understand	PO2
4	Define Cost Center in Tally.	CO3	Understand	PO2
5	What is Bank Reconciliation?	CO3	Understand	PO3

Big Questions – LOCF Mapping Table

S.No	Big Question	CO	Bloom's Level	PO
1	Explain the different types of vouchers in Tally ERP and their uses.	CO1	Understand	PO1
2	Describe the process of creating a Sales and Purchase Invoice in Tally ERP.	CO2	Apply	PO2
3	Explain Bill-wise Details and its importance in managing receivables and payables.	CO2	Understand	PO2
4	Discuss the creation and use of Cost Centers for tracking expenses and income in Tally ERP.	CO3	Apply	PO2
5	Explain Bank Reconciliation in Tally and describe how Scenario Management is used for reporting.	CO3	Apply	PO3



Unit – IV

Advance inventory and taxes in tally

Sl.No.	Contents
4.1	Introduction to Order Processing in Tally.ERP 9
4.2	Batch-wise Details
4.3	Point of Sale (POS) Invoice Features in Tally.ERP
4.4	Tax Deducted At Source (TDS) using Tally.ERP9
4.5	Tax Collected at Source (TCS) in Tally.ERP 9
4.6	File GST Return using Tally. ERP
4.7	EPF in tally ERP 9
4.8	ESIC in tally ERP 9
4.9	Professional Tax Computation Report

4.1 Introduction to Order Processing in Tally.ERP 9

Order Processing in Tally.ERP 9 can be classified into Purchase/Sales Order Processing and Job Order Processing.

Purchase / Sales Order Processing

Purchase Order Processing is the process of placing orders with suppliers for a purchase to be made from them and Sales Order Processing is the process of receiving orders from customers for the purpose of selling. Usually, companies need to track the Order details for Sales and Purchases as this significantly helps in planning the production process accordingly.

In Tally.ERP 9, Order Processing is linked to Inventory. This allows tracking of the order position for a Stock Item. Using this you can track the arrival of goods ordered and whether the ordered Stock Item are delivered on time etc.



Job Order Processing

Job Order Processing is the process of taking an order to manufacture or process goods as per the prescription of the client by utilising the material supplied by the client or purchased on behalf of the client and charging him for the services provided as Job Work or Sub Contract.

Tally.ERP 9 allows processing the job work taken from a client as well as job work given to job workers. It also allows the principal company to track the materials dispatched to job workers and materials received against the job given, and vice versa.

- **Purchase Order**

Purchase Order is an order placed by a business entity with a supplier for the delivery of specified goods at a given price and at a predetermined time.

- **Sales order**

Sales Order is an order placed by a customer for the delivery of specified goods at a given price and at a predetermined time.

- **Job Order**

Job Order can be classified into Job Work Out Order and Job Work In Order .

- **Job Work out Order**

Job Work out Order is an order placed by the principal to manufacture or process goods as per the prescription given to the job worker.

- **Job Work in Order**

Job Work in Order is an order received by the job worker to manufacture or process goods as per the prescription given by the principal.

4.1.2 Enabling Order Processing

To enable purchase order, sales order, and job order processing in Tally.ERP 9, you have to activate the required features in F11: Features (F2: Inventory Features).

Enable the following features in the Order Processing section:

- Enable purchase order processing
- Allow Sales Order Processing
- Enable job order processing



Order Processing	
Enable purchase order processing	? Yes
Enable sales order processing	? Yes
Enable job order processing (Enables the options 'Maintain multiple godowns' and 'Use material in and out vouchers')	? <input checked="" type="checkbox"/> Yes

When Enable job order processing is set to Yes , the options Maintain multiple Godowns and Use material in and out vouchers get enabled automatically.

Purchase Order Processing

When the order is placed with the suppliers for the supply of goods, the items, quantities, date of receipt, and so on, details are given with the Purchase Order Number. Later, when these goods are received, the Purchase Order is tracked for the Order Details either in the receipt note or in the purchase Invoice.

The Outstanding Purchase Order reports are available in Tally.ERP 9. It is possible to know the order position of any item in the Stock Summary. Separate Purchase Order Outstanding report and Purchase Order Summary report are also available.

Recording a Purchase Order

A purchase order is placed by a business entity with a supplier for the delivery of certain goods at a given price and time. Purchase order processing has to be enabled in order to create a purchase order.

To enable purchase order processing

1. Go to Gateway of Tally > F11: Features > Inventory Features .
2. Set Enable purchase order processing? to Yes.
3. Press Ctrl+A to accept.

To create a purchase order

1. Go to Gateway of Tally > Inventory Vouchers > Ctrl+F2 > F4 : Purc. Order to view the Order Voucher Creation screen.
2. Enter the Party's A/c Name .
3. Enter the Order No .



4. Select the Name of Item from the List of Stock Items , or press Alt+C to create a new stock item.
5. Enter the Quantity of the item, as required.
6. Enter the Rate of the item. The Order Voucher Creation screen appears as shown below:

Name of Item	Quantity	Rate per	Amount
Item A	17 Nos	459.00 Nos	7,803.00

End of List

Narration: _____

17 Nos 7,803.00

7. Press Ctrl+A to accept.

Now, you can send the purchase order for an item to your supplier.

Sales Order

In your business, if you are following the process of raising a sales order for each sales transaction, you can do the same in Tally.ERP 9. You can record a sales order, raise a delivery note and link it to this order, and then link them to the sales invoice. You can use the reports to track the outstanding sales orders. You can generate and print a sales order as quotation, and it will not affect your books of accounts. You can also pre-close the orders, if needed.

Record Sales Order

When you receive an order from a customer, you may need to provide the details of items, quantities, date of delivery, and so on, with a Sales Order Number. When these goods are delivered, this sales order number will be used to track the order details either in the delivery note or in the sales invoice.



1. Enable sales order processing.
 - a. Press F11 (Features) > F2 (Inventory).
 - b. Set the option Enable sales order processing to Yes .
2. Open the sales order voucher screen.
 - a. Gateway of Tally > Inventory Vouchers > Alt + F5 (Sales Order).
 - b. Press Alt + I and select the invoice mode as per your business needs.
3. Specify the buyer details.
 - a. Party A/c Name : Select the party name.
 - b. Party Details : Provide the Dispatch , Order , and Buyer details as per your invoice requirements.

If you do not see the Party Details screen, press F12 (Configure), and set Enable supplementary details to Yes .

As always, you can press Ctrl + A to save and proceed.

4. Enter the sales Order no. for the voucher.

If you want to enter an order number for each item, press F12 (Configure) > set Use Order No. for every Item to Yes . The Order no. field will appear in the Stock Items Allocation screen. It will not appear on the main screen of the invoice.

5. Select the Sales ledger to allocate the stock items.
6. Provide the stock item details.

As in other transactions, you can create the item on the fly by pressing Alt + C .

- a. Select the stock item.
- b. Enter the Due on date and Quantity . The Rate will be auto-filled, if available for the stock item. However, you may choose to enter the Rate . The Amount appears automatically.
- c. If orders are split with different due dates, specify the appropriate due date for each lot to be sold.



Stock Item Allocations			
Sales Order	No. 1		
Party A/c name	Kiran Enterprises		
Current balance	79,093.09 Dr		
Sales Ledger	Sales		
Item Allocations for : Bajaj WX 3 Wet Grinders			
Quantity	Rate	per	Amount
<i>Due on 7-Apr-2020</i>			
12 Nos	6,300.00	Nos	75,600.00
<i>Due on</i> [REDACTED]			
12 Nos			75,600.00

In F11 (Features) > F2 (Inventory), you can enable the feature of godown/location and batches to provide these details in the Stock Item Allocations screen.

- d. After entering the due dates for all the lots, press Enter on the Due on field to return to the Voucher Creation screen.
7. Select additional ledgers, like transportation charges, insurance, or discount, if any.
8. Provide Narration , if needed, and accept the screen. As always, you can press Ctrl + A to save.



Order Voucher Creation		National Enterprises		Ctrl + M
Sales Order No. 1		5-Apr-2020 Sunday		
Party A/c name : Kiran Enterprises		Order no. : KE/SO/02		
Current balance : 79,093.09 Dr				
Sales ledger : Sales				
Name of Item	Quantity	Rate per	Amount	
Bajaj WX 3 Wet Grinders	12 Nos	6,300.00 Nos	75,600.00	
Transportation Charges			500.00	
Narration:		12 Nos		Accept ? Yes or No

9. To print the sales order, press Alt + P (Print) and press Enter .

The following is a sample preview screen of the sales order.



SALES ORDER						
National Enterprises		Voucher No.		Dated		
		1		5-Apr-2020		
Invoice to Kiran Enterprises		Buyer's Ref./Order No.		Mode/Terms of Payment		
		1				
		Despatch through		Destination		
		Terms of Delivery				
Sl No	Description of Goods	Due on	Quantity	Rate	per	Amount
1	Bajaj WX 3 Wet Grinders	7-Apr-2020	12 Nos	6,300.00	Nos	75,600.00
	Transportation Charges					500.00
Total			12 Nos			₹ 76,100.00
Amount Chargeable (in words)						E & O.E
INR Seventy Six Thousand One Hundred Only						
						for National Enterprises
						Authorised Signatory

This is a Computer Generated Document

The sales order details will be printed in the invoice.

4.2 Batch-wise Details

Batch details are used to identify the movement of inventory in batches or lots. Many organisations also purchase in batches in order to monitor the result of the batch purchased individually. Hence, Tally.ERP 9 has used the term Batch/Lot. Batches/Lots are also often used to monitor the date of manufacture, date of receipt or the date of expected time when it cannot be further used (perished or expired). Tally.ERP 9 makes provisions to enter both the manufacturing date and the expiry date to take decisions as required.



When you wish to **maintain batch information for Stock Items** , you need to set the option **Maintain batch-wise details** to **Yes** in **F11: Features (F2: Inventory Features)** .

Maintain multiple Godowns / Excise Units	? Yes
Maintain stock categories	? Yes
Maintain batch-wise details	? Yes
Set expiry dates for batches	? Yes

In the Item Allocation screen, set the option **Maintain in Batches** to **Yes** .

Stock Item Creation		ABC Company	
Name	: Item C		
(alias)	:		
Under	: <input type="checkbox"/> Primary	<u>Tax Information</u>	
Units	: nos	Rate of Duty (eg 5) :	
Maintain in Batches	? Yes		
Opening Balance	:	Quantity	Rate per Value

When you set this to **Yes** , you will find the following in the **Item Allocation** screen.



Item Allocations for : Item C		
Godown	Batch / Lot No.	List of Active Batches
Main Location	Batch 01	<input type="checkbox"/> New Number
		Batch 01 10.00 nos

Godown

Select the **Godown** from the **List of Godowns** .

Batch / lot No.

Select the Batch number from the list of existing Batch numbers which will be displayed under **List of Active Batches** else click on **New Number** to give the new Batch number.



quantity sold. The equipment require for POS to work effectively are Cash Register, Card Register, Bar-Coders, Scanners and so on.

Advantages of Point of Sale system are :

- It helps to calculate sales and operate the Cash Drawer.
- It manages Inventory and facilitates the Barcode Scanner operations.
- It offers a flexible and simpler way of querying your inventory and Sales Database.
- It helps you track product movement and the cost to push certain brands over others.
- It tracks and records the date and time of every sale made at your point of sale.

Illustration for POS

Consider M/s Swayam Plaza, a leading Retail chain, which deals in Grocery Products including Fresh Foods, ready to eat Food and other Non-Food items.

Step 1 : Creating Voucher Type

The First Step to enable POS Invoicing is to create a POS Invoice Voucher Type. Using Voucher class, you can pre-define accounts, limit the list of ledgers for selection during voucher entry, automate Ledger posting associated with Stock items and create auto selection for GST, Discounts and Rounding off.

Go to **Gateway of Tally.ERP à Accounts Info à Voucher Types à Create**

In the **Voucher Creation** screen,

- Type the name of the Voucher Type as “ **POS Invoice**”
- Select the Voucher Type as ‘**Sales**’ from the **List of Voucher** types.
- Type the abbreviation as ‘**POS**’
- Set **Use for POS Invoicing** to **YES**.
- Specify the Default Print Title as ‘**TAX INVOICE**’
- Method of Voucher Numbering is set by default to **Automate**, but can be set to **Manual** or **None**
- The **Start number** field is set to 1 by default.
- **Print after saving** is set to **YES** by default. You have the option to set it to **No**.



- Use **Common Narration** will be by default set to **NO**.
- You will find Two Additional fields for messages and can use them as per your requirements. Type **“Thank You – Visit Again”** in the print message 1 field.

The complete POS_ Invoice Voucher Type screen appears as shown :

Voucher Type Creation		WWW.SWAYAM-EDUCATION.COM	
Name : POS Invoice			
(alias) :			
General		Printing	
Type of Voucher : Sales		Print after saving Voucher ? Yes	Name of Class
Abbr. : POS		Use for POS Invoicing ? Yes	
Method of Voucher Numbering ? Automatic		Print Message 1 : “Thank YOU – Visit Again”	
Use Advance Configuration ? Yes		Print Message 2 :	
Use Common Narration ? Yes		Default Print Title : INVOICE	
Narrations for each entry ? No		Is Tax Invoice ? No	
		Declaration :	
		Terms & Conditions: 1. Once Goods sold is not refundable. 2. All cheque payment should be made in favour of Swaym Education, payable at Balasore.	

- Press Enter to Accept.

Step 2 : Creation of Master

Create the Purchase Ledger and Sales Ledger in the books of M/s Swayam Plaza

Go to **Accounts Info à Ledger à Create**

LEDGER	UNDER GROUP	Inventory Values are Affected
Purchases	Purchase Account	Yes
Sales	Sale Accounts	Yes

Step 3 : Creation of Stock Item

Create Stock Item with Standard Price. To set standard Rates for Stock Items, activate **‘Allow Standard Rates for Stock Items’** in **F12 : Configure**.

Go to **Gateway of Tally.ERP à Inventory Info à Stock Items à Create**



Stock Item Creation www.TallyERP9Book.Com

Name : **Pepsodent – 150 Gm**
(alias) :

<p>Under : FMCG</p> <p>Units : Nos.</p> <p>Maintain in batches ? No</p> <p>Set components (BOM) ? No</p> <p>Set standard rates ? Yes</p>	<p style="text-align: center;">Statutory Information</p> <p>GST Applicable : J Applicable</p> <p>Set/alter GST Details ? Yes</p> <p>Type of Supply : Goods</p> <p>Is inclusive of duties and taxes ?</p> <p>Rate of Duty (eg 5) :</p>
---	--

Stock Item: **Pepsodent – 150 Gm**

Standard Cost		Standard Selling Price	
Applicable From	Rate per	Applicable From	Rate per
1-Apr-2017	15.00 Nos.	1-Apr-2017	20.00 Nos.

