



POWER OF SIMPLICITY

**Tally.ERP 9 at a Glance**

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## Introduction

### A Path Breaking Technology

#### **Tally.ERP 9 - It's Fast, Powerful, Scalable... And very Reliable!**

**Tally.ERP 9** is the world's fastest and most powerful concurrent Multi-lingual business Accounting and Inventory Management software. Tally.ERP 9, designed exclusively to meet the needs of small and medium businesses, is a fully integrated, affordable and highly reliable software. Built on the proprietary technology of Tally Solutions - **C:MuLATE** (Concurrent Multi-lingual Accelerated Technology Engine) - Tally.ERP 9 is a perfect fusion between the path-breaking Concurrent Multi-lingual Platform and an Object Oriented Database Engine. Technology on which someday all business accounting solutions will be built.

Tally.ERP 9 is easy to buy, quick to install, and easy to learn and use. Tally.ERP 9 is designed to automate and integrate all your business operations, such as sales, finance, purchasing, inventory, and manufacturing. With Tally.ERP 9, accurate, up-to-date business information is literally at your fingertips anywhere. The powerful new features and blazing speed and power of Tally.ERP 9 combine with enhanced MIS, Multi-lingual, Data Synchronization and Remote capabilities help you simplify all your business processes easily and cost-effectively.

#### **Simply the Best**

The Tally.ERP 9 encompasses the following salient features :

- **Simplicity** : Tally.ERP 9 is simple, easy to setup and use. It also allows easy Keyboard operations. It requires basic knowledge of Accounts and English to use it.
  
- **Speed** : Tally.ERP 9 provides the capability to generate instant and accurate reports, which assists the management to take timely and correct decisions for the overall productivity and growth of the company.

- **Power** : Tally.ERP 9 allows the user to maintain multiple companies and with unlimited levels of classification & grouping capabilities. It also allows drill down facility from report level to transaction level.
- **Flexibility** : Tally.ERP 9 provides flexibility to generate instant reports for any given period (month/year) or at any point of time besides providing the facility to toggle between Accounting & Inventory reports of the same company or between companies.
- **Scalability** : Tally.ERP 9 suits to any style of business needs and eliminates the necessity for a business to change its style of operation, in order to adapt to the application.
- **Concurrent multi-lingual capability** : Tally.ERP 9 offers you the exclusive capability of maintaining your accounts in any Indian language, viewing them in another language and printing them in yet another Indian language.
- **Real time processing** : Immediate posting & updation of books of accounts as soon as the transactions are entered, thereby facilitating instant statements & Reports. It also facilitates real-time multi-user environment.
- **Accounting without Codes** : Tally.ERP 9 allows accounting with the regular names (the way you spell them or use in normal parlance) without any account codes.
- **Technical support** : Timely support is available from our experts at the Tally Service Partners (TSPs)
- **Online Help** : The Tally.ERP 9 Online Help (Alt+H) provides instant assistance on basic and advanced features or any other relevant topics of Tally.ERP 9.
- **Tally.NET** : is an enabling framework which establishes a connection through which the remote user can access the Client's data without copying / transferring the data.
- **Remote Access** : Tally.ERP 9 provides remote capabilities to access the data from anywhere and anytime.
- **Control Centre** : works as an interface between the user and Tally.ERP 9 installed at different sites and enables the user to centrally configure and administer Site/User belonging to an account.



- **Support Centre** : allows a user can directly post his support queries on the functional and technical aspects of the Product.
  
- **Auditor's Edition** : Tally.ERP 9 offers a special Auditors' Edition of Tally.ERP 9, which provides auditing and compliance capabilities exclusively for Chartered Accountants.

# Lesson 1: Complete Book-keeping

Tally.ERP 9 maintains all books of accounts starting from record of vouchers to ledgers etc. You can use different types of vouchers like payment, receipt, sales, purchases, receipt notes, delivery notes and adjustment entry vouchers like journals, debit & credit notes. Tally.ERP 9 inherits the principle of double entry system of book keeping and thus reduces possibilities of errors during voucher entry.

## 1.1 Simple & Easy Voucher Entry

Tally.ERP 9 provides flexibility to use predefined voucher types, comprising of accounting and inventory voucher types to record various business transactions. It also allows you to use Keyboard shortcut Keys as well as mouse operations during voucher entry.

### 1.1.1 User-defined Voucher Types

Tally.ERP 9 provides predefined vouchers and also allows you to create different types of vouchers and record, classify & segregate vouchers as per your requirements. For e.g. you can further classify payment vouchers, by creating voucher types with the names **Bank Payment** and **Cash Payment**.

**To create a new Voucher Type,**

Go to **Gateway of Tally > Accounts Info. > Voucher Type > Create**

- ❑ Enter the Voucher name
- ❑ Specify the **Type of voucher**
- ❑ Specify the **Method of numbering**
- ❑ Activate or deactivate the other functions as required

General		Printing	Name of Class
Name	: Bank Payment		
(alias)	:		
Type of Voucher	: Payment	Print after saving Voucher ? No	
Abbr.	: Pynt		
Method of Voucher Numbering	? Automatic		
Use Advance Configuration	? No		
Use EFFECTIVE Dates for Vouchers	? No		
Make 'Optional' as default	? No		
Use Common Narration	? Yes		
Narrations for each entry	? No		
			Accept ? Yes or No

Figure 1.1 Voucher Type Creation

### 1.1.2 Flexible Voucher Numbering

Tally.ERP 9 also allows you to set the voucher numbering as per your needs, which is either automatic or manual or none. Further, you can also assign a Prefix / Suffix or both along with the Voucher number and define the periodicity of restarting Voucher numbers during entry i.e., either from the beginning of every day, month, week, year or never.

From the above **Voucher Type Creation / Alteration** screen,

- Specify the **Method of Voucher Numbering**

Types of Numbering
Automatic
Manual
None

Figure 1.2 Types of Numbering

- Specify the **Advance Configurations** for Voucher Numbering, as required

Voucher Type Alteration (Secondary)			Universal Enterprises			Ctrl + M	
Name (alias)	Starting Number : ? 1		Width of Numerical Part : 3		Prefill with ZERO : ? Yes		
	<b>Restart Numbering</b>		<b>Prefix Details</b>		<b>Suffix Details</b>		
Type of Voucher	Applicable From	Starting Number	Particulars	Applicable From	Particulars	Applicable From	Particulars
Abbr.	1-Apr-2008		1 Yearly	1-Apr-2008			
Method of Voucher	Use Advance C		Use EFFECTIVE D		Make 'Optional' as		e of Class
	Use Common Narr		Narrations for each				
* (c) Connected t							

Figure 1.3 Advance Configurations for Voucher Numbering

### 1.1.3 Flexible classification of Account Heads / Chart of Accounts

In Tally.ERP 9, there are 28 predefined groups which are widely used in Chart of Accounts of many trading organizations. Out of these, 15 groups are **Primary Groups** and the remaining 13 are **Sub-Groups**. Among the 15 predefined groups, 9 Groups are **Balance Sheet** items and the remaining 6 groups are **Profit & Loss A/c** items. However, you may also alter the nomenclature of these predefined 28 Groups.

Tally.ERP 9 allows you to define Account heads and groups as per your requirements, thereby facilitating multiple structural grouping. The flexibility & ease of creating user-defined Account Heads and groups (Chart of Accounts) as per nature of business or business practice makes Tally.ERP 9 to suit businesses across industries, verticals and geographies without changing the way they do their business.

**For Eg.,** You can have debtor's based on geographies viz., North Debtors, South Debtors, East Debtors & West Debtors and further subgroups based on states i.e., Karnataka Debtors, Maharashtra Debtors, Tamil Nadu Debtors. The states can also be classified into cities and so on.

## 1.2 Books & Registers

Tally.ERP 9 provides you capability to generate various books and registers for any specific period viz., month, date, and year and as on date. In Tally.ERP 9, once voucher entry is made, the transactions are automatically & immediately in the Day Book and other Books of Accounts without any additional effort. Tally.ERP 9 allows you to maintain and generate all primary books of accounts and registers like

- ❑ Cash Book
- ❑ Bank Book
- ❑ Purchase Register
- ❑ Sales Register
- ❑ Journal Register
- ❑ Debit Note Register
- ❑ Credit Note Register
- ❑ General Ledger

### 1.2.1 Cash Book

To generate **Cash Book**,

Go to **Gateway of Tally > Display > Account Books > Cash / Bank Book(s)**

- ❑ Select the required **Cash** Ledger Account
- ❑ Press **Enter** on the required month to view Cash transactions for a month

Ledger Vouchers		Universal Enterprises		Ctrl + M	
Ledger: Cash		1-Feb-2009 to 28-Feb-2009			
Date	Particulars	Vch Type	Vch No.	Debit	Credit
2-2-2009	Step-in Computers	Receipt	102	15,000.00	
5-2-2009	Travelling & Conveyance	Payment	312		2,103.00
6-2-2009	Staff Welfare Expenses	Payment	314		620.00
15-2-2009	Repairs & Maintenance - Guest Accomd.	Payment	320		300.00
21-2-2009	Janata Timbers	Receipt	105	30,000.00	
23-2-2009	Repairs & Maintenance - Guest Accomd.	Payment	326		3,110.00
26-2-2009	Subscriptions	Payment	329		420.00
27-2-2009	Canara Bank	Contra	28	1,00,000.00	
28-2-2009	Postage & Telegraph	Payment	330		350.00
				Opening Balance :	11,33,544.25
				Current Total :	1,45,000.00
				<b>Closing Balance :</b>	<b>12,71,641.25</b>

Figure 1.4 Cash Book

### 1.2.2 Bank Book

To generate **Bank Book**,

Go to **Gateway of Tally > Display > Account Books > Cash / Bank Book(s)**

- ❑ Select the required **Bank Account**
- ❑ Press **Enter** on the required month to view Bank transactions for a month

Ledger Vouchers		Universal Enterprises		Ctrl + M	
Ledger: <b>HDFC Bank</b>		1-Jul-2008 to 31-Jul-2008			
Date	Particulars	Vch Type	Vch No.	Debit	Credit
2-7-2008	<b>Challenger Systems</b>	Payment	83		1,00,000.00
6-7-2008	<b>HDFC Silver Credit Card</b>	Payment	86		10,770.00
8-7-2008	<b>Jet Roadways (P) Ltd.,</b>	Payment	89		5,000.00
12-7-2008	<b>Jain Realtors</b>	Payment	91		2,00,000.00
15-7-2008	<b>Worldwide Computers</b>	Receipt	30	1,00,000.00	
17-7-2008	<b>Computer Point</b>	Payment	95		90,460.00
17-7-2008	<b>Soft Stop</b>	Receipt	32	50,000.00	
18-7-2008	<b>Investments</b>	Payment	97		5,00,000.00
23-7-2008	<b>Arvind Kumar</b>	Receipt	33	3,920.00	
25-7-2008	<b>(as per details)</b>	Payment	101		19,603.66
	Cholamandalam Auto Finance Coy., 17,621.27 Dr				
	Interest on Car Loan A/c 1,982.39 Dr				
27-7-2008	<b>Canara Bank</b>	Contra	8		3,00,000.00
27-7-2008	<b>Fast Couriers</b>	Payment	102		1,179.78
28-7-2008	<b>Infinite Infosolutions</b>	Payment	103		1,10,000.00
28-7-2008	<b>Modern Advertisers</b>	Receipt	35	7,865.20	
29-7-2008	<b>Canara Bank</b>	Contra	9		1,80,000.00
30-7-2008	<b>TVS Electronics (I) Ltd.,</b>	Payment	106		2,00,000.00
30-7-2008	<b>Step-in Computers</b>	Receipt	36	25,000.00	
30-7-2008	<b>Telephone Link Ltd.,</b>	Payment	107		1,460.68
31-7-2008	<b>NextGen Systems</b>	Payment	108		25,500.00
31-7-2008	<b>Sai Infotech (P) Ltd.,</b>	Payment	109		50,000.00
31-7-2008	<b>Assembling Charges</b>	Payment	111		1,520.00
31-7-2008	<b>Bank Charges</b>	Payment	112		310.00
31-7-2008	<b>Silverplus Computers</b>	Receipt	37	10,00,000.00	
31-7-2008	<b>(as per details)</b>	Payment	114		1,377.00
	ESI Payable 1,006.00 Dr				
					9 more ... ↓
Opening Balance :				26,11,264.33	
Current Total :				11,86,785.20	19,17,040.22
<b>Closing Balance :</b>				<b>18,81,009.31</b>	

Figure 1.5 Bank Book

### 1.2.3 Purchase Register

To generate **Purchase Register**,

Go to **Gateway of Tally > Display > Account Books > Purchase Register**

- Press **Enter** on the required month to view Purchase Transactions for a month

Voucher Register		Universal Enterprises		Ctrl + M	
List of All Purchase Vouchers				1-Apr-2008 to 30-Apr-2008	
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
2-4-2008	NextGen Systems	Purchase	1		98,800.00
2-4-2008	Simco Machinery Co.,	Purchase	2	10,40,000.00	
2-4-2008	Cash	Purchase	3	832.00	
3-4-2008	Cash	Purchase	4	12,480.00	
3-4-2008	HP India Ltd.,	Purchase	5	1,03,500.00	
5-4-2008	NextGen Systems	Purchase	6	72,800.00	
6-4-2008	Chandra Timbers	Purchase	7	12,10,781.00	
7-4-2008	Vinayaga Trading Corporation	Purchase	8	2,05,785.00	
10-4-2008	New Era Computers	Purchase	9	10,920.00	
12-4-2008	NextGen Systems	Purchase	10	4,680.00	
16-4-2008	Fast Couriers	Purchase	11	1,683.60	
17-4-2008	New Buzz Traders	Purchase	12	9,360.00	
17-4-2008	Magnum Breweries	Purchase	13	2,40,000.00	
20-4-2008	TVS Electronics (I) Ltd.,	Purchase	14	7,87,500.00	
21-4-2008	Top Computers	Purchase	15	3,80,474.00	
24-4-2008	N.C.Jain	Purchase	16	468.00	
24-4-2008	Navin Traders	Purchase	17	2,153.00	
25-4-2008	Telephone Link Ltd.,	Purchase	18	1,346.88	
26-4-2008	New Era Computers	Purchase	19	4,680.00	
<b>Total:</b>					<b>41,88,243.48</b>

Figure 1.6 Purchase Register

### 1.2.4 Sales Register

To generate **Sales Register**,

Go to **Gateway of Tally > Display > Account Books > Sales Register**

- Press **Enter** on the required month to view Sales Transactions for a month



Voucher Register		Universal Enterprises		Ctrl + M	
List of All Sales Vouchers				1-Nov-2008 to 30-Nov-2008	
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
5-11-2008	Manjunath Systems	Sales	72	28,080.00	
6-11-2008	Nirmaan Timbers	Sales	73	11,58,298.88	
10-11-2008	Worldwide Computers	Sales	74	3,45,700.00	
12-11-2008	AVT Computers	Sales	75	4,888.00	
16-11-2008	Bright Traders	Sales	76	3,47,640.00	
22-11-2008	AVT Computers	Sales	77	1,03,500.00	
25-11-2008	Hindustan Timbers	Sales	78	5,66,865.00	
26-11-2008	Global Traders	Sales	79	1,56,000.00	
26-11-2008	Silverplus Computers	Sales	80	5,22,500.00	
27-11-2008	Futura Systems	Sales	81	67,500.00	
30-11-2008	Modern Advertisers	Sales	82	7,303.40	
<b>Total:</b>				<b>33,08,275.28</b>	

Figure 1.7 Sales Register

### 1.2.5 Journal Register

To generate **Journal Register**,

Go to **Gateway of Tally > Display > Account Books > Journal Register > Journal Register**

- Press **Enter** on the required month to view Journal Entries for a month.

Voucher Register		Universal Enterprises		Ctrl + M	
List of All Journal Vouchers				1-Feb-2009 to 28-Feb-2009	
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
12-2-2009	Vehicle Repairs & Maintenance	Journal	71	6,545.00	
15-2-2009	Commission Paid	Journal	72	15,000.00	
18-2-2009	Fuzitsy Systems	Journal	73		1,283.75
18-2-2009	Training & Orientation Expenses	Journal	74	9,300.00	
25-2-2009	Miscellaneous Expenses	Journal	75	2,580.00	
28-2-2009	Petrol Expenses	Journal	76	2,670.00	
28-2-2009	Carriage Inwards	Journal	77	1,250.00	
28-2-2009	Transportation & Packaging	Journal	78	5,000.00	
28-2-2009	Output VAT @ 12.5%	Journal	79	2,44,227.25	
28-2-2009	PF Admin Expense	Journal	80	331.90	
28-2-2009	VAT Adjustment A/c	Journal	81	72,071.25	

Figure 1.8 Journal Register

### 1.2.6 Debit Note Register

To generate **Debit Note Register**,

Go to **Gateway of Tally > Display > Account Books > Journal Register > Debit Note Register**

- Press **Enter** on the required month to view Debit Notes for a month.

Voucher Register		Universal Enterprises		Ctrl + M	
List of All Debit Note Vouchers				1-Jan-2009 to 31-Jan-2009	
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
12-1-2009	New Buzz Traders	Debit Note	3	260.00	
14-1-2009	Top Computers	Debit Note	4	364.00	

Figure 1.9 Debit Note Register

### 1.2.7 Credit Note Register

To generate **Credit Note Register**,

Go to **Gateway of Tally > Display > Account Books > Journal Register > Credit Note Register**

- Press **Enter** on the required month to view Credit Notes for a month or press **F2** and specify the period

Voucher Register		Universal Enterprises		Ctrl + M	
List of All Credit Note Vouchers				1-Apr-2008 to 31-Mar-2009	
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
30-4-2008	Global Traders	Credit Note	1		624.00
3-5-2008	Computer Junction	Credit Note	2		24,960.00
1-8-2008	Computer Junction	Credit Note	3		520.00

Figure 1.10 Credit Note Register

### 1.2.8 Day Book

To generate **Day Book**,

Go to **Gateway of Tally > Display > Day Book**

Specify the required period to view transactions entered for that particular day, week and year or for any specified period.

Day Book		Universal Enterprises		Ctrl + M			
Day Book		1-Apr-2008 to 31-Mar-2009					
Date	Particulars	Vch Type	Vch No.	Debit Amount		Credit Amount	
				Inwards Qty	Outwards Qty	Inwards Qty	Outwards Qty
2-4-2008	HDFC Bank	Contra	1				20,000.00
2-4-2008	Computer Junction	Receipt	1				50,440.00
2-4-2008	Mohan's Share Capital A/c	Receipt	2				15,00,000.00
2-4-2008	Computer Junction	Sales	1	51,420.00			
2-4-2008	InfoSoft Solutions	Sales	2	32,937.60			
2-4-2008	NextGen Systems	Purchase	1				98,800.00
2-4-2008	Simco Machinery Co.,	Purchase	2				10,40,000.00
2-4-2008	Cash	Purchase	3				832.00
3-4-2008	Computer Junction	Receipt	3				49,920.00
3-4-2008	Cash	Purchase	4				12,480.00
3-4-2008	HP India Ltd.,	Purchase	5				1,03,500.00
5-4-2008	HDFC Bank	Contra	2				50,000.00
5-4-2008	InfoSoft Solutions	Receipt	4				32,937.60
5-4-2008	Computer Junction	Sales	3	14,560.00			
5-4-2008	NextGen Systems	Purchase	6				72,800.00
5-4-2008	Vinayaga Trading Corporation	Purchase Order	1				1,97,870.00
6-4-2008	Travelling & Conveyance	Payment	1	1,500.00			
6-4-2008	Chandra Timbers	Purchase	7				12,10,781.00
7-4-2008	Vinayaga Trading Corporation	Purchase	8				2,05,785.00
7-4-2008	Wireless Mouse	Receipt Note	1			10 Nos	
8-4-2008	Janata Timbers	Sales	4	4,90,437.00			
9-4-2008	NextGen Systems	Payment	2	28,000.00			
9-4-2008	Arvind Kumar	Receipt	5				15,000.00
9-4-2008	Arvind Kumar	Sales	5	26,000.00			
9-4-2008	Assembled PIV	Delivery Note	5			10 Nos	
9-4-2008	Assembled PIV	Mtg Journal	1			10 Nos	
10-4-2008	New Era Computers	Payment	3	2,920.00			
10-4-2008	Universal Systems	Sales	6	2,31,300.00			
10-4-2008	New Era Computers	Purchase	9				10,920.00
12-4-2008	Arvind Kumar	Receipt	6				10,000.00

Figure 1.11 Day Book

### 1.2.9 General Ledger

As discussed earlier, you can define the Chart of Accounts i.e. - maintain groups, ledger masters etc., as required by your business and maintain detailed ledger system, for both Personal and Nominal Accounts.

## 1.3 Statements of Accounts

Tally.ERP 9 provides you capability to generate, print, mail or upload various Financial Statements and reports viz., Balance Sheet, Profit & Loss A/c, Trial Balance, Cash Flow, Fund Flow, Receivables, Payables & Stock Statements and so on.

### 1.3.1 Receivables and Payables Management

Accounts Receivables are the amounts that you are to receive from the sundry debtors while Accounts Payables are the amounts you have to pay to sundry creditors. Tally.ERP 9 provides complete bill wise information of amounts receivable as well as payable, either on party wise, group wise or Billwise. This feature tracks bills, payments/receipts including advances on one-to-one basis.

To view **Outstandings**:

- ❑ Set **Maintain Bill-wise Details** to **Yes** in **F11: Accounting Features**
- ❑ Create a **Party** (Ledger A/c) under **Sundry Debtors / Sundry Creditors** group
- ❑ Set **Maintain balances bill by bill** to **Yes** for the parties during ledger creation
- ❑ Go to **Gateway of Tally > Accounting Vouchers > Sales (F8) or Purchase (F9)** accordingly and enter the transaction by specifying a **Bill reference No.** along with due dates for the amount to be received or paid in the **Bill Allocations** for screen (you can also break up the amount into multiple reference numbers with different due dates)

To view **Receivables / Payables Reports**

Go to **Gateway of Tally > Display > Statement of Accounts > Outstandings > Receivables** (to view due to the company).

The report displays bill-by-bill outstanding for all the parties with the pending amount alongwith the due date.

Bills Outstanding		Universal Enterprises		Ctrl + M	
Bills Receivable			1-Apr-2008 to 31-Mar-2009		
Date	Ref. No.	Partys' Name	Pending Amount	Due on	Overdue by days
5-Apr-2008	2	Computer Junction	14,560.00	4-Jun-2008	300
24-Apr-2008	071	Global Traders	1,50,356.00	1-May-2008	334
25-Apr-2008	8	Amar Computer Peripherals	15,000.00	25-Apr-2008	340
30-Apr-2008	9	Supreme Computers Peripherals	12,656.25	15-May-2008	320
1-May-2008	8	Horizon Systems	42,736.00	31-May-2008	304
5-May-2008	1254	Adviev Consultants	12,000.00	5-May-2008	330
5-May-2008	10	Arvind Kumar	14,852.00	4-Jun-2008	300
5-May-2008	9	Computer Junction	52,000.00	4-Jun-2008	300
25-May-2008	20	Hindustan Timbers	5,97,724.88	25-May-2008	310
5-Jun-2008	23	Janata Timbers	5,76,061.00	5-Jun-2008	299
28-Jun-2008	32	S.V.S Computers	89,437.50	28-Jun-2008	276
2-Jul-2008	24	Computer Junction	79,040.00	1-Aug-2008	242
7-Jul-2008	22	Prism Softlinks	16,875.00	6-Aug-2008	237
19-Jul-2008	23	Venkateshwara Softwares	59,725.00	19-Jul-2008	255
26-Jul-2008	25	Step-in Computers	32,500.00	26-Jul-2008	248
27-Aug-2008	27	Sterling Business Solutions	14,062.50	27-Aug-2008	216
3-Sep-2008	29	Futura Systems	90.00	3-Sep-2008	209
5-Sep-2008	NEC/INV/0043	New Era Computers	707.00	5-Oct-2008	177
15-Sep-2008	30	Amar Computer Peripherals	4,680.00	15-Sep-2008	197
21-Sep-2008	31	Office Automation Systems	79,750.00	21-Sep-2008	191
8-Oct-2008	33	Gaitonde Traders	53,125.00	8-Oct-2008	174
18-Oct-2008	1397	Adviev Consultants	3,000.00	18-Oct-2008	164
25-Oct-2008	35	Prism Softlinks	9,659.50	25-Oct-2008	157
25-Oct-2008	51	Universal Systems	2,600.00	9-Dec-2008	112
6-Nov-2008	70	Nirmaan Timbers	11,58,298.88	6-Nov-2008	145
22-Nov-2008	52	AVT Computers	58,388.00	22-Nov-2008	129
25-Nov-2008	74	Hindustan Timbers	5,66,865.00	25-Nov-2008	126
27-Nov-2008	38	Futura Systems	67,500.00	27-Nov-2008	124
			19 more ...		
			93,18,106.02		

Figure 1.12 Bills Outstanding Report - Bills Receivables



To view amounts payable by your company, select **Payables** in the **Outstandings** menu. You can also toggle between **Payables** or **Receivables** reports, by clicking **F4**.