Step 4 : Recording Transactions or Voucher Entry

M/s Swayam Plaza purchased 100 nos of ‘Pepsodent – 150 gm.’ At the rate of ₹. 15 on 1-7-2017 in Cash. Make an entry in the Purchase Voucher to record this transaction.

M/s Swayam Plaza sold 5 nos of Pepsodent-150 gm. For a total of ₹. 100 on 2-7-2017. The customer pays ₹. 50 by Credit Card, ₹. 50 by cheque of HDFC Bank and ₹. 12 by cash. The Sale Voucher to record this transactions is entered as follows :

Go to **Gateway of Tally.ERP à Accounting Vouchers à F8 : Sales.**

The complete POS Invoice screen will appear as shown :



Accounting Voucher Creation		www.TallyERP9Book.Com		Ctrl + M
POS Invoice No. 1				1-Jul-2017 Saturday
Godown	: Balasore			
Sales Ledger	: Sales - 12%			
Name of Item	Quantity	Rate per	Disc %	Amount
Pepsodent – 150 Gm	5 Nos.	20.00	Nos.	100.00
Output CGST				6.00
Output SGST				6.00
				5 Nos. 112.00
Gift vouchers	: J Not Applicable			
Credit/debit card	: Axis Bank Credit Card	50.00	Card no. : 221010100113250	
Cheque	: AXIS BANK	50.00	Bank name : HDFC Bank	Cheque no. : 555555
Cash	: Cash	12.00	Cash tendered : 20.00	Balance : 8.00
Narration:				

Click **With Preview** button to see a preview of the invoice and press **Enter**.

The printed invoice will appear as shown :

WWW.SWAYAM-EDUCATION.COM				
BALASORE				
ORISSA				
INVOICE				
Bill No.	: 1	Time	: 00:37 hrs	
Date	: 1-7-2008			
Sl	Description	Qty	Rate	Amount
1	Pepsodent-150gm.	5	20.00	100.00
			Output VAT-4%	4.00
Total		5		104.00
Cv/Dr Card	:		50.00	
Card No	:	xxxx xxxx xxxx 6789		
Cheque	:		30.00	
Cheque No.	:	12121212, HDFC BANK		
Cash	:		24.00	
Cash Tendered	:		110.00	
Balance	:		86.00	
Terms & Conditions: 1. Once Goods sold is not refundable. 2. All cheque payment should be made in favour of Swaym Education, payable at Balasore.				
"Thank YOU -- Visit Again"				

Step 5 : POS Reports

To view the list of POS Invoice Statement

Go to **Gateway of Tally.ERP à Display à Accounts books à POS Register**

Click **F1 : Details**

The POS Register displays as shown :



POS Register							Ctrl + M
List of All POS Vouchers						For 1-Jul-2017	
Date	Vch Type	Vch No.	Gift Vouchers	Credit/Debit Card Pymt	Cheque	Cash	Total
1-7-2017	POS Invoice	1		50.00	50.00	12.00	112.00
	Sales - 12%	100.00					
	Pepsodent - 150 Gm	5 Nos. 100.00					
	Output CGST	6.00					
	Output SGST	6.00					
Total:				50.00	50.00	12.00	112.00

You can also view the Inventory details in POS Register by setting **Show Inventory Details** also to **YES** in **F12 : Configure**.

<u>Configuration</u>	
Show Extract of Register	? No
Show Columnar Register	? No
Show Gross Profit estimates	? No
Show Cost based on stock valuation	? No
Format	: Detailed
Show inventory details	? Yes
Show additional description of Stock Item	? No
Appearance of Stock Item Names	: Name Only
Appearance of Names	: Name Only
Sorting Method	: Default

4.4 Tax Deducted At Source (TDS) using Tally.ERP9

TDS means Tax Deducted at Source. The concept of TDS was introduced in the Income Tax Act, 1961, with the objective of deducting the tax on an income, at the source of income. It is one of the methods of collecting Income Tax, which ensures regular flow of revenue to the Government.

TDS Process

1. Deductee (Seller) provides Services and Bill to the Deductor (Buyer).
2. Deductor makes the payment after deducting TDS.
3. Deductor remits the TDS amount into Bank (Treasury).



4. Bank (Treasury) remit the amount to the Government Account.
5. Deductor Issues Form 16A to Deductee for the TDS amount deducted.
6. Deductor Files the e-TDS to NSDL.
7. NSDL uploads the e-TDS information to Income Tax Department.
8. Deductee Files the Return with Form 16A to Income tax Department.

4.4.1 Enabling TDS in Tally.ERP9

1. Go to Gateway of Tally > F11: Features > Statutory & Taxation
2. Set **Enable Tax Deducted at Source (TDS)** to **Yes** in the **Company Operations Alteration** screen as below :

Company Operations, Alteration

Company: **SWAYAM EDUCATION**

Statutory and Taxation

Enable Goods and Services Tax (GST)	? Yes	Enable Tax Deducted at Source (TDS)	? Yes
Set/alter GST details	? No	Set/alter TDS details	? Yes
Enable Value Added Tax (VAT)	? No	Enable Tax Collected at Source (TCS)	? No
Set/alter VAT details	? No	Set/alter TCS details	? No
Enable excise	? No		
Set/alter excise details	? No		
Enable service tax	? No		
Set/alter service tax details	? No		

Tax Information

PAN/Income tax no. :

Corporate Identity No. (CIN):

F1: Accounts F2: Inventory F3: Statutory F6: Add-Ons

3. Enable the option **Set/alter TDS details ?** to display **TDS Deductor Details** screen as below :

Company TDS Deductor Details

TAN registration number : T22098776DAC

Tax deduction and collection Account Number (TAN): ASBD88471C

Deductor type : Company

Deductor branch/division : BALASORE

Set/alter details of person responsible ? No

Rate & Exemption Details

Rate of TDS if PAN not available : 20 %
(The rate specified here or the IT rate, whichever is higher, will be applicable.)

Ignore IT exemption limit for TDS deduction ? No

Activate TDS for stock items ? No

Please enter all details in Company TDS Deductor Details as above.

Press **F12 : Advanced Configure** in above Screen for Configure TDS as below :



Configuration	
Show all Deductor types	? Yes
Enable surcharge details for TDS	? Yes
Provide alternate contact details	? Yes

- >> All the organisation types will appear in the **Collector/Deductor Type** list for the option **Deductor Type**
- >> All Surcharges details applicable to TDS will be enable in second option
- >> The Third Option is to enable display of the alternate contact details of TDS

4.4.2 Creating TDS Nature of Payment

For payments attracting TDS, the relevant nature of payment is defined by the department with associated tax rate, section, payment code, and threshold limit. Few Examples are given below

Section	Nature of Payment	TDS Rate
192	Salaries	Average Rate Applicable
194I	Rent on Plant and Machinery	2%
194I	Rent on Land, Building, Houses, Offices etc.	10% by Company in excess of Rs.2,00,000 5% by Individual . HUF, Businessman in excess of Rs.50,000
194C	Payment to Contractor / Sub-contractor	1%
194D	Insurance Commission	5%
194DA	Payment in respect of life insurance policy	1%
194EE	Payment in respect of Deposit under NSS	10%
194H	Commission or Brokerage	5%
194J	Sum paid by way of Fees for Professional Services	10%

While creating a TDS Nature of Payment, you can press **Ctrl+C** to select the required nature of payment.

1. Go to **Gateway of Tally > Accounts Info. > Statutory Info. > TDS Nature of Pymts > Create**



2. Press **Ctrl+C** to view the list of **Nature of Payment**

TDS Nature of Payment Creation	
Name	: Rent on Land, Building, Houses, Offices etc.
Section	: 194I
Payment code	:
Remittance code	:
Rate	: 10 %
Threshold/exemption limit	: 2,00,000.00

3. Select the required **Nature of Payment**.

TDS Nature of Payment Creation		ABC Company	
Name	: Income in Respect of Investment in Securitization Trust		
Nature of Payment			
Any Remuneration Or Commission Paid to Director of the Company	194J	94J	
Commission on Sale of Lottery Tickets	194G	94G	
Commission Or Brokerage	194H	94H	
Deemed Dividend U/s 2(22)(E)	194	194	
Fees for Professional Or Technical Services	194J	94J	
Fees for Technical Services, Payable to Non Residents	195	195	
Fees for Tech. Services Agreement Is Made on Or After June 1, 2005	195	195	
Income by Way of Interest on Certain Bonds and Government Securities	194LD	4LD	
Income by Way of Long-Term Capital Gains Referred to in Section 115E	195	195	
Income From Foreign Currency Bonds Or Shares of...	196C	96C	
17 more ... ↓			



4.4.3. TDS on Expenses using Tally.ERP9

You can create an accounting voucher for your business expenses, along with the applicable TDS.

Example

On 1.4.2018, SWAYAM EDUCATION paid NeXT Enterprises Rs.5,00,000 as Rent

Step-1: Creating Expenses Ledger i.e. Rent

1. Go to **Gateway of Tally > Accounts Info. > Ledgers > Create**
2. Select **Indirect Expenses** as the group name with **Inventory values** are affected to **No**
3. Enable the option **Is TDS Applicable ?** and also Select the **Nature of Payment** from the **List of Nature of Payments**

The **Ledger Creation** screen appears as shown below:

The screenshot shows the 'Ledger Alteration' screen in Tally ERP 9. The ledger name is 'Rent'. The 'Total Opening Balance' section shows a debit of 1,32,10,230.33 and a credit of 1,39,29,180.17, with a difference of 7,18,949.84 credit. The 'Under' field is set to 'Indirect Expenses'. 'Inventory values are affected' is set to 'No'. 'Type of Ledger' is 'Not Applicable'. 'Use For Payroll' is 'No'. 'Statutory Information' shows 'Is GST Applicable' as 'Not Applicable' and 'Is TDS applicable' as 'Applicable'. 'Nature of Payment' is set to 'Rent'. 'Include in assessable value calculation for' is 'Not Applicable'. 'Mailing Details' and 'Tax Registration Details' are empty. The opening balance is as of 1-Apr-2018.

Total Opening Balance	
1,32,10,230.33 Dr	
1,39,29,180.17 Cr	
Difference	7,18,949.84 Cr

Statutory Information	
Is GST Applicable	? <input type="checkbox"/> Not Applicable
Set/alter GST Details	? <input type="checkbox"/> No
Is TDS applicable	? <input checked="" type="checkbox"/> Applicable
Nature of Payment	: Rent
Include in assessable value calculation for:	<input type="checkbox"/> Not Applicable



Step-2 : Create Party Ledger i.e. NeXT Enterprises (Under Sundry Creditor) as below:

>> Enable the option **Is TDS Deductible ?** and Select a Deductee Type from the List and also Enable **Deduct TDS in Same Voucher** , if required

Statutory Information	
Is TDS Deductible	? Yes
Deductee type	: Company - Resident
Deduct TDS in Same Voucher	? Yes

Deductee Type
Unknown
Artificial Juridical Person
Association of Persons
Body of Individuals
Company - Non Resident
Company - Resident
Co-Operative Society
Government
Individual/HUF - Non Resident
Individual/HUF - Resident
Local Authority
Partnership Firm

The screenshot shows the 'Ledger Alteration (Secondary)' window for 'NeXT Enterprises'. The 'Statutory Information' section is highlighted, showing 'Is TDS Deductible' as 'Yes', 'Deductee type' as 'Company - Resident', and 'Deduct TDS in Same Voucher' as 'Yes'. The 'Deductee Type' dropdown menu is also visible, showing 'Company - Resident' selected.

Step-3 : Create TDS Ledger

1. Go to **Gateway of Tally > Accounts Info. > Ledgers > Create.**
2. Enter the **Name** and Select Duties and Taxes as the group name in the Under field, then Select **TDS** as the **Type of Duty/Tax.**
3. Select a **Nature of Payment** from the **List of Nature of Payments**



SWAYAM EDUCATION

Print | Export | E-Mail | Upload | TallyShop | Language | Keyboard | Control Centre | Support Centre | Help

Ledger Creation

Name : TDS on Rent
(alias) :

Under : Duties & Taxes (Current Liabilities)
Type of duty/tax : TDS
Nature of payment : Rent on Land, Building, Houses, Offices etc.
Inventory values are affected ? No

Name Address
Provide bank details
PAN/IT No.

Statutory Information

Opening Balance (on 1-Apr-2018) :

List of TDS Nature of Payments

- Any
- New Category
- Rent on Land, Building, Houses, Offices etc.

Step-4 : TDS Transaction (Accounting for TDS on Expenses)

Go to **Gateway of Tally > Accounting Voucher > F7: Journal** and pass the Journal Entry as below :

Accounting Voucher Creation

Journal No. 1

1-Apr-2018 Sunday

Particulars	Debit	Credit
By Rent <i>Cur Bal: 5,00,000.00 Dr</i>	5,00,000.00	
To NeXT Enterprises <i>Cur Bal: 4,50,000.00 Cr</i>		4,50,000.00
To TDS on Rent <i>Cur Bal: 50,000.00 Cr</i>		50,000.00
Narration:	5,00,000.00	5,00,000.00



4.4.4. TDS on Advance Payment against Expenses using Tally.ERP9

You can create an accounting voucher for advance payments made directly or by a third-party, along with the applicable TDS.

Example

On 01-05-2018, SWAYAM EDUCATION paid an Advance of Rs. 1,00,000 on Rent to NeXT Enterprises as Rent directly.

1. Go to Gateway of Tally > Accounting Voucher > F5: Payment

Payment Voucher appears as shown below :

Accounting Voucher Creation		TDS	Ctrl + M
Payment	No. 1		1-May-2018 Tuesday
Account: Axis Bank Ltd. Cur Bal: 90,000.00 Cr			
Particulars	Amount		
NeXT Enterprises Cur Bal: 3,50,000.00 Cr	1,00,000.00		
TDS on Rent Cur Bal: 60,000.00 Cr	(-)10,000.00		
Narration:	<hr/> <hr/> 90,000.00		

4.4.5. Recording TDS Payment Transaction to the Government using Tally.ERP9

You can record a payment transaction with inclusion of the necessary TDS to be paid to the government.

Example

On 1-6-2018, SWAYAM EDUCATION paid TDS deducted in the month of April & May 2018 to the Government directly.