To view **individual Party wise outstanding**,

- Select **Ledger** in the **Outstandings** menu,

Ledger Outstandings		Universal Enterprises		Ctrl + M	
Ledger: <b>Zen Enterprises</b>		1-Apr-2008 to 31-Mar-2009			
Date	Ref. No.	Opening Amount	Pending Amount	Due on	Overdue by days
12-Jun-2008	ZE/3571b	5,200.00 Cr	4,144.00 Cr	27-Jul-2008	247
21-Jun-2008	ZE/542	3,640.00 Cr	3,640.00 Cr	5-Aug-2008	238
21-Jan-2009	13	3,744.00 Dr	3,744.00 Dr	7-Mar-2009	24
		5,096.00 Cr	4,040.00 Cr		

Figure 1.13 Ledger Outstandings Report

You will get a report displaying bill-by-bill details of all outstandings for the concerned party along with the total outstanding amount. You can also view details of cleared bills, by using the options in the button bars.

**To View Group Outstanding Reports:**

- Select **Group** in the **Outstandings** menu and then select the specific **group** or **sub group**.

Group Outstandings		Universal Enterprises		Ctrl + M
		South Debtors		
		Universal Enterprises		
		1-Apr-2008 to 31-Mar-2009		
		Pending Bills		
		Debit	Credit	
All India Computer Institute		25,320.00		
Amar Computer Peripherals		19,680.00		
Arvind Kumar		40,852.00	41,360.00	
AVT Computers		58,368.00		
Computer Junction		1,45,600.00	51,940.00	
Fortune Computer Services		34,240.00		
Futura Systems		67,590.00		
Gaitonde Traders		53,125.00		
Global Traders		3,17,918.00		
Horizon Systems		42,736.00		
Office Automation Systems		79,750.00		
Prism Softlinks		26,534.50		
Silverplus Computers		12,86,800.00		
Step-in Computers		32,500.00		
Sterling Business Solutions		14,062.50		
Supreme Computers Peripherals		12,656.25		
S.V.S Computers		89,437.50	93,015.00	
Venkateshwara Softwares		59,725.00		
		<b>24,06,914.75</b>	<b>1,86,315.00</b>	

Figure 1.14 Group Outstandings Report

You can also view **Ageing Analysis** of Oustandings, by defining various ranges of periods and view outstanding across the specified time slabs. **For eg.**, you can specify 0 to 30 days, 30 to 45 days and 45 to 75 days and so on.

**To View Ageing Analysis Report**

Go to **Gateway of Tally > Display >Outstandings >Receivables or Payables**

- Select **F6 (Age wise)**

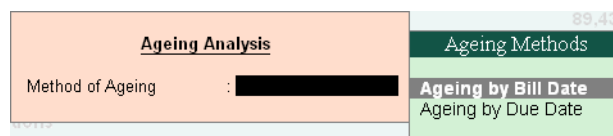


Figure 1.15 Ageing Methods

- Specify **Ageing Methods** and the **Periods**

Bills Outstanding		Universal Enterprises		Ctrl + M		
Bills Receivable		1-Apr-2008 to 31-Mar-2009				
Date	Ref. No.	Partys' Name	Pending (< 60 days)	60 to 90 days	90 to 120 days	> 120 days
			Amount			
5-Apr-2008	2	Computer Junction	14,560.00			14,560.00
24-Apr-2008	071	Global Traders	1,50,356.00			1,50,356.00
25-Apr-2008	8	Amar Computer Peripherals	15,000.00			15,000.00
30-Apr-2008	9	Supreme Computers Peripherals	12,656.25			12,656.25
1-May-2008	8	Horizon Systems	42,736.00			42,736.00
5-May-2008	1254	Advview Consultants	12,000.00			12,000.00
5-May-2008	10	Arvind Kumar	14,852.00			14,852.00
5-May-2008	9	Computer Junction	52,000.00			52,000.00
25-May-2008	20	Hindustan Timbers	5,97,724.88			5,97,724.88
5-Jun-2008	23	Janata Timbers	5,76,061.00			5,76,061.00
28-Jun-2008	32	S.V.S Computers	89,437.50			89,437.50
2-Jul-2008	24	Computer Junction	79,040.00			79,040.00
7-Jul-2008	22	Prism Softlinks	16,875.00			16,875.00
19-Jul-2008	23	Venkateshwara Softwares	59,725.00			59,725.00
26-Jul-2008	25	Step-in Computers	32,500.00			32,500.00
27-Aug-2008	27	Sterling Business Solutions	14,062.50			14,062.50
3-Sep-2008	29	Futura Systems	90.00			90.00
5-Sep-2008	NEC\INV\0043	New Era Computers	707.00			707.00
15-Sep-2008	30	Amar Computer Peripherals	4,680.00			4,680.00
21-Sep-2008	31	Office Automation Systems	79,750.00			79,750.00
8-Oct-2008	33	Gaitonde Traders	53,125.00			53,125.00
18-Oct-2008	1397	Advview Consultants	3,000.00			3,000.00
25-Oct-2008	35	Prism Softlinks	9,659.50			9,659.50
25-Oct-2008	51	Universal Systems	2,600.00			2,600.00
6-Nov-2008	70	Nirmaan Timbers	11,58,298.88			11,58,298.88
22-Nov-2008	52	AVT Computers	58,388.00			58,388.00
25-Nov-2008	74	Hindustan Timbers	5,66,865.00			5,66,865.00
27-Nov-2008	38	Futura Systems	67,500.00			67,500.00
			93,18,106.02	39,84,118.13	6,41,870.38	9,07,868.00
						37,84,249.51

Figure 1.16 Ageing Analysis Report

You may also view the **Ageing Analysis** report by **due date** or by **bill date**.

### 1.3.2 Group Summaries

The group summary statement shows the closing balances of the accounts of a selected group for a specified period up to the current date. The default view is that of sub-groups within a group.

To view **Group Summary**,

Go to **Gateway of Tally > Display > Account Books > Group Summary**

- Select a **Group** (Sundry Debtors / Sundry Creditors or any other group or you may select **Primary** to display summary for all the groups)
- Press **Alt+F1** for detailed view

Group Summary		Universal Enterprises		Ctrl + M
Particulars	Sundry Debtors			
	Universal Enterprises			
	1-Apr-2008 to 31-Mar-2009			
		Closing Balance		
		Debit	Credit	
<b>East Debtors</b>		<b>2,33,900.00</b>		
Universal Systems		2,33,900.00		
<b>North Debtors</b>		<b>30,800.00</b>		
Computer World		30,800.00		
<b>South Debtors</b>		<b>22,24,685.25</b>		<b>4,085.50</b>
All India Computer Institute		25,320.00		
Amar Computer Peripherals		19,680.00		
Arvind Kumar			508.00	
AVT Computers		58,388.00		
Computer Junction		93,660.00		
Fortune Computer Services		34,240.00		
Futura Systems		67,590.00		
Gaitonde Traders		53,125.00		
Global Traders		3,17,918.00		
Horizon Systems		42,736.00		
Office Automation Systems		79,750.00		
Prism Softlinks		26,534.50		
Silverplus Computers		12,86,800.00		
Step-in Computers		32,500.00		
Sterling Business Solutions		14,062.50		
Supreme Computers Peripherals		12,656.25		
S.V.S Computers			3,577.50	
Venkateshwara Softwares		59,725.00		
<b>Sundry Debtors - Overseas</b>		<b>14,949.80</b>		
Fuzitsy Systems		14,949.80		
<b>Grand Total</b>		<b>61,45,422.18</b>	<b>4,085.50</b>	<b>5 more ... ↓</b>

Figure 1.17 Group Summary

### 1.3.3 Columnar Reports

Tally.ERP 9 provides columnar reports for transactions of Sales, Purchase and Journal as well as specific Ledgers and Cash / Bank Books.

To view **Columnar Reports**,

Go to **Gateway of Tally > Display > Account Books**

- Select a register (**Sales/Purchase/Journal**).
- Drill down to the **List of Vouchers**
- Press **F5** to view columnar reports as shown in the figure below (This is an option to choose the ledger accounts or configure the columns to contain the required information)



Voucher Register										
Universal Enterprises										Ctrl + M
List of All Sales Vouchers										1-Apr-2008 to 31-Mar-2009
Date	Particulars	Voucher Type	Vch No.	Quantity	Rate	Gross Total	Interstate Sales @ 4%	Transportation & Packaging	CST Tax @ 4%	Sales AMC for Computers
2-Apr-2008	Computer Junction	Sales	1	2 Nos	24,000.00/Nos	51,420.00	48,000.00	1,500.00	1,920.00	14 more ... →
2-Apr-2008	InfoSoft Solutions	Sales	2			32,937.60				30,000.00
5-Apr-2008	Computer Junction	Sales	3	1,610 Nos	8.70/Nos	14,560.00				
8-Apr-2008	Janata Timbers	Sales	4	50 MT	8,500.00/MT	4,90,437.00				
9-Apr-2008	Arvind Kumar	Sales	5	1 Nos	25,000.00/Nos	26,000.00				
10-Apr-2008	Universal Systems	Sales	6	10 Nos	22,000.00/Nos	2,31,300.00	2,20,000.00	2,500.00	8,800.00	
13-Apr-2008	Hindustan Timbers	Sales	7	30 MT	9,000.00/MT	3,11,572.13				
24-Apr-2008	Global Traders	Sales	8	35.0 Box	200.00/Box	7,280.00				
25-Apr-2008	Global Traders	Sales	9	5 Nos	2,000.00/Nos	10,400.00				
25-Apr-2008	Amar Computer Peripherals	Sales	10	10 Nos	12,000.00/Nos	1,33,125.00				
25-Apr-2008	Silverplus Computers	Sales	11	20 Nos	22,000.00/Nos	4,61,100.00				
30-Apr-2008	Supreme Computers Peripherals	Sales	12	15 Nos	11,000.00/Nos	1,85,625.00				
30-Apr-2008	Modern Advertisers	Sales	13			5,612.00				
1-May-2008	Horizon Systems	Sales	14	298 Nos	363.76/Nos	1,12,736.00				
3-May-2008	Office Automation Systems	Sales	15	15 Nos	7,400.00/Nos	1,24,875.00				
5-May-2008	Computer Junction	Sales	16	6 Nos	25,000.00/Nos	1,59,500.00	1,50,000.00	3,500.00	6,000.00	
5-May-2008	Arvind Kumar	Sales	17	113 Nos	695.13/Nos	81,692.00				
10-May-2008	Computer World	Sales	18	15 Nos	24,000.00/Nos	3,76,900.00		2,500.00	14,400.00	
15-May-2008	Nirmaan Timbers	Sales	19	60 MT	8,600.00/MT	5,98,510.13				
25-May-2008	Worldwide Computers	Sales	20	25 Nos	25,000.00/Nos	6,52,500.00	6,25,000.00	2,500.00	25,000.00	
25-May-2008	Hindustan Timbers	Sales	21	60 MT	8,600.00/MT	5,97,724.88				
30-May-2008	Modern Advertisers	Sales	22			7,640.48				
5-Jun-2008	AVT Computers	Sales	23	6 Nos	12,000.00/Nos	81,000.00				
5-Jun-2008	Janata Timbers	Sales	24	900 MT	600.00/MT	5,76,061.00				
	Grand Total					3,45,16,595.42	60,54,625.00	65,000.00	2,56,585.00	93 more ... ↓

Figure 1.18 Columnar Sales Register

Different type of reports can be generated for each of the primary statement/ report generated in Tally.ERP 9. It is to be noted that Tally.ERP 9 provides the columnar comparison of data for different periods and budgets only for the Group Summary.

### 1.4 Credit Limits

Tally.ERP 9 provides you with the feature to set threshold limits for the trading transactions with your Sundry Debtors. On setting the Credit Limits, transactions beyond the specified limit are restricted. This feature is very significant in reducing potential bad debts.

To activate **Credit limits**,

- Set **Maintain Budgets & Controls** to **Yes** in **F11: Accounting Features**

To set **Credit limits**,

Go to **Gateway of Tally > Accounts Info. > Ledgers >Credit Limits**,

- Select the required **Group**.
- Specify the **Credit limit** for each ledger account and the applicable credit period

Multi Ledger Limit Alteration		Universal Enterprises		Ctrl + M
Under Group : Sundry Debtors		1-Apr-2008 to 31-Mar-2009		
S.No.	Name of Ledger	Credit Limit	Credit Period	
↑ ... 4	more			
5.	Batiwala & Co.	7,00,000.00 Dr	30 Days	
6.	Best Systems Pvt Ltd	7,50,000.00 Dr	45 Days	
7.	Bright Traders	4,00,000.00 Dr		
8.	Computer Junction	5,00,000.00 Dr	60 Days	
9.	Computer World	32,00,000.00 Dr	45 Days	
10.	Fortune Computer Services	12,00,000.00 Dr	30 Days	
11.	Futura Systems	5,00,000.00 Dr	45 Days	
12.	Fuzitsy Systems	10,00,000.00 Dr		
13.	Gaitonde Traders	3,00,000.00 Dr	60 Days	
14.	Global Traders	5,00,000.00 Dr	30 Days	
15.	Hindustan Timbers	45,00,000.00 Dr	45 Days	
16.	Horizon Systems	7,50,000.00 Dr	30 Days	
17.	InfoSoft Solutions	8,00,000.00 Dr	60 Days	
18.	Janata Timbers	12,00,000.00 Dr	30 Days	
19.	K.P.Bhutia	5,00,000.00 Dr	30 Days	
20.	Manjunath Systems	8,00,000.00 Dr	45 Days	
21.	M.M.Lal	5,00,000.00 Dr	30 Days	
22.	Modern Advertisers	12,00,000.00 Dr	45 Days	
23.	Nirmaan Timbers	3,00,000.00 Dr	30 Days	
24.	Office Automation Systems	10,00,000.00 Dr	45 Days	
25.	Prism Softlinks	9,00,000.00 Dr	60 Days	
26.	Silverplus Computers	54,00,000.00 Cr	45 Days	
27.	Soft Stop	15,00,000.00 Dr	30 Days	
28.	Step-in Computers	30,00,000.00 Dr	45 Days	
29.	Sterling Business Solutions	9,00,000.00 Dr	30 Days	
30.	Supreme Computers Peripherals	2,50,000.00 Dr	15 Days	
31.	S.V.S Computers	3,00,000.00 Dr	30 Days	
32.	Universal Computers	4,50,000.00 Dr	60 Days	
33.	Universal Systems			
34.	Venkateshwara Softwares			
35.	Worldwide Computers			

Accept ?  
 Yes or No

Figure 1.19 Credit Limits for Ledger Accounts



You can also define the **Credit Limits** for individual ledger accounts at the time of **creation /Alteration**, in the **Ledger Master screen**.

## 1.5 Bank Reconciliation

Tally.ERP 9 provides you the facility to reconcile the transactions of your Bank Book with the Bank Statement and instantly displays the Balance at Bank and as per the Bank Book, this facility significantly helps in planning your payouts. The reconciliation of bank transaction using the reconcile feature is very simple and easy to use, by simply entering the date of debit / credit of a particular transaction in the Bank.

To view **Bank Reconciliation Statement**:

**Go to Gateway of Tally > Display > Account Books > Cash/Bank Book**

- ❑ Select the required **Bank Account** and press **Enter** on the required month (or **F2** and specify the required period from which you want to reconcile your bank accounts)
- ❑ Press **F5: Reconcile**
- ❑ **Enter the date of clearing** (date on which the transaction is being debited / credited) from the Bank Statement.

Bank Reconciliation		Universal Enterprises		Ctrl + M	
Ledger: HDFC Bank		(Reconciliation - All Vouchers)		1-Jun-2008 to 30-Jun-2008	
Date	Particulars	Vch Type	Bank Date	Debit	Credit
↑ ... 22 more					
2-4-2008	Cash	Contra	2-4-2009		20,000.00
2-4-2008	Capital	Receipt	2-4-2009	55,00,000.00	
5-4-2008	Cash	Contra	2-4-2009		50,000.00
2-4-2008	Computer Junction	Receipt	5-4-2009	50,440.00	
9-4-2008	NextGen Systems	Payment	15-4-2009		28,000.00
13-4-2008	NextGen Systems	Payment	17-4-2009		4,680.00
18-4-2008	New Buzz Traders	Payment	22-4-2009		4,500.00
26-4-2008	Hyundai Motors (I) Pvt. Ltd.,	Payment	30-4-2009		2,00,000.00
30-4-2008	Travelling & Conveyance	Payment	3-5-2009		21,650.00
30-4-2008	Assembling Charges	Payment	3-5-2009		1,520.00
3-5-2008	Canara Bank	Contra	3-5-2009		2,00,000.00
8-5-2008	Jet Roadways (P) Ltd.,	Payment	12-5-2009		8,000.00
17-5-2008	Canara Bank	Contra	17-5-2009		3,00,000.00
15-5-2008	Office Automation Systems	Receipt	20-5-2009	1,00,000.00	
25-5-2008	Cholamandalam Auto Finance Coy.,	Payment	30-5-2009		19,603.66
30-5-2008	Cash	Contra	30-5-2009		1,00,000.00
29-5-2008	D R D O, Bangalore	Receipt	3-6-2009	1,00,000.00	
31-5-2008	Assembling Charges	Payment	4-6-2009		1,520.00
31-5-2008	D R D O, Bangalore	Receipt	4-6-2009	2,31,300.00	
6-6-2008	Jain Realtors	Payment	12-6-2009		4,00,000.00
8-6-2008	Jet Roadways (P) Ltd.,	Payment	15-6-2009		8,500.00
18-6-2008	Top Computers	Payment	22-6-2009		3,65,840.00
22-6-2008	TVS Electronics (I) Ltd.,	Payment	26-6-2009		2,00,000.00
29-6-2008	Cash	Contra	29-6-2009		1,00,000.00
25-6-2008	Cholamandalam Auto Finance Coy.,	Payment	30-6-2009		19,603.66
30-6-2008	Assembling Charges	Payment	3-7-2009		1,520.00
30-6-2008	D R D O, Bangalore	Receipt	4-7-2009	5,00,000.00	
30-6-2008	D R D O, Bangalore	Receipt	4-7-2009	2,00,000.00	
				Balance as per Company Books :	26,11,264.33
				Amounts not reflected in Bank :	66,94,992.48
				<b>Balance as per Bank :</b>	<b>3,00,000.00</b>

Figure 1.20 Bank Reconciliation Report

After reconciliation, you may also toggle to other reports, by pressing the relevant buttons from the Button Bar.



*You may also specify the effective date of reconciliation in the Bank Ledger Master to predefine the date of reconciliation for transaction starting from where you want to reconcile.*

## 1.6 Flexible Reporting

Tally.ERP 9 can be used to generate financial reports, accounting reports, inventory reports, statutory reports and management control reports.

### 1.6.1 Bird's eye View/ Drill Down Display:

Tally.ERP 9's unique features provide you with the required information at a glance. For example- Ratio Analysis and Statistics provide you with wealth of information for decision making in a single screen.

Ratio Analysis		Universal Enterprises		Ctrl + M
Principal Groups	Universal Enterprises 1-Apr-2008 to 31-Mar-2009	Principal Ratios	Universal Enterprises 1-Apr-2008 to 31-Mar-2009	
<b>Working Capital</b> <i>(Current Assets-Current Liabilities)</i>	82,39,721.82 Dr	<b>Current Ratio</b> <i>(Current Assets : Current Liabilities)</i>	2.51 : 1	
<b>Cash-in-hand</b>	10,19,901.25 Dr	<b>Quick Ratio</b> <i>(Current Assets-Stock-in-hand : Current Liabilities)</i>	2.26 : 1	
<b>Bank Accounts</b>	29,35,492.67 Dr	<b>Debt/Equity Ratio</b> <i>(Loans (Liability) : Capital Account + Nett Profit)</i>	0.04 : 1	
<b>Bank OD A/c</b>		<b>Gross Profit %</b>	27.55 %	
<b>Sundry Debtors</b> <i>(due till today)</i>	65,16,336.68 Dr	<b>Nett Profit %</b>	19.76 %	
<b>Sundry Creditors</b> <i>(due till today)</i>	73,00,627.27 Dr	<b>Operating Cost %</b> <i>(as percentage of Sales Accounts)</i>	80.24 %	
<b>Sales Accounts</b>	3,15,70,847.50 Cr	<b>Recv. Turnover in days</b> <i>(payment performance of Debtors)</i>	68.20 days	
<b>Purchase Accounts</b>	2,41,98,697.50 Dr	<b>Return on Investment %</b> <i>(Nett Profit / Capital Account + Nett Profit )</i>	53.15 %	
<b>Stock-in-hand</b>	13,58,831.73 Dr	<b>Return on Wkg. Capital %</b> <i>(Nett Profit / Working Capital) %</i>	75.72 %	
<b>Nett Profit</b>	62,38,991.92 Cr			
<b>Wkg. Capital Turnover</b> <i>(Sales Accounts / Working Capital)</i>	3.83			
<b>Inventory Turnover</b> <i>(Sales Accounts / Closing Stock)</i>	23.23			

Figure 1.21 Ratio Analysis

The **Statistics** showing list of masters and vouchers will appear as shown :

Statistics		Universal Enterprises		Ctrl + M
Types of Vouchers	Universal Enterprises 1-Apr-2008 to 31-Mar -2009	Types of Accounts	Universal Enterprises 1-Apr-2008 to 31-Mar -2009	
Attendance	23	Groups	59	
Bank Payment	0	Ledgers	250	
Commercial Invoice	0	Cost Categories	4	
Contra	30	Cost Centres	5	
Credit Note	3	Stock Groups	9	
Debit Note	4	Stock Categories	11	
Delivery Note	25	Stock Items	33	
Excise - Purchase	0	Godowns	6	
Excise - Sales	0	Voucher Types	25	
Journal	91	Units	12	
Memorandum	2	Currencies	2	
Mfg Journal	23	Budgets & Scenarios	7	
Payment	378	Attendance/Production Types	3	
Payroll	37	Employee Groups	3	
Physical Stock	0	Employees	6	
Purchase	96			
Purchase Order	24			
Receipt	117			
Receipt Note	23			
Rejections In	1			
Rejections Out	2			
Reversing Journal	1			
Sales	117			
Sales Order	1			
Stock Journal	3			
<b>Total</b>	<b>1,001</b>			

Figure 1.22 Statistics

### 1.6.2 Drill Down Display

Tally.ERP 9 allows you to drill down from any report to its various lower levels till the voucher level. For e.g. you can view a Balance Sheet report and select a required group from it and drill down to the voucher level. Any changes made by you in the voucher (i.e. if allowed by current security levels), are reflected real time at all levels.

### 1.6.3 Date based Reporting

In Tally.ERP 9, you can generate reports by selecting a particular date or a date range. You can also compare reports of two selected periods, months or financial years. Reports in Tally.ERP 9 are generated based on the transaction date and not on the date of actual entry thereby ensuring accurate representation of information. Tally.ERP 9's unique and simple approach to reconcile bank statements is based on date of transaction and realisation.

### 1.6.4 Voucher and Cheque Printing

Tally.ERP 9 provides you with a facility to print all types of vouchers. You can print a voucher on save or you can print it later. It is also possible to print formal receipts and cheques. The real benefit for a user is that you issue cheques to parties only after accounting the payment transactions

To activate **Cheque printing**,

Go to **Gateway of Tally > F11: Features > F1: Accounting Features**

- ❑ Set **Enable Cheque Printing** to **Yes**
- ❑ Enable **Set/Alter Cheque Printing Configuration** to **Yes**
- ❑ Enter the **Company Name on the Cheque** (if cheque is not preprinted with Company Name)
- ❑ Enter the **Bank Name** (as created in the Ledgers)

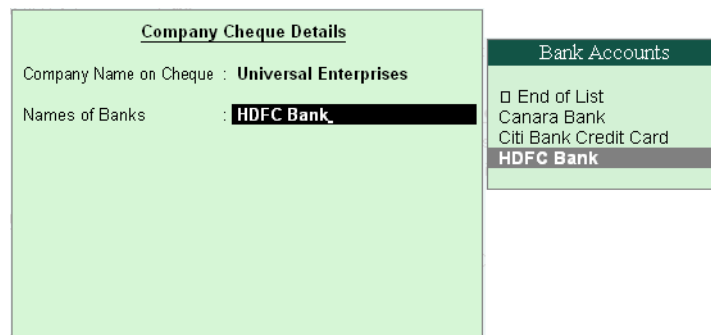


Figure 1.23 Company Cheque Details Screen

- ❑ Enter the **Cheque Dimensions**

<b>Cheque Printing Configuration</b>	
<i>(All Dimensions in mm only)</i>	
Width of Cheque	: 204
Height of Cheque	: 92
Distance of Date Line from Top Edge	: 9
Starting Location of Date from Left Edge	: 160
Distance of Party's Name Line from Top Edge	: 20
Starting Location of Name from Left Edge	: 14
Width of Name area	: 170
Distance of 2nd Amt-in-words Line from Top Edge	: 40.50
Height (gap) of Amt-in-words Line	: 6
Starting Location of Amt-in-words from Left Edge	: 33
Width of Amt-in-words area	: 100
Distance of Amt-in-figures Line from Top Edge	: 36
Starting Location of Amt-in-figures from Left Edge	: 153
Width of Amt-in-figures area	: 39
Distance of Company Signature Bottom Line from Top Edge	: 65
Starting Location of Signature from Left Edge	: 140
* Width of Signature area	: 50
* Height of Signature area	: 19
<i>(* mandatory to save configuration)</i>	
Salutation of 1st Signatory (if 2 signatories)	: <b>Secretary</b>
Salutation of 2nd or Single Signatory	: <b>Managing Director</b>

Figure 1.24 Cheque Printing Configuration Screen

Tally.ERP 9 allows you the flexibility to specify the payee's name other than the ledger account under which the payment is accounted. Once the voucher is saved, Tally.ERP 9 prompts you to print the cheque.