1. Go to Gateway of Tally > Accounting Vouchers > F5: Payment.



2. Click **S**: Stat Payment.

The **Statutory Payment Details** screen appears as shown below:

Statutory Payment			
Tax Type	: TDS		
Period From	: 1-Apr-2018	To	1-May-2018
Deducted Till Date	: 1-5-2018		
Section	: 194I		
Nature of Payment	: Rent on Land, Building, Houses, Offices etc.		
Deductee Status	: Company		
Residential Status	: Resident		
Cash/Bank	:		

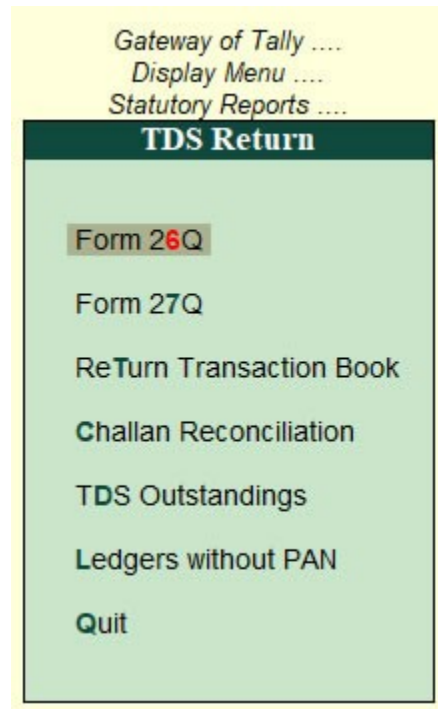
Residential Status
 All Items
 NonResident
 Resident

The **Payment** invoice appears as shown below:

Accounting Voucher Creation		TDS		Ctrl + H
Payment	No. 2			1-Jun-2018 Tuesday
Account : Axis Bank Ltd. Cur Bal: 1,50,000.00 Cr				
Particulars				Amount
TDS on Rent				60,000.00
Cur Bal: 0.00 Dr				
Agst Ref Jrnl / 1 / 1				50,000.00 Dr
Income Tax				50,000.00 Dr
Surcharge				
Education Cess				
Secondary Education Cess				
Agst Ref Pymt / 1 / 2				10,000.00 Dr
Income Tax				10,000.00 Dr
Surcharge				
Education Cess				
Secondary Education Cess				
Narration:				60,000.00

4.4.6. TDS Reports using Tally.ERP9

TDS Reports using Tally.ERP9 has been classified as...



4.4.7. A- Form 26Q (TDS)

Form 26Q is the Quarterly return of TDS in respect of all payments other than salaries. As per the Income Tax Act, 1961, every corporate and government entity responsible for deduction of tax at source should furnish TDS returns containing details of deductee(s) and challan details relating to deposit of tax with the Income Tax Department.

The Form 26Q report in Tally.ERP 9 assists you in generating accurate the returns to be filed.

>> Go to **Gateway of Tally > Display > Reports > Statutory Report > TDS Reports > Form 26Q**



Tally.ERP 9

P: Print E: Export M: E-Mail S: TallyShop G: Language K: Keyboard K: Control Centre H: Support Centre H: Help

Form 26Q TDS 1-Apr-2018 to 30-Jun-2018

Section -1

Statistics of Vouchers

Total Number of Transactions	
Included Transactions	2
Excluded Transactions	1
Uncertain Transactions	0

Section-2

Particulars	Assessable Value			Tax Deductible	Deducted			Balance Deductible
	Prev. Period	Current Period	Total		Prev. Period	Current Period	Total	
Deduction at Normal Rate		6,00,000.00	6,00,000.00	60,000.00	60,000.00	60,000.00		
Deduction at Higher Rate								
Lower Rated Taxable Expense								
Zero rated Taxable Expense								
Under Exemption limit								
Exempt in lieu of PAN available								
Total Deducted					60,000.00			

Section-3

1-Apr-2018 to 30-Jun-2018

Particulars	Paid Amount	Amount
Included Transactions		0
Not Included Transactions		1
Balance Payable	60,000.00	

It has three main sections:

- 1. Statistics of Vouchers :** The Statistics of Vouchers section of Form 26Q displays the total number of transactions pertaining to a period which are categorised as **Included** , **Excluded** and **Uncertain Transactions** .
- 2. Deduction Details :** **The Deduction Details section under the TDS Reports for Form 26Q or 27Q denotes the type of deduction under which each of the Included transaction is grouped**
- 3. Payment Details :** This section contains details of all TDS payment vouchers of the current period and displays all payment entries recorded for interest, penalty, late fee, and so on. These other payment entries for interest, penalty, and late fee, and so on will be displayed under **Other Payments**.

Payments made to party, petty expenses, or any statutory payments other than that of TDS are not displayed here.

4.4. 8. B- Form 27Q (TDS)

Form 27Q is a Quarterly return for deduction of tax in respect of payments made to non-residents other than salary. The Form 27Q report in Tally. [ERP](#) 9 assists you in generating accurate returns to be filed.

The Form 27Q report has three sections:



Statistics of Voucher , Deduction Details , and Payment Details ... like Form 26Q as above.

To generate Form 27Q : Go to **Gateway of Tally > Display > Reports > Form 27Q**

4.4.9. C- TDS Reconciliation Report

The TDS Reconciliation report displays the all the reconciled TDS payments where we can view the Challan Reconciliation Report and also we Reconcile TDS Payment Challans.

>> Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Challan Reconciliation.**

>> Click **F5: Reconcile Challan**

>> Press **Alt+S** to set **Challan Date**

TDS Challan Reconciliation												
TDS												
1-Jun-2018 to 30-Jun-2018												
(Reconciliation)												
Date	Particulars	E-TDS Quarter	Period	Section No.	Deductee Type	Resident Type	Cheque/DD No.	Cheque/DD Date	BSR Code	Challan No.	Challan Vch No.	Amount
1-6-2018	TDS on Rent	1-4-2018	1-5-2018	154I	Company	Resident					2	60,000.00
	Bank Name : Axis Bank Ltd.				Branch Name : Balasore							

4.4.10 D- TDS Outstanding Report

The **TDS Outstanding** report displays all the pending TDS payments. You can view the pending details party-wise, or based on resident or non-resident status as shown below :

>> Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > TDS Outstandings.**

The **TDS Nature of Payment Outstandings** report appears as shown below:

TDS Nature of Payment Outstandings			
National Traders			
Nature of Payment : 1 All Items			
1-Apr-2015 to 12-Jan-2016			
Nature of Payment	Company	Non Company	Total Pending
Commission Or Brokerage	10,000.00		10,000.00
Rent of Land, Building Or Furniture		50,000.00	50,000.00
Short-Term Capital Gains U/s 111A		3,00,000.00	3,00,000.00
Winnings From Horse Race	1,35,000.00		1,35,000.00



4.4.11. E- Ledgers without PAN (TDS)

While filing e-TDS returns, the correct PAN should be defined in the party ledgers configured for TDS deduction. The report **Ledgers without PAN** is introduced to display the list of all the party ledgers configured for TDS deduction for which PAN is not defined. This report can be configured to view the list of all ledgers for which PAN is defined, and the PAN can be corrected, if required. Additionally, this report provides information on the **Deductee Type** , **Contact Person** , and **Contact Number** defined for the party ledger .

>> Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports > Ledgers without PAN**

Supplier Ledger Name	Deductee Type	Contact Person	Contact Number	PAN / IT No.
Chaitanya Associates	Artificial Judicial Person	Ranjeet	962777777	
Cherry Traders	Body of Individuals	Charles	991111000	
Disha Traders	Company - Non Resident	Hubert	920100000	
Giri Traders	Co-Operative Society	Prajwal	930200111	
Giltz Trading Company	Individual/HUF - Non Resident	Thomas	862910001	
James Associates	Local Authority	Jyothi	967844999	
Jayanth Traders	Local Authority	Lathika	963399999	
Kamva Traders	Company - Resident	Ramesh	938822811	

4.4.12 TDS Filing Process Summary

To file TDS returns in Tally.ERP 9, you'll first need to set up TDS features, then record TDS-related transactions, and finally export the required files and validate them using the File Validation Utility (FVU) tool. Finally, you'll submit the validated files and Form 27A to the relevant authorities.

Here's a more detailed breakdown:

Enabling TDS in Tally.ERP 9:

- Go to Gateway of Tally > F11: Features > Statutory & Taxation.
- Set Enable Tax Deducted at Source (TDS) to Yes.
- Set Enable Set/Alter TDS Details to Yes.
- Enter your company's TDS deductor details, including PAN (Permanent Account Number), TAN (Tax Deduction and Collection Account Number), etc.

Recording TDS Transactions:

- When making payments:



- Debit the party ledger and enter the TDS amount.
- Credit the TDS ledger.
- While recording a purchase voucher:
- Select the Party as Government-listed sellers.
- Enter the TDS details in the TDS Nature of Payment Details screen.
- Use a journal entry to record TDS (F7).
- Ensure to correctly categorize the TDS ledger.

Exporting and Validating Returns:

- Use the File Validation Utility (FVU) tool, which can be downloaded from the TIN-NSDL website.
- Export the 26Q or 27Q returns .txt file from Tally.ERP 9.
- Download the challan status inquiry .csi file from the TIN website.
- Run the FVU tool, browse and select the required files (26Q/27Q and challan status inquiry).
- Validate the files and save the validation error file.
- Print Form 27A created by the validation tool.

Filing the Returns:

- Submit the Form 27A and the 26Q or 27Q returns .txt file at TIN-FC or upload on the NSDL website.

4.5 Tax Collected at Source (TCS) in Tally.ERP 9

In Tally.ERP 9, TCS (Tax Collected at Source) is enabled within the "Statutory and Taxation" features, allowing you to configure and track TCS-related transactions. To enable TCS, you need to set the "Enable Tax Collected at Source (TCS)" option to "Yes" and then provide your company's TCS details, including TAN registration number and other relevant information.

Here are a more details:

Enabling TCS:

- Go to "Gateway of Tally" > "F11: Features" > "Statutory and Taxation".
- Set "Enable Tax Collected at Source (TCS)" to "Yes".



- Enable "Set/alter TCS details".

Entering TCS Details:

- Enter the "TAN registration number".
- Enter the "Tax Deduction Account Number (TAN)".
- Select the "Collector Type".
- Enable and enter details for "person responsible".

Creating TCS Ledgers:

- Create a duty ledger for accounting TCS by selecting "Duties and Taxes" as the group name.
- Select "TCS" as the "Type of Duty/Tax".
- Specify the "Nature of Goods/Contract/License/Lease" from the list.

Recording TCS Transactions:

- When making sales that attract TCS, ensure the appropriate TCS ledger is selected to automatically calculate and record the tax amount.
- For purchases where TCS is applicable, use the TCS ledger to record the tax paid.

Reporting TCS:

- TCS details are reported in the TCS returns and also displayed in Form 26AS.
- **You can also view the amount under the required section of the Balance Sheet by creating a TCS ledger under "Duties & Taxes" or "Current Assets".**

Example :

Swayam Timber Traders paid Tax Collected at Source of Rs. 14,163 by Cheque No-123456

Solutions :

Step 1 :

Make an entry of the transaction in a **Payment Voucher (F5)**

1. Click **TCS Helper** on the toggle button bar or press **ALT+R** from the voucher creation



screen to view TCS Filters.

2. Ensure that the TCS Filters displays as shown :
3. Press **Enter**, TCS Ledger with relevant details and the Amount is automatically displayed.
4. Press Y or Enter to accept the Payment Voucher.

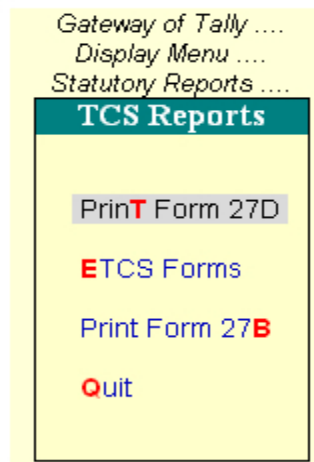
Challan Printing :

1. From the Voucher Creation screen, Page Up and then Alt + P to view the Voucher Printing screen.
2. Accept the Voucher Printing screen , then the TCS Challan will be displays or Prints.

TCS Reports :

Form 27D , Form 27B, ETCS Form can be printed from Tally.ERP.

Go to Gateway of Tally.ERP ◊ Display ◊ Statutory Reports ◊ TCS Reports ◊ g(Select the required Forms) ◊ Select Sanjay Timbers.



4.6 File GST Return using Tally. ERP

To file GST returns using Tally.ERP 9, you can generate a JSON file from Tally.ERP 9 and upload it to the GST portal. Alternatively, you can export data in MS Excel format and use the GST Offline Utility.



Here's a step-by-step guide using the JSON method:

Generate JSON file from Tally.ERP 9:

- Navigate to "Display > Statutory Reports > GST > GSTR-1" or "GSTR-3B" depending on the return.
- Select the relevant period.
- Press Ctrl+E to export the data.
- Choose "JSON (Data Interchange)" as the export format.
- Configure the export settings, such as including HSN/SAC details, and allow export of specific sections.
- Click "Enter" to export the data.

Upload the JSON file to the GST portal:

- Log in to the GST portal.
- Navigate to "Services > Returns > Returns Dashboard".
- Select the return period and click "Search".
- Click "Prepare Offline".
- Click "Choose File" and select the generated JSON file.
- Once the file is uploaded, verify the details and any manual entries required.
- File the return.

Important Considerations:

Ensure Tally.ERP 9 is configured correctly for GST:

- You need to enable GST functionality in Tally.ERP 9 and configure GST details like GSTIN, tax rates, and other relevant parameters.

Offline Utility:

- If you choose to use the offline tool, ensure you download and install the latest version from the GST portal.

Data Verification:



- Thoroughly verify the data in the generated JSON file or MS Excel before uploading it to the GST portal.

GST Portal:

- Familiarize yourself with the GST portal's interface and filing process.

Advance Receipts:

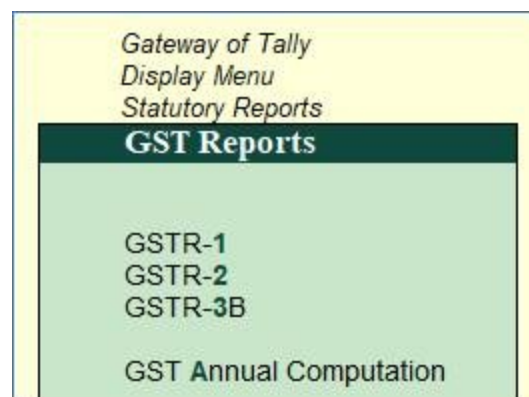
- For businesses with an annual turnover of up to Rs. 1.5 crores, the calculation of tax liability on advance receipts may be disabled by default, as per Tally Help.
- By following these steps and ensuring that Tally.ERP 9 is configured correctly, you can successfully file your GST returns using Tally.ERP 9.

Tally.ERP9 provides various GST Reports to File GST Returns very smoothly with 100% accuracy.

GST Return is a document that will contain all the details of your sales, purchases, tax collected on sales (output tax), and tax paid on purchases (input tax). Once you file GST returns, you will need to pay the resulting tax liability (money that you owe the government).

Here is a list of all the GST Reports required to file GST Returns as prescribed under the GST Law which Tally.ERP9 provides.

Go to Gateway of Tally → Display → Statutory Report → GST (Press DOG in Gateway of Tally)



GSTR-1

GSTR-1 is the return to be furnished for reporting details of all outward supplies of goods and



services made, or in other words, sales transactions made during a tax period, and also for reporting debit and credit notes issued. Any amendments to sales invoices made, even pertaining to previous tax periods, should be reported in the GSTR-1 return.

GSTR-1 is to be filed by all normal taxpayers who are registered under GST. It is to be filed monthly, except in the case of small taxpayers with turnover up to Rs.1.5 crore in the previous financial year, who can file the same on a quarterly basis.

GSTR-2

GSTR-2 is the return for reporting the inward supplies of goods and services i.e. the purchases made during a tax period.

GSTR-2 is to be filed by all normal taxpayers registered under GST, however, the filing of the same has been suspended ever since the inception of GST.

GSTR-3B

GSTR-3B is a monthly self-declaration to be filed, for furnishing summarized details of all outward supplies made, input tax credit claimed, tax liability ascertained and taxes paid.

GSTR-3B is to be filed by all normal taxpayers registered under GST.

GSTR-9 (GST Annual Computation)

GSTR-9 is the annual return to be filed by taxpayers registered under GST. It will contain details of all outward supplies made, inward supplies received during the relevant previous year under different tax heads i.e. CGST, SGST & IGST and HSN codes, along with details of taxes payable and paid. It is a consolidation of all the monthly or quarterly returns (GSTR-1, GSTR-2A, GSTR-3B) filed during that year.

GSTR-9 is required to be filed by all taxpayers registered under GST, except taxpayers who have opted for the Composition Scheme.

GSTR-9 cannot be filed unless GSTR-3B and GSTR-1 are filed. Currently GSTR-9 does not allow any revision after filing.

1. View GSTR -1 Report in Tally.ERP9

Go to Gateway of Tally > Display > Statutory Reports > GST > GSTR-1 . You can press Alt+V in GSTR-1 report to change the view from Return Format to Summary View and vice-versa.

The report displays as below (Return Summary View):



A. Return Summary View of GSTR-1

GSTR-1		Swayam Sales							Ctrl + H	
GSTR-1									1-Apr-2020 to 30-Jun-2020	
Returns Summary										
Total number of vouchers for the period										
Included in returns										
Included in HSN/SAC Summary										
Incomplete HSN/SAC information (to be provided)										
Not relevant for returns										
Incomplete/Mismatch in information (to be resolved)										
Sl No.	Particulars	Voucher Count	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Tax Amount	Invoice Amount	
1	B2B Invoices - 4A, 4B, 4C, 6B, 6C	19	11,55,835.00	87,449.00	75,426.37	75,426.37		2,38,301.74	13,94,136.00	
2	B2C(Large) Invoices - 5A, 5B									
3	B2C(Small) Invoices - 7	1	24,400.00		1,830.00	1,830.00		3,660.00	28,060.00	
4	Credit/Debit Notes(Registered) - 9B	3	(-)31,150.00		(-)2,503.50	(-)2,503.50		(-)6,007.00	(-)36,157.00	
5	Credit/Debit Notes(Unregistered) - 9B									
6	Exports Invoices - 6A									
7	Tax Liability(Advances received) - 11A(1), 11A(2)									
8	Adjustment of Advances - 11B(1), 11B(2)									
9	Nil Rated Invoices - 8A, 8B, 8C, 8D	1	8,050.00						8,050.00	
Total		24	11,57,135.00	87,449.00	74,752.87	74,752.87		2,36,954.74	13,94,089.00	
HSN/SAC Summary - 12										
Document Summary - 13										

Note: Voucher count and values are not provided for HSN/SAC Summary and Document Summary. Drill down for details.

In the Return Summary View, there are two sections in the report:

- Returns summary - a snapshot of the business operations in the given period.
- Particulars - displays the taxable value and tax amount from outward supplies considered in the returns.

A1. Return Summary Information (GSTR-1 Report)

Returns Summary	
Total number of vouchers for the period	
Included in returns	
Included in HSN/SAC Summary	
Incomplete HSN/SAC information (to be provided)	
Not relevant for returns	
Incomplete/Mismatch in information (to be resolved)	

This section provides a summary of all transactions recorded in the reporting period. You can drill down on each row to view the details.

Total number of vouchers for the period

Drill-down shows the Statistics report, listing the vouchers participating in the GST return.



Statistics				
Statistics				
Type of Voucher	Transactions			
	Total	Included	Excluded	Uncertain
Contra	17		17	
Credit Note	6	3		3
Debit Note	2		2	
Delivery Note				
Job Work In Order				
Job Work Out Order				
Journal	7		7	
Material In				
Material Out				
Memorandum				
Payment	28		28	
Physical Stock				
Purchase	15		15	
Purchase Order				
Receipt	13		13	
Receipt Note				
Rejections In				
Rejections Out				
Reversing Journal				
Sales	22	21		1
Sales Order				
Stock Journal				
Total	110	24	82	4

Included in returns

Drill down from this row to view the Summary of Included Vouchers report, with the list of voucher-types with voucher count.

Summary of Included Vouchers		Swayam Sales	Ctrl + M
Summary of Included Vouchers		1-Apr-2020 to 30-Jun-2020	
Particulars	No. of Vouchers		
Sales	21		
Sales Returns	3		
Total	24		

Not relevant for returns

Drill down from this row to view the Summary of Excluded Vouchers report, with the transaction type-wise voucher count.



Summary of Excluded Vouchers		Swayam Sales	Ctrl + M
Summary of Excluded Vouchers		1-Apr-2020 to 30-Jun-2020	
Particulars	No. of Vouchers		
Contra Vouchers	17		
No GST Implications	48		
Non-GSTR-1 Transactions	17		
Total	82		

Incomplete/mismatch in information (to be resolved) – GSRT-1

Displays the count of all vouchers with insufficient GST-related information. You can correct exceptions in the vouchers before exporting GST returns. If the computed tax is not equal to the tax entered in the invoice, the transaction appears under Incomplete/Mismatch in information (to be resolved). You need to update the missing information and resolve the mismatches to include these in the returns.

Drill down on No. of voucher with incomplete/mismatch in information as shown below:

GSTR-1				Swayam Sales	Ctrl + M
Vouchers with incomplete/mismatch in information				1-Apr-2020 to 30-Jun-2020	
List of Exceptions	Total Vouchers	Sales>Returns	Others		
No. of vouchers with incomplete/mismatch in information	42	4	38		
UoM not mapped to Unit Quantity Code (UQC)	4		4		
Reporting Unit Quantity Code (UQC) not selected for stock items with multiple UQC	2		2		
Country, state and dealer type not specified	4		4		
Tax Rate / Tax Type not specified	5		5		
Nature of transaction, Taxable value, rate of tax modified in voucher	3		3		
Incorrect tax type selected in tax ledger	2		2		
Vouchers having conflicting nature of transactions	6		6		
Mismatch in Nature of transaction and Place of supply, Party's country	4		4		
Mismatch due to tax amount modified in voucher	3		3		
Vouchers with incomplete / incorrect adjustment details	2		2		
Vouchers having Reverse Charge and Other than Reverse Charge Supplies	4	1	3		
Information required for generating table-wise details not provided	3	3			

Note: Press Enter on a line item to drill down and resolve the exceptions.

Press Enter on No. of vouchers with incomplete/mismatch in information .

>> UoM not mapped to Unit Quantity Code (UQC) :



Drill down from this line to view the units that are not mapped to UQC.

>> Reporting Unit Quantity Code (UQC) not selected for stock items with multiple UQC :

Drill down from this line to view the units for which alternate units are defined but reporting UQC has not been mapped.

>> Country, state and dealer type not specified :

Drill down from this line to view the vouchers of dealers with no information of country, state, dealer type or GSTIN.

>> Tax rate/tax type not specified :

Drill down from this line to view the vouchers where tax type or rate of tax is missing.

>> Nature of transaction, Taxable value, rate of tax modified in voucher :

Drill down from this line to view vouchers in which nature of transaction, assessable value or rate of tax defined in the ledger master was changed during recording of the transaction.

>> Incorrect tax type selected in tax ledger :

Drill down from this line to view the vouchers in which tax ledgers are not selected or are incorrectly selected.

>> Vouchers having conflicting nature of transactions :

Drill down from this line to view the vouchers that have two or more nature of transactions in which interstate and intrastate natures of transactions are selected in the same voucher.

>> Mismatch in Nature of transaction and Place of supply, Party's country :

Drill down from this line to view the transactions having mismatch in the nature of transaction, place of supply and party's country.

>> Mismatch due to tax amount modified in voucher :

Drill down from this line to view the transactions in which there is difference between the calculated and entered tax amount.

>> Vouchers with incomplete/incorrect adjustment details :

Drill down from this line to view the journal vouchers with incorrect or incomplete adjustment details.

>> Vouchers having Reverse Charge and Other than Reverse Charge Supplies :

Drill down from this line to view vouchers that contain both reverse charge and other than reverse charge supplies. It Displays the count of transactions that have stock items that attract regular tax rates and are taxed under reverse charge.



>> Information required for generating table-wise details not provided

Displays the count of transactions excluded from table-wise format of GSTR-1 due to incomplete information. The button Exception Types is provided to resolve all party ledger level or voucher level corrections from a single screen.

A.2. Particulars Information (GSTR-1 Report)

Sl No.	Particulars	Voucher Count	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Tax Amount	Invoice Amount
1	B2B Invoices - 4A, 4B, 4C, 6B, 6C	19	11,55,835.00	87,449.00	75,426.37	75,426.37		2,38,301.74	13,94,136.00
2	B2C(Large) Invoices - 5A, 5B								
3	B2C(Small) Invoices - 7	1	24,400.00		1,830.00	1,830.00		3,660.00	28,060.00
4	Credit/Debit Notes(Registered) - 9B	3	(-)31,150.00		(-)2,503.50	(-)2,503.50		(-)5,007.00	(-)36,157.00
5	Credit/Debit Notes(Unregistered) - 9B								
6	Exports Invoices - 6A								
7	Tax Liability(Advances received) - 11A(1), 11A(2)								
8	Adjustment of Advances - 11B(1), 11B(2)								
9	Nil Rated Invoices - 8A, 8B, 8C, 8D	1	8,050.00						8,050.00
	Total	24	11,57,135.00	87,449.00	74,752.87	74,752.87		2,36,954.74	13,94,089.00
	HSN/SAC Summary - 12								
	Document Summary - 13								

Note: Voucher count and values are not provided for HSN/SAC Summary and Document Summary. Drill down for details.

1. B2B Invoices - 4A, 4B, 4C, 6B, 6C

Taxable sales made to regular (registered) and composite dealers are captured here. If your tax invoice had exempt and nil rated items along with taxable items, then the total invoice value is captured here.

The party-wise drill down report appears as shown below:

Voucher Register		Swayam Sales							Ctrl + H	
Vouchers of : B2B Invoices - 4A, 4B, 4C, 6B, 6C		1-Apr-2020 to 30-Jun-2020								
Particulars	GSTIN/UIN	Voucher Count	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount	Invoice Amount	
Darshan and Sons	03AAAACC1206D12G	1	2,05,000.00	57,400.00				57,400.00	2,62,400.00	
Lexste Pvt. Ltd.	21AAAACC1206D2ZR	1	24,750.00		1,292.50	1,292.50		2,585.00	27,335.00	
Adesh and Computers	21AAAACC1206D2ZR	2	72,625.00		4,357.50	4,357.50		8,715.00	81,340.00	
Stabilo Computers	21AAAACC1206D2ZR	2	74,295.00		4,973.70	4,973.70		9,947.40	84,242.00	
Shweta & Co (Debtors)	21AAAACC1206D2ZR	1	79,800.00		6,207.00	6,207.00		12,414.00	92,214.00	
Rony Antony & Co	21AAAACC1206D2ZR	1	35,728.00		2,143.68	2,143.68		4,287.36	40,015.00	
Sodexo Gift Voucher	21AAAACC1206D2ZR	2	2,98,000.00		38,970.00	38,970.00		77,940.00	3,75,940.00	
Adarsh Tiles Pvt. Ltd.	21AAAACC1206D2ZR	1	16,300.00		1,467.00	1,467.00		2,934.00	19,234.00	
Shalesh and Sons	21AAAACC1206D2ZR	1	49,575.00		4,164.38	4,164.38		8,328.76	57,904.00	
Chitra & Co.	21AAAACC1206D2ZR	1	11,575.00		513.38	513.38		1,026.76	12,602.00	
Tams & Co	21AAAACC1206D2ZR	2	27,362.00		1,814.73	1,814.73		3,629.46	30,991.00	
Mr. Sachar	21AAAACC1206D2ZR	1	85,000.00		8,230.00	8,230.00		16,460.00	1,01,460.00	
Sudershan and Co	21AAAACC1206D2ZR	1	24,750.00		1,292.50	1,292.50		2,585.00	27,335.00	
Shrinivas Pvt.Ltd.	22AAAACC1206D12G	1	1,32,000.00	27,760.00				27,760.00	1,59,760.00	
Eric Enterprise	33AAAACC1206D12H	1	19,075.00	2,289.00				2,289.00	21,364.00	
Grand Total		19	11,55,835.00	87,449.00	75,426.37	75,426.37		2,38,301.74	13,94,136.00	

2. B2C(Large) Invoices - 5A, 5B

B2C Large Invoice means Business to Large Customer Invoice. This includes Unregistered Interstate sale more than Rs. 2.50 Lacs.



3. B2C(Small) Invoices - 7

It means Business to Small Customer Invoice. Sales is Central Unregistered person and Amount is upto 250000. Sale is Local to Unregistered person (Even amount greater than 250000 to be entered here if it is local)

The Voucher Register based on place of supply, appears as shown below:

Voucher Register							
Swayam Sales							
Ctrl + H							
Vouchers of : B2C(Small) Invoices - 7							
1-Apr-2020 to 30-Jun-2020							
Particulars	Taxable Value	Rate of Tax	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount
Odisha	2,400.00	5 %		60.00	60.00		120.00
Odisha	7,000.00	12 %		420.00	420.00		840.00
Odisha	15,000.00	18 %		1,350.00	1,350.00		2,700.00
Grand Total	24,400.00			1,830.00	1,830.00		3,660.00

4. Credit/Debit Notes (Registered) - 9B

Displays the values of credit and debit notes (Registered), recorded in the reporting period.