## Lesson 2: Why is Tally the best for basic Financial Management?

Tally.ERP 9 provides you the capability to generate various financial statements and Management Information system reports, thereby facilitating better management, effective control and well-informed decisions. Following are the some of salient features, which makes Tally.ERP 9 best for basic financial management.

- ❑ Fund Flows
- ❑ Receivables Turnover (Payment performance of debtors)
- ❑ Branch Accounting
- ❑ Flexible Period Accounting
- ❑ Budgeting and Control
- ❑ Cost centers / Profit centers with multiple Cost Categories
- ❑ Ratio Analysis
- ❑ Scenario Management

### 2.1 Fund Flows

A **Fund Flow statement** reflects the movement in sources and application of funds which impacts the business's working capital and cash position. It includes operational funds, increase and decrease in inventories, creditors/debtors. This statement reveals the sources of the Funds and their applications. Tally.ERP 9 tracks automatically all transactions entered and readily provides a Funds Flow Statement.

To view **Fund Flow Statement**,

Go to **Gateway of Tally > Display > Cash / Funds Flow > Funds Flow**

- ❑ Select any **month**
- ❑ Press **Enter**



Funds Flow Summary		Universal Enterprises		Ctrl + M
Sources	Universal Enterprises 1-Mar-2009 to 31-Mar-2009	Applications	Universal Enterprises 1-Mar-2009 to 31-Mar-2009	
<b>Fixed Assets</b>	<b>6,02,622.20</b>	<b>Loans (Liability)</b>	<b>39,121.27</b>	
	<u>6,02,622.20</u>		<u>39,121.27</u>	
		Nett Loss	<b>1,08,136.81</b>	
		Unadjusted Forex Gain/Loss	<b>292.50</b>	
	<b>1 more ... ↓</b>		<b>1 more ... ↓</b>	
<b>Total</b>	<b>6,02,622.20</b>	<b>Total</b>	<b>1,47,550.58</b>	
<i>Particulars</i>		<i>Opening Balance</i>	<i>Closing Balance</i>	<i>Wkg Cap Increase</i>
<b>Current Assets</b>		1,36,18,112.11 Dr	1,36,79,562.33 Dr	<b>61,450.22</b>
<b>Current Liabilities</b>		58,33,461.91 Cr	54,39,840.51 Cr	<b>3,93,621.40</b>
<b>Working Capital</b>		<u>77,84,650.20 Dr</u>	<u>82,39,721.82 Dr</u>	<b>4,55,071.62</b>

Figure 2.1 Funds Flow Summary

## 2.2 Payment performance of Debtors (Receivables Turnover)

Tally.ERP 9 tracks the payment performance of all debtors and generates report containing information in respect of average time taken by the debtors to pay back their debts. The payment performance of debtors is calculated in two ways.

- **Using Receivables formula:** Tally.ERP 9 calculates the payment performance of your debtors using the following formula,

**Payment performance by formula: (closing balance / total sales) \* nos of days**

- Or calculates the performance of the debtors using the **actual bill cleared date**.

To view **Receivables turnover**,

Go to **Gateway of Tally > Ratio Analysis**

- Select **Recv. Turnover in days (payment performance of Debtors)**
- Press **Alt+F1** for detailed view

Group Payment Performance		Universal Enterprises		Ctrl + M
Particulars	Sundry Debtors			
	Universal Enterprises 1-Apr-2008 to 31-Mar-2009			
	Using Receivables Formula	Using Actual Bill Clearance Dates		
<b>East Debtors</b>	<b>64.47 days</b>	<b>68.67 days</b>		
K.P.Bhutia				
M.M.Lal		2.00 days		
Universal Systems	64.91 days	102.00 days		
<b>North Debtors</b>	<b>6.06 days</b>	<b>104.00 days</b>		
Computer World	6.06 days	104.00 days		
<b>South Debtors</b>	<b>87.89 days</b>	<b>88.53 days</b>		
All India Computer Institute	153.21 days			
Amar Computer Peripherals	44.27 days			
Arvind Kumar	0.08 days	132.00 days		
AVT Computers	102.92 days	64.67 days		
Best Systems Pvt Ltd				
Computer Junction	96.45 days			
Fortune Computer Services	57.00 days	103.50 days		
Futura Systems	277.75 days			
Gaitonde Traders	118.87 days	147.00 days		
Global Traders	340.05 days			
Horizon Systems	138.36 days			
Manjunath Systems		23.00 days		
Office Automation Systems	116.55 days	201.00 days		
Prism Softlinks	45.78 days			
Silverplus Computers	127.39 days	89.43 days		
Soft Stop		129.00 days		
Step-in Computers	58.58 days			
Sterling Business Solutions	144.84 days			
				15 more ...
<b>Performance for the Group</b>	<b>68.20 days</b>	<b>50.35 days</b>		

Figure 2.2 Payment Performance of Debtors

### 2.3 Branch Accounting

Tally.ERP 9 provides you a seamless way of handling branch accounts. Transactions between branches or offices are accounted by debiting the receiving branches accounts and crediting the branches providing the service/products. These accounting entries result in a nil effect on the HO's account books when the branch accounts are consolidated. If there is a difference in the account, it is reconciled through a process of branch reconciliation.

For example, create two branch ledgers, **Branch A** and **Branch B**. You may account the transfer of funds from **Branch A** to **Branch B** in the books of accounts, by debiting **Branch B** which in turn, credits **Branch A** in its books. There is no net effect on the combined books, when the accounts of the two branches are consolidated.



*Branch Account Ledgers are required to be created under the **Branch / Divisions Group**.*

## 2.4 Flexible Period Accounting

Tally.ERP 9 is one of the most flexible accounting packages available and this can be illustrated by the fact that it can handle multiple periods in a single company. Once a company is created you can specify any range of dates and obtain reports for that period. These date range can also be across multiple financial years. i.e. you can get a report for monthly, quarterly, half-yearly or annually or for 18 months or 24 months and so on.

### Example:

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

- Select **F2: Period** and specify the **date range** to view the report.

Profit & Loss A/c Universal Enterprises Ctrl + M		
Particulars	Universal Enterprises 1-Apr-2008 to 30-Jun -2008	Universal Enterprises 1-Apr-2008 to 30-Sep -2008
<i>Trading Account :</i>		
<b>Sales Accounts</b>	<b>64,81,775.00</b>	<b>1,24,33,600.00</b>
<b>Cost of Sales :</b>	<b>51,97,613.09</b>	<b>1,03,45,434.09</b>
Opening Stock		
Add: Purchase Accounts	83,47,275.00	1,27,51,387.50
Less: Closing Stock	31,57,971.91	24,22,573.41
<b>Direct Expenses</b>	<b>51,89,303.09</b>	<b>1,03,28,814.09</b>
	8,310.00	16,620.00
<b>Gross Profit :</b>	<b>12,84,161.91</b>	<b>24,88,165.91</b>
<i>Income Statement :</i>		
<b>Indirect Incomes</b>		
	12,84,161.91	24,88,165.91
<b>Indirect Expenses</b>	<b>3,91,873.43</b>	<b>8,22,096.49</b>
<b>Nett Profit :</b>	<b>8,92,288.48</b>	<b>16,66,069.42</b>

Figure 2.3 Flexible Period Accounting Report

## 2.5 Budgeting and Control

Businesses need to control their expenses based on income levels and monitor variances. Budgets in Tally.ERP 9 helps you compare the actual financial performance versus budgeted figures and obtain variance reports. You can define multiple budgets (e.g. Optimistic Budget, Realistic Budget) or even create budgets for different periods. The budget values can be defined for each Group as well as for all Ledgers.

To configure for **budgets**,

Go to **Gateway of Tally > F11: Features > F1: Accounting Features**

- Set parameter **Maintain Budgets and Controls** to **Yes**

To create **budgets**,

Go to **Gateway of Tally > Accounts Info. > Budgets > Create**

- Specify a **name** for the budget
- Specify a **date range** for the budget

- Set **Yes** to **Groups / Ledgers** and assign budget to selected groups/ledgers

To view **budget reports**,

- Select any report (Balance Sheet, Profit and Loss A/c, Trial Balance)
- Select **Alt + C (New Column)**
- Specify details for **period, Currency** and **Method of Stock Valuation**. (Default or as per requirement)
- Select the created **budget** name for **Types of Value to show**
- Set **Show Variance** to **No**

Profit & Loss A/c		Universal Enterprises		Ctrl + M
Particulars		Universal Enterprises Actuals 1-Apr-2008 to 31-Mar -2009	Universal Enterprises Expenditure Budget 1-Apr-2008 to 31-Mar -2009	
↑ ... 28 more				
<i>Profit on Sale of Assets</i>				
<i>Profit on Sale of Fixed Assets</i>				
<b>Indirect Expenses</b>		86,97,741.73	24,000.00	
Depreciation on Fixed Assets		24,58,749.81	2,50,000.00	
Interest & Finance Charges		6,02,622.20		
Operating Expenses		55,519.37		
Salaries & Remuneration Paid		3,33,568.75	1,24,000.00	
Selling & Distribution Expenses		12,79,165.00	7,00,000.00	
Employer ESI Contributions		19,400.00	5,000.00	
Employer PF Contributions		8,668.00		
Bonus		44,596.49		
Business Promotion Expenses		50,000.00		
Depreciation		25,500.00	10,000.00	
Discount				
Insurance Premium				
Interest Due				
Interest & Finance Charges				
Interest on Partner's Capital A/c				
Legal Fees		16,500.00		
Miscellaneous Expenses		13,210.00	8,000.00	
PF Employers				
<b>Repairs &amp; Maintenance</b>			3,000.00	
Research & Development Expenses		10,000.00		
Rounding Off				
<b>Nett Profit :</b>		62,38,991.92	(-)2,74,000.00	

### Variance Analysis

Once you have created Budgets, you can view the Variance Analysis Report which provides information on the difference between the actual versus the budgeted figures. This report helps management to figure out variances and work to remedy the situation with the ability to drill down to the voucher level the user is able to understand which particular transaction or group of transaction brought about the variation.

To view a **variance analysis report**, you may set the option **Show Variance** to **Yes**, as explained above or follow the steps given below :

Go to **Gateway of Tally > Display > Trial Balance/Account Books (Group Summary)**

- Select the **Budget Variance (Alt + B)** - Type of budget

Trial Balance		Universal Enterprises				Ctrl + M		
Particulars	Universal Enterprises 1-Apr-2008 to 31-Mar-2009 <i>Expenditure Budget</i>		Universal Enterprises 1-Apr-2008 to 31-Mar-2009 <i>Actuals</i>		Universal Enterprises 1-Apr-2008 to 31-Mar-2009 <i>Expenditure Budget Variance</i>			
	Closing Balance		Closing Balance		Closing Balance			
	Debit	Credit	Debit	Credit	Debit	Credit		
Capital Account				55,00,000.00				
Loans (Liability)				4,63,216.03				
Current Liabilities			1,35,769.86	55,75,610.37				
Fixed Assets			40,65,111.88	6,02,622.20				
Investments			5,00,000.00					
Current Assets			1,24,09,735.66	89,005.06				
Sales Accounts		10,000.00		3,15,70,847.50	3,15,60,847.50	31500.473%		
Purchase Accounts			2,41,94,697.50					
Direct Expenses	34,000.00		33,240.00	97.76%	760.00	2.235%		
Indirect Expenses	2,50,000.00		24,62,249.81	984.90%	(+22,12,249.81)	(+894.888%		
Profit & Loss A/c		2,74,000.00		3,500.00	(-2,74,000.00)	(-100%		
<b>Grand Total</b>	<b>2,84,000.00</b>	<b>2,84,000.00</b>	<b>4,38,04,804.71</b>	<b>15,424.23%</b>	<b>4,38,04,801.16</b>	<b>15,424.23%</b>	<b>(-22,11,489.81)</b>	<b>3,12,86,847.50</b>

Figure 2.4 Budget Variance Report

To view the **variance report** in detailed mode, press **Alt+F1** from the above report.

## 2.6 Cost centers / Profit centers with multiple Cost Categories

In Tally.ERP 9 you can allocate transactions (especially those which are revenue in nature) to particular Cost Centres, which will help you in extracting reports for that Cost Centre (Profit Centre). Cost Centers could generally be a Unit / Division / Department / Function / Activity etc in the organization or even Sales Executives, to which transactions (generally transactions which are revenue in nature) are allocated.

You can also compare one cost centre with the other. Hence cost centers will provide the management with information regarding their performance. With cost categories enabled, parallel allocation of the same expense is possible between different cost centres.

To view **Cost Centre Break-Up**,

Go to **Gateway of Tally > Display > Statements of Accounts > Cost Centres > Cost Centre Break-Up**

Breakup of Cost Centre		Universal Enterprises		Ctrl + M
Particulars	Cost Centre: Administration Universal Enterprises 1-Apr-2008 to 31-Mar-2009			
	Transactions		Closing Balance	
	Debit	Credit		
<b>Current Liabilities</b>	2,47,357.63	2,58,633.73	<b>11,276.10 Cr</b>	
EDLI Admin Charges @ 0.01%	10.21	11.31	1.10 Cr	
EDLI Contribution @ 0.5%	38.00	42.00	4.00 Cr	
Employee's ESI Contribution @ 1.75%	1,124.00	1,124.00		
Employee's PF Contribution @ 12%	12,245.00	13,565.00	1,320.00 Cr	
ESI Payable	3,049.00	3,049.00		
PF Admin Charges @ 1.10%	1,122.42	1,243.42	121.00 Cr	
PF Payable	12,245.00	12,245.00		
Professional Tax	2,570.00	2,540.00	30.00 Dr	
Salary Payable	2,14,954.00	2,24,814.00	9,860.00 Cr	
<b>Indirect Expenses</b>	2,57,337.00		<b>2,57,337.00 Dr</b>	
Salaries & Remuneration Paid	2,32,043.00		2,32,043.00 Dr	
Employer ESI Contributions	3,049.00		3,049.00 Dr	
Employer PF Contributions	12,245.00		12,245.00 Dr	
<b>Grand Total</b>	<b>5,04,694.63</b>	<b>2,58,633.73</b>	<b>2,46,060.90 Dr</b>	

Figure 2.5 Cost Centre Break-up Report

### 2.6.1 Cost Category

In many cases, you would like to allocate a transaction to more than one cost centres. Especially, if you want to track revenue either based on location and person or brand and type of product, Tally.ERP 9 provides you a facility called Cost Categories. This facility enables you to allocate costs to parallel sets of cost centres i.e., the same amount can be allocated to more than one cost centre.

**For example.,** Create two categories, one by the name of **Administration** and another by the name **Accounts** under **Primary Cost Category**. Create Employees or persons under the respective cost categories and enter a payment transaction for a ledger account for which cost centres are applicable.

- Select the relevant **Cost Category** and **Cost Centre** during Voucher Entry

To view **Cost Category summary**,

Go to **Gateway of Tally > Display > Statements of Accounts > Cost Centres > Category Summary**

Cost Category Summary		Universal Enterprises		Ctrl + M
Particulars	Universal Enterprises			
	1-Apr-2008 to 31-Mar-2009			
	Transactions		Closing Balance	
	Debit	Credit		
<b>Branch Office</b>	<b>331.90</b>		<b>331.90 Dr</b>	
Salaries	331.90		331.90 Dr	
<b>Primary Cost Category</b>	<b>26,49,951.49</b>	<b>13,52,429.49</b>	<b>12,97,522.00 Dr</b>	
Accounts	2,27,804.75	1,20,126.25	1,07,678.50 Dr	
Accounts				
Rahul	2,27,804.75	1,20,126.25	1,07,678.50 Dr	
Administration	5,04,694.63	2,58,633.73	2,46,060.90 Dr	
Administration				
Suresh	1,61,275.13	83,629.08	77,646.05 Dr	
Vijay Kumar	3,43,419.50	1,75,004.65	1,68,414.85 Dr	
Sales	19,17,452.11	9,73,669.51	9,43,782.60 Dr	
Sales				
Ajay	3,88,396.05	2,01,002.80	1,87,393.25 Dr	
Mahesh	14,67,441.15	7,41,768.80	7,25,672.35 Dr	
Rajesh	61,614.91	30,897.91	30,717.00 Dr	

Figure 2.6 Cost Category Summary Report

## 2.7 Ratio Analysis

Ratio Analysis is an indicator on the operating performance of your business and provides information on critical ratios in a single report. You can analyze the ratios and the business performance using this information, viz., operating cost percentage, return on working capital and so on, to aid critical decisions making. Not only does the internal management find the information useful, but also external agencies like banks, financial institutions etc.

To View **Ratio Analysis Report**,

Go to **Gateway of Tally > Ratio Analysis**



Ratio Analysis		Universal Enterprises		Ctrl + M
Principal Groups	Universal Enterprises 1-Apr-2008 to 31-Mar-2009	Principal Ratios	Universal Enterprises 1-Apr-2008 to 31-Mar-2009	
<b>Working Capital</b> <i>(Current Assets-Current Liabilities)</i>	82,39,721.82 Dr	<b>Current Ratio</b> <i>(Current Assets : Current Liabilities)</i>	2.51 : 1	
<b>Cash-in-hand</b>	10,19,901.25 Dr	<b>Quick Ratio</b> <i>(Current Assets-Stock-in-hand : Current Liabilities)</i>	2.26 : 1	
<b>Bank Accounts</b>	29,35,492.67 Dr	<b>Debt/Equity Ratio</b> <i>(Loans (Liability) : Capital Account + Nett Profit)</i>	0.04 : 1	
<b>Bank OD A/c</b>		<b>Gross Profit %</b> <i>(as percentage of Sales Accounts)</i>	27.55 %	
<b>Sundry Debtors</b> <i>(due till today)</i>	65,16,336.68 Dr	<b>Nett Profit %</b>	19.76 %	
<b>Sundry Creditors</b> <i>(due till today)</i>	73,00,627.27 Dr	<b>Operating Cost %</b>	80.24 %	
<b>Sales Accounts</b>	50,76,720.00 Cr	<b>Recv. Turnover in days</b> <i>(payment performance of Debtors)</i>	68.20 days	
<b>Purchase Accounts</b>	48,62,156.00 Cr	<b>Return on Investment %</b> <i>(Nett Profit / Capital Account + Nett Profit )</i>	53.15 %	
<b>Stock-in-hand</b>	3,15,70,847.50 Cr	<b>Return on Wkg. Capital %</b> <i>(Nett Profit / Working Capital) %</i>	75.72 %	
<b>Nett Profit</b>	2,41,98,697.50 Dr			
<b>Wkg. Capital Turnover</b> <i>(Sales Accounts / Working Capital)</i>	13,58,831.73 Dr			
<b>Inventory Turnover</b> <i>(Sales Accounts / Closing Stock)</i>	62,38,991.92 Cr			
	3.83			
	23.23			

Figure 2.7 Ratio Analysis Report

## 2.8 Scenario Management

Scenario Management is the management tool provided in Tally.ERP 9 with the help of which you can create multiple scenarios for the purpose of forecasting or to view provisional reports. This can be done by selectively including certain types of vouchers, which will in no way affect the regular books. The vouchers that are used in scenario management are

1. Optional Vouchers
2. Memorandum Vouchers
3. Reversing Journals

To configure for **Scenarios**,

Go to **Gateway of Tally > F11: Features > F1: Accounting Features**

- Set **Use Reversing Journals** and **Optional Vouchers** to **Yes**

To create a **Scenario**:

Go to **Gateway of Tally > Accounts Info. > Scenarios > Create**

- ❑ Specify the **name** of the scenario
- ❑ Set parameter **Include Actuals** to **Yes/No** (as required)
- ❑ Set parameters relating to **Exclude forex gains/loss** and **Exclude inventory tracking** to **Yes/No** (as required)
- ❑ Specify the **voucher types** to be **included/excluded** (Use **Exclude** option only for those Voucher Types that have been included previously).

To view **Scenarios**,

- ❑ Select any report (Balance Sheet, Profit and Loss A/c, Cost Centre and so on)
- ❑ Select **Alt + C (New Column)**
- ❑ Select the **scenario**
- ❑ Set parameter **Show Variance** to **Yes/No**

Profit & Loss A/c		Universal Enterprises		Ctrl + M
Particulars	Universal Enterprises Actuals 1-Apr-2008 to 31-Mar -2009	Universal Enterprises Scenario 2 1-Apr-2008 to 31-Mar -2009		
<b>Trading Account :</b>				
<b>Sales Accounts</b>	<b>3,15,70,847.50</b>	<b>3,75,000.00</b>		
CST Sales	60,30,125.00			
Local Sales	2,46,85,830.00			
Advertisement Charges				
Cash Sales				
Sales @ 20%	2,88,000.00			
Sales - Advertising Services	56,550.00			
Sales AMC for Computers	65,000.00			
Sales - Exports	70,342.50			
<b>Sales Bills to Make</b>	<b>3,75,000.00</b>	<b>3,75,000.00</b>		
<b>Cost of Sales :</b>	<b>2,28,73,105.77</b>	<b>2,70,469.65</b>		
Opening Stock				
Add: Purchase Accounts	2,41,98,697.50			
Less: Closing Stock	13,58,831.73	(-)2,70,469.65		
	2,28,39,865.77	2,70,469.65		
<b>Direct Expenses</b>	<b>33,240.00</b>			
Assembling Charges	18,240.00			
Carriage Inwards	15,000.00			
<b>Gross Profit :</b>	<b>86,97,741.73</b>	<b>1,04,530.35</b>		
<b>Income Statement :</b>				
<b>Indirect Incomes</b>				
Excess Provision No Longer Required				
Incomes From Retail Trade				
Interest Accrued				
				29 more ... ↓

Figure 2.8 Profit & Loss A/c with Scenario

Reversing Journals and Optional vouchers are both non-accounting vouchers and hence will not affect your books of accounts in any manner. The reversing Journal is a separate Voucher Type.

This voucher is effective only when called for in reports as a part of the scenario management. In case of Reversing Journals, you can specify the date till which it is applicable.

To enter a **Reversal Journal**,

Go to **Gateway of Tally > Accounting Vouchers > F10: Rev Jrnl.**

- Complete the transaction and specify a date till which it is applicable

To select an **optional voucher**,

- Go to **Gateway of Tally > Accounting Vouchers >**
- Press **Ctrl + L: Optional** to mark the chosen voucher as optional

This voucher is used when you have to enter a transaction but have incomplete information or the transaction is not yet completed. It can be regularized at any time, by going into the alteration mode and clicking on **Regular (Ctrl+L)** option.

## Lesson 3: Why is Tally the best for advanced Financial Management ?

Tally.ERP 9 provides you the capability to generate numerous advanced and critical Management Information system reports and analytical tools, thereby facilitating better management, effective control and well-informed decisions. Following are the some of salient features, which makes Tally.ERP 9 best for advanced financial management.

- ❑ Multiple companies
- ❑ Multi-Currency
- ❑ Multiple Financial year
- ❑ Multi-columnar reporting
- ❑ Memo Vouchers
- ❑ Post dated Vouchers
- ❑ User defined Vouchers
- ❑ Sales and Purchase extracts
- ❑ Cash Flows
- ❑ Daily Balance & Transaction Values
- ❑ Interest calculations
- ❑ Percentage Based Reporting

### 3.1 Multiple companies

In Tally.ERP 9 you can create and maintain multiple companies. Not only, can you maintain all the companies / branch companies in Tally.ERP 9, but you can also maintain your personal accounts as well. Tally.ERP 9 allows to handle Companies concurrently i.e. You can load more than one company and work on one or all of the companies loaded simultaneously, by toggling between them, as and when required.

Tally.ERP 9 also allows you to make use of group company feature wherein you can create a group company with member companies and generate consolidated reports for the entire group as well as individual constituent company.

To create **Multiple Companies**,

Go to **Gateway of Tally >Create Company**,

- Specify **Company Name** and other related details
- Once you create a company, create another new company (from **Gateway of Tally > Alt + F3 (Company Info.)**) and specify the details as explained

To create **Group Company**,

Go to **Gateway of Tally >Company Info. (Alt+ F3) >Create Group Company**

- Specify name of the **Group Company** and other information.
- Select companies (already created) to be grouped together

A group company is automatically created, once you have created more than one company. Now, you can load and work on any one of the companies.

## 3.2 Multi-Currency

Many Organizations have transactions in more than one currency. Such transactions have to be recorded either in the base (home) currency or in the foreign currency. If the transactions are recorded in home currency, the rate at which the foreign currency is exchanged should be recorded as well.

Tally.ERP 9 allows you create and transact in multiple currencies. Tally.ERP 9 uses the term base currency for the currency in which your account books are kept. Foreign Exchange is used interchangeably with foreign currency. The base currency is specified while creating the company.

Tally.ERP 9 makes it easy to manage multiple currencies, automatic calculations of exchange rates, automatic conversion of any currency used to record a transaction to the currency of the account, etc. You can generate an invoice for your foreign customers in their currency and also receive payments in the same or different currency. The impact of gain or loss in Forex is reflected immediately. You can also view and print Reports and Ledger Accounts in the currency of the transaction that has been entered or base currency.