Voucher Register											
Swayam Sales											
Ctrl + H											
Vouchers of : Credit/Debit Notes(Registered) - 9B											
1-Apr-2020 to 2-Aug-2020											
Date	Particulars	GSTIN/UIN	Vch Type	Vch No.	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount	Invoice Amount
1-4-2020	Lexsite Pvt. Ltd	21AAACC1206DZZR	Credit Note	1	(-10,000.00)		(-600.00)	(-600.00)		(-1,200.00)	(-11,200.00)
2-4-2020	Shweta & Co (Debtors)	21AAACC1206DZZR	Credit Note	2	(-10,800.00)		(-972.00)	(-972.00)		(-1,944.00)	(-12,744.00)
1-5-2020	Sodexo Gift Voucher	21AAACC1206DZZR	Credit Note	3	(-10,350.00)		(-931.50)	(-931.50)		(-1,863.00)	(-12,213.00)
1-7-2020	Shrinivas Pvt.Ltd.	22AAACC1206D12Q	Credit Note	7	(-20,000.00)	(-3,600.00)				(-3,600.00)	(-23,600.00)
Grand Total					(-51,150.00)	(-3,600.00)	(-2,503.50)	(-2,503.50)		(-8,607.00)	(-59,757.00)

5. Credit/Debit Notes (Unregistered) - 9B

Displays the values of credit and debit notes (Unregistered), recorded in the reporting period with the following details:

6. Exports Invoices - 6A

Displays the values of export sales recorded in the reporting period with the following details:

7. Tax Liability (Advances received) - 11A(1), 11A(2)

All the supplies for which Advances were received from the receiver of supplies but invoice was not raised will be entered here.

8. Adjustment of Advances - 11B(1), 11B(2)

The details of tax already paid on invoices issued in the current period against Advance Received and displays details for invoices issued in the current period on which tax has already been paid.

9. Nil Rated Invoices

Displays the net values of nil rated, exempt, and non-GST outward supplies made to registered



and unregistered dealers, within and outside the state.

Voucher Register		Swayam Sales		Ctrl + M
Vouchers of : Nil Rated Invoices - 8A, 8B, 8C, 8D		1-Apr-2020 to 30-Jun-2020		
Particulars	Nil Rated	Exempted	Non GST	
Inter-State supplies to registered person				
Intra-State supplies to registered person				
Inter-State supplies to unregistered person				
Intra-State supplies to unregistered person	5,600.00	2,450.00		
Grand Total	5,600.00	2,450.00		

HSN/SAC Summary - 12

HSN/SAC Summary report contains the details of HSN/SAC-wise taxable value and tax amount.

HSN/SAC Summary		Swayam Sales		Ctrl + H							
GSTR-1		1-Apr-2020 to 30-Jun-2020									
HSN/SAC Summary											
Total number of vouchers for the period				24							
Included in HSN/SAC Summary				20							
Incomplete HSN/SAC information (to be provided)				4							
HSN/SAC	Description	Type of Supply	UQC	Total Quantity	Total Value	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount
123	Anti Virus Norton	Goods	NOS-NUMBERS	1	3,540.00	3,000.00		270.00	270.00		540.00
123	Anti Virus Symantech	Goods	NOS-NUMBERS	5	10,620.00	9,000.00		810.00	810.00		1,620.00
123	Assembled PC	Goods	NOS-NUMBERS	1	46,020.00	39,000.00	7,020.00				7,020.00
123	Assembled with 4 GB RAM	Goods	NOS-NUMBERS	1	29,500.00	25,000.00	4,500.00				4,500.00
123	Assembled with 6 GB RAM	Goods	NOS-NUMBERS	1	33,040.00	28,000.00	5,040.00				5,040.00
123	RAM 1GB	Goods	NOS-NUMBERS	2	6,104.00	5,450.00	360.00	147.00	147.00		654.00
Grand Total				13,27,939.74	10,99,735.00	87,449.00	70,377.87	70,377.87			2,28,204.74

Document Summary - 13

Provides the details of transaction count based on the nature of document.

Document Summary		Swayam Sales		Ctrl + H	
Document Summary		1-Apr-2020 to 30-Jun-2020			
Nature of Document	Serial No.		Total No.	Cancelled	Nett Issued
	From	To			
Invoices for outward supply (Sales)					
Sales	1	28	22		22
Invoices for inward supply from unregistered person					
Purchase	1	15	1		1
Debit Note					
Debit Note	1	2	2		2
Credit Note					
Credit Note	1	6	6		6

B. View Summary of GSTR-1 Report

Press Alt+V in GSTR-1 report to change the view from Return Format to Summary View and vice-versa.



Click F1 : Detailed to view the breakup of sales based on tax rates.

GSTR-1 Swayam Sales							Ctrl + M
GSTR-1							1-Apr-2020 to 30-Jun-2020
Returns Summary							
Total number of vouchers for the period						110	
Included in returns						24	
Included in HSN/SAC Summary	20						
Incomplete HSN/SAC information (to be provided)	4						
Not relevant for returns						82	
Incomplete/Mismatch in information (to be resolved)						4	
Particulars	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount	
Outward Supplies							
Local Sales	8,01,050.00		74,752.87	74,752.87		1,49,505.74	
Taxable	7,93,010.00		74,752.87	74,752.87		1,49,505.74	
Sales Taxable	7,93,010.00		74,752.87	74,752.87		1,49,505.74	
Sales Taxable @ 5%	49,047.00		1,226.19	1,226.19		2,452.38	
Sales Taxable @ 12%	2,49,333.00		14,959.98	14,959.98		29,919.96	
Sales Taxable @ 18%	2,13,630.00		19,226.70	19,226.70		38,453.40	
Sales Taxable @ 28%	2,81,000.00		39,340.00	39,340.00		78,680.00	
Exempted	8,050.00						
Sales Exempt	2,450.00						
Sales Nil Rated	5,600.00						
Inter State Sales	3,56,075.00	87,449.00				87,449.00	
Taxable	3,56,075.00	87,449.00				87,449.00	
Interstate Sales Taxable	3,56,075.00	87,449.00				87,449.00	
Interstate Sales Taxable @ 12%	19,075.00		2,289.00			2,289.00	
Interstate Sales Taxable @ 18%	92,000.00		16,560.00			16,560.00	
Interstate Sales Taxable @ 28%	2,45,000.00		68,600.00			68,600.00	
Total Outward Supplies	11,57,135.00	87,449.00	74,752.87	74,752.87		2,36,954.74	

The total local and interstate sales are divided into Taxable and Exempted . To view all the sales transactions, Press Enter to display the Voucher Registered Screen.

Voucher Register Swayam Sales											Ctrl + M
Vouchers of Sales Taxable @ 5%											1-Apr-2020 to 30-Jun-2020
Date	Particulars	GSTIN/UID	Vch Type	Vch No.	Taxable Value	Integrated Tax Amount	Central Tax Amount	State Tax Amount	Cess Amount	Total Tax Amount	Invoice Amount
1-4-2020	Lexusite Pvt. Ltd.	21AAACC1206D22R	Sales	1	5,500.00		137.50	137.50		275.00	27,335.00
2-4-2020	Stablo Computers	21AAACC1206D22R	Sales	2	2,400.00		60.00	60.00		120.00	60,642.00
2-4-2020	Shweta & Co (Debtors)	21AAACC1206D22R	Sales	3	15,000.00		375.00	375.00		750.00	92,214.00
2-5-2020	Shailesh and Sons	21AAACC1206D22R	Sales	7	4,575.00		114.38	114.38		228.76	57,904.00
2-5-2020	Chitra & Co	21AAACC1206D22R	Sales	8	5,175.00		129.38	129.38		258.76	12,602.00
1-5-2020	Tams & Co	21AAACC1206D22R	Sales	12	7,497.00		187.43	187.43		374.86	29,941.00
1-5-2020	Cash		Sales	13	2,400.00		60.00	60.00		120.00	28,060.00
1-5-2020	Sudershan and Co	21AAACC1206D22R	Sales	15	5,500.00		137.50	137.50		275.00	27,335.00
1-5-2020	Tams & Co	21AAACC1206D22R	Sales	28	1,000.00		25.00	25.00		50.00	1,050.00
Grand Total					49,047.00		1,226.19	1,226.19		2,452.38	3,37,083.00

You can view this report ledger wise or commodity wise by clicking L : Ledger-wise or S : Stock item-wise , and A : Party-wise respectively .

C. Export GSTR-1 Report from Tally.ERP9 in the JSON Format.

1. Go to Gateway of Tally > Display > Statutory Reports > GST > GSTR-1 .

2. F2: Period: Select the period for which returns need to be filed.

3. F12: Configure: To view the export options for HSN/SAC details, enable Show HSN/SAC Summary?



Configuration	
Show tax types in separate columns	? Yes
Export vouchers with voucher number more than 16 characters	? No
Show HSN/SAC Summary	? Yes
Group vouchers by	: HSN/SAC and Description
Use stock item/ledger name as HSN/SAC description when not specified	? Yes
Allow tax difference up to	: 0

4. Press Ctrl+E . (Export GSTR-1)

5. Select JSON (Data Interchange) as the Format .

Exporting GSTR-1 (1-Apr-2020 to 30-Jun-2020)	
Language	: Default (All Languages)
Format	: JSON (Data Interchange)
Export Location	: C:\TallyERP9-662
Output File Name	: GSTR-1_21AGHPB2764P1ZD_Apr-Jun_2020-21.json
Open Exported File	? Yes
Export document summary	? No

Note:
* Resolve all the exceptions for the period to file complete returns.

Accept ?
Yes or No

6. Press Enter to export.

Upload the JSON file generated from Tally.ERP 9 to the portal for filing returns.

4.7 EPF in tally ERP 9

In Tally.ERP 9, the Employees' Provident Fund (EPF) is managed through payroll functionality. You need to create a pay head for the employer's EPF contribution and a pay head for the employee's PF deduction. Then, you can use payroll vouchers to record the contributions and payments.



Payroll Voucher Creation National Enterprises

Payroll No. 13 Voucher class : ♦ Not Applicable 30-Jun-2020
Status : Payroll autofill (PF contribution) Sunday

Account : PF Payable
Cur Bal: 25,590.00 Cr

Particulars	Amount
Primary Cost Category	3,870.00 Dr
Amar Singh	3,750.00 Dr
EPF(12%-8.33%)	2,500.00 Dr Cur Bal: 11,873.00 Dr
Employee Pension Scheme	1,250.00 Dr Cur Bal: 14,548.00 Dr
Arun Kumar	720.00 Dr
Employee Pension Scheme	500.00 Dr Cur Bal: 1,451.00 Dr
EPF(12%-8.33%)	220.00 Dr Cur Bal: 639.00 Dr
Komaladevi	1,800.00 Dr
EPF(12%-8.33%)	550.00 Dr Cur Bal: 3,718.00 Dr
Employee Pension Scheme	1,250.00 Dr Cur Bal: 4,832.00 Dr
Rajaram M	960.00 Dr
EPF(12%-8.33%)	960.00 Dr Cur Bal: 16,260.00 Dr
Rajeev Kumar	1,200.00 Dr
Employee Pension Scheme	833.00 Dr Cur Bal: 15,483.00 Dr
EPF(12%-8.33%)	367.00 Dr Cur Bal: 10,776.00 Dr
Ram Kumar	0.00 Cr
Ram N Kumar	1,320.00 Dr
Employee Pension Scheme	916.00 Dr Cur Bal: 17,647.00 Dr
EPF(12%-8.33%)	404.00 Dr Cur Bal: 14,751.00 Dr

Narration:
Pay Period : 1-Jun-2020 to 30-Jun-2020

Accept ?
Yes or No

Creating the Pay Heads:

Employer's EPF Contribution:

- Go to Gateway of Tally > Payroll Info > Pay Heads > Create.
- Enter a name like "EPF Contribution".
- Select "Employer's Statutory Contributions" as the Pay Head Type.
- Select "PF Account (A/c No. 1)" as the Statutory Pay Type.
- Select "Indirect Expenses" as the group under which the pay head falls.
- Specify the formula for calculating the contribution (e.g., 12% of basic salary + DA).
- Set the effective date and slab types as required.

Employee's PF Deduction:

- Follow the same steps as above.
- Enter a name like "PF Deduction".
- Select "Employee's Statutory Deductions" as the Pay Head Type.
- Select "Employee's Provident Fund" as the Statutory Pay Type.
- Specify the formula for calculating the deduction (e.g., 12% of basic salary + DA).
- Set the effective date and slab types as required.



Recording EPF Transactions:

1. Payroll Vouchers:

- Go to Gateway of Tally > Payroll Vouchers > Ctrl+F4: Payroll.
- Select the pay heads you created for EPF and PF deductions.
- Enter the employee details and the relevant amounts.
- Use the "A: Payroll Auto Fill" option to pre-fill the voucher details.
- Select the appropriate bank or cash ledger for payment.

2. PF Payment Voucher:

- Go to Gateway of Tally > Accounting Vouchers > F5: Payment.
- Select "PF Challan" as the process for.
- Enter the details of the challan (cheque/DD number, date, etc.).
- Select the relevant bank/cash and PF payable ledgers.
- Creating Payable Ledgers (Optional):
- You can create payable ledgers for EPF, ESI, and other statutory liabilities.
- These ledgers help track the outstanding amounts payable to these agencies.

Generating Reports:

Tally.ERP 9 allows you to generate various reports related to EPF, including monthly statements, e-returns, and statutory reports. You can use these reports for e-filing and reporting purposes.

4.8 ESIC in tally ERP 9

In Tally.ERP 9, ESIC (Employee State Insurance Corporation) contributions are handled through payroll functions. You'll need to create pay heads for both the employee's and employer's contributions, as well as an ESI payable ledger. You can then use these pay heads and the ledger when recording payroll vouchers and ESI payments.



Payroll Voucher Creation		National Enterprises		X	
Payroll	No. 14	Voucher class	: ♦ Not Applicable	31-Jul-2020 Wednesday	
		Status	: Payroll autofill (ESI contribution)		
Account : ESI Payable					
Cur Bal: 8,376.00 Cr					
Particulars				Amount	
Primary Cost Category				3,044.00 Dr	
Amar Singh					
Employer ESI				Dr Cur Bal: 7,239.00 Dr	
Arun Kumar				299.00 Dr	
Employer ESI				299.00 Dr Cur Bal: 1,292.00 Dr	
Komaladevi				0.00 Cr	
Rajaram M				364.00 Dr	
Employer ESI				364.00 Dr Cur Bal: 5,863.00 Dr	
Rajeev Kumar				504.00 Dr	
Employer ESI				504.00 Dr Cur Bal: 6,570.00 Dr	
Ram Kumar				0.00 Cr	
Ram N Kumar				527.00 Dr	
Employer ESI				527.00 Dr Cur Bal: 8,172.00 Dr	
Ravi Kumar				481.00 Dr	
Employer ESI				481.00 Dr Cur Bal: 11,377.00 Dr	
Rishab Mittal				254.00 Dr	
Employer ESI				254.00 Dr Cur Bal: 2,617.00 Dr	
Suresh				254.00 Dr	
Narration:				5 ▼	
Pay Period : 1-Jul-2020 to 31-Jul-2020				Accept ?	
				Yes or No	

Creating ESI Pay Heads:

Employer's Contribution:

Go to Gateway of Tally > Payroll Info > Pay Heads > Create. Name the pay head (e.g., "Employer's ESI Contribution"). Select "Employer's Statutory Contributions" as the Pay Head Type, "Employee State Insurance" as the Statutory Pay Type, and "Indirect Expenses" as the Under Group.