To use **Multi-currency** feature,

### Step 1 : Enable Multi-Currency Feature

Go to **Gateway of Tally > F11: Features > F1: Accounting Features**

- Set **Allow Multi Currency** to **Yes**

### Step 2 : Create Multi-Currency

Go to **Gateway of Tally > Accounts Info. > Currencies > Create**

- Enter the **Currency Symbol** and other details

**Step 3 : Define Rate of Exchange**

Go to **Gateway of Tally > Accounts Info > Currencies > Rate of Exchange.**

- Specify the **Date** for Rate of Exchange and other details (Standard, Selling and Buying).

You can now enter transactions in the currency of your choice.

To view report in **Multi-Currencies,**

- Select any report (i.e., Balance Sheet, Profit and Loss A/c, Trial Balance or any other report)
- Select **Alt + C (New Column)**
- Select the required **currency** (in which you want to view the report)
- Specify the **Rate of Exchange** for the selected currency and press **Enter**

Profit & Loss A/c		Universal Enterprises		Ctrl + M
Particulars	Universal Enterprises	Universal Enterprises	Universal Enterprises	
	(in Indian Rupees )	(in US Dollar @ \$ 1/Rs. 42.50 )	(in US Dollar @ \$ 1/Rs. 42.50 )	
	1-Apr-2008 to 31-Mar -2009	1-Apr-2008 to 31-Mar -2009	1-Apr-2008 to 31-Mar -2009	
<u>Trading Account :</u>				
<b>Sales Accounts</b>	<b>3,15,70,847.50</b>	<b>\$ 742,843.47</b>		
CST Sales	60,30,125.00	\$ 141,885.29		
Local Sales	2,46,85,830.00	\$ 580,843.06		
Sales @ 20%	2,88,000.00	\$ 6,776.47		
Sales - Advertising Services	56,550.00	\$ 1,330.59		
Sales AMC for Computers	65,000.00	\$ 1,529.41		
Sales - Exports	70,342.50	\$ 1,655.12		
Sales Bills to Make	<b>3,75,000.00</b>	<b>\$ 8,823.53</b>		
<b>Cost of Sales :</b>	<b>2,28,73,105.77</b>	<b>\$ 538,190.72</b>		
Opening Stock				
Add: Purchase Accounts	2,41,98,697.50	\$ 569,381.12		
Less: Closing Stock	13,58,831.73	\$ 31,972.51		
	2,28,39,865.77	\$ 537,408.61		
<b>Direct Expenses</b>	<b>33,240.00</b>	<b>\$ 782.12</b>		
Assembling Charges	18,240.00	\$ 429.18		
Carriage Inwards	15,000.00	\$ 352.94		
<b>Gross Profit :</b>	<b>86,97,741.73</b>	<b>\$ 204,652.75</b>		
<u>Income Statement :</u>				
<b>Indirect Incomes</b>				
<b>Indirect Expenses</b>	<b>86,97,741.73</b>	<b>\$ 204,652.75</b>		
Depreciation on Fixed Assets	24,58,749.81	\$ 57,852.94		
	6,02,622.20	\$ 14,179.35		
				13 more ... ↓

Figure 3.1 Profit & Loss Account in Multi-Currency

### 3.3 Multiple financial year

In Tally.ERP 9 , you can have any number of financial years for one company. At the time of creating the company, it is necessary for you to mention the beginning of the financial year. Thereafter, you can maintain accounts for any number of periods. For example, assume you have created a Company starting from 1st of April 2008. Now, if you wish to change to the next financial year, you have to select **F2: Period(Alt+F2)**, from **Gateway of Tally** and specify the date range as 1-4-2009 to 31-3-2010 and continue with the transactions for the next financial year.

Once you have information for multiple years in a single company you can easily toggle between different financial periods, by selecting **F2: Period(Alt+F2)** option or can view reports for a period which could span across multiple financial years, for e.g. you can view a report consisting of transactions for the second half of the previous financial year and first half the current financial year.



*In the new financial year, the non revenue closing balances ( Balance Sheet values ) are automatically brought forward as opening balance for the current financial year. Also if, for some reason due to Audit entries the values are affected in the previous financial year, the changed values are updated automatically in the current financial year.*

### 3.4 Multi-columnar reporting

In Tally.ERP 9, you can compare information using multi-columnar reports. You can view / compare information for multiple periods (year, month, quarter or any specified period), multiple currencies and so on for the same company or compare information for two or more companies in the same screen without toggling between different periods / companies. This flexibility and ease in comparison of information will help you to do meaningful analysis and bring out any exceptions immediately.

To view a **Multi-Columnar Report**

- Select any report (e.g. **Balance Sheet**)
- Select **(Alt + N) Auto Column**
- Select any option (company, year, month, quarter etc) and press **Enter**

Tally.ERP 9 now displays comparisons based on the option selected.

Balance Sheet					Universal Enterprises					Ctrl + M
	Universal Enterprises as at 30-Jun-2008		Universal Enterprises as at 30-Sep-2008		Universal Enterprises as at 31-Dec-2008		Universal Enterprises as at 31-Mar-2009			
<b>Sources of Funds :</b>										
<b>Capital Account</b>	<b>55,00,000.00</b>		<b>55,00,000.00</b>		<b>55,00,000.00</b>		<b>55,00,000.00</b>			
Current A/c										
Balasubramanian's Share Capital A/c	7,13,000.00		7,13,000.00		7,13,000.00		7,13,000.00			
Kavitha's Share Capital A/c	2,76,500.00		2,76,500.00		2,76,500.00		2,76,500.00			
Mohan's Share Capital A/c	15,00,000.00		15,00,000.00		15,00,000.00		15,00,000.00			
Priya Ganesh's Share Capital A/c	5,65,500.00		5,65,500.00		5,65,500.00		5,65,500.00			
Sathish's Share Capital A/c	14,00,000.00		14,00,000.00		14,00,000.00		14,00,000.00			
Suresh's Share Capital A/c	4,75,500.00		4,75,500.00		4,75,500.00		4,75,500.00			
Vijayakumar's Share Capital A/c	5,69,500.00		5,69,500.00		5,69,500.00		5,69,500.00			
<b>Loans (Liability)</b>	<b>5,57,277.46</b>		<b>4,93,643.65</b>		<b>5,18,279.84</b>		<b>4,63,216.03</b>			
Unsecured Loans	5,42,407.46		4,89,543.65		5,07,679.84		4,43,316.03			
HDFC Silver Credit Card	14,870.00		4,100.00		10,600.00		19,900.00			
<b>Current Liabilities</b>	<b>52,26,280.47</b>		<b>67,07,388.60</b>		<b>41,33,233.49</b>		<b>54,39,840.51</b>			
Duties & Taxes	(-)3,84,388.63		(-)2,21,038.83		1,12,691.23		65,206.54			
Provisions							91,618.38			
Sundry Creditors	54,36,342.00		67,60,047.50		38,58,109.50		50,76,720.00			
EDLI Admin Charges @ 0.01%										
EDLI Contribution @ 0.5%										
Employee's ESI Contribution @ 1.75%										
Employee's PF Contribution @ 12%										
ESI Payable	210.00		210.00		210.00		210.00			
Interest on Car Loan A/c	1,74,117.10		1,68,169.93		1,62,222.76		1,56,275.59			
PF Admin Charges @ 1.10%										
PF Payable										
Professional Tax										
Salary Payable							49,810.00			
									25 more ...	

Figure 3.2 Data Comparison across Multiple Periods



You can also select a date range, by pressing **Alt+C (New Column)** and specifying the period and then compare data of companies

### 3.5 Memo Vouchers

Memo Vouchers are non-accounting vouchers and entries passed using such vouchers do not affect the books of accounts. Memo vouchers are used when you have to make suspense payments or make a transaction for which you do not have complete information.

In Tally.ERP 9, such vouchers are not posted to ledgers but stored in a separate register. However, you may modify or convert memo vouchers to regular vouchers, when you decide to bring them into your books.



To enter a **Memo Voucher**,

Go to **Gateway of Tally >Accounting Vouchers**

- ❑ Press **Ctrl+F10 (F10:Memos)**
- ❑ Complete the transaction and save

Memo Vouchers can be effectively used in creating Scenarios. Entries made through these vouchers become a part of a scenario management and you can view reports on the scenarios by including memo vouchers.

To view the **Memorandum Register**,

Go to **Gateway of Tally > Display > Exception Reports > Memorandum Vouchers**

- ❑ Select a **month** or Click **F2: Period** to specify a date range for viewing the report for different periods.

Voucher Register		Universal Enterprises		Ctrl + M	
List of All Memorandum Vouchers				1-Apr-2008 to 31-Mar-2009	
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
27-8-2008	NSC	Memorandum	1	15,000.00	
31-8-2008	Assembling Charges	Memorandum	2	150.00	

Figure 3.3 Memorandum Vouchers Register

### 3.6 Post dated Vouchers

Tally.ERP 9 provides the capability to enter vouchers in advance for future transactions, that are definite in nature. The vouchers marked as **Post dated** does not affect the books of accounts till the date specified in the voucher. This facility is extremely useful when the user has issued or received post-dated cheques and does not need to modify the voucher to reflect the transaction on a particular date.

To enter a **Post dated Voucher**,

Go to **Gateway of Tally >Accounting Vouchers > select F5: Payment**

- Click **Ctrl + T (Post Dated)**
- Complete the transaction and save

To view **Post dated vouchers**,

Go to **Gateway of Tally >Display > Exception Reports > Post-Dated Vouchers**

- Select a **month** or Click **F2: Period** to specify a date range for viewing the report for different periods.

Voucher Register		Universal Enterprises		Ctrl + M			
List of All Post Dated Vouchers				1-Apr-2008 to 31-Mar-2009			
Date	Particulars	Vch Type	Vch No.	Debit Amount		Credit Amount	
				Inwards Qty	Outwards Qty	Inwards Qty	Outwards Qty
21-1-2009	Zen Enterprises	Payment	296	10,000.00			
29-1-2009	Global Traders	Receipt	100			12,500.00	

Figure 3.4 Post Dated Vouchers Register

### 3.7 User defined Vouchers

Tally.ERP 9 provides 18 predefined vouchers and also allows you to create new Accounting as well as Inventory vouchers types, as per your requirements. For example, you can further classify payment vouchers by creating vouchers by the name **Bank Payment** and **Cash Payment** Vouchers. You can also set the voucher numbering as per your needs, which can be either automatic numbering or manual numbering or have no numbering at all. Further, you can also assign **Prefix** and **Suffix** for voucher numbers and choose to restart numbering either from beginning of the year or month and so on.

To create a new **Voucher Type**,

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

- Enter the voucher name, type, specify the method of numbering, activate or deactivate the other functions as per needs.

### 3.8 Sales and Purchase extracts

In Tally.ERP 9, you can generate extract of the report on Sales and Purchase Registers. The extract report provides you consolidated figures for both debit and credit balances for all groups and ledgers. With this report you get the complete Sales / Purchase Turnover figures for any period.

To generate **Extract of Purchase Register**,

Go to **Gateway of Tally > Display > Accounts Books > Purchase Register**

- Select any **month**
- Click **F6: Extract**

Voucher Register		Universal Enterprises	Ctrl + M
Extract of All Purchase Vouchers		1-Dec-2008 to 31-Dec-2008	
Particulars	Debit Amount	Credit Amount	
<b>Sundry Creditors</b>		<b>26,55,139.82</b>	
Sundry Creditors - Trading		5,94,069.00	
Chandra Timbers		20,58,328.00	
Fast Couriers		1,292.14	
Telephone Link Ltd.,		1,460.68	
<b>Purchase Accounts</b>	<b>24,03,285.00</b>		
Purchase @ 12.5%	18,29,625.00		
Purchase @ 4%	5,71,210.00		
Purchase - Courier Charges	1,150.00		
Purchase - Telephone Services	1,300.00		
<b>Current Liabilities</b>	<b>2,51,854.82</b>		
Duties & Taxes	2,51,854.82		
		<b>Grand Total : 26,55,139.82 26,55,139.82</b>	

Figure 3.5 Purchase Extract Report



To generate day-wise extract of Purchase, in **F12: Configure** of the **Purchase Register** screen, set **Periodicity** to use to **Daily**.

### 3.9 Cash Flows

Tally.ERP 9 provides you with a cash flow statement to track the movement of cash flow i.e. cash inflows as well as cash outflows (both cash & bank included) of your business. The report also displays a net flow for any period.

To View **Cash Flow Summary**,

Go to **Gateway of Tally > Display > Cash/Funds Flow > Cash Flow**

- Select a month



To View **Daily Break Up of Cash/Bank Books or Ledger**,

Go to **Gateway of Tally > Display > Accounts Books > Cash/Bank Books or Ledger**

- ❑ Select the ledger account (Bank/Cash or any other ledger)
- ❑ From the **Ledger Monthly Summary** report, select a particular **month** and press **Enter**
- ❑ In the **Ledger Vouchers** screen
  - Click **F6: Dly Brk-up**
  - Click **F12: Configure**, set **Show Average Details** and **Show High/Low Details to Yes**

Daily Breakup of Ledger		Universal Enterprises		Ctrl + M
Particulars	Cash Universal Enterprises 1-Oct-2008 to 31-Oct-2008			
	Transactions		Closing Balance	
	Debit	Credit		
↑ ... 12 more				
12-Oct			6,47,906.00 Dr	
13-Oct		1,501.00	6,46,405.00 Dr	
14-Oct			6,46,405.00 Dr	
15-Oct	25,000.00		6,71,405.00 Dr	
16-Oct			6,71,405.00 Dr	
17-Oct			6,71,405.00 Dr	
18-Oct	50,000.00		7,21,405.00 Dr	
19-Oct		31,890.00	6,89,515.00 Dr	
20-Oct			6,89,515.00 Dr	
21-Oct		2,569.00	6,86,946.00 Dr	
22-Oct			6,86,946.00 Dr	
23-Oct			6,86,946.00 Dr	
24-Oct			6,86,946.00 Dr	
25-Oct			6,86,946.00 Dr	
26-Oct		25,118.00	6,61,828.00 Dr	
27-Oct			6,61,828.00 Dr	
28-Oct			6,61,828.00 Dr	
29-Oct			6,61,828.00 Dr	
30-Oct	1,00,000.00	460.00	7,61,368.00 Dr	
31-Oct			7,61,368.00 Dr	
<b>Grand Total</b>	<b>1,85,000.00</b>	<b>97,622.00</b>	<b>7,61,368.00 Dr</b>	
Average	5,967.74	3,149.10	6,75,284.06 Dr	
Highest Balance	(dt. 30-Oct-2008) 1,00,000.00	(dt. 30-Oct-2008) 31,890.00	(dt. 30-Oct-2008) 7,61,368.00 Dr	
Lowest Balance	(dt. 7-Oct-2008) 10,000.00	(dt. 5-Oct-2008) 399.00	(dt. 13-Oct-2008) 6,46,405.00 Dr	

Figure 3.7 Daily Breakup of Ledger

Tally.ERP 9 displays a screen showing the **Average** as well as **High and Low details** for the selected ledger. From the above report, you can also drill down to voucher level for any kind of verification/alteration.

### 3.11 Interest Calculations

Tally.ERP 9 provides a powerful capability to calculate interest on outstanding balance amounts and outstanding bills/invoices/ transactions (Receivables and payables) or on any delayed payments so on.

You can view the impact of interest accumulated against each ledger and also against each transaction. Although, Tally.ERP 9 provides exhaustive information on interest implications, the interest amounts are not brought into books. You may choose to book the interest calculated as per your requirements. Interest is calculated either on simple or compound basis and accounted into the books, by using debit notes for interest receivables and credit notes for interest payable.

The **Activate Interest Calculation** field is displayed in the **Ledger Creation** screen only, if **Activate Interest Calculations** is set to **Yes** in **F11: Accounting Features**. Set this field to **Yes** for each specific ledger account for which interest is to be calculated.

#### Step 1: Enable Interest Calculation

- In **F11: Accounting Features**, set parameter **Activate Interest Calculation** (use advanced parameters) to **Yes**

#### Step 2: Enable Ledger for Interest Calculation

Go to **Gateway of Tally > Accounts Info->Ledger-> Alter**.

- Select a ledger for which interest calculation has to be activated.
- Set **Activate Interest Calculation** to **Yes** (Set this field to **Yes** for each specific ledger account for which interest is to be calculated.
- Specify information regarding **Rate of interest (%)** and **Style** as per requirements

Interest Parameters	
Calculate Interest Transaction-by-Transaction	? <b>Yes</b>
Override Parameters for each Transaction	? <b>No</b>
<hr/>	
Rate : 12 % per 365-Day Year	on <b>Debit Balances Only</b>
Applicability : <i>Always</i>	Calculate From : <i>Due Date of Invoice/Ref</i>
Rounding : <input type="checkbox"/> <i>Not Applicable</i>	

Figure 3.8 Interest Calculation Parameters

Tally.ERP 9 automatically calculates interest for ledgers for which interest calculations option is activated.

To view **Interest Calculation Report**,

Go to **Gateway of Tally > Display > Statements of Accounts > Interest Calculations > Receivables / Payables/Ledger**



*To specify or change the rate of interest at the time of entering the transaction, set **Override Parameters for each Transaction** to **Yes** in the **Ledger creation mode**.*

### **3.12 Percentage Based Reporting**

In Tally.ERP 9, you can generate percentage based reporting for financial statements like Balance Sheet, Profit & Loss, Cash Flow, Sales register etc. For example, to view percentages for all groups in the Balance Sheet, set **Show Percentages** to **Yes** in **F12:Configure**.



Balance Sheet		Universal Enterprises		Ctrl + M	
Liabilities		Universal Enterprises as at 31-Mar-2009		Assets	
				Universal Enterprises as at 31-Mar-2009	
<b>Capital Account</b>		<b>55,00,000.00</b>	<b>31.18%</b>	<b>Fixed Assets</b>	<b>34,62,489.68</b> 19.63%
Current A/c				Accumulated Depreciation on Fixed Assets	(16,02,622.20)
Balasubramanian's Share Capital A/c	7,13,000.00			Land & Building	14,00,000.00
Kavitha's Share Capital A/c	2,76,500.00			Plant & Machinery	15,25,000.00
Mohan's Share Capital A/c	15,00,000.00			Airconditioner	21,500.00
Priya Ganesh's Share Capital A/c	5,65,500.00			Computers & Peripherals	90,460.00
Sathish's Share Capital A/c	14,00,000.00			Furniture & Fixtures	1,22,420.00
Suresh's Share Capital A/c	4,75,500.00			Motor Car - Hyundai GLX	9,05,731.88
Vijayakumar's Share Capital A/c	5,69,500.00			<b>Investments</b>	<b>5,00,000.00</b> 2.83%
<b>Loans (Liability)</b>		<b>4,63,216.03</b>	<b>2.63%</b>	Investments	5,00,000.00
Unsecured Loans	4,43,316.03			NSC	
HDFC Silver Credit Card	19,900.00			<b>Current Assets</b>	<b>1,36,79,562.33</b> 77.54%
<b>Current Liabilities</b>		<b>54,39,840.51</b>	<b>30.83%</b>	Closing Stock	13,58,831.73
Duties & Taxes	65,206.54			Loans & Advances (Asset)	15,99,000.00
Provisions	91,618.38			Sundry Debtors	65,76,336.68
Sundry Creditors	50,76,720.00			Cash-in-hand	10,19,901.25
EDLI Admin Charges @ 0.01%				Bank Accounts	29,35,492.67
EDLI Contribution @ 0.5%				Advance Tax	2,50,000.00
Employee's ESI Contribution @ 1.75%					
Employee's PF Contribution @ 12%					
ESI Payable	210.00				
Interest on Car Loan A/c	1,56,275.59				
PF Admin Charges @ 1.10%					
PF Payable					
Professional Tax					
Salary Payable	49,810.00				
<b>Profit &amp; Loss A/c</b>		<b>62,38,991.92</b>	<b>35.36%</b>		
<b>Total</b>		<b>1,76,42,052.01</b>	<b>100%</b>	<b>Total</b>	<b>1,76,42,052.01</b> 100%

Figure 3.9 Balance Sheet with Percentages

## Lesson 4: Why Tally is best for basic Inventory Management ?

Tally.ERP 9 provides you the capability to record inventory transactions without changing the way you do your business. It provides numerous predefined Inventory vouchers to suit your business requirements and flexibility to create unlimited stock items, use simple to complex conversion units and generate invoices with the required information and dimensions.

Following are the some of salient features, which makes Tally.ERP 9 best for basic inventory management.

- ❑ Flexible units of Measure
- ❑ Flexible Invoicing
- ❑ Unlimited Grouping & Categorization of Stock items
- ❑ Voucher Classes to expedite voucher Entry
- ❑ Separate Actual and Billed Quantities
- ❑ Gross Profits and Consumption Report
- ❑ Use Stock Item Names and / or Part Numbers
- ❑ POS Invoicing

### 4.1 Flexible units of Measure

The instances of stock items being measured in different Units of Measure are common. In Tally.ERP 9 you can define multiple units as per your requirements. It is also possible that an item could be transacted in one or more units of measure, for e.g. Sugar is purchased in tons and sold in either kgs or packets. Tally.ERP 9 allows you to transact in all the three units of measure for the same item. This configuration allows you to maintain stock items in both **Main Units** as well as **Alternate Units**.

Tally.ERP 9 allows creation of **compound** as well as **alternate** units for a stock item. You can define a Compound unit as a relation between of two simple Units, for e.g. create a compound unit namely, **Ton of 100 kgs**. You can view Stock Summary report in **Tail Units** also (here in this case, **kgs**)

To create **Units of Measure**,

Go to **Gateway of Tally > Inventory Info. > Units of Measure > Create**

- Select **Unit Type**
- Specify **Unit name**

To activate and create **Alternate Units**,

Go to **Gateway of Tally > Inventory Info. > Inventory Info > Stock Item > Create**

- Press **F12: Configure (Inventory Info.)** and activate **Use ALTERNATE UNITS** for Stock Items
- Enter **Alternate Units**

To create **Compound Units**, create two simple units of measure (as mentioned earlier) and then

Go to **Gateway of Tally > Inventory Info. > Units of Measure->Create.**

- Select **Unit Type** as **Compound**
- Select **First Unit** and enter **Conversion** units
- Select the **Second Unit**

To view Reports in **Alternative Units**,

Go to **Gateway of Tally > Stock Summary**

- Press **F12: Configure**, set **Show Opening balance, Goods Inwards, Goods Outwards and Closing Balance** to **Yes**
- Set **Show using Alternate Units** to **Yes**



Stock Summary Universal Enterprises Ctrl + M								
Particulars	Universal Enterprises 1-Apr-2008 to 31-Mar-2009							
	Opening Balance		Inwards		Outwards		Closing Balance	
	Quantity (Alt. Units)	Value	Quantity (Alt. Units)	Value	Quantity (Alt. Units)	Value	Quantity (Alt. Units)	Value
<b>Accessories</b>			<b>9,600 Nos</b>	<b>67,370.00</b>	<b>8,805 Nos</b>	<b>87,252.00</b>	<b>795 Nos</b>	<b>15,792.76</b>
CDROM Disks 100s			20 Box	9,000.00	15 Box	10,500.00	5 Box	2,250.00
CDROM Disks 10s			49 Box	7,940.00	46 Box	9,765.00	3 Box	231.25
CDROM Jackets			500 Box	7,500.00	495 Box	10,995.00	5 Box	75.00
Dust Covers			615 Nos	22,733.00	540 Nos	35,930.90	75 Nos	2,772.32
Flappy Disk			10 Box (100Nos)	1,000.00	6 Box (60Nos)	750.00	4 Box (40 Nos)	400.00
Keyboard			10 Nos	5,500.00			10 Nos	5,500.00
Mouse			10 Nos	4,000.00			10 Nos	4,000.00
Mouse Pad			1,375 Nos	9,697.00	1,295 Nos	19,311.10	80 Nos	564.19
<b>Components</b>				<b>79,01,690.00</b>		<b>80,03,602.10</b>		<b>2,573.22</b>
USB Pen Drives 64 MB			442 Nos	6,73,920.00	441 Nos	6,72,273.50	1 Nos	1,524.71
Wireless Keyboard			534 Nos	3,69,770.00	533 Nos	4,26,194.65	1 Nos	692.45
Wireless Mouse			619 Nos	2,20,400.00	618 Nos	2,87,187.20	1 Nos	356.06
<b>Computers</b>			<b>532 Nos</b>	<b>95,26,993.70</b>	<b>531 Nos</b>	<b>1,21,75,500.00</b>	<b>1 Nos</b>	
IBM			13 Nos	2,24,000.00	12 Nos	2,99,500.00	1 Nos	
<b>Defective Items</b>				<b>600.00</b>				<b>600.00</b>
CDROM Disks 10s - Defective			5 Box	600.00			5 Box	600.00
<b>Dot Matrix Printers</b>				<b>5,38,000.00</b>		<b>7,16,200.00</b>		<b>14,000.00</b>
TVS MSP 245 132 Col Printer			30 Nos	2,43,000.00	29 Nos	3,29,000.00	1 Nos	8,100.00
TVS MSP 245 80 Col Printer			50 Nos	2,95,000.00	49 Nos	3,87,200.00	1 Nos	5,900.00
<b>Laser Jet Printers</b>				<b>8,80,000.00</b>		<b>10,91,500.00</b>		<b>17,400.00</b>
HP Laserjet 1010 Series			60 Nos	5,52,000.00	59 Nos	7,05,000.00	1 Nos	9,200.00
Samsung Laserjet 1500			40 Nos	3,28,000.00	39 Nos	3,86,500.00	1 Nos	8,200.00
<b>IMFL</b>			<b>500 Lts</b>	<b>2,00,000.00</b>	<b>480 Lts</b>	<b>2,88,000.00</b>	<b>20 Lts</b>	<b>8,000.00</b>
Main Location			500 Lts	2,00,000.00	480 Lts	2,88,000.00	20 Lts	8,000.00
<b>Grand Total</b>				<b>3,12,80,466.20</b>		<b>3,85,07,054.10</b>		<b>13,58,831.73</b>

Figure 4.1 Stock Summary with Alternate Units

### 4.1.1 Tail Units

Go to **Gateway of Tally > Stock Summary**

- Press **F12: Configure** and set **Show Tail Units of Compound Units** to **Yes**. Now, Tally.ERP 9 displays compound units of stock items in **Tail units**.