Employee's Contribution:

Follow a similar process to create the employee's contribution pay head (e.g., "Employee's ESI Contribution"). Select "Employee's Statutory Deductions" as the Pay Head Type and "Employee State Insurance" as the Statutory Pay Type.

ESI Payable Ledger:

Create a ledger for ESI payable. Go to Gateway of Tally > Payroll Info > Pay Heads > Create. Name the ledger (e.g., "ESI Payable"). Select "Not Applicable" as the Pay Head Type and "Current Liabilities" as the Under Group.



Recording ESI in Payroll Vouchers:

- Go to Gateway of Tally > Accounting Vouchers > F5: Payment.
- Press F2 to change the voucher date.
- Select the appropriate employee category and employee.
- Select the ESI Payable ledger and the Bank/Cash Ledger from the List of Ledger Accounts.
- Enter the ESI contributions for the employee(s).
- Accept the voucher screen.

4.9 Professional Tax Computation Report

Professional Tax (PT) Computation Report is monthly which provides the details of the PT amount that the employer is liable to pay to the professional Tax department during the given month.

Go to Gateway of Tally > Display > Payroll Reports > Statutory Reports > Professional Tax > Computation Report .

Select Professional Tax Ledger and press Enter .

Or

Go to Gateway of Tally > Display > Statutory Reports > Payroll Reports > Professional Tax > Computation Report .

Select Professional Tax Ledger and press Enter .

The Print Configuration for the PT Computation Report is as shown:



Payroll Statutory Print Configuration			
Printer	: Microsoft XPS Document Writer (XPSPort.)	Paper Type :	Letter
No. of Copies	: 1		
Print Language	: English		(Printing Dimensions)
Method	: Neat Mode	Paper Size :	(8.50" x 10.98") or (216 mm x 279 mm)
Page Range	: All	Print Area :	(8.50" x 10.98") or (216 mm x 279 mm)
Report Titles			
PROFESSIONAL TAX PAYABLE BY EMPLOYER			
(with Print Preview)			
Without Company Phone No.			
From (blank for beginning)	: 1-4-2013		
To (blank for end)	: 30-4-2013		
Employee Category	: All Items		
Employee/Group	: All Items		
Place	: Bangalore		
Date of Printing	: 30-4-2013		
Authorised Signatory Name	: Mr. Ramesh Sharma		
Print Payment Details	: Yes		
			Print ? Yes or No

Specify the Period in the from and to fields as shown above.

- **Place** : Name of the Place where company located should be specified in this field.
- **Employee Category**: Select the required Category.
- **Employee/Group**: Select the required Employee Group or individual Employee.
- **Date of Printing** : The date of printing the PT Computation report needs to be specified. By default actual date of printing will be displayed.
- **Authorised Signatory Name** : Name of the Authorised Signatory should be entered in this field.
- **Print Payment Details** : Set this option to Yes to print the Professional Tax Payment Details like Cheque Number Cheque Date and Drawn On (i.e. Employer Bank Name of which is used for making the payment).

The printed **Computation Report** will appear as shown:



PROFESSIONAL TAX PAYABLE BY EMPLOYER

Return of Tax payable for the period : April, 2013
Name of the Employer : ABC Company
Address : Sri. Mahalaxmi Chambers
M G Road
Bangalore
Registration Certificate No. : KA/PT2635423

Number of employees during the month in respect of whom the tax is payable as under :

SNo.	Employees whose monthly salaries / wages / both are	Number of Employees	Rate of tax per month Rs.	Amount of Tax Deducted Rs.
1	Rs 0 to		0.00	
2	Rs 10,000.00 to	1	150.00	150.00
3	Rs 15,000.00 and above	4	200.00	800.00
TOTAL		5.00		950.00

Amount Paid : 950.00

Amount in Words : INR Nine Hundred Fifty Only

Cheque/DD No: 296431 Dated: 30-Apr-2013 Drawn On: HDFC Bank

I certify that all employees who are liable to pay the tax in my employment during the period of return have been covered by the forgoing particulars. I also certify that the necessary revision in the amount of tax deductible from the salary or wages of the employees on account of variation in the salary or wages earned by them has been made wherever necessary.

I, Shri Mr. Ramesh Sharma solemnly declare that above statements are true to the best of my knowledge and belief.

Place : Bangalore
Date : 30-Apr-2013

Signature of Employer

Description of fields

- **Return of Tax payable for the period** : The month for which the Professional tax is payable is printed based on the period entered in the print configuration screen.
- **Name of the Employer** : Name of the Company is printed here as mentioned in the company master.
- **Address** : Address of the Company as specified in the Company Master is printed here.
- **Registration Certificate No.** : The Professional tax Registration number for the Company as entered while creating the Professional Tax pay head is printed here.
- Column Details in table
- **Sl.No.** : Displays the serial number.
- **Employees whose monthly salary/wages / both are** : Displays the professional Tax Slabs as specified while creating the Professional tax Pay Head.



- **Number of Employees** : Displays the number of employees falling under each slab.
- **Rate of Tax per month Rs.** : Displays the rate of Professional Tax for each slab.
- **Amount of Tax deducted** : Displays the amount of Tax deducted for the employees falling in each slab.
- Details at the bottom after the table
- **Amount Paid** : Displays the total amount paid during the selected month.
- **Amount in Words** : Displays the amount in words that is paid for PT during the selected month.
- **Place** : Displays the name of the Place as entered in the Print Configuration screen.
- **Date** : Displays the date of printing as specified in the Print Configuration screen.

Check Your Progress

Choose the Correct Answer:

1. In Tally ERP 9, Order Processing is used to:

- a) Record customer and supplier orders before invoicing
- b) Create stock items only
- c) Maintain cost centers
- d) Generate GST returns

Answer: a

2. Batch-wise Details in inventory are used to:

- a) Track stock items with expiry or manufacturing dates
- b) Record vouchers
- c) Maintain ledgers
- d) Calculate taxes

Answer: a



3. Which feature in Tally is used for retail billing?

- a) POS (Point of Sale)
- b) Cost Center
- c) Bank Reconciliation
- d) Voucher Entry

Answer: a

4. TDS in Tally stands for:

- a) Tax Deducted at Source
- b) Total Deduction Statement
- c) Tax Deposit Summary
- d) Transaction Debit Slip

Answer: a

5. TCS in Tally refers to:

- a) Tax Collected at Source
- b) Total Collection Summary
- c) Transaction Cost Statement
- d) Tax Credit System

Answer: a

6. GST returns in Tally can be generated for:

- a) GSTR-1, GSTR-2, GSTR-3B
- b) Only GSTR-1
- c) Only GSTR-3B



d) TDS only

Answer: a

7. EPF in Tally refers to:

a) Employee Provident Fund

b) Employee Payroll Fund

c) Employer Payment Fund

d) Enterprise Profit Fund

Answer: a

8. ESIC in Tally stands for:

a) Employees' State Insurance Corporation

b) Employee Social Investment Contribution

c) Enterprise State Insurance Credit

d) Employer Security Insurance Corporation

Answer: a

9. Professional Tax in Tally is applicable for:

a) Salaried employees and professionals

b) Retail sales

c) Stock purchases

d) Cost center expenses

Answer: a

10. Which option in Tally is used to maintain TDS and TCS?

a) Statutory & Taxation

b) Accounting Features



c) Inventory Info

d) Banking

Answer: a

Small Questions – LOCF Mapping Table

S.No	Small Question	CO	Bloom's Level	PO
1	What is Order Processing in Tally ERP 9?	CO1	Remember	PO1
2	Define Batch-wise Details in inventory.	CO1	Understand	PO2
3	What is POS in Tally and its purpose?	CO2	Understand	PO2
4	What does TDS stand for and why is it deducted?	CO3	Remember	PO1
5	Define GST Returns and their types in Tally ERP 9.	CO3	Understand	PO2

Big Questions – LOCF Mapping Table

S.No	Big Question	CO	Bloom's Level	PO
1	Explain the process of Order Processing in Tally ERP 9 with an example.	CO1	Apply	PO2
2	Discuss the creation and importance of Batch-wise Details in inventory management.	CO1	Understand	PO2
3	Explain the features and use of POS (Point of Sale) in Tally ERP 9.	CO2	Apply	PO2
4	Explain TDS and TCS in Tally ERP 9 and describe how they are recorded.	CO3	Understand	PO3
5	Describe GST returns, EPF, ESIC, and Professional Tax processes in Tally ERP 9.	CO3	Apply	PO3



Unit – V

Technological Advantages of tally ERP 9

Sl.No.	Contents
5.1	Technological Advantages
5.2	Data Migration Capability
5.3	Features pertaining to Duties and Taxes
5.4	Payroll module in Tally
5.5	Payroll Process
5.6	Tax Regime History
5.7	Reports in Tally.ERP 9
5.8	Short Cut Keys in Tally ERP 9

5.1 Technological Advantages

Tally ERP 9 offers several technological advantages, including remote access, real-time processing, scalability, and data security. It provides a robust accounting and inventory management system, enabling businesses to manage finances, track inventory, and generate reports effectively. Additionally, it offers features like multilingual support and integration with other software, enhancing its usability and flexibility.

Simple and rapid installation: Tally.ERP 9 has a simple, menu-driven installation procedure. The user can install the program files on any drive if the hard disk has partitions. The user can also specify the name and directory location of the program files. Tally.ERP 9 uses minimum hard disk space in the local drive. Its installation on the local disk takes just a few seconds.

Unlimited multi-user support: A multi-user version of Tally.ERP 9 can be installed on a network, having any number of computers with different operating systems such as Win 95, 98, NT, 2000, XP and Linux.



Internal backup/ restore: Tally.ERP 9 has an in-built, user-friendly ‘backup and restore’ option. It helps the user to take a backup of one or more companies or all companies, in a single directory, in the local hard disk, or in any external media.

Data reliability: Tally.ERP 9 offers reliable data. It uses a flexi-field, flexi-length, selfindexed, weighted file structure for an extremely compact and fast database. Tally.ERP 9 is robust and even if there is a power failure or the computer is incorrectly shut down, data is not lost. Tally.ERP 9 uses signaling quality data integrity checks, at regular levels, to ensure the complete reliability of data.

User-defined security levels: Tally.ERP 9 offers high levels of security. Users can define multiple levels of security according to their requirements. Every authorised user in the company can have an individual password, with rights to use specific features only. The user with the administrator level password will have full access and can set controls for other users.

Data security: Tally.ERP 9’s data integrity checks ensure that there are no external changes to the data. Tally.ERP 9 also uses a binary encoding format of storage to prevent devious grouping of information.

Tally audit: The Tally.ERP 9 audit feature provides the user with administrator rights and the capability to check the entries made by the authorised users and alter these entries, if necessary. Once the entries are audited, Tally.ERP 9 displays the altered entries, if any, along with the name of the user, who has altered the entry, and the date and time of the alteration.

Tally Vault: Tally.ERP 9 offers a data encryption option called Tally Vault. Without the valid Tally Vault password, the data cannot be accessed. Tally.ERP 9 follows the DES (Data Encryption Standard) encryption method to safeguard the data.

Removal of data into a separate company: Tally.ERP 9 allows users to maintain a company for any number of financial years. Once the books of accounts have been completed for the earlier financial years, the user can split the company data into multiple companies as per financial periods required. Tally.ERP 9 also has a feature to split company data. The user can specify the date from which the company has to be split and Tally.ERP 9 will split the company to form two companies as per periods specified. Once the data has been split, the closing balance



of the first period (first company) becomes the opening balance for the next period (second company).

Multi-directory for company management: The user can create multiple directories to store data. The data stored in these directories can be accessed directly in Tally.ERP 9, by specifying the path.

Import/ Export of data: Any transaction can be exported and imported to other software after suitably altering the current structures to accept the Tally.ERP 9 data structure. Data can also be imported to Tally.ERP 9 by writing a TDL program. The data which is to be exported from Tally.ERP 9 can be in XML, HTML or ASCII format.

Tally.ERP 9 Synchronization: Synchronization is the process of exchanging Tally.ERP 9 data between two or more locations. This process enables a branch office to send its data to the head office, over the Internet or a private network.

Graphical analysis of data: Tally.ERP 9 provides graphical analysis of data which helps the user to perform deeper analysis. The user can generate graphical analysis reports such as Sales register, Purchase register, Ledgers, Funds flow, Cash flow, Stock Item registers and so on. This helps the management to quickly judge performance and be better prepared for difficult times.

ODBC (Open Database Connectivity) compliance: It allows other programs to use data from Tally.ERP 9, directly. Thus, any program such as MS-Excel or Oracle, which is ODBC compliant, can use data from Tally.ERP 9. Data connectivity is dynamic, which means that any update in Tally.ERP 9 is reflected in real time in other ODBC compliant software. The user can also extract data from Tally.ERP 9 and design his/ her own report formats in other ODBC compliant software.

Protocol support: Tally.ERP 9 provides protocol support for HTTP, HTTPS, FTP, SMTP, ODBC and raw sockets with data interchange formats such as XML, HTML with XML islands, SOAP and related formats. Protocol refers to a mechanism by which information (data) can be put into or taken from Tally.ERP 9. Formats refer to the standard for information to be generated from Tally.ERP 9 or from other applications which can exchange data with Tally.ERP 9.



Direct web browser access: While working on Tally.ERP 9, the user can directly log on to the Tally website, provided he/ she have access to the Internet. The website lists details of all the facilities offered by Tally.ERP 9. The user can also download the latest release of Tally.ERP 9 as and when it is available. The Tally website also offers Tally Chat, by which a user can communicate with a Tally representative and get required information.

Ability to preview and publish reports and documents on the Internet: Companies which want to publish reports and price lists on their website can do so directly from Tally.ERP 9.

E-mail Facility: Tally.ERP 9 facilitates the mailing of any Tally.ERP 9 report or document.

Multilingual capability: Tally is the world's first accounting and inventory software with multilingual capability. Currently, Tally.ERP 9's multilingual capability extends to 12 languages which include nine Indian languages (Hindi, Gujarati, Punjabi, Tamil, Telugu, Marathi, Kannada, Malayalam and Bengali), Bahasa Melayu and Bahasa Indonesia. Tally.ERP 9 enables you to enter data in one language and have it transliterated into different languages. You can generate invoices, purchase orders or delivery notes in the language of your choice after entering data for the same in any of the nine specified languages. Also, the phonetic keyboard allows you to spell the term phonetically based on how it sounds and Tally.ERP 9 displays the data in the language selected after transliteration.

Point of Sale (POS): POS is an acronym for Point of sale. Point of Sale can be a retail outlet, a check out counter in a shop, or any other location where a sales transaction takes place. It is a computerised cash register which adds up the sales totals, calculates the balance to be returned to buyer and automatically adjusts the inventory level to reflect the quantity sold. The equipment required for POS to work effectively are cash registers, card readers, bar-code scanners and so on.

Payroll: Tally.ERP 9 Payroll is integrated with Accounting and benefits the user by simplifying Payroll processing and accounting. Tally.ERP 9 Payroll enables users to set up and implement salary structures, ranging from simple to complex, as per the organisation's requirements. The user can also align and automate payroll processes and directly integrate them with main stream accounting applications. Tally.ERP 9 Payroll also supports configurable formats for payslip



printing; flexible salary/wage, attendance, leave and overtime registers; gratuity and expat reports.

5.2 Data Migration Capability

- Tally.ERP 9 has the ideal solution for those who have their data in Tally 7.2 and now want to use
- Tally.ERP 9. Tally.ERP 9 provides a migration tool which helps the user to migrate the data easily
- To the latest version and continue with day-to-day transactions. Tally 6.3 users can also use the
- Migration tool which will rewrite the version to Tally 7.2 and then migrate the data to Tally.ERP 9.
- Tally 8.1 users and Tally 9 Release 2.14 users can rewrite the version of their data to Tally.ERP 9.

5.3 Features pertaining to Duties and Taxes

The all-new package provides statutory reporting capability for VAT (Value Added Tax), Composite VAT, CST (Central Sales Tax), TDS (Tax Deducted at Source), ST (Service tax), TCS (Tax Collected at Source), FBT (Fringe Benefit Tax).

- State-specific statutory VAT returns and Annexure
- Various CST related reports
- Returns and challans for Service Tax
- TCS enabled with e-TCS capability, with facility for printing certificates/ challans
- Composition Monthly VAT Return
- Quarterly Return – Form II, in the case of Excise Dealer
- Periodic FBT Challans and Returns



5.4 Payroll 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.

The payroll process is an essential activity in an organization with employees. Depending on the structure of the salaries and the prevailing laws and regulations, the calculation of payroll can be either simple or more complex. It is vital to process payroll in a timely and accurate manner. Any discrepancies in the calculations have a direct impact on employee morale and productivity.

The payroll process also involves compliance with the regional laws and regulations. If there are mistakes that are not in compliance with the rules, it could put the organization into legal and financial trouble. An accurate and effective payroll process is essential in any organization whether big or small. Using business management software with capabilities to manage payroll makes the entire process simpler and error-free.

5.5 Payroll Process

The payroll is the amount of money that the employer pays out to employees for their services. Every organization has a list of add on and deductions from the basic pay of the employee. These involve allowances, bonuses, taxes etc.

5.5.1 Details needed for payroll process

To have a payroll process, every organization must:

- Define a pay policy with basic pay, benefits, leave policies, encashment of leave and other related items
- Define the components that appear on the pay slip as per the company's policy and in compliance with regulations
- Obtain and record the employee details accurately. This includes the bank account details, tax details etc.
- Validate the employee inputs
- Calculate the statutory as well as non-statutory deductions and deduct them to arrive at the gross pay amount



- Pay the salary amount to the employees through the mode that the company employs. Most often this is done by intimating the bank of the salary amount to be disbursed to each employee account
- Record the payroll transactions in the accounting system
- Pay the dues to the appropriate authorities and file returns accurately and before the due dates
- Physically or digitally (PDF) distribute pay slips and other relevant tax documents to the employees.

5.5.2 Steps in Payroll Process

The payroll process steps are categorized into the following

- a) Pre-payroll process,
- b) Payroll calculation process
- c) Post-payroll process

a) Pre-Payroll Process

- **Defining the payroll policy**

Different organizations have their own unique payroll policies. These should be very clearly and unambiguously defined. The first step is to define the basic pay for the different designations in the organization. Leaves and benefits are monetized differently in each organization. There may be deductions for leave taken beyond the given quota. Unused leave may be convertible to money. Some organizations pay for overtime while others do not. Certain companies have the practice of an annual bonus payout. If the bonus is performance-based, the policy should be well defined. The accurate computation of this amount is essential. The payroll policy should be approved by the management of the organization.

- **Data gathering**

The details of an employee are usually collected and recorded at the time of onboarding a new employee. This may include their PAN number, other ID numbers and details.



- **Attendance and performance data**

Payroll also requires the attendance data of the employee. If any bonuses or benefits are due, the relevant department would have to provide the data to payroll. If the employee has earned a performance bonus or a raise, it should be recorded by payroll. In a smaller organization, this data would be easy to gather and compute. In a larger organization, this flow of data to payroll is more challenging. Business management software with an integrated payroll system makes the data flow easier and more accurate.

- **Validation**

All the data received would have to be validated for accuracy and compliance with the organization's policies as well as the law. Payroll would have to ensure that no employee who has left employment continues to feature as an active employee for payroll calculation. All the current employees should be included for salary calculation without missing anyone.

b) Payroll calculation process

This is the payroll process that takes place based on the data input. Payroll is calculated manually or through the use of software to calculate the net pay after factoring in gross income and gross deductions.

- Gross income/salary = regular income + allowances if any + one time payment or bonus if any
- Gross deduction = regular deductions + statutory deductions + one-time deductions if any
- Net pay = Gross income - gross deduction

If the payroll is calculated manually, these values are checked for accuracy and errors if any are corrected.

c) Post-payroll process

Payroll accounting

The amount of salary disbursed as well as the different components of additions and deductions have to be accounted for. The relevant transactions have to be recorded and entered as per the



accounting practices of the organization. If the company uses a standalone payroll software or HR software the data would have to be reentered into the accounting software.

Salary payout

The actual payment of salary to the employees is most often through bank accounts. The organization's bank account should be sufficiently funded before initiating the salary disbursement payroll process. A salary bank advice statement is generated based on the net pay for each employee along with their account number.

The screenshot shows a software window titled "Accounting Voucher Creation" for "National Enterprises". It displays a payment voucher for "Payment No. 10" dated "31-Oct-2020 Thursday". The status is "Payroll autofill (Salary payment)". The account is "HDFC Bank" with a current balance of "9,85,221.00 Cr". The voucher lists "Salary Payable" as a credit of "1,81,296.00" and a list of employees with their respective debit amounts.

Particulars	Amount
Salary Payable	1,81,296.00
Cur Bal: 10,32,212.00 Cr	
Primary Cost Category	
Amar Singh	37,675.00 Dr
Arun Kumar	8,411.00 Dr
Komaladevi	19,800.00 Dr
Rajaram M	10,006.00 Dr
Rajeev Kumar	13,984.00 Dr
Ram Kumar	40,000.00 Dr
Ram N Kumar	13,623.00 Dr
Ravi Kumar	13,339.00 Dr
Rishab Mittal	7,141.00 Dr
Suresh	7,141.00 Dr
Suresh Kumar	3,035.00 Dr
Vidya Prasad	7,141.00 Dr
Narration:	1,81,296.00

Reporting

Pay slips and tax details are generated and given to the employees physically or digitally. Payroll reports that are required by the management have to be generated and submitted.

Compliance

The statutory deductions that are made from the employees' salaries have to be paid to the relevant government agencies. The amounts have to be paid and the returns filed well within the due dates.



Process payroll accurately and on time every time

When there are gaps in the payroll data flow, the chance of computational or data entry errors is higher. It is essential that payroll should be error-free and in compliance with the laws and regulations. Tally makes the payroll process quick and easy.

Particulars	Amount
Primary Cost Category	2,59,986.00 Dr
Adarsh Kumar	
Basic Pay	60,000.00 Dr
Conveyance	5,000.00 Dr
DLI Contribution @ 0.5%	1,558.00 Cr
EDLI Admin Charges @ 0.01%	780.00 Cr
Employee's ESIC Contribution @ 1.75%	24,000.00 Dr
Employee's PF Contribution @ 12%	780.00 Cr
House Rent Allowance	24,000.00 Dr
Overtime Pay	5,000.00 Dr
Mahesh Yadav	
Basic Pay	60,000.00 Dr
Conveyance	5,000.00 Dr
DLI Contribution @ 0.5%	1,558.00 Cr
EDLI Admin Charges @ 0.01%	780.00 Cr
Employee's ESIC Contribution @ 1.75%	24,000.00 Dr
Employee's PF Contribution @ 12%	780.00 Cr
House Rent Allowance	24,000.00 Dr
Overtime Pay	5,000.00 Dr
Rakesh Kumar	
Basic Pay	60,000.00 Dr
Conveyance	5,000.00 Dr
DLI Contribution @ 0.5%	1,558.00 Cr
EDLI Admin Charges @ 0.01%	780.00 Cr
Employee's ESIC Contribution @ 1.75%	24,000.00 Dr
Employee's PF Contribution @ 12%	780.00 Cr
House Rent Allowance	24,000.00 Dr
Overtime Pay	5,000.00 Dr

5.5.3 The benefits of payroll accounting with Tally

- Integration with financial accounting. Tally seamlessly integrates the payroll amounts to the accounting process. There is no necessity for reentering all the payroll data into the accounting software
- Generates pay slips for employees
- Enables payroll processing with compliance
- Also tracks the loan details of employees

Allows flexibility in user-defined classifications, departments, groups, subgroups and other criteria. It also allows the user to define all the components of payroll such as attendance/time/production units, earning and deduction pay heads.



5.5.4 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.

When data is moved from earlier release to release 6.6.1, by default, all employees are grouped under **Regular Tax Regime** (old regime). You can change the tax regime details as per your requirement with revised applicable date as 01-Apr-2020 or later.

5.5.4.1 Create Single Employee

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

2. Enter the **Name** of the employee. By default, the system displays the same value in the **Display name in reports as** .

3. Modify the **Display name in reports as** , if required.

4. Select the **Employee Group** in the field **Under**.



5. Enter the **Date of joining**.

(The **Date of resignation/retirement** option is available only on the **Employee Alteration** screen. After you enter the **Date of resignation/retirement** , you can also select a **Reason for leaving**.)

6. Set the **Define salary details?** option to **Yes** , and press **Enter** to open **Salary Details Creation** screen.

In the **Salary Details Creation** screen, you can specify salary details of an employee.

The **Salary Details Creation** screen appears as shown below:

Name : Adarsh Kumar Under : ♦ Primary						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
1-Apr-2020	Basic Salary	45,000.00	Months	Earnings for Employees	On Attendance	Basic Salary + Dearness Allowance
	House Rent Allowance			Earnings for Employees	As Computed Value	
	Transport Allowance	1,500.00	Months	Earnings for Employees	Flat Rate	
	Bonus			Earnings for Employees	As User Defined Value	
	Canteen Deduction	600.00	Months	Deductions From Employees	Flat Rate	
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	Re-Imbursement to Employees			Reimbursements to Employees	As User Defined Value	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Employee PF @ 12%			Employees' Statutory Deductions	As Computed Value	Basic Salary
	Employee ESI @ 1.75%			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total
	Employee Contribution to NPS - Tier 1			Employees' Statutory Deductions	As Computed Value	Basic Salary
	Income Tax Payable			Employees' Statutory Deductions	As Per Income Tax Slab	
	Employer ESI @ 4.75%			Employer's Statutory Contributions	As Computed Value	On Current Earnings Total
	Employer PF @ 8.33%			Employer's Statutory Contributions	As Computed Value	Basic Salary

- The relevant **Pay Heads** from the **List of Pay Heads** in the **Pay Head** column, and enter values for the required pay heads.
- Define the salary structure, and press **Enter** to navigate to the **Employee Creation** screen.

(This option will be available only if the option **Add NOTES for Employees** is enabled in the **employee configuration** screen.)

7. Enter remarks, if any, in the **Notes** field.



8. Enter the employee **General Information**, employee's **Bank Details** for salary processing, **Payment Details**, **Statutory Details**, **Passport & Visa Details** and **Contract Details**.

In **Statutory Details**, you must select applicable tax regime and enter the **Income Tax Number (PAN)**, **Aadhaar Number**, **Universal Account Number (UAN)**, **EPS Account Number**, **PF Account Number** and **ESI Number**. This information is required for printing **Employee Count (No. of Employees)** in the PF & ESI Challans and other Statutory Reports.

To update the **Permanent Retirement Account Number (PRAN)** of the employees covered under the **National Pension Scheme (NPS)**, enable the **Applicable for NPS?** option and specify the PRAN in the **PR Account Number** field.

Employee Creation		National Enterprises		Ctrl + M	
Category	: Primary Cost Category				
Name (alias)	: Adarsh Kumar				
Display name in reports as	: Adarsh Kumar				
Under	: Sales (/ Primary)				
Date of joining	: 1-Apr-2020				
Define salary details	? Yes				
General Information		Provide bank details ? Yes	Passport and Visa Details		
Employee Number	: 0063	Statutory Details			
Designation	: Senior Executive	Applicable Tax Regime	: Tax Regime UH 115BMC	Passport number	: ES69871
Function	: Sales	Income Tax Number (PAN)	: AAAPS1234D	Country of issue	: India
Location	: Bengaluru	Aadhaar number	: 234567899876	Passport expiry date	: 12-Aug-2024
Gender	: Male	Universal Account Number (UAN)	: 100009878990	Visa number	: SO32342355
Date of birth	: 15-Dec-1985	PF account number	: KA/BN/456789	Visa expiry date	: 31-Jan-2021
Blood group	: A Positive	EPS account number	: KA/BN/456789	Contract Details	
Father's/mother's name	: Ram Mohan	Date of joining for PF	: 1-Apr-2020	Work permit number	: SE078787
Spouse's name	: Anjali	PR account number (PRAN)	: KA/BN/456789	Contract start date	: 1-Apr-2020
Address	: 427, 9th Cross, Balaji Layout SKN Colony Bengaluru	ESI number	: ESI 456	Contract expiry date	: 31-Mar-2021
Phone no.	: 080-23849494	ESI dispensary name	: Raialaqaar	Accept ?	
E-Mail	: adarsh.kumar@nes.com	Yes or No			

9. Press **Enter** to save.

You can configure the salary structure using the **Salary Details** screen.