Stock Summary Universal Enterprises Ctrl + M								
Particulars	Universal Enterprises 1-Apr-2008 to 31-Mar-2009							
	Opening Balance		Inwards		Outwards		Closing Balance	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
<b>Accessories</b>			<b>9,600 Nos</b>	<b>67,370.00</b>	<b>8,805 Nos</b>	<b>87,252.00</b>	<b>795 Nos</b>	<b>15,792.76</b>
CDROM Disks 100s			2,000 Nos	9,000.00	1,500 Nos	10,500.00	500 Nos	2,250.00
CDROM Disks 10s			490 Nos	7,940.00	460 Nos	9,765.00	30 Nos	231.25
CDROM Jackets			5,000 Nos	7,500.00	4,950 Nos	10,995.00	50 Nos	75.00
Dust Covers			615 Nos	22,733.00	540 Nos	35,930.90	75 Nos	2,772.32
Floppy Disk			100 Nos	1,000.00	60 Nos	750.00	40 Nos	400.00
KeyBoard			10 Nos	5,500.00			10 Nos	5,500.00
Mouse			10 Nos	4,000.00			10 Nos	4,000.00
Mouse Pad			1,375 Nos	9,697.00	1,295 Nos	19,311.10	80 Nos	564.19
<b>Components</b>			<b>79,01,690.00</b>		<b>80,03,602.10</b>		<b>2,573.22</b>	
USB Pen Drives 64 MB			442 Nos	6,73,920.00	441 Nos	6,72,273.50	1 Nos	1,524.71
Wireless Keyboard			534 Nos	3,69,770.00	533 Nos	4,26,194.65	1 Nos	692.45
Wireless Mouse			619 Nos	2,20,400.00	618 Nos	2,87,187.20	1 Nos	356.06
<b>Computers</b>			<b>532 Nos</b>	<b>95,26,993.70</b>	<b>531 Nos</b>	<b>1,21,75,500.00</b>	<b>1 Nos</b>	
IBM			13 Nos	2,24,000.00	12 Nos	2,99,500.00	1 Nos	
<b>Defective Items</b>				<b>600.00</b>				<b>600.00</b>
CDROM Disks 10s - Defective			50 Nos	600.00			50 Nos	600.00
<b>Dot Matrix Printers</b>				<b>5,38,000.00</b>		<b>7,16,200.00</b>		<b>14,000.00</b>
TVS MSP 245 132 Col Printer			30 Nos	2,43,000.00	29 Nos	3,29,000.00	1 Nos	8,100.00
TVS MSP 245 80 Col Printer			50 Nos	2,95,000.00	49 Nos	3,87,200.00	1 Nos	5,900.00
<b>Laser Jet Printers</b>				<b>8,80,000.00</b>		<b>10,91,500.00</b>		<b>17,400.00</b>
HP Laserjet 1010 Series			60 Nos	5,52,000.00	59 Nos	7,05,000.00	1 Nos	9,200.00
Samsung Laserjet 1500			40 Nos	3,28,000.00	39 Nos	3,86,500.00	1 Nos	8,200.00
IMFL			500 Lts	2,00,000.00	480 Lts	2,88,000.00	20 Lts	8,000.00
Main Location			500 Lts	2,00,000.00	480 Lts	2,88,000.00	20 Lts	8,000.00
<b>Grand Total</b>				<b>3,12,80,466.20</b>		<b>3,85,07,054.10</b>		<b>13,58,831.73</b>

Figure 4.2 Stock Summary with Tail Units

## 4.2 Flexible Invoicing

In Tally.ERP 9, you have flexibility to invoice items or ledger accounts directly to generate sales invoices. The details that you can include or exclude in an invoice is based on the business needs for instance, you may want to print batch number, Manufacturing as well as expiry date, additional description for items, show discounts on the invoice and so on.

### 4.2.1 Sales Invoice

To enter an Invoice,

Go to **Gateway of Tally > Accounting Vouchers > Select Sales (F8)**

- Press **F12: Configure**, to activate or deactivate the features as per requirements
- **Enter** all relevant information and save the voucher.
- Press **Alt + P (P: Print)**

**INVOICE**

<b>Universal Enterprises</b> Plot No. 113 & 114, Industrial Estate, Hongasandra, Hosur Main Road Bangalore E-mail : sales@universalerprises.com		Invoice No.	Dated	
		100	15-Jan-2009	
Buyer <b>All India Computer Institute</b> 123, 1st Main Madiwala Bangalore - 5600 68.		Delivery Note	Mode/Terms of Payment	
		Supplier's Ref.	60 Days	
		Buyer's Order No.	Other Reference(s)	
		Despatch Document No.	Dated	
		Despatched through	Destination	
		Terms of Delivery		

Sl No.	Description of Goods	Quantity	Rate	per	Amount
1	HP 51645A	15 Nos	1,500.00	Nos	22,500.00
2	HP - 27	10 Nos	1,150.00	Nos	11,500.00
3	HP - 28	20 Nos	1,200.00	Nos	24,000.00
					58,000.00
	Output VAT @ 4%			4 %	2,320.00
Total		45 Nos			60,320.00

Amount Chargeable (in words) E. & O.E  
**Rs. Sixty Thousand Three Hundred Twenty Only**

Buyer's Local Sales Tax No. : 11225487954

Declaration  
 We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.

for Universal Enterprises  
 Authorised Signatory

This is a Computer Generated Invoice

Figure 4.3 Printed Sales Invoice

### 4.2.2 Separate Discount Column on Invoices

Tally.ERP 9 allows the user to enter discount for each and every Stock Item and also automatically calculates and displays the discounted value in the invoice.

To activate discount column in Invoicing

- Press **F11: Inventory Features** > Set **Separate discount columns for Invoices** to **Yes**

### 4.2.3 Purchase Invoices

Tally.ERP 9 provides the option to enter purchase transactions in invoice format and hence entering vendor invoices is made easy. When you enter purchase detailw in the invoice format, the stock items selected are automatically updated in the stock summary. You can apportion additional expenses, like taxes, freight etc., to stock items which affects their valuations.

To enable **Purchase Invoices in Invoice Format**,

- ❑ Press **F11: Inventory Features > Enable Allow Invoicing and Enter Purchases in Invoice Format to Yes**

To enter **Purchase Invoices in Invoice Format**,

Go to **Gateway of Tally > Accounting Vouchers > Select Purchase (F9)**

- ❑ Select **Party's A/c Name**
- ❑ Select **Stock Items**
- ❑ Specify **Qty** and **Rate**, the value is automatically calculated
- ❑ Select taxes, freight & other expenses (if any).

## 4.3 Unlimited Grouping & Categorization of Stock items

Tally.ERP 9 allows unlimited grouping of stock Items to Stock Groups or subgroups at any point of time. It also allows to categorize stock items based on their specific nature or type or brand in order to generate customised inventory reports.

### 4.3.1 Stock Group

In Tally.ERP 9, you can classify all common stock items to a single group, for instance Raw materials, Components Consumables, Desktop computers, Scanners etc. Grouping of stock items facilitates effective and substantive reporting on stock items. In Tally.ERP 9, you can create unlimited levels of groups for in-depth analysis.

To create **Stock Groups**

Go to **Gateway of Tally > Inventory Info. > Stock Groups > Create**

- ❑ Enter **Name** for the **Group** (Specify the parent group of the current group).
- ❑ Enter other details and save screen

To view **Stock Group Summary Reports**,

Go to **Gateway of Tally > Display > Inventory Books > Group Summary**

- ❑ Select any **group** or select **Primary** to display all Stock Groups



Stock Summary		Universal Enterprises		Ctrl + M
Particulars	Universal Enterprises			
	1-Apr-2008 to 31-Mar-2009			
Closing Balance				
	Quantity	Rate	Value	
<b>Accessories</b>	<b>795 Nos</b>	<b>19.87</b>	<b>15,792.76</b>	
CDROM Disks 100s	5 Box	450.00	2,250.00	
CDROM Disks 10s	3 Box	77.08	231.25	
CDROM Jackets	5 Box	15.00	75.00	
Dust Covers	75 Nos	36.96	2,772.32	
Floppy Disk	4 Box	100.00	400.00	
KeyBoard	10 Nos	550.00	5,500.00	
Mouse	10 Nos	400.00	4,000.00	
Mouse Pad	80 Nos	7.05	564.19	
<b>Components</b>			<b>2,573.22</b>	
USB Pen Drives 64 MB	1 Nos	1,524.71	1,524.71	
Wireless Keyboard	1 Nos	692.45	692.45	
Wireless Mouse	1 Nos	356.06	356.06	
<b>Computers</b>	<b>1 Nos</b>			
IBM	1 Nos			
<b>Defective Items</b>			<b>600.00</b>	
CDROM Disks 10s - Defective	5 Box	120.00	600.00	
<b>Dot Matrix Printers</b>			<b>14,000.00</b>	
TVS MSP 245 132 Col Printer	1 Nos	8,100.00	8,100.00	
TVS MSP 245 80 Col Printer	1 Nos	5,900.00	5,900.00	
<b>Laser Jet Printers</b>			<b>17,400.00</b>	
HP Laserjet 1010 Series	1 Nos	9,200.00	9,200.00	
Samsung Laserjet 1500	1 Nos	8,200.00	8,200.00	
IMFL	20 Lts	400.00	8,000.00	
Main Location	20 Lts	400.00	8,000.00	
<b>Grand Total</b>			<b>13,58,831.73</b>	

Figure 4.4 Stock Group Summary

### 4.3.2 Stock Category

In many cases, you may want to classify stock items which are similar in nature but are grouped under different Stock Groups. Tally.ERP 9 provides you a feature namely, **Stock Categories**, which allows parallel classification of stock items to separate categories besides grouping.

For example, you may group Television sets of different sizes based on their size viz., TV's of 14 inches, 21 inches, 29 inches and so on. But however, if you require reports on, which brand sells more. In such cases, you require parallel classification of stock items to stock categories viz., Sony, Panasonic, LG, Samsung, Philips, etc.

In Tally.ERP 9 you can create stock items and group under the respective groups and parallelly classify them under the respective Stock Categories. You could however, interchange the stock category or stock group based on your convenience and reporting requirements.

To enable **Stock categories**,

Go to **Gateway of Tally > F11: Inventory Features**

- Set **Maintain Stock Categories** to **Yes**



To create **Stock Categories**,

Go to **Gateway of Tally > Inventory Info. > Stock Categories > Create**

- Specify the **Name** for the **Category**
- Select **Primary** or the **parent** Stock Category from the list

To view **Stock Category Report**,

Go to **Gateway of Tally > Display > Statements of Inventory > Categories**

- Select the required **Stock Category** or select **Primary** to display all **Stock Categories**

Stock Category Summary		Universal Enterprises		Ctrl + M
Particulars	Universal Enterprises 1-Apr-2008 to 31-Mar-2009			
	Closing Balance			
	Quantity	Rate	Value	
<b>Accessories</b>	<b>795 Nos</b>	<b>19.87</b>	<b>15,792.76</b>	
CDROM Disks 100s	5 Box	450.00	2,250.00	
CDROM Disks 10s	3 Box	77.08	231.25	
CDROM Jackets	5 Box	15.00	75.00	
Dust Covers	75 Nos	36.96	2,772.32	
Floppy Disk	4 Box	100.00	400.00	
KeyBoard	10 Nos	550.00	5,500.00	
Mouse	10 Nos	400.00	4,000.00	
Mouse Pad	80 Nos	7.05	564.19	
<b>Consumables</b>	<b>3 Nos</b>	<b>867.74</b>	<b>2,573.22</b>	
USB Pen Drives 64 MB	1 Nos	1,524.71	1,524.71	
Wireless Keyboard	1 Nos	692.45	692.45	
Wireless Mouse	1 Nos	356.06	356.06	
<b>Defective Items</b>	<b>5 Box</b>	<b>120.00</b>	<b>600.00</b>	
CDROM Disks 10s - Defective	5 Box	120.00	600.00	
<b>Hewlett Packard</b>	<b>1 Nos</b>	<b>9,200.00</b>	<b>9,200.00</b>	
HP Laserjet 1010 Series	1 Nos	9,200.00	9,200.00	
<b>IBM</b>	<b>1 Nos</b>			
IBM PIV	1 Nos			
<b>Samsung</b>	<b>1 Nos</b>	<b>8,200.00</b>	<b>8,200.00</b>	
Samsung Laserjet 1500	1 Nos	8,200.00	8,200.00	
<b>TVS Electronics</b>	<b>2 Nos</b>	<b>7,000.00</b>	<b>14,000.00</b>	
TVS MSP 245 132 Col Printer	1 Nos	8,100.00	8,100.00	
TVS MSP 245 80 Col Printer	1 Nos	5,900.00	5,900.00	
IMFL	20 Lts	400.00	8,000.00	
<b>Grand Total</b>			<b>13,58,831.73</b>	

Figure 4.5 Stock Category Summary

## 4.4 Voucher Classes to expedite voucher Entry

Tally.ERP 9 provides an option to automate and expedite voucher entry with the help of Voucher Classes. You can use this facility for most voucher types (e.g. Payment, Receipt, Sales etc) to make data entry easier and faster. This facility acts as a control, to restrict users from choosing any other ledger accounts other than those to which the transaction needs to be posted and thereby minimizes errors during data entry.

For example, you may create Voucher Class under Receipt Voucher Type to automate Bank Receipts or Bank Payments under Payment Voucher Type. You will find the procedure for creating voucher classes for Bank Receipts is the same as that for Bank Payments. The only precaution is that during transactions, you have to enter the details on the credit side only.

#### 4.4.1 Voucher Classes for Sales Invoice

Voucher classes for invoices can be used to significantly automate ledger entries where tax calculations, additional charges, rounding off etc., are involved. You can also specify percentages for additional accounting allocations like taxes, freight and other charges. Based on the values / percentages entered, the total amount is automatically calculated and prefilled in the respective fields.

To create **Voucher Class**,

Go to **Gateway of Tally > Accounts Info. > Voucher Types > Alter**

- Select **Sales Voucher Type**
- Tab down to **Name of class** field and specify the name
- Select the required **groups** under **Exclude these Groups** and **Include these Groups**
- Specify the allocations in % between **Sales** and **Tax Ledgers** in **Default Accounting Allocations for each item in Invoice**.
- Select additional Ledger accounts which are involved in the voucher entry viz., Tax, Freight, Discount etc., and specify the **type of calculation** and other details in **Additional Accounting Entries**

Voucher Type Class		Universal Enterprises					Ctrl + M
Name : Commercial (alias)	Class : Tax Invoice					Name of Class Tax Invoice	
If you wish to restrict the groups to which this class can be used, specify them here.							
Exclude these Groups		Include these Groups					
<input type="checkbox"/> End of List		<input type="checkbox"/> End of List					
Type of Voucher : Sales							
Abbr. : C							
Method of Voucher Numbering							
Use Advance Configuration							
Default Accounting Allocations for each Item in Invoice							
Ledger Name	Percentage %	Rounding Method	Rounding Limit	Override using Item Default ?			
Sales @ 4%	100 %			Yes			
Additional Accounting Entries (e.g. Taxes / Other charges) to be added in Invoice							
Ledger Name	Type of Calculation	Value Basis	Rounding Method	Rounding Limit	Remove if Zero ?		
Output VAT @ 4%	On Item Rate	4%	Normal Rounding	1	Yes		
Output VAT @ 12.5%	On Item Rate	12.50%	Normal Rounding	1	Yes		

Figure 4.6 Sales Voucher Class

To enter transaction using **Voucher Class**,

Go to **Gateway of Tally > Accounting Vouchers > F8 (Sales)**

- Select the required **Voucher**
- Select the required **Voucher Class** from Voucher Class List
- Enter the **Party** and **Stock Details**
- The **Accounting allocations** are automatically done, as defined in Voucher class
- Complete and save the transaction

## 4.5 Separate Actual and Billed Quantities

There are situations when you have to invoice the customer for a particular quantity but actually supply a different quantity. Tally.ERP 9 allows you to handle such situations with the help of **Use different Actual and Billed Qty** option. Using this option, you can specify different actual and billed quantities in the same invoice. The Actual quantity updates the stock balances and Billed quantities affect the books of accounts. This feature is widely used to record supply of free items. Further, this option will be useful when you have to supply free item(s) for sale of a fixed number of goods or if you have to supply free samples to your customer.

To enable **Actual and Billed Quantity** in Invoices,

- Press **F11: Inventory Features**, set **Use different Actual and Billed Qty** to **Yes**

To enter **Actual and Billed Quantity** in Invoices,

Go to **Gateway of Tally > Accounting Vouchers > F8 (Sales in Invoice mode)**

- Enter quantities under **Actual** and **Billed Qty** columns
- Specify the **Rate** & other details
- Save transaction.



*The **Actual Qty** affects the stock balances while the **Billed Qty** affects only the Books of Accounts.*

## 4.6 Gross Profits and Consumption Report

Consumption basically means, the quantity / value of materials used (consumed) in the process of manufacturing, selling or written off. Tally.ERP 9 automatically tracks the movement of materials consumed. You can view the consumption report along with gross profit for every item.

To view **Consumption Report**,

Go to **Gateway of Tally > Stock Summary > F7 (Show Profits)**

- Press **Alt+F1** for detailed mode

Stock Summary		Universal Enterprises				Ctrl + M	
Particulars	Universal Enterprises						
	1-Apr-2008 to 31-Mar-2009						
	Outwards				Closing Balance		
	Quantity	Value	Consumption	Gross Profit	Perc %	Quantity	Value
<b>Accessories</b>	<b>8,805 Nos</b>	<b>87,252.00</b>	<b>51,577.24</b>	<b>35,674.76</b>	<b>40.89 %</b>	<b>795 Nos</b>	<b>15,792.76</b>
CDROM Disks 100s	15 Box	10,500.00	6,750.00	3,750.00	36.71 %	5 Box	2,250.00
CDROM Disks 10s	46 Box	9,765.00	7,708.75	2,056.25	21.06 %	3 Box	231.25
CDROM Jackets	495 Box	10,995.00	7,425.00	3,570.00	32.47 %	5 Box	75.00
Dust Covers	540 Nos	35,930.90	19,960.68	15,970.22	44.45 %	75 Nos	2,772.32
Floppy Disk	6 Box	750.00	600.00	150.00	20.00 %	4 Box	400.00
KeyBoard						10 Nos	5,500.00
Mouse						10 Nos	4,000.00
Mouse Pad	1,295 Nos	19,311.10	9,132.81	10,178.29	52.71 %	80 Nos	564.19
<b>Components</b>		<b>80,03,602.10</b>	<b>78,99,116.78</b>	<b>1,04,485.32</b>	<b>1.31 %</b>		<b>2,573.22</b>
USB Pen Drives 64 MB	441 Nos	6,72,273.50	6,72,395.29	(-)121.79	(-)0.02 %	1 Nos	1,524.71
Wireless Keyboard	533 Nos	4,26,194.65	3,69,077.55	57,117.10	13.40 %	1 Nos	692.45
Wireless Mouse	618 Nos	2,87,187.20	2,20,043.94	67,143.26	23.38 %	1 Nos	356.06
<b>Computers</b>	<b>531 Nos</b>	<b>1,21,75,500.00</b>	<b>95,26,993.70</b>	<b>26,48,506.30</b>	<b>21.75 %</b>	<b>1 Nos</b>	
IBM	12 Nos	2,99,500.00	2,24,000.00	75,500.00	25.21 %	1 Nos	
<b>Defective Items</b>							<b>600.00</b>
CDROM Disks 10s - Defective						5 Box	600.00
<b>Dot Matrix Printers</b>		<b>7,16,200.00</b>	<b>5,24,000.00</b>	<b>1,92,200.00</b>	<b>26.84 %</b>		<b>14,000.00</b>
TVS MSP 245 132 Col Printer	29 Nos	3,29,000.00	2,34,900.00	94,100.00	28.60 %	1 Nos	8,100.00
TVS MSP 245 80 Col Printer	49 Nos	3,87,200.00	2,89,100.00	98,100.00	25.34 %	1 Nos	5,900.00
<b>Laser Jet Printers</b>		<b>10,91,500.00</b>	<b>8,62,600.00</b>	<b>2,28,900.00</b>	<b>20.97 %</b>		<b>17,400.00</b>
HP Laserjet 1010 Series	59 Nos	7,05,000.00	5,42,800.00	1,62,200.00	23.01 %	1 Nos	9,200.00
Samsung Laserjet 1500	39 Nos	3,86,500.00	3,19,800.00	66,700.00	17.26 %	1 Nos	8,200.00
IMFL	480 Lts	2,88,000.00	1,92,000.00	96,000.00	33.33 %	20 Lts	8,000.00
Main Location	480 Lts	2,88,000.00	1,92,000.00	96,000.00	33.33 %	20 Lts	8,000.00
<b>Grand Total</b>		<b>3,85,07,054.10</b>	<b>2,99,21,634.47</b>	<b>85,85,419.63</b>	<b>22.30 %</b>		<b>13,58,831.73</b>

Figure 4.7 Gross Profits and Consumption Report

### 4.7 Use Stock Item Names and / or Part Numbers

Stock items can be created in Tally.ERP 9 by specifying their actual names as well as by their Part Numbers. This makes it convenient for many users dealing in certain industries (like Computer/ Automobile Industries) where items are generally identified by their Part Nos. You can also view reports for all stock items with their actual names or by part numbers or both.

To create **Part Number** for a Stock Item

Go to **Gateway of Tally > Inventory Info. > Stock item > Alter (Create, if the Item is not existing)**

- Select the required **Stock item**
- Press **F12: Configure** and set **Use PART NUMBERS for Stock Items to Yes**
- A new field **Part No** is displayed in **Stock Item Creation/Alteration** screen

Specify the part numbers as well as actual names for the stock items created/alterd.

Stock Item Alteration		Universal Enterprises		Ctrl + M
Name	: USB Pen Drives 64 MB	Part No.	: <b>USB PD64 001</b>	
{alias}	:			
Under	: Components	<u>Tax Information</u>		<u>Behaviour</u>
Category	: Consumables	Tariff Classification	:	Costing Method : <b>Avg. Cost</b>
Units	: Nos	Rate of Duty (eg 5)	:	Market Valuation Method : <b>Avg. Price</b>
Alternate Units	: <input type="checkbox"/> Not Applicable			Ignore Diff. due to Physical Counting ? <b>No</b>
Maintain in Batches	? <b>No</b>			Ignore Negative Balances ? <b>No</b>
				Treat all Sales as New Manufacture ? <b>No</b>
				Treat all Purchases as Consumed ? <b>No</b>
				Treat all Rejections inward as Scrap ? <b>No</b>
		<b>Quantity</b>	<b>Rate per</b>	<b>Value</b>
	Opening Balance :			

Figure 4.8 Stock Item with Part Number

To view Stock reports with **Part Number**,

Go to **Gateway of Tally > Stock Summary** (or any other Inventory reports)

- Press **F12: Configure**, and set **Appearance of Stock Item Names** as **Part No. Only**
- Press **Enter** to save.

Now the stock items are displayed as Part Nos instead of their names.



Stock Summary		Universal Enterprises		Ctrl + M
Particulars	Universal Enterprises			
	1-Apr-2008 to 31-Mar-2009			
	Closing Balance			
	Quantity	Rate	Value	
<b>Accessories</b>	<b>795 Nos</b>	<b>19.87</b>	<b>15,792.76</b>	
CDROM Disks 100s	5 Box	450.00	2,250.00	
CDROM Disks 10s	3 Box	77.08	231.25	
CDROM Jackets	5 Box	15.00	75.00	
Dust Covers	75 Nos	36.96	2,772.32	
Floppy Disk	4 Box	100.00	400.00	
KeyBoard	10 Nos	550.00	5,500.00	
Mouse	10 Nos	400.00	4,000.00	
Mouse Pad	80 Nos	7.05	564.19	
<b>Components</b>			<b>2,573.22</b>	
USB PD64 001	1 Nos	1,524.71	1,524.71	
WK101 012	1 Nos	692.45	692.45	
WM Op256	1 Nos	356.06	356.06	
<b>Computers</b>	<b>1 Nos</b>			
IBM	1 Nos			
<b>Defective Items</b>			<b>600.00</b>	
CDROM Disks 10s - Defective	5 Box	120.00	600.00	
<b>Dot Matrix Printers</b>			<b>14,000.00</b>	
TVS MSP 245 132 Col Printer	1 Nos	8,100.00	8,100.00	
TVS MSP 245 80 Col Printer	1 Nos	5,900.00	5,900.00	
<b>Laser Jet Printers</b>			<b>17,400.00</b>	
HP Laserjet 1010 Series	1 Nos	9,200.00	9,200.00	
Samsung Laserjet 1500	1 Nos	8,200.00	8,200.00	
IMFL	20 Lts	400.00	8,000.00	
Main Location	20 Lts	400.00	8,000.00	
<b>Grand Total</b>			<b>13,58,831.73</b>	

Figure 4.9 Stock Summary with Part Number

## 4.8 POS Invoicing

A **Point of Sale** is either a retail shop, a check-out counter in a shop or any other location where sales transactions take place. Tally.ERP 9's POS feature is fully integrated with Accounts and inventory functions. You can POS Invoice with Cash and Credit/Debit card transactions and effectively manage gift coupons, vouchers, discount coupons etc.

The POS feature in Tally.ERP 9 enables you to print invoices in continuous or 40 column modes. It automates your data entry and calculations during invoicing. You can also generate standard and POS specific reports such as Cash Registers, POS Registers, and Inventory Reports etc.

To activate **POS Invoicing**,

Go to **Gateway of Tally > Accounts Info. > Vouchers Type > Create**

- Type **name** of the voucher type
- Select **Sales** as voucher type and other details
- Set **Use for POS Invoicing** to **Yes**
- Type the details in **Message 1 & Message 2**
- Specify the details in **Default Print Title** and save screen

To record **POS transaction**,

Go to **Gateway of Tally > Accounting Vouchers > F8: Sales**

- ❑ Select **name** of the POS Invoice
- ❑ Enter details of the voucher
- ❑ Save screen

Accounting Voucher Creation		Universal Enterprises		Ctrl + M		
<b>POS Invoice</b> No. 1		Voucher Class : POS - Excl. of Tax		4-Apr-2008 Friday		
Location : <b>Main Location</b>		Party's A/c Name : <input type="checkbox"/> Not Applicable				
Name of Item	Quantity		Rate per Disc %	Amount		
	Actual	Billed				
Fair & Lovely - 50g	2 Nos	2 Nos	36.00 Nos		72.00	
Nivea Body Lotion - 100ml	11 Nos	10 Nos	110.00 Nos		1,100.00	
Cinthol - 100g	5 Nos	5 Nos	19.00 Nos 1 %		94.05	
Imperial Leather Soap - 150g	6 Nos	6 Nos	150.00 Nos 5 %		855.00	
Lux International - 75g	10 Nos	10 Nos	14.00 Nos		140.00	
Lux Face Wash - 25ml	2 Nos	2 Nos				
					2,261.05	
VAT @ 4%			4 %		9.36	
VAT @ 12.5%			12.50 %		146.50	
Rounding Off					(-)0.91	
					2,416.00	
Credit/Debit Card Payment: <b>Citibank Credit Cards</b>		2,000.00	Card No	: 5046422500375487		
Cash	: Cash	416.00	Cash Tendered :	450.00	Balance :	34.00
Narration :						

Figure 4.10 POS Invoice

To view **POS Register**,

Go to **Gateway of Tally > Display > Account Books > POS Register**

You can view the sales made through Gift Vouchers, Credit/Debit Card Payment, Cheque, Cash and Total details.



## Lesson 5: Why Tally is the best for advanced Inventory Management?

Tally.ERP 9 provides you the capability to record inventory transactions without changing the way you do your business. It provides predefined Inventory vouchers to suit your business requirements besides allowing you to create userdefined voucher types and flexibility to track your inventory at any point/stage/process and numerous other features.

Following are the some of salient features, which makes Tally.ERP 9 best for advanced inventory management.

- ❑ Stock Query
- ❑ Multiple Warehouses / Locations:
  - ❑ Sub-Godowns
  - ❑ Stock transfers to Godowns
- ❑ Multiple Stock Valuation
- ❑ Batch-wise / Lot-wise & Expiry Date Handling
- ❑ Sales and Purchase Order Processing
- ❑ Tracking Inventory
- ❑ Rejection In and Rejection Out
- ❑ Additional Costs Incurred on Purchase
- ❑ Unlimited Stock Item Classification
- ❑ Bill of Materials
- ❑ Tracking Additional Cost of Manufacturing
- ❑ Job Costing
- ❑ Stock Ageing Analysis
  - ❑ Batch Related Stock Ageing
- ❑ Price List with Multi Price levels
- ❑ Reorder Levels
- ❑ Movement Analysis (Partywise/ Itemwise/ Stock Groupwise)
- ❑ Profitability Analysis (Stock Groupwise / Stock Itemwise / Invoicewise / Locationwise)

## 5.1 Stock Query

Stock query offers an option for the user to get a good idea of what is the stock position of a particular item as well as items that belong to the same category or group. The stock query report displays not only the item but also items within the same category or group. It displays the Stock Item details such as closing stock quantities and value and also in which Godown it is available, standard selling price, Last purchase and sale quantity and prices, batch details. The user can configure the screen to show remarks also.

In **F12: Configure** screen of the Stock Item, activate all the related parameters to **Yes** as shown

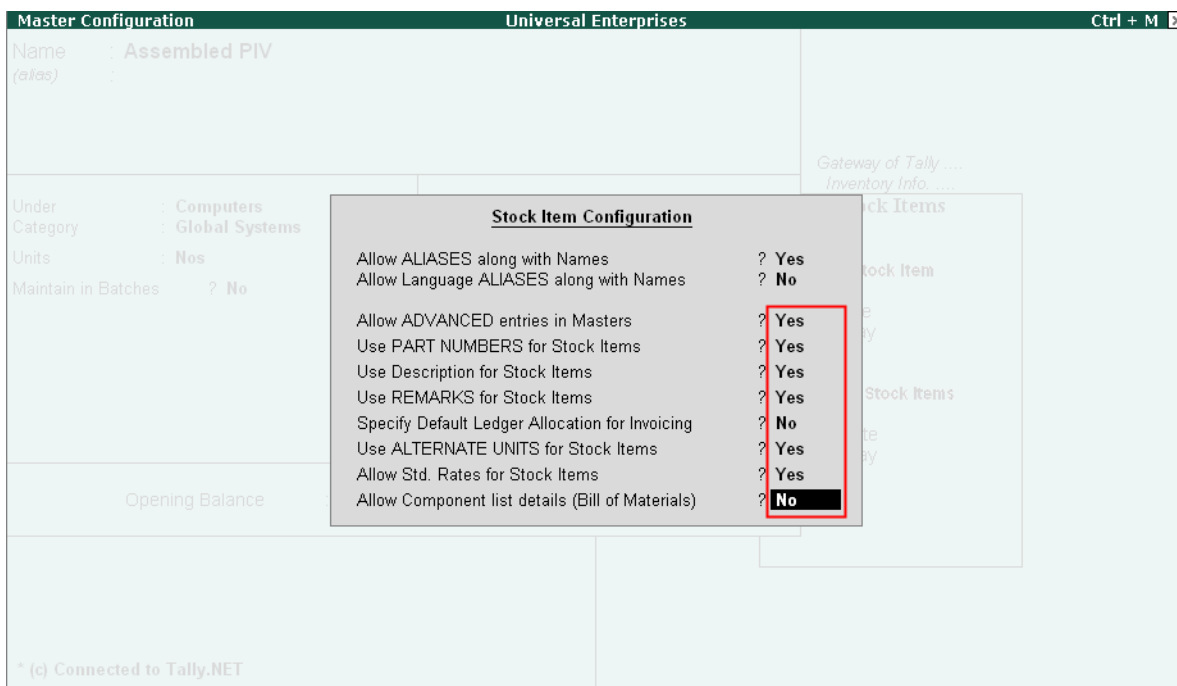


Figure 5.1 Stock Item Master - F12 Configuration

Enter the required details in the stock item alteration screen as shown here.

Stock Item Alteration		Universal Enterprises		Ctrl + M	
Name	: <b>Pentium - IV Processor</b>	Part No.	: <b>PIV-IntPro-012</b>		
(alias)	: PIV Intel Processor Dual Core	(alias)	: <b>Intel 64bit Processor</b>		
Description : <b>Dual Core Processor for Desktops</b>					
Remarks : Processor for current & future 64bit computing needs					
Under	: <b>Components</b>	<b>Tax Information</b>		<b>Behaviour</b>	
Category	: <b>Consumables</b>	Tariff Classification	: <input type="checkbox"/> <b>Not Applicable</b>	Costing Method	: <b>Avg. Cost</b>
Units	: <b>Nos</b>	Rate of Duty (eg 5)	: <b>0</b>	Market Valuation Method	: <b>Avg. Price</b>
Alternate Units	: <input type="checkbox"/> <b>Not Applicable</b>			Ignore Diff. due to Physical Counting	? <b>No</b>
Maintain in Batches	? <b>No</b>			Ignore Negative Balances	? <b>No</b>
Alter Standard Rates	? <b>No</b>			Treat all Sales as New Manufacture	? <b>No</b>
				Treat all Purchases as Consumed	? <b>No</b>
				Treat all Rejections inward as Scrap	? <b>No</b>
Opening Balance		<b>Quantity</b>	<b>Rate per</b>	<b>Value</b>	
		: <b>████████</b>			

Figure 5.2 Stock Item Master

To view **Stock Query Report**,

Go to **Gateway of Tally > Display > Statements of Inventory > Stock Query**

- Select **Item** from **List of Items**, the **Stock Query** report will appear

Location / Batch Details			Items of the same Category			
Location	Batch	Quantity	Item Name	Quantity	Cost	Sale Price
Stores	Primary Batch	0 Nos	Floppy Drive	0 Nos	218.07	
			Hard Disk	0 Nos	4,051.33	
			Monitor	0 Nos	3,058.55	
			Mother Board	0 Nos	5,057.11	
			Pentium - IV Processor	0 Nos	3,609.16	
			USB Pen Drives 64 MB	1 Nos	1,524.71	1,500.00
			Wireless Keyboard	1 Nos	692.45	3,246.00
			Wireless Mouse	1 Nos	356.06	600.00
<i>Total</i>			<i>Total</i> <u>3 Nos</u>			

Figure 5.3 Stock Query Report

- ❑ Select **F4 (Item)** to change to another item or use arrow keys to move to the category pane to select another item displayed

The **Stock Query** report provides you all details of closing balances & value, cost, standard and last sale prices, purchase costs and dates. In addition, activate these parameters in **F12: Configure** to see details like Remarks, Part No with alias;

- ❑ **Show Related items of same Group to Yes**
- ❑ **Show all Aliases of the item to Yes**
- ❑ **Show Remarks of the item to Yes**

## 5.2 Multiple Warehouses / Locations

A Warehouse/Godown is a place where stocks/materials are stored. It could be either locations or even Storage racks. Your company could be maintaining multiple warehouses/godowns and hence would require stock statements for the individual warehouses. Tally.ERP 9 offers you the capability of maintaining multiple Godowns/Locations (Warehouses). It allows you to create multiple Godowns (warehouses) and at the time of accounting an inventory transaction (sales, purchase, stock Journal etc), you can specify Godowns for stock items to be stored or despatched.

**For Example.**, if you enter a purchase transaction, you will have to specify the Godown where the item will be stored and in the similar manner while entering a sales transaction, you will have to specify the godown from where the goods are issued. Tally.ERP 9 also allows you to transfer materials from one godown to another. You can view stock reports for a godown or compare a godown with another and also get a consolidated stock report.

You can also create godowns to keep track of items issued for job works / Sub-contracts and record the items issued to and received from job works. Each Job Work / Sub-Contract is treated as a godown. You can also track the third party stocks viz., details of stocks sent, consumed and balance lying with the Job Work Godown.

To Enable **Multiple Godowns**,

- Press **F11: Inventory Features**, set **Maintain Multiple Godowns** to **Yes**

To create a **Godown**,

Go to **Gateway of Tally > Inventory Info. > Godowns > Create**

- Enter **godown Name** and other details
- Save screen

To view **Godown Summary Report**,

Go to **Gateway of Tally > Display > Statements of Inventory > Godowns**

- Select any **Godown** or **Primary** from the **List of Godowns**
- Tally.ERP 9 displays **Stock Summary** for that particular **Godown**

Godown Summary		Universal Enterprises		Ctrl + M
Particulars	Universal Enterprises			
	1-Apr-2008 to 31-Mar-2009			
	Closing Balance			
	Quantity	Rate	Value	
<b>Defective Goods Stores</b>	61 Nos	11.80	720.00	
Accessories	6 Box	120.00	720.00	
Computers	1 Nos			
<b>Main Location</b>			13,08,465.75	
IMFL	20 Lts	400.00	8,000.00	
Timber	200 MT	6,364.83	12,72,965.75	
Timber - OTFL	100 MT	275.00	27,500.00	
<b>Stores</b>	792 Nos	62.68	49,645.98	
Accessories	735 Nos	20.51	15,072.76	
Components	3 Nos	857.74	2,573.22	
Defective Items	5 Box	120.00	600.00	
Dot Matrix Printers	2 Nos	7,000.00	14,000.00	
Laser Jet Printers	2 Nos	8,700.00	17,400.00	
<b>Grand Total</b>	<b>853 Nos</b>		<b>13,58,831.73</b>	

Figure 5.4 Godown Summary Report

Tally.ERP 9 allows you to compare multiple Godowns. To compare **Godowns**,

Go to **Gateway of Tally > Display > Statements of Inventory > Godowns**

- ❑ Select any **Godown** from the **List of Godowns**
- ❑ Press **New Column (Alt + C)**
- ❑ Select another **godown** from **List of Godowns**, Tally.ERP 9 now displays **Godowns** details in a columnar format
- ❑ Or you may also press **Alt+N** and select **Godowns** from **Column Details** drop down
- ❑ Set **Total Column** to **Yes**

Tally.ERP 9 displays all Godowns in columnar format and also displays total column.

Godown Summary										Universal Enterprises			Ctrl + M
Particulars	Main Location Universal Enterprises 1-Apr-2008 to 31-Mar-2009			Office Universal Enterprises 1-Apr-2008 to 31-Mar-2009			Stores Universal Enterprises 1-Apr-2008 to 31-Mar-2009						
	Closing Balance			Closing Balance			Closing Balance						
	Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value				
	← ... 3 more								1 more ... →				
<b>Accessories</b>									<b>735 Nos</b>	<b>20.51</b>	<b>15,072.76</b>		
CDROM Disks 100s									5 Box	450.00	2,250.00		
CDROM Disks 10s									(-)3 Box	162.92	(-)488.75		
CDROM Jackets									5 Box	15.00	75.00		
Dust Covers									75 Nos	36.96	2,772.32		
Floppy Disk									4 Box	100.00	400.00		
KeyBoard									10 Nos	550.00	5,500.00		
Mouse									10 Nos	400.00	4,000.00		
Mouse Pad									80 Nos	7.05	564.19		
<b>Components</b>									<b>3 Nos</b>	<b>857.74</b>	<b>2,573.22</b>		
USB Pen Drives 64 MB									1 Nos	1,524.71	1,524.71		
Wireless Keyboard									1 Nos	692.45	692.45		
Wireless Mouse									1 Nos	356.06	356.06		
<b>Computers</b>													
IBM													
<b>Defective Items</b>									<b>5 Box</b>	<b>120.00</b>	<b>600.00</b>		
CDROM Disks 10s - Defective									5 Box	120.00	600.00		
<b>Dot Matrix Printers</b>									<b>2 Nos</b>	<b>7,000.00</b>	<b>14,000.00</b>		
TVS MSP 245 132 Col Printer									1 Nos	8,100.00	8,100.00		
TVS MSP 245 80 Col Printer									1 Nos	5,900.00	5,900.00		
IMFL	20 Lts	400.00	8,000.00										
<b>Laser Jet Printers</b>									<b>2 Nos</b>	<b>8,700.00</b>	<b>17,400.00</b>		
HP Laserjet 1010 Series									1 Nos	9,200.00	9,200.00		
Samsung Laserjet 1500									1 Nos	8,200.00	8,200.00		
Timber	200 MT	6,364.83	12,72,965.75										
<b>Grand Total</b>			<b>13,08,465.75</b>						<b>792 Nos</b>		<b>49,645.98</b>	1 more ... ↓	

Figure 5.5 Comparative Godown Summary

### 5.3 Sub-Godowns

Using Tally.ERP 9, you can create Sub-Godowns (multiple levels of Godowns). While creating sub-Godowns you have to specify name and the parent Godown under which it has to be created. Tally.ERP 9 also allows you to create Virtual Godowns. Virtual Godowns do not allow storage of materials. They are useful when a city has more than one warehouse Godowns, e.g. in a city where you have 2 warehouses you can have Godown such as Jayanagar or Indiranagar and Bangalore being the city is setup as Godown where **Allow Storage of Material** is set to **No**. In this case, Bangalore is a virtual godown, logically as it does not exist, but still you can generate a stock statement for Bangalore godown.

## 5.4 Stock transfers to Godowns

Tally.ERP 9 allows you to transfer materials from one Godown to another. The transfer of materials is done using Stock Journals. Tally.ERP 9 also provides you the facility to create voucher class, which help in simplifying the transfer of materials between godowns.

To transfer materials (**Stock Transfer**),

Go to **Gateway of Tally > Inventory Vouchers > Alt+F7 (Stock Journal)**

- Select **Stock Item** in **Source column** and the **Godown particulars**
- Select **Stock Item** and **Godown particulars** in **Destination column**

To transfer materials using **Voucher Classes**,

### Step 1: Create Voucher Class

Go to **Gateway of Tally > Accounts Info./Inventory Info. > Voucher Types > Alter**

- Select **Stock Journal**, tab down to **Name of Class** field and specify **Class** name (e.g. **Godown Transfer**)
- Set **Use Class for Inter-Godown Transfers** to **Yes**

### Step 2: Create Stock Transfer Journal Voucher

Go to **Gateway of Tally > Inventory Vouchers > Alt+F7 (Stock Journal)**

- Select **Godown Transfer Class** from **Voucher Class** List
- Select **Destination Godown** details, stock items, Source Godown



Inventory Voucher Alteration (Secondary)		Universal Enterprises			Ctrl + M
<b>Stock Journal</b> No. 2		Voucher Class : Godown Transfer			1-May-2008 Thursday
Transfer of Materials (Inter- Godown )					
Destination Godown : Defective Goods Stores					
Name of Item	Godown	Quantity	Rate	Amount	
CDROM Disks 10s	Stores	1-0 Box	265.00/Box	265.00	
		1-0 Box		265.00	
Narration: Defective 1 BOX of CDROM 10s replaced with Free 1 box CDROM Disks 10s					

Figure 5.6 Transfer of Materials using Voucher Class

## 5.5 Multiple Stock Valuation

In Tally.ERP 9, you can evaluate the value of inventories using multiple Stock Valuation methods viz., Average Cost, Average price, Last Purchase cost, Last Sales price, FIFO etc. Tally.ERP 9 offers you the flexibility to have different stock valuation methods for every item or the entire stock of the company which is valued based on the specific type of costing method, chosen at the time of reporting. The user is allowed to view different methods of stock valuations in multiple columns.

To set **Valuation Method** for a stock item,

Go to **Gateway of Tally > Inventory Info. > Stock Items > Alter**

- ❑ Select the **Stock Item**
- ❑ Press **F12: Configure** and set **Allow ADVANCED entries in Masters** to **Yes**
- ❑ In **Stock Item Alteration**, specify the required **Costing Method**

To view Stock Summary in different **Valuation Methods**,

Go to **Gateway of Tally > Stock Summary**

- ❑ Select **Auto Column (Alt+N)** and select the required **Stock valuation** methods in **Auto repeat columns**.

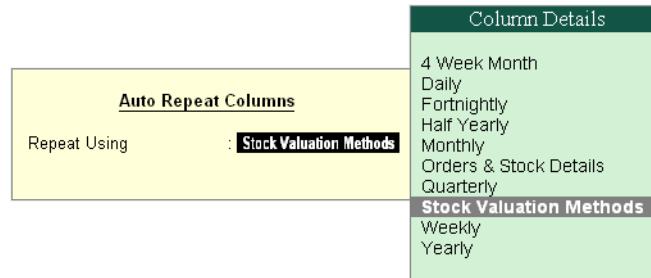


Figure 5.7 Stock Valuation Methods selection

The Stock Summary report will now display value of inventories in different Stock Valuation Methods,

Stock Summary										Universal Enterprises			Ctrl + M		
Particulars	Universal Enterprises 1-Apr-2008 to 31-Mar-2009 Default			Universal Enterprises 1-Apr-2008 to 31-Mar-2009 FIFO			Universal Enterprises 1-Apr-2008 to 31-Mar-2009 LIFO Perpetual								
	Closing Balance			Closing Balance			Closing Balance								
	Quantity	Rate	Value	Quantity	Rate	Value	Quantity	Rate	Value						
										8 more ... →					
<b>Accessories</b>	<b>795 Nos</b>	<b>19.87</b>	<b>15,792.76</b>	<b>795 Nos</b>	<b>19.67</b>	<b>15,641.25</b>	<b>795 Nos</b>	<b>19.69</b>	<b>15,656.25</b>						
CDROM Disks 100s	5 Box	450.00	2,250.00	5 Box	450.00	2,250.00	5 Box	450.00	2,250.00						
CDROM Disks 10s	3 Box	77.08	231.25	3 Box	77.08	231.25	3 Box	77.08	231.25						
CDROM Jackets	5 Box	15.00	75.00	5 Box	15.00	75.00	5 Box	15.00	75.00						
Dust Covers	75 Nos	36.96	2,772.32	75 Nos	35.00	2,625.00	75 Nos	35.16	2,637.20						
Floppy Disk	4 Box	100.00	400.00	4 Box	100.00	400.00	4 Box	100.00	400.00						
KeyBoard	10 Nos	550.00	5,500.00	10 Nos	550.00	5,500.00	10 Nos	550.00	5,500.00						
Mouse	10 Nos	400.00	4,000.00	10 Nos	400.00	4,000.00	10 Nos	400.00	4,000.00						
Mouse Pad	80 Nos	7.05	564.19	80 Nos	7.00	560.00	80 Nos	7.04	562.80						
<b>Components</b>			<b>2,573.22</b>			<b>2,550.00</b>			<b>2,150.00</b>						
USB Pen Drives 64 MB	1 Nos	1,524.71	1,524.71	1 Nos	1,500.00	1,500.00	1 Nos	1,200.00	1,200.00						
Wireless Keyboard	1 Nos	692.45	692.45	1 Nos	700.00	700.00	1 Nos	600.00	600.00						
Wireless Mouse	1 Nos	356.06	356.06	1 Nos	350.00	350.00	1 Nos	350.00	350.00						
<b>Computers</b>	<b>1 Nos</b>			<b>1 Nos</b>			<b>1 Nos</b>								
IBM	1 Nos			1 Nos			1 Nos								
<b>Defective Items</b>			<b>600.00</b>			<b>600.00</b>			<b>600.00</b>						
CDROM Disks 10s - Defective	5 Box	120.00	600.00	5 Box	120.00	600.00	5 Box	120.00	600.00						
<b>Dot Matrix Printers</b>			<b>14,000.00</b>			<b>14,000.00</b>			<b>14,000.00</b>						
TVS MSP 245 132 Col Printer	1 Nos	8,100.00	8,100.00	1 Nos	8,100.00	8,100.00	1 Nos	8,100.00	8,100.00						
TVS MSP 245 80 Col Printer	1 Nos	5,900.00	5,900.00	1 Nos	5,900.00	5,900.00	1 Nos	5,900.00	5,900.00						
<b>Laser Jet Printers</b>			<b>17,400.00</b>			<b>17,400.00</b>			<b>17,400.00</b>						
HP Laserjet 1010 Series	1 Nos	9,200.00	9,200.00	1 Nos	9,200.00	9,200.00	1 Nos	9,200.00	9,200.00						
Samsung Laserjet 1500	1 Nos	8,200.00	8,200.00	1 Nos	8,200.00	8,200.00	1 Nos	8,200.00	8,200.00						
IMFL	20 Lts	400.00	8,000.00	20 Lts	400.00	8,000.00	20 Lts	400.00	8,000.00						
Main Location	20 Lts	400.00	8,000.00	20 Lts	400.00	8,000.00	20 Lts	400.00	8,000.00						
<b>Grand Total</b>			<b>13,58,831.73</b>			<b>12,87,566.25</b>			<b>14,81,806.25</b>			4 more ... ↓			

Figure 5.8 Stock Summary with Different Valuation Methods

## 5.6 Batch-wise / Lot-wise & Expiry Date Handling

Tally.ERP 9 allows you to specify the Batch/Lot details for stock items in order to identify and track the required inventory, as and when required for any kind of reference/verification/sale/query and so on. It also allows you to specify the expiry dates and manufacturing dates for stock items. This feature is extremely useful in Pharmaceutical, Chemical, Food and other industries which deal in perishable / life saving items. Additionally, you can ensure that expiry date items are not available for invoicing.