Employee Configuration

1. Click **F12: Configure** to change the default display for the **Employee Creation** screen.



<u>Employee Configuration</u>	
Provide aliases along with name	? Yes
Provide language aliases for name	? No
Add notes for employees	? No
Show statutory details	? Yes
Provide passport and visa details	? Yes
Provide contract details	? Yes
Show employee display name	? No

2. Set the option **Provide aliases along with name?** to **Yes** to add aliases for the employee.
3. Set the option **Provide language aliases for name?** to **Yes** to add the aliases in other languages as selected (only while using Multilingual feature)
4. Set the option **Add notes for employees?** to **Yes** to add notes or remarks for an employee.
5. Set the option **Show statutory details?** to **Yes** to enter the PAN, PF, PR, EPS Account Number, the Date of Joining and Relieving.
6. Set the option **Provide passport and visa details?** to **Yes** to enter the passport and visa details of the employee.
7. Set the option **Provide contract details?** to **Yes** , to enter contract details such as Work Permit Number, Contract Start Date and End Date.
8. Set the option **Show employee display name?** to **Yes** , to print a different name for an employee while printing reports. This option is useful the same name is shared by a number of employees.
9. Press **Ctrl+A** to accept.

5.5.4.2 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.

Multi Employee Creation National Enterprises Ctrl + M						
Under Employee Group : All Items						
S.No.	Category	Employee Name	Under	Applicable Tax Regime	Income Tax Number (PAN)	Date of joining
1.	Primary Cost Category	Subash D	Sales	Regular Tax Regime	USNPM2345D	1-Apr-2017
2.	Primary Cost Category	Manohar	Sales	Regular Tax Regime	VRKPL2398D	30-Sep-2017
3.	Primary Cost Category	Bhuwan	Sales	Tax Regime U/s 115BAC	NAEPO8976D	2-Jan-2018

Accept ?
Yes or No

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:

Multi Employee Alteration National Enterprises Ctrl + M							
Under Employee Group : Sales							
S.No.	Category	Employee Name	Under	Applicability		Income Tax Number (PAN)	Date of Joining
				Tax Regime	Effective from		
1.	Primary Cost Category	Adarsh Kumar	Sales	Regular Tax Regime	1-Apr-2017	AAAPS1234D	1-Apr-2020
2.	Primary Cost Category	Bhuwan	Sales	Tax Regime U/s 115BAC			2-Jan-2018
3.	Primary Cost Category	Manohar	Sales	Regular Tax Regime			30-Sep-2017
4.	Primary Cost Category	Subash D	Sales	Tax Regime U/s 115BAC			1-Apr-2017



5.6 Tax Regime History

With two different income tax slabs for the employees to choose from, the employee can change the tax regime in middle of a financial year. Tally.ERP 9 allows you to choose either tax regime at any point of time. You are prompted to enter the date of revision every time the tax regime is changed for an employee. Additionally, you can keep track of the all the tax regimes applied to the employee's income using the **Tax Regime History**.

The button **L: Tax Regime History** is provided in **Employee Alteration** and **Multi Employee Alteration** screens. Click the button to view Tax Regime History screen with details of the tax regime applied for different periods with applicable from date.

Tax Regime History	
Applicable From	Tax Regime
1-Apr-2017	Regular Tax Regime
1-Apr-2020	Tax Regime U/s 115BAC

5.7 Reports in Tally.ERP 9

On entering the vouchers, Tally.ERP 9 uses the same data and provides you with the management control reports in addition to all books and statements. The display of information is designed to allow a user to get the maximum benefit of the data that is entered.

The display screens of Tally.ERP 9 are dynamic and interactive. They are not spooled print files but are specially designed for the screen. What you see on the screen can be printed as well depending upon your printer's capabilities.

After going through this unit, you will be able to:

- Modify reports
- Configure the Balance Sheet
- View the Profit and Loss Account
- Define stock summary
- Understand the purpose of a trial balance report



- List the transactions of a day book
- Generate different types of books of account
- Explain the exception reports available in Tally.ERP 9

Only the Balance Sheet and Profit & Loss Account are displayed directly from the Gateway of Tally.ERP. Tally.ERP accords these statements the highest importance.

The Day book contains all the vouchers for the day, including inventory vouchers. Its purpose is to show you a day's transactions.

The List of Accounts gives the tree structure of all your masters, namely, Groups, Ledgers, Stock items, Cost Centres, Currencies, etc.

Exception Reports are reports that track unusual transactions or balances.

To display Report in Tally.ERP9, go to the following category of Reports:

<u>Reports (Modify)</u>	<ul style="list-style-type: none"> • Modifying Reports
<u>Display Financial Statements</u>	<ul style="list-style-type: none"> • Display Balance Sheet • Display Profit & Loss Account • Display Receipts & Payment Account • Display Trial Balance
<u>Display Books, Registers and Ledgers</u>	<ul style="list-style-type: none"> • Display Sales Register • Display Cash Book • Display Bank Book • Display Statement of Accounts • Display Purchase Register • Display Journal Register • Display Day Book
<u>Display Inventory Reports and Statements</u>	<ul style="list-style-type: none"> • Display Stock Summary • Display Stock Items • Location/Godown Summary • Movement Analysis • Stock Ageing Analysis • Sales and Purchase Orders • Reorder Status • Display Batchwise Reports
<u>Management Information System Reports</u>	<ul style="list-style-type: none"> • Receivables and Payables



	<ul style="list-style-type: none">• Cost Centre Reports• Cash Flow Statements• Fund Flow Statements• Ratio Analysis Report• Exceptional Reports
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5.7.1 Report generation

In Tally ERP 9, report generation involves accessing the "Display" menu, choosing a specific report (like Balance Sheet or Profit & Loss), and then using F12:Configure to customize the report's appearance. For example, to view a Balance Sheet with a percentage column, you'd go to Gateway of Tally > Balance Sheet > F12: Configure > enable "Show Percentage" and press Alt+F1 for a detailed view.

Here's a more detailed breakdown:

1. Accessing Reports:

- Go to Gateway of Tally > Display.
- Select the desired report from the list (e.g., Balance Sheet, Profit & Loss, Trial Balance, Stock Summary, etc.).

2. Customizing Reports:

Press F12: Configure to access the configuration screen for the selected report.

Modify the report's appearance by adjusting options like:

- Show Percentage: Display percentages in the report.
- Print date and time of report?: Include the date and time the report was generated.
- Other configuration options: These vary depending on the report type.

3. Viewing Detailed Reports:

- Press Alt+F1 to view a detailed version of the report, including more granular data.



4. Examples:

- Profit & Loss Account: Go to Gateway of Tally > Profit & Loss A/c > press Alt+F1 for a detailed view.
- Balance Sheet: Go to Gateway of Tally > Balance Sheet > F12: Configure > enable "Show Percentage" > press Alt+F1.
- Receivables/Payables: Go to Gateway of Tally > Display > Statement of Accounts > Outstandings > Receivables or Payables.
- Stock Summary: Go to Gateway of Tally > Display > Stock Summary.
- Day Book: Go to Gateway of Tally > Display > Day Book.
- GST Reports: Go to Gateway of Tally > Display > Statutory Reports > GST.

Key Concepts:

- F12: Configure: Allows you to customize the appearance and content of reports.
- Alt+F1: Provides a detailed view of the report with more information.
- Gateway of Tally: The main menu where you access various features, including report generation.

5.8 Short Cut Keys in Tally ERP 9

Function keys

Windows	Functionality
F1	To select a company
F1	To select the Accounts Button
<u>F1</u> (ALT+F1)	To select the Inventory To view the detailed or condensed report
F1 (CTRL + F1)	To select Payroll Vouchers to alter
F2	To change the current date To select company inventory features
F3	To select the company To select Company Statutory & Taxation features
F4	To select the Contra voucher
F5	To select the Payment voucher
F6	To select the Receipt voucher
F7	To select the Journal voucher
F8	To select the Sales voucher



F8 (CTRL+F8)	To select the Credit Note voucher
F9	To select the Purchase voucher
F9 (CTRL+F9)	To select the Debit Note voucher
F10	To select the Reversing Journal voucher
F10 (Ctrl + F10)	To select the Memorandum voucher
F11	To select the Functions and Features screen
F12	To select the Configure screen

Special keys

Windows	Functionality
ALT + 2	To Duplicate a voucher
ALT + A	To Add a voucher To Alter the column in columnar report
ALT + C	To create a master at a voucher screen (if it has not been already assigned a different function, as in reports like Balance Sheet, where it adds a new column to the report) To access Auto Value Calculator in the amount field during voucher entry
ALT + D	To delete a voucher To delete a master To delete a column in any columnar report (if it has not been already assigned a different function, as explained above)
ALT + E	To export the report in ASCII, Excel, HTML OR XML format
ALT + I	To insert a voucher To toggle between Item and Accounting invoice
ALT + L	To select the Language Configuration
ALT + K	To select the Keyboard Configuration
ALT + O	To upload the report at your website
ALT + G	To select language for Tally Interface
ALT + M	To Email the report
ALT + N	To view the report in automatic columns
ALT + P	To print the report
ALT + R	To remove a line in a report
ALT + S	To bring back a line you removed using ALT + R
ALT + U	To retrieve the last line which is deleted using Alt + R



ALT+ V	From Invoice screen to bring Stock Journal screen
ALT + X	To cancel a voucher in Day Book/List of Vouchers
ALT + R	To Register Tally
CTRL + A	To accept a form – wherever you use this key combination, that screen or report gets accepted as it is
CTRL + B	To select the Budget
CTRL + ALT + B	To check the Company Statutory details
CTRL + C	To select the Cost Centre To select the Cost Category
CTRL+ E	To select the Currencies
CTRL + G	To select the Group
CTRL + H	To view the Support Centre
CTRL + I	To select the Stock Items
Ctrl + Alt + I	To import statutory masters
CTRL + K	To Login as Remote Tally.NET User
CTRL + L	To select the Ledger To mark a Voucher as Optional
CTRL + O	To select the Godowns
CTRL + Q	To abandon a form – wherever you use this key combination, it quits that screen without making any changes to it.
CTRL + R	To repeat narration in the same voucher type
CTRL + Alt + R	Rewrite data for a Company
CTRL + S	Allows you to alter Stock Item master
CTRL + U	To select the Units
CTRL + V	To select the Voucher Types To toggle between Invoice and Voucher

Special function keys

Windows	Functionality
ALT + F1	To close a company To view detailed report To explode a line into its details To select Inventory vouchers to alter
ALT + F2	To change the period
ALT + F3	To select the company info menu To create/alter/shut a Company
ALT + F4	To select the Purchase Order Voucher Type
ALT + F5	To select the Sales Order Voucher Type To view monthly and quarterly report
ALT + F6	To select the Rejection Out Voucher Type To change the Sales Order



	Voucher Type
ALT + F7	To select the Stock Journal Voucher Type To accept all the Audit lists
ALT + F8	To select the Delivery Note Voucher Type To view the Columnar report
ALT + F9	To select the Receipt Note Voucher Type
ALT + F10	To select the Physical Stock Voucher Type
ALT + F12	To filter the information based on monetary value
Ctrl + F1	To select payroll vouchers for alteration
CTRL + ALT + F12	Advanced Configuration

Key Combination Used for Navigation

Windows	Functionality
PgUp	Display previous voucher during voucher entry/alter
PgDn	Display next voucher during voucher entry/alter
ENTER	To accept anything you type into a field. To accept a voucher or master
ESC	To remove what you typed into a field To come out of a screen To indicate you do not want to accept a voucher or master
SHIFT + ENTER	Collapse next level details
SHIFT + ENTER	To explode a line into its details
CTRL + ENTER	To alter a master while making an entry or viewing a report

Check Your Progress

Choose the Correct Answer:

1. One of the key technological advantages of Tally ERP 9 is:

- a) Automated Accounting and Inventory Management
- b) Manual Ledger Posting
- c) Physical filing of vouchers
- d) Paper-based invoice only

Answer: a

2. Payroll in Tally ERP 9 is used to:

- a) Calculate employee salaries and statutory deductions



- b) Record sales invoices
- c) Maintain stock items
- d) Generate GST returns

Answer: a

3. Which of the following is a statutory report in Tally ERP 9 payroll?

- a) PF Report
- b) Sales Invoice
- c) Purchase Order
- d) Stock Summary

Answer: a

4. Which report shows the financial position of a company in Tally ERP 9?

- a) Balance Sheet
- b) Ledger Report
- c) Trial Balance
- d) Stock Summary

Answer: a

5. Trial Balance in Tally ERP 9 is used to:

- a) Check the arithmetic accuracy of ledger postings
- b) Record sales transactions
- c) Maintain inventory
- d) Generate pay slips

Answer: a



6. Shortcut key F1 in Tally ERP 9 is used for:

- a) Help
- b) Create Company
- c) Payment Voucher
- d) Stock Item

Answer: a

7. Shortcut key F2 in Tally ERP 9 is used for:

- a) Changing the date
- b) Payment Voucher
- c) Sales Voucher
- d) Ledger Creation

Answer: a

8. Shortcut key F11 in Tally ERP 9 is used for:

- a) Company Features and Accounting Features configuration
- b) Stock Item Creation
- c) Ledger Deletion
- d) Generate Reports

Answer: a

9. Payroll report in Tally ERP 9 can include:

- a) Salary Register and Pay Slip
- b) Stock Summary
- c) Trial Balance



d) Bank Reconciliation

Answer: a

10. Which of the following is a technological advantage of using Tally ERP 9?

a) Multi-user environment and remote access

b) Manual cash book only

c) Limited to paper invoices

d) No automation for taxation

Answer: a

Small Questions – LOCF Mapping Table

S.No	Small Question	CO	Bloom's Level	PO
1	What are the technological advantages of Tally ERP 9?	CO1	Understand	PO1
2	What is Payroll in Tally ERP 9 used for?	CO2	Remember	PO2
3	Name any two reports that can be generated in Tally ERP 9.	CO3	Remember	PO2
4	What is the use of the F1 key in Tally ERP 9?	CO4	Remember	PO1
5	What is the function of F11 in Tally ERP 9?	CO4	Understand	PO2

Big Questions – LOCF Mapping Table

S.No	Big Question	CO	Bloom's Level	PO
1	Explain the technological advantages of Tally ERP 9 in modern business management.	CO1	Understand	PO1
2	Describe the Payroll feature in Tally ERP 9 and explain how employee salaries are calculated.	CO2	Apply	PO2
3	Discuss the types of reports that can be generated in Tally ERP 9 and their importance.	CO3	Understand	PO2
4	Explain the function of shortcut keys in Tally ERP 9 and how they improve efficiency.	CO4	Apply	PO2
5	Discuss the configuration of company features using F11 in	CO4	Apply	PO2



Tally ERP 9 and its significance.			
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7	Official Guide to Financial Accounting using Tally. ERP 9, Fourth Revised & Updated Edition, BPB Publications
8	Vinod Kumar, Tally. ERP 9 Made Easy, Accounting Education
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2	https://www.tutorialkart.com/tally/tally-tutorial/
3	https://ssestudy.com/tally-erp-9-book-pdf-free-download/
4	https://tallysolutions.com/tally/how-to-use-gst-in-tally-erp-9/
5	https://www.javatpoint.com/tally