### Step 1: Enable Batchwise Details

To enable Batchwise details for Stock Items,

Go to **Gateway of Tally > F11: Inventory Features**

- Set **Maintain Batch -wise details** to **Yes**
- Enable **Set Expiry Dates for Batches** to **Yes** (if required)

### Step 2: Create Batchwise Details

To specify Batchwise details for Stock Items,

Go to **Gateway of Tally > Inventory Info. > Stock Item > Create/Alter**

- Specify **Stock Item Name** and other details
- Set **Maintain in Batches** to **Yes**
- Set **Track Date of Mfg** to **Yes**
- Set **Use expiry dates** to **Yes**
- Enter Opening balance with Batch & Rate details

### Step 3: Create Vouchers using Batchwise

To create voucher using **Batchwise details**, for example, while entering **Purchase entry**,

- Select the **Stock Item**
- Specify the **Batch No.**, **Mfg Date** and **Expiry Date** details

### Step 4: Batchwise Reports

To view Stock Reports with **Batchwise details**,

Go to **Gateway of Tally > Stock Summary**

- Press **F12: Configure**, set **Expand all levels in Detailed Format** to **Yes** and save the screen
- Press **Alt + F1** for detailed mode, Tally.ERP 9 displays all stock items along with their batch details

### Step 5: Expiry Reports

To view Stock Reports with **Expiry dates**,

Go to **Gateway of Tally > Display > Inventory Books > Ageing Analysis**

- ❑ Select **stock group** and press **Enter**
- ❑ The **Stock Ageing Analysis** report displays stocks with expiry date particulars

## 5.7 Sales and Purchase Order Processing

Tally.ERP 9 facilitates Order processing right from placing the order for supply of materials and receiving an order from the customers. It provides all the required vouchers, features and options to process Purchase Orders as well as Sales Orders. Using the Order Processing functionality of Tally.ERP 9, you can also generate reports for outstanding purchase and sales orders. You may also e-mail the PO to suppliers from within Tally.ERP 9 using e-mail option.

### Step 1: Enable Order Processing

To enable **Order Processing**,

Go to **Gateway of Tally > F11: Inventory Features**

- ❑ Set **Allow Purchase Order Processing** to **Yes**
- ❑ Set **Allow Sales Order Processing** to **Yes**

### Step 2: Create Purchase Order

Go to **Gateway of Tally > Inventory Vouchers > Alt+F4 (Purc Order)**

- ❑ Select **Party's Name** from **List of Ledger** Accounts
- ❑ Enter **Order No.**
- ❑ Select **Stock Item, Quantity, Rate** details

Similarly, you can also create Sales Orders for orders received from Customers, by pressing (**Alt+F5**) voucher entry screen.

### Step 3: View Order Summary Report

To view **Order Summary** Reports,

Go to **Gateway of Tally > Display > Statements of Inventory > Purchase Order Summary / Sales Order Summary**

- ❑ Press **Enter** to view **Purchase Order / Sales Order** details
- ❑ Click **F7 (Due only)** in overdue order details

- Click **F4** to view orders of other items.

## 5.8 Tracking Inventory

Generally, Invoices are sent along with the goods sold. However, there are certain instances, where the goods are despatched first and then the invoices are sent later or vice versa. In such cases, the stocks balances are not updated simultaneously with the books of accounts. Tally.ERP 9 provides facility to use tracking numbers, wherein you can enter **Receipt Note** and **Delivery Notes** with tracking numbers and track the receipt and despatch of goods.

Although these vouchers do not affect your accounts they are displayed in the Profit and Loss A/c under the heading **Purchase Bills to Come** under Purchase Accounts and **Sales Bills to Make** under **Sales Accounts**.

### Step 1: Enable Tracking Numbers

To enable **Tracking Numbers**,

Go to **Gateway of Tally > F11: Inventory Features**

- Set **Use Tracking Numbers (Delivery/Receipt Notes)** to **Yes**

### Step 2: Enter Tracking Numbers

To record **Receipt Note** with **Tracking Numbers**,

Go to **Gateway of Tally > Inventory Info. > Alt+F9 (Receipt Note)**

- Select **Party's Name** from **List of Ledger Accounts**
- Select **Stock Items** & specify **Qty**
- Specify **Tracking Number(s)**
- Complete voucher by entering all other details

In case of **Delivery Note**, press **Alt+F8** and follow the same steps (as explained above) and recall tracking nos. while raising invoices

### Step 3 : View Bills Pending Report

To view **Sales Bills Pending** Report,

Go to **Gateway of Tally > Display > Statements of Inventory > Sales Bills Pending**

Sales Bills Pending			Universal Enterprises		Ctrl + M
Sales Bills Pending			1-Apr-2008 to 31-Mar-2009		
Date	Tracking Number	Name of Item	Pending Quantity	Rate	Value
<b>Goods Delivered but Bills not Made :</b>					
25-Feb-2009	12144	<b>Assembled PIV</b>	<b>15 Nos</b>	25,000.00	3,75,000.00
<i>Primary Batch Assembly Floor</i> <i>To: Silverplus Computers</i>					
25-Feb-2009	Sale 108	(-)20 Nos @		25,000.00	
25-Feb-2009	Sale 109	(-)10 Nos @		22,000.00	
25-Feb-2009	Delv Note 72	20 Nos @		22,000.00	
25-Feb-2009	Delv Note 73	25 Nos @		22,000.00	
			<b>15 Nos</b>		<b>3,75,000.00</b>

Figure 5.9 Sales Bills Pending Report

The report shows information on Goods despatched but sales invoices not generated.

## 5.9 Rejection In and Rejection Out

Materials that you purchase or sell might be returned due to damages or other reasons. Tally.ERP 9 handles rejections from the customers or to the supplier with the help of **Rejections In** (Sales returns) and **Rejections Out** (Purchase returns) Vouchers. These rejection entries update only the inventory books.

But in some cases, you would like to scrap those materials which are **Rejected In** (i.e. Sales returns), in such cases you can activate **Treat all Rejection Inwards as Scrap** to **Yes**, during stock item creation / Alteration screen.

To Enable **Rejection Inward/Outward Notes**,  
 Go to **Gateway of Tally > F11: Inventory Features**,

- Set **Use Rejection Inward/Outward Notes** to **Yes**

To create **Rejection Inwards Note**,

Go to **Gateway of Tally > Inventory Vouchers > Ctrl+F6 (Rej In)**.

- ❑ Select the required **Ledger** Account
- ❑ Select **Party** Ledger
- ❑ Select the **Stock Item** (rejected / returned)
- ❑ Select the respective **Tracking Number**
- ❑ Enter the **Qty** and other details

Similarly, you can enter **Rejection Outwards** by selecting **Alt+F6 (Rej Out)** in Inventory Voucher entry screen and follow the same steps as explained above.

## 5.10 Additional Costs Incurred on Purchase

When you make a purchase, you may incur additional expenses like freight, handling charges, taxes and so on. This cost is also referred to as **Landed Cost**, Tally.ERP 9 allows you to add these costs to the value of the product during voucher entry or later. These expenses are sometimes included in the Supplier Invoice or directly borne by the buyer, in such cases you have to book these expenses in order to ascertain the landed cost of the product and ultimately which will help in determining the Item pricing and your margin. In Tally.ERP 9, you may book additional cost incurred on purchases in two ways :

### **Method 1 :**

#### **Step 1: Enable Additional Cost of Purchase**

To enable **Additional Cost of Purchase**,

Go to **Gateway of Tally > F11: Inventory Features**

- ❑ Set **Track additional cost of purchase** to **Yes**

#### **Step 2: Book Additional Cost of Purchase**

To enter **Additional Cost of Purchase**,

Go to **Gateway of Tally > Accounting Vouchers > F9 (Purchase - As Voucher)**

- ❑ Select an **item**
- ❑ Specify **Qty & Rate** details and press **Enter**

Tally.ERP 9 prompts for **Additional Cost Details for** screen for the Stock Items

Additional Cost Details for : HCL PIV		
Type of Cost	%-age	Amount
Freight Outwards		250.00
Assembling Charges		500.00
		750.00

Figure 5.10 Additional Cost of Purchase

- ❑ Select **Expenses ledgers** like Freight, Packing and enter their rates
- ❑ Save the voucher

**Method 2:**

At times, it may happen that you have completed the purchases entry and want to book additional costs later. In such cases, follow the steps given below :

Go to **Gateway of Tally > Accounts Info. > Ledgers > Create**

- ❑ In the Ledger Master creation screen, set **Inventory values are affected** to **Yes**

To book **Additional Cost of Purchase**

Go to **Gateway of Tally > Accounting Vouchers > F5 (Payment)**

- ❑ Select additional costs **Ledger Account** (e.g. Customs Duty, Taxes, Freight etc)
- ❑ Select the required **Stock Item**
- ❑ **Enter** value for Amount in **Item Allocations** screen
- ❑ Select other stock items and follow the same process

The above process automatically updates the value of the stock item.



To view **Report**,

If you wish to view the additional cost details for stock items for purchases

Go to **Gateway of Tally > Display > Inventory Books > Movement Analysis > Stock Item Analysis**

- Select **Stock Item** from **List of Items**, Tally.ERP 9 displays details of item purchased
- Press **Enter** to drill down to get information on Qty, Basic Rate & Value, Additional cost, total value and effective rate etc.

## 5.11 Unlimited Stock Item Classification

Tally.ERP 9 provides the flexibility to maintain unlimited stock item classification for your inventories. depending upon your nature of business / needs. If you are a manufacturing concern, you may primarily require three broad classifications of the Stocks Groups i.e., Raw Materials, Work-in-Progress & Finished Goods.

Depending upon the nature of business, you may create any number stock groups and classify stock items under them at point of time. When **Integrate Accounts with Inventory** is enabled, the closing values of inventories under each of the stock groups are automatically reported in the financial statements. However, If you have not opted to **Integrate Accounts with Inventory**, you can create Ledgers as Raw Materials, Work-in-Progress and Finished Goods Stock-in-Hand group and generate balance sheet as of a particular date.

## 5.12 Bill of Materials

In many segments of the industries, especially in Manufacturing/Assembling organisations, there are number of components/inputs/spares that go into the manufacturing/assembling of finished Goods. Each process of manufacturing of raw materials to finished goods / intermediate goods comprises of a **List of components** known as **Bill of Materials (BoM)** containing the list of components involved in the manufacturing/assembling of the finished goods. In Tally.ERP 9, you can create a bill of materials and specify the list of items (alongwith the Godown and Quantity details) that are required for manufacturing the finished / intermediate product.

Once, the Bill of materials is created, you can use Manufacturing Journal and specify the quantity of finished goods that are to be manufactured. Tally.ERP 9, immediately selects all items required to manufacture the finished product and automatically adjusts (decreases) the stocks. You can also enter additional costs like wages, power, water charges etc, to the cost of the items used in manufacturing.

To enable **Bill of Materials (BoM)**,

Go to **Gateway of Tally > Inventory Info. > Stock Item > Create**

- Press **F12: Configure**, set parameter **Allow Component list details (Bill of Materials)** to **Yes**

To create **Bill of Materials (BoM)**,

- ❑ From the above **Stock Item Creation** screen,
- ❑ Specify **Stock Item Name, Units of Measure** and other details
- ❑ Set **Alter Components (BoM)** to **Yes**
- ❑ Select all Stock Items required /used for manufacture / assembly of the finished product along with Godown and Quantity details
- ❑ Save the screen

To create **Manufacturing Journal Voucher**,

Go to **Gateway of Tally > Inventory Vouchers > Alt+F7 (Stk Jrnl)**

- ❑ Select **Mfg Journal**
- ❑ Select the **name** of the finished product to be manufactured / assembled
- ❑ Select the **Godown / Stores** and specify the **Qty**

Tally.ERP 9 automatically picks up all stock items to manufacture the finished product with their costs. You can also add additional manufacturing costs like labour, power, fuel, water charges etc.

Inventory Voucher Creation				Universal Enterprises		Ctrl + M	
<b>Mfg Journal</b> No. 23						24-Mar-2009 Tuesday	
<b>Manufacture of Materials</b>							
Name of Product : <b>Assembled PIV</b>				Godown: <b>Assembly Floor</b>		Qty <b>20 Nos</b>	
Batch Name :				Mfg Dt.:		Expiry :	
Components (Consumption)				Cost of Components :		17,521.00/Nos 3,50,420.00	
Name of Item	Godown	Quantity	Rate	Amount	Type of Addl. Cost	%-age	
<b>Wireless Mouse</b>	Stores	20 Nos	350.00/Nos	7,000.00	Assembling Charges	1.15%	2,222.72
<b>Wireless Keyboard</b>	Stores	20 Nos	700.00/Nos	14,000.00			
<b>Monitor</b>	Stores	20 Nos	3,000.00/Nos	60,000.00			
<b>Hard Disk</b>	Stores	20 Nos	4,000.00/Nos	80,000.00			
<b>Floppy Drive</b>	Stores	20 Nos	200.00/Nos	4,000.00			
<b>Mother Board</b>	Stores	20 Nos	5,000.00/Nos	1,00,000.00			
<b>Pentium - IV Processor</b>	Stores	20 Nos	3,500.00/Nos	70,000.00			
<b>Mouse Pad</b>	Stores	10 Nos	7.00/Nos	70.00			
<b>USB Pen Drives 64 MB</b>	Stores	10 Nos	1,500.00/Nos	15,000.00			
<b>Dust Covers</b>	Stores	10 Nos	35.00/Nos	350.00			
				<b>Total Addl. cost</b>	:		2,222.72
				<b>Effective Cost</b>	:		3,52,642.72
				<b>Effective Rate</b>	:		17,632.14/Nos
				170 Nos			3,50,420.00
Narration: Being PIV Computers Assembled.							

Figure 5.11 Manufacturing Journal with Bill of Materials

Tally.ERP 9 displays the total additional cost, effective cost and the effective rate for each finished product.



To create **Manufacturing Journal Voucher Type**,

Go to **Gateway of Tally > Inventory Info. > Voucher Types > Create**

- ❑ Specify **Name of the Journal (Mfg Journal)** and other details.
- ❑ Set parameter **Use as a Manufacturing Journal to Yes**

### 5.13 Tracking Additional Cost of Manufacturing

When you manufacture a product, you have to consider certain other costs like water charges, wages and electricity in addition to the cost of the component, which are added to the product cost during the process of manufacturing. In Tally.ERP 9, you can record additional costs in % or as notional value to the product cost, while entering a manufacturing Journal.

To track **Additional Costs of manufacturing**, create a **Manufacturing Journal** with BoM in the manner, as explained in the previous section.

### 5.14 Job Costing

Tally.ERP 9 facilitates tracking of cost and revenue information down to the smallest detail for any Job Work/contract undertaken or outsourced to third parties. In order to ascertain the actual costs incurred for each job, each job is assigned a job number or Job name and then Job costing systems accumulate costs separately for each product or service, based on the jobs/tasks undertaken or materials consumed, for each such product or service. In Tally.ERP 9 each Jobwork / sub-contract is created as **Godown** and **Cost Centres** are deployed to accumulate Cost / revenue for each job.

You can use Stock Journals to transfer materials from your company's godown(s) to job workers / sub-contractors location and track the consumption of goods sent for processing. This helps to keep track of the materials issued and consumed at the job work units. Additionally, you can also account for costs incurred using purchase / payments / journal vouchers.

To Enable **Job Costing in Tally.ERP 9**,

Go to **Gateway of Tally > F11: Accounting Features**

- ❑ Set **Use Cost Centres for Job Costing** to **Yes**
- ❑ Set **More than ONE Payroll / Cost Category** to **Yes** (*if required*)

To use **Job Costing Feature in Tally.ERP 9**, follow the steps given below :

### **Step 1: Create Cost Centres for Job Costing**

Go to **Gateway of Tally > Accounts Info > Cost Centres > Create**

- ❑ Enter the **name** of the **Cost Centre** in the **Name** field
- ❑ In the **Under** field, select **Primary** from the **List of Options**
- ❑ Set the option **Use for Job Costing** to **Yes**. (This cost centre will then be available in the drop down for the Job Work Analysis report)
- ❑ Save the screen

### **Step 2: Create Godowns for Job Costing**

Go to **Gateway of Tally > Inventory Info. > Godowns > Create**

- ❑ In the **Godown Creation** screen,
  - **Allow Storage of Materials** is automatically set to **Yes**
  - Select the required **Cost Centre** from the **list of Cost Centres**, in the **Set Job/Project Name for Job Costing** field
- ❑ Save to accept



To enable **Multiple Godowns in Tally.ERP 9**,

- ❑ Go to **Gateway of Tally > F11 : Inventory Features > Set Maintain Multiple Godowns to Yes**

### **Step 3: Create Ledgers for Job Costing**

Go to **Gateway of Tally > Inventory Info. > Ledgers > Create**

- ❑ Enter the **name** of the **Ledger**
- ❑ Specify the **Group Name** in the **Under** field
- ❑ Set **Cost Centres are applicable** to **Yes**

- Enter other details and save to accept

#### **Step 4: Create Stock Journal Voucher Class for transfer and consumption**

Go to **Gateway of Tally > Accounts / Inventory Info. > Voucher Types > Alter**

- Tab down to **Name of Class** field and specify **Transfer Class** and press **Enter**
- Set **Use Class for Inter-Godown Transfers** to **Yes**, you will be prompted back to the **Name of Class** field in **Voucher Type creation/alteration** screen
- Type **Consumption Class** under **Name of Class** and press **Enter**
- Set **Use Class for Job Costing Consumption** to **Yes**
- Save screen

#### **Step 5: To create Transfer Journal Voucher**

Go to **Gateway of Tally > Inventory Vouchers > (Alt +F7) Stk Jrnl**

- Select **Transfer Class** as the **Voucher Class**
- Select **Stock Items** to be sent from company's godown in **Source** column (left side) with **Qty** details
- Specify same items and mention **Job worker's Godown** details in **Destination** column

The **Transfer of Materials** voucher will appear as shown :

Inventory Voucher Creation		Universal Enterprises			Ctrl + M
<b>Stock Journal</b>	No. 2	Voucher Class : <b>Transfer Class</b>			<b>5-Apr-2008</b> Saturday
<b>Transfer of Materials (Inter- Godown )</b>					
Destination Godown : <b>Kiln - I</b>					
Name of Item	Godown	Quantity	Rate	Amount	
<b>Clay</b>	Main Location	2,000.000 Kgs	15.00/Kgs	30,000.00	
<b>Shale</b>	Main Location	2,000.000 Kgs	18.00/Kgs	36,000.00	
		4,000.000 Kgs		66,000.00	
Narration: Being Clay & Shale transferred to Kiln -I.					

Figure 5.12 Transfer of Materials

**Step 6: To create Consumption Journal Voucher**

Go to **Gateway of Tally > Inventory Vouchers > (Alt +F7) Stk Jrnl**

- ❑ Select **Consumption Class** as the **Voucher Class**
- ❑ Select **Stock Items** consumed at the Job work **Godown** in the **Source** column with **Quantity** details

The **Consumption of Materials** voucher will appear as shown :

Source (Consumption)				Destination (Production)					
Name of Item	Godown	Quantity	Rate	Amount	Name of Item	Godown	Quantity	Rate	Amount
Clay	Kiln - II	1,000.000 Kgs	17.67/Kgs	17,670.00					
Shale	Kiln - II	1,000.000 Kgs	21.56/Kgs	21,560.00					
		2,000.000 Kgs		39,230.00					

Narration:

Figure 5.13 Consumption of Materials

**Step 7: To view Godown Summary**

Go to **Gateway of Tally > Display > Statements of Inventory > Godowns**

- Select the **Godown/Job Worker**

You can verify the stocks lying with the job worker through the Godown Summary report.

**Step 8: To Job Work Analysis Report**

Go to **Gateway of Tally > Display > Statements of Accounts > Job Work Analysis**

- Select the required **Job** and press **Enter**

Job Work Analysis		Universal Enterprises	Ctrl + M
Particulars		New Manufacturing Job Universal Enterprises 1-Apr-2008 to 30-May-2008	
<b>A. Revenue (Income) :</b>			
Sales Accounts			4,00,000.00
			4,00,000.00
<b>B. Cost (Expenses) :</b>			
Consumption			1,08,719.00
Opening Stock			
Add: Inwards		3,48,478.05	
Less: Outwards		1,37,305.00	
Less: Closing Stock		<u>38,090.90</u>	
Indirect Expenses			950.00
			1,09,669.00
<b>Nett Profit: (A - B)</b>			<u><u>2,90,331.00</u></u>

Figure 5.14 Job Work Analysis Report

You can also insert **(Alt+C)** columns to display costing report for other Jobs and compare margins/costing across jobs.

### 5.15 Stock Ageing Analysis

The Stock Ageing Analysis report is significant report, which is very useful to you to know, how fast the inventory of various stock items is moving. This allows your management to decide the production plan and its schedule. The report by default shows you the ageing period for each and every stock item, by date of purchase. However, you can select the style of ageing, by selecting the option **Ageing Style** (i.e. By date of Purchase, By Mfg date, By Expiry Date, To be expired).

You can also change the period of ageing, by selecting the **F6** option. Tally.ERP 9 provides you flexibility to specify combination of expiry date and ageing for monitoring goods of perishable nature / pharmaceutical industry.



To view **Stock Ageing Analysis** report,

Go to **Gateway of Tally > Display > Inventory Books > Ageing Analysis**

Stock Ageing Analysis		Universal Enterprises				Ctrl + M		as at 31-Mar-2009	
Items Under : <input type="checkbox"/> Primary								Valued based on Actual Purchase	
All Batches (Aged by Date of Purchase)		45 to 90 days		90 to 180 days		> 180 days		Negative Stock	
Particulars	Expiry Date	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	
↑ ... 17 more		← ... 2 more							
<b>IMFL</b>						20 Lts	8,000.00		
Main Location						20 Lts	8,000.00		
<b>KeyBoard</b>						10 Nos	5,500.00		
Stores						10 Nos	5,500.00		
<b>Mouse</b>						10 Nos	4,000.00		
Stores						10 Nos	4,000.00		
<b>Mouse Pad</b>									
Stores									
<b>Samsung Laserjet 1500</b>						1 Nos	8,200.00		
Stores						1 Nos	8,200.00		
<b>Timber</b>		50 MT	2,75,000.00						
Main Location		50 MT	2,75,000.00						
<b>Timber - OTFL</b>				100 MT	25,000.00				
Main Location				100 MT	25,000.00				
<b>TVS MSP 245 132 Col Printer</b>						1 Nos	8,100.00		
Stores						1 Nos	8,100.00		
<b>TVS MSP 245 80 Col Printer</b>						1 Nos	5,900.00		
Stores						1 Nos	5,900.00		
<b>USB Pen Drives 64 MB</b>									
Stores									
<b>Wireless Keyboard</b>									
Stores									
<b>Wireless Mouse</b>									
Stores									
<b>Grand Total</b>		50 MT	2,75,000.00		25,075.00		52,270.00	(-)3-0 Box	

Figure 5.15 Stock Ageing Analysis Report

- Press **F6**, to change the period
- Press **Alt + S**, to change ageing style
- Press **Alt + B**, to get information on expired batches (Food / Pharmaceutical industry)

### 5.16 Batch Related Stock Ageing Report

Tally.ERP 9 has a facility to generate batch related stock reporting. If you look at the ageing analysis you can view items with their batches references, dates of Mfg and Expiry dates.

You can also get a report on those items whose shelf-lives have expired or likely to expire. You can move those fast by offering discounts or returning to the manufacturers (as in the case of food and medicine stocks). You can also view ageing reports for all batches.

To view **Batch related Stock Ageing Report**,

Go to **Gateway of Tally > Display > Inventory Books > Ageing Analysis**

- Select any **Stock Group** or **Primary** to display all Stock Groups

Tally.ERP 9 displays all stock items with their batch details, mfg date and expiry date. Using **(Alt+B) Expired batches**, you can view those items that are past their expiry dates.

## 5.17 Price List with Multi Price levels

Tally.ERP 9 allows you to predefine multiple levels of price lists. For e.g. you can define price lists for Distributors, Dealers and Retailers. While defining the price lists Tally.ERP 9 displays the cost price as well as last price (historical data) for that particular stock item. This simplifies and expedites invoicing and also eliminates the possibilities of errors at the time of Invoice entry.

You can predefine price levels for parties at the time of their ledger accounts creation. When you select a particular party during entry, you have to select only the stock items and enter the qty. The related price is prefilled automatically based on the levels defined.

To define **Price levels**,

Go to **Gateway of Tally > F11: Inventory Features**

- Set **Use Multiple Price Levels** to **Yes**

To define **Price Lists**,

Go to **Gateway of Tally > Inventory Info. > Price list >**

- Select any **Group** or **All Items**
- Specify **rates** for all items/group (You can specify different rates for different quantities of the same item discount %)

Price List										Universal Enterprises		Ctrl + M
Under Group : <input type="checkbox"/> All Items												
Price Level : Wholesale										Applicable From: 1-Oct-2008		
S.No.	Name of Item	Quantities		Rate	Disc. % (if any)	As on : 5-Oct-2004		Cost Price				
		From:	Less than			Rate	Disc. %					
1.	Assembled PIV		100 Nos	25,000.00/Nos					14,031.31/Nos			
		100 Nos		25,000.00/Nos	2 %							
2.	CDROM Disks 100s			550.00/Box					450.00/Box			
3.	CDROM Disks 10s			200.00/Box					162.04/Box			
4.	CDROM Disks 10s - Defective								120.00/Box			
5.	CDROM Jackets								15.00/Box			
6.	Dust Covers					40.00/Nos			36.96/Nos			
7.	Floppy Disk								100.00/Box			
8.	Floppy Drive								218.07/Nos			
9.	Hard Disk								4,051.33/Nos			
10.	HCL Celeron								14,014.42/Nos			
11.	HCL PIV								21,014.42/Nos			
12.	HP - 27								850.00/Nos			
13.	HP - 28								950.00/Nos			
									40 more ... ↓			

Figure 5.16 Price List Creation

## 5.18 Reorder Levels

It is essential for your company to maintain sufficient inventory levels to cater to the growing needs of your customers and smoothly run your business. In order to have adequate stocks, you have to maintain information in respect of consumption pattern and reorder levels.

Tally.ERP 9 provides you facility to maintain reorder level details for each stock item. You can define reorder levels as well as minimum order quantity for stock items based on the consumption pattern and as per requirements for a specific period (i.e. Days, Months, Weeks, and Years). Tally.ERP 9 also provides you information on stock items whose balances have gone below specified reorder levels.

To Enable Reorder Levels,

Go to **Gateway of Tally > F11: Inventory Features > Set Allow Purchase Order Processing to Yes**

To specify **Reorder Levels**,

Go to **Gateway of Tally > Inventory Info. > Reorder Levels > All items/Groups**

- ❑ Specify **Reorder Quantity, Minimum Order Quantity levels, Period** and Criteria details.
- ❑ Save screen

Specify Reorder Levels		Universal Enterprises				Ctrl + M	
Under Group : <input type="checkbox"/> All Items		1-Apr-2008 to 31-Mar-2009					
Name of Item	Reorder Quantity	Advance Parameter for Reorder Level (Consumption for the last)		Minimum Order Quantity	Advance Parameter for Minimum Order (Consumption for the last)		
		Period	Criteria		Period	Criteria	
↑ ... 4 more							
CDROM Disks 10s - Defective		0			0		
CDROM Jackets							
Dust Covers	100 Box or	5 Days	Higher	50 Box or	5 Days	Higher	
Floppy Disk	200 Nos or	5 Days	Higher	100 Nos or	5 Days	Higher	
Floppy Drive	20 Box or	5 Days	Higher	10 Box or	5 Days	Higher	
Hard Disk	10 Nos or	5 Days	Higher	5 Nos or	5 Days	Higher	
HCL Celeron	10 Nos or	5 Days	Higher	5 Nos or	5 Days	Higher	
HCL PIV	5 Nos or	5 Days	Higher	2 Nos or	5 Days	Higher	
HP - 27	2 Nos or	7 Days	Higher	1 Nos or	7 Days	Higher	
HP - 28		0			0		
HP 51645A		0			0		
40 more ... ↓							

Figure 5.17 Specify Reorder Levels

To view **Reoder Status Report**,

Go to **Gateway of Tally > Display > Statements of Inventory > Reorder Status**

- ❑ Select a **group** or **Primary**
- ❑ Press **Enter**

Inventory Reorder Status									
Universal Enterprises									
Ctrl + M									
Items Under : <input type="checkbox"/> Primary									
as at 31-Mar-2009									
Name of Item	Closing Stock	Purc Orders Pending	Sale Orders Due	Nett Available	Re-order Level	Short fall	Min Reorder Qty	Order to be Placed	
<b>Assembled PIV</b>					30 Nos	30 Nos	10 Nos	30 Nos	
CDROM Disks 100s	5 Box			5 Box					
CDROM Disks 10s	3 Box			3 Box					
CDROM Disks 10s - Defective	5 Box			5 Box					
CDROM Jackets	5 Box			5 Box	100 Box	95 Box	50 Box	95 Box	
Dust Covers	75 Nos			75 Nos	200 Nos	125 Nos	100 Nos	125 Nos	
Floppy Disk	4 Box			4 Box	20 Box	16 Box	10 Box	16 Box	
Floppy Drive					10 Nos	10 Nos	5 Nos	10 Nos	
Hard Disk					10 Nos	10 Nos	5 Nos	10 Nos	
HCL Celeron					5 Nos	5 Nos	2 Nos	5 Nos	
HCL PIV					2 Nos	2 Nos	1 Nos	2 Nos	
HP - 27									
HP - 28									
HP 51645A									
HP Laserjet 1010 Series	1 Nos			1 Nos					
IBM Celeron					2 Nos	2 Nos	1 Nos	2 Nos	
IBM PIV	1 Nos		1 Nos		2 Nos	2 Nos	8 Nos	8 Nos	
IMFL	20 Lts			20 Lts					
KeyBoard	10 Nos			10 Nos	10 Nos		5 Nos		
Monitor					10 Nos	10 Nos	5 Nos	10 Nos	
Mother Board					10 Nos	10 Nos	5 Nos	10 Nos	
Mouse	10 Nos			10 Nos	10 Nos		5 Nos		
Mouse Pad	80 Nos			80 Nos	320 Nos	240 Nos	175 Nos	240 Nos	
Pentium - IV Processor Q2624A for LJ 1150					10 Nos	10 Nos	5 Nos	10 Nos	
Samsung Laserjet 1500	1 Nos			1 Nos					
Timber	200 MT			200 MT					
Timber - OTFL	100 MT			100 MT					
									5 more ...

Figure 5.18 Reorder Status Report

Tally.ERP 9 displays complete details with closing balances, Purchase Orders Pending, Sales Order due, Reorder level, Shortfall, Min Reorder Qty and Order to be Placed etc. From this report you can drill down to details (For eg., example, you can drill down to Specify Reorder Level screen from the **Reorder level** column). To view those items below reorder levels, press **(Alt + A) Reorder Only**.

### 5.19 Movement Analysis (Partywise/ Itemwise/ Stock Groupwise)

Tally.ERP 9 offers you yet another important inventory management tool called Movement Analysis. With this report you can analyse the movement pattern of materials either party wise, group wise or item wise. Using this report you can analyse the price at which each supplier has supplied a particular item.

Movement Analysis of a stock group shows the total inward and outward movement of stock items with their effective rates and values for that particular group. The Movement Analysis for a party shows the inward and outward movements of all stocks with effective rate and value. Select an **item** to drill down further and Tally.ERP 9 displays transaction wise details along with a separate column for additional cost.

Go to **Gateway of Tally > Display > Inventory Books > Movement analysis > Stock Item Analysis**

- Select the required **Stock Item** and press **Enter**

Item Movement Analysis		Universal Enterprises			Ctrl + M
Particulars	IBM PIV Universal Enterprises 1-Apr-2008 to 31-Mar-2009				
	Movement Values				
	Quantity	Basic Rate	Effective Rate	Value	
<b>Movement Inward :</b>					
<u>Suppliers :</u>					
NextGen Systems	5 Nos	19,000.00	19,000.00	95,000.00	
Top Computers	2 Nos	19,500.00	19,500.00	39,000.00	
	7 Nos		<b>19,142.86</b>	1,34,000.00	
<b>Movement Outward :</b>					
<u>Buyers :</u>					
Computer Junction	5 Nos		24,700.00	1,23,500.00	
Horizon Systems	1 Nos		26,000.00	26,000.00	
	6 Nos		<b>24,916.67</b>	1,49,500.00	

Figure 5.19 Stock Item Movement Analysis Report

Movement analysis of stock items shows party wise inward and outward movements of stock items with basic rate and effective rate. Select any party to drill down further for more analysis

## 5.20 Profitability Analysis (Stock Groupwise / Stock Itemwise / Invoicewise / Locationwise)

Using Tally.ERP 9, you can automatically calculate the gross profit for an item based on its sale price and consumption cost. Gross profit is the difference between sale price and the consumption value. The consumption value is calculated based on the purchase price. You can calculate gross profits for each invoice, stock item, stock group as well as items and location wise.

To view **Stock Group wise**,

Go to **Gateway of Tally > Display > Inventory Books > Group Summary**

- ❑ Select **Primary** or any **Stock Group**
- ❑ Press **F7 : Show profits**
- ❑ Tally.ERP 9 displays sales value, consumption cost and gross profit along with percentages (%).

Stock Summary										Universal Enterprises			Ctrl + M
Particulars	Universal Enterprises												
	1-Apr-2008 to 31-Mar-2009												
	Outwards			Closing Balance									
	Quantity	Rate	Value	Consumption	Gross Profit	Perc %	Quantity	Rate	Value				
<b>Accessories</b>	8,805 Nos	9.91	87,252.00	51,577.24	35,674.76	40.89 %	795 Nos	19.87	15,792.76				
<b>Components</b>			80,03,602.10	78,99,116.78	1,04,485.32	1.31 %			2,573.22				
<b>Computers</b>	531 Nos	22,929.38	1,21,75,500.00	95,28,493.70	26,47,006.30	21.74 %	1 Nos						
<b>Defective Items</b>									600.00				
<b>Dot Matrix Printers</b>			7,16,200.00	5,24,000.00	1,92,200.00	26.84 %			14,000.00				
<b>Laser Jet Printers</b>			10,91,500.00	8,62,600.00	2,28,900.00	20.97 %			17,400.00				
<b>Printer Cartridges</b>	180 Nos	1,336.11	2,40,500.00	1,83,000.00	57,500.00	23.91 %							
<b>Grand Total</b>	<b>9,516 Nos</b>		<b>2,23,14,554.10</b>	<b>1,90,48,787.72</b>	<b>32,65,766.38</b>	<b>14.64 %</b>	<b>796 Nos</b>		<b>50,365.98</b>				

Figure 5.20 Gross Profits Stock Group wise Report

To view **Stock item wise**,

Go to **Gateway of Tally > Display > Inventory Books > Stock item**

- ❑ Select the **Stock Item**
- ❑ Press **F7 (Show Profit)**
- ❑ Press **Enter** to drill down further to get transaction wise profitability (Only for outward entries).

To view **Invoice Wise**,

Go to **Gateway of Tally > Display > Account Books > Sales Register**

- ❑ Select a **month** to display sales entries
- ❑ Press **F7(Show Profit)**

- Tally.ERP 9 displays **Gross Profits (Amt & %)** for sales entries

Voucher Register		Universal Enterprises				Ctrl + M	
List of All Sales Vouchers							1-Dec-2008 to 31-Dec-2008
Date	Particulars	Vch Type	Vch No.	Transaction Value	Gross Revenue	Cost	Gross Profit %-age
1-12-2008	Cash	Sales	83	1,602.00	1,540.00	853.00	687.00 44.61 %
1-12-2008	Cash	Sales	84	1,544.00	1,485.00	651.50	833.50 56.13 %
6-12-2008	Fortune Computer Services	Sales	85	1,35,000.00	1,20,000.00	92,000.00	28,000.00 23.33 %
7-12-2008	Nirmaan Timbers	Sales	86	6,40,068.00	6,00,000.00	2,75,000.00	3,25,000.00 54.17 %
10-12-2008	Cash	Sales	87	4,118.00	3,960.00	1,712.00	2,248.00 56.77 %
10-12-2008	Silverplus Computers	Sales	88	2,62,500.00	2,52,500.00	1,83,571.20	68,928.80 27.30 %
12-12-2008	Arvind Kumar	Sales	89	6,96,800.00	6,70,000.00	5,46,628.37	1,23,371.63 18.41 %
15-12-2008	Cash	Sales	90	7,373.00	7,373.00	4,156.00	3,217.00 43.63 %
15-12-2008	Cash	Sales	91	4,763.00	4,763.00	3,706.00	1,057.00 22.19 %
18-12-2008	Janata Timbers	Sales	92	28,35,551.25	24,50,000.00	16,21,325.00	8,28,675.00 33.82 %
25-12-2008	Worldwide Computers	Sales	93	4,60,100.00	4,42,500.00	3,66,125.00	76,375.00 17.26 %
<b>Total:</b>				<b>50,49,419.25</b>	<b>45,54,121.00</b>	<b>30,95,728.07</b>	<b>14,58,392.93 32.02 %</b>

Figure 5.21 Gross Profit Invoice Wise Screen

To view **Location wise**,

Go to **Gateway of Tally > Display > Statements of Inventory > Godowns (Warehouses)**

- Select a **godown**.
- Press **F7 (Show Profit)**



## **Lesson 6: The Technology Advantage of Tally.ERP 9**

### **6.1 Behind the Scene**

#### **6.1.1 High Performance Data Engine:**

Tally.ERP 9 uses a recursive object oriented, flexi-field, flexi-length embedded database engine giving a compact and fast performance. The in-built database engine also ensures that you do not need to install or understand any third party database like most other applications. Tally.ERP 9 is completely maintenance free without any administration required from your side. The performance is reflected with most of the reports coming up instantly. Overall you get a smooth experience with a lower cost of ownership.

#### **6.1.2 Data Reliability and automatic recovery**

Tally.ERP 9 provides a high level of reliability of data with several technologies built into it. Your data does not get corrupted even if there is a sudden machine shutdown or network breakdown or power cut. This is ensured using the concept of transaction atomicity?? which is supported by the object oriented storage. Tally.ERP 9 uses data integrity checks intensively to detect any change to your data by external means. Any corruption happening in this way will be instantly detected as the program operates the data with a timely warning to you. Besides providing a warning, Tally.ERP 9 provides you a unique capability to recover from most corruptions by allowing you to simply rewrite the data. The corrupted data is then discarded and you can continue with normal operations, at the most re-entering the corrupted transactions or masters only.

### **6.2 Internet & Data exchange**

#### **6.2.1 HTTP-XML based data interchange**

Tally.ERP 9 uses a recursive object oriented data structure which can naturally and easily be expressed as XML. Tally.ERP 9 can export your data in XML format and can also import data coming in XML format. This is a fundamental capability of the program and can be easily used to extract data for third party applications or to pump in data from third party applications as long as it is compliant with the schema of a voucher or master.

The process can be automated since Tally.ERP 9 can run as an HTTP (Hyper text transfer protocol) server and can process requests for import or export in HTTP-XML to this server from other applications. Even third party web applications written in ASP, PHP, Java etc. can talk to

your Tally.ERP 9 running as an HTTP server and provide real-time information or remote data input. The third party application can send a request to Tally.ERP 9 to get any report in XML or even in HTML formats. Even new reports can be added by defining them in TDL (Tally Definition Language). In the same way, a master or a voucher can be created in XML and sent to Tally.ERP 9 server as an HTTP-XML request and will be processed and stored by Tally.ERP 9.

This capability has been used to provide the synchronisation capability (explained in this document later) which allows data to be replicated, exchange between multiple Tally.ERP 9 instances running at same or different locations just by configuring the same.

All Tally.ERP 9 reports can be readily exported in XML format.

```

- <ENVELOPE>
- <DSPACCNAME>
  <DSPDISPNAME>Capital Account</DSPDISPNAME>
</DSPACCNAME>
- <DSPACCINFO>
- <DSPCLDRAMT>
  <DSPCLDRAMTA />
</DSPCLDRAMT>
- <DSPCLCRAMT>
  <DSPCLCRAMTA>5500000.00</DSPCLCRAMTA>
</DSPCLCRAMT>
</DSPACCINFO>
- <DSPACCNAME>
  <DSPDISPNAME>Loans (Liability)</DSPDISPNAME>
</DSPACCNAME>
- <DSPACCNAME>
  <DSPDISPNAME>Unadjusted Forex Gain/Loss</DSPDISPNAME>
</DSPACCNAME>
- <DSPACCINFO>
- <DSPCLDRAMT>
  <DSPCLDRAMTA />
</DSPCLDRAMT>
- <DSPCLCRAMT>
  <DSPCLCRAMTA>3.55</DSPCLCRAMTA>
</DSPCLCRAMT>
</DSPACCINFO>
</ENVELOPE>

```

Figure 6.1 XML Request -Schema for Export of Trial Balance Report

## 6.3 ODBC - Open Database Connectivity

### 6.3.1 ODBC data access

Tally.ERP 9 provides an ODBC (Open database connectivity) driver natively which allows other applications like MS-Excel (which can use an ODBC data source) to directly pick up data from Tally.ERP 9 running as an ODBC server. This data is again real-time data and can be refreshed by such applications any time as long as Tally.ERP 9 is running. You can pick and choose the available information and design your own reports in tools like Excel. The type of data available on ODBC from Tally.ERP 9 can be extended using TDL (Tally definition Language).

ODBC compliance allows other programs to use data from Tally.ERP 9 directly.

**Procedure:**

- ❑ Load Company > Press **Alt+F2 (Change Period)**
- ❑ Minimize Tally.ERP 9
- ❑ Open a new Excel worksheet > **Data > Import External Data > Data Import**
- ❑ Select **Tally ODBC\_9000** as **Data Source**
- ❑ Click **Open**

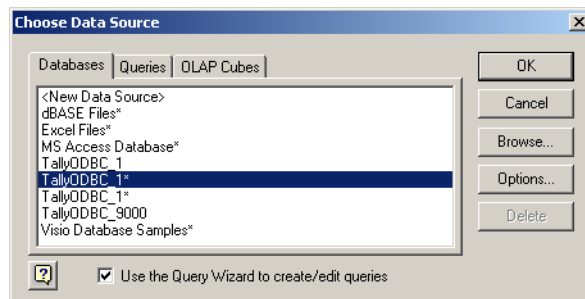


Figure 6.2 Data Source from Tally.ERP 9 in MS Excel Screen

Tally.ERP 9 connects to data source and displays Tally.ERP 9 Wizard query screen -> select the columns you would want to include in the query.

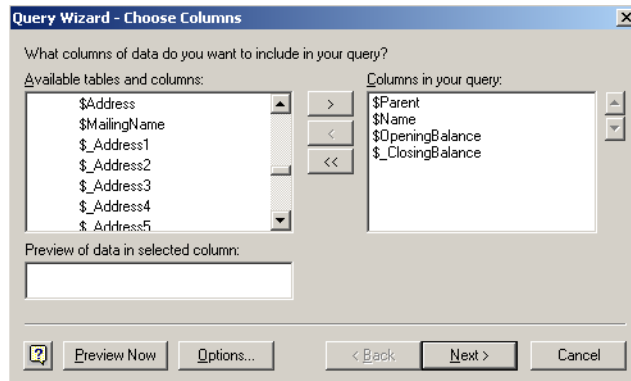


Figure 6.3 Table Selection in MS Excel Screen

Select the required columns (data). MS Excel displays the data selected.

	A	B	C	D
1	Ledger.\$Parent	Ledger.\$Name	Ledger.\$OpeningBalance	Ledger.\$_ClosingBalance
2	Primary	Profit & Loss A/c	0	4899529.9
3	Accumulated Depreciation on Fixed Assets	Accum. Dep. on P & M - II	0	78750
4	Administrative Expenses	Subscriptions	0	-27190
5	Capital Account	Balasubramanian's Share Capital A/c	0	713000
6	Sundry Creditors	Awanthi Constructions	45000	45000
7	Sundry Creditors	Build Well Contractor	35000	35000
8	Sundry Creditors	Chandra Timbers	52000	1661813
9	Sundry Creditors	Computer Point	0	644800
10	Sundry Creditors	Fast Couriers	12000	12000
11	Sundry Creditors - Non Trading	The League Club	0	-5000
12	Sundry Creditors - Trading	ABC India (P) Ltd.,	24000	24000
13	Sundry Creditors - Trading	Magnum Breweries	12500	252500
14	Sundry Creditors - Trading	Mahaveer Computers	41000	142517
15	Sundry Creditors - Trading	Maruthi Traders	0	217014
16	Sundry Debtors	Bangalore Scrap Merchants	-25500	-88518

Figure 6.4 Import of Tally.ERP 9 Ledger Data in MS Excel Screen

In a similar manner you can select other data for import into Excel and format your reports as per requirements.

## 6.4 Automatic data replication/exchange with synchronisation

Ability to synchronise data across multiple offices

Synchronisation process in Tally.ERP 9 helps you to transfer data between two or more locations. For instance, Synchronisation can be done both ways for the Head office of a company and its Branch office situated in two different locations.

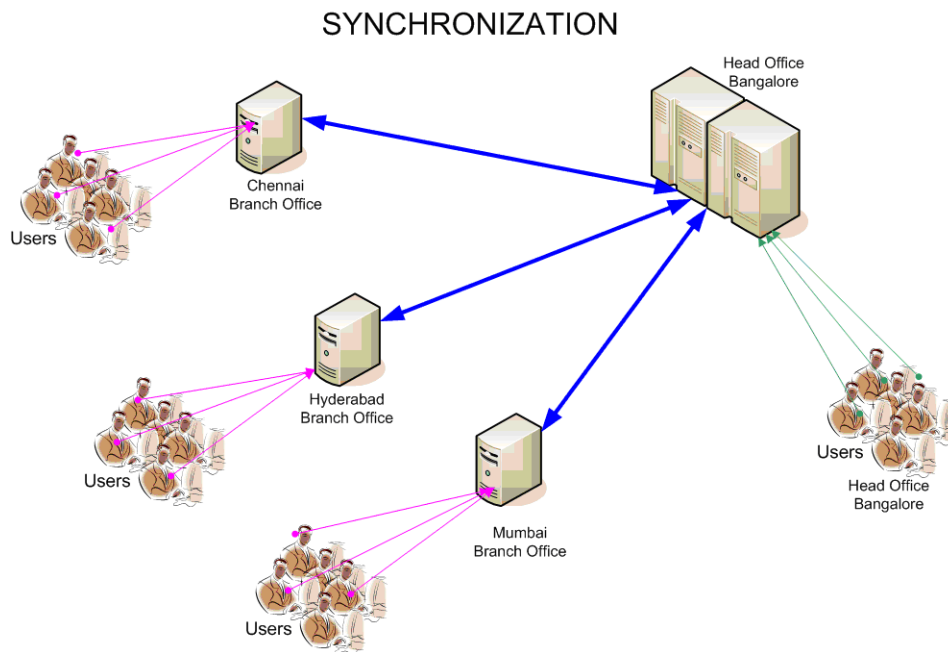


Figure 6.5 Synchronisation Process between HO & Branch Offices

## 6.5 Security Management

### 6.5.1 Data Security

Tally.ERP 9 use of data integrity checks ensures that no external change to your data can affect it. It uses a binary encoding format of storage to prevent devious grouping of information. It also offers access to your database thru an ODBC layer, which is fully activated.

#### User-defined Security Levels

Tally.ERP 9 offers you high levels of security. You can define multiple levels of security as per requirements and authorize users with individual passwords and rights to access specific functionality only. User with Administrator level password will have full access to all features and will set access controls for other users.

#### To activate Administrator level Password:

- ❑ The Administrator level password is activated during **company creation**
- ❑ **Company Info** screen > **Create**
- ❑ Type **Company Name, Address** and other related details
- ❑ Set the feature **Use Security Control** to **Yes**
- ❑ Specify **Administrator Name, password** and repeat
- ❑ Save screen

#### If the company is already created:

- ❑ **Load Company > Alt+F3 (Cmp Info) > Alter**
- ❑ Set the feature **Use Security Control** to **Yes**
- ❑ Specify **Administrator Name, password** and repeat
- ❑ Save screen

#### To create multiple levels of passwords:

Create the Administrator level password as explained earlier.

- ❑ Select **Company > Type Administrator Name** and **password**.
- ❑ Click **Alt+F3 (Cmp Info) > Security Control > Types of security**
- ❑ Specify **Name** of Security Level
- ❑ At the field **Basic Facilities of**, select **Owner**
- ❑ Specify value for **Days allowed for Back Dated vouchers**. (The no. of days the user is allowed to go back to enter vouchers from the current date).
- ❑ Specify value for **Cut-off date for Back Dated vouchers** (The last day till which the user can go back to enter transactions)

- ❑ Go to column **Disallow the following Facilities** ->Specify the **Type of access** (i.e. **Full Access, Alter, Create, Create/Alter, Display, Display/Print** etc)
- ❑ Go to column **Allow the following Facilities** and specify the details
- ❑ Save screen

Tally.ERP 9 allows you to create any number of levels.

- ❑ Select **Users** and **Passwords** under the **Security Control**
- ❑ Specify **Name** of the user, **password** and **level**
- ❑ Save screen.

## 6.6 Tally Audit

Tally audit feature provides you with Administrator rights; a capability for you to check the accuracy and correctness of the entries made by authorized users. It allows you to alter the entries if required. Once you audit the entries, Tally.ERP 9 displays for you all altered entries with the user's name who altered the entry, the date and time of alteration. The audit trail is also available in the day book where the administrator can view the alterations made.

### To activate Tally Audit:

You can activate the Tally Audit feature during the creation of the Company. If your company is already created,

- ❑ Click **Alt+F3 (Cmp Info)** ->**Alter**.
- ❑ Select company from **List of Companies**.
- ❑ Set the feature **Use Security Control** to **Yes**.
- ❑ Specify the **Administrator Name & Password**.
- ❑ Repeat the entry of the password.
- ❑ Activate the parameter **Use Tally Audit Features** to **Yes**.
- ❑ Save the entries made in the **Company Alteration screen**.

### To audit Transactions / masters:

- ❑ Login Tally.ERP 9 as an Administrator.
- ❑ Go to **Gateway of Tally > Display > Statements of Accounts > Tally Audit**
- ❑ Select **masters** or **vouchers**.
- ❑ View the vouchers that are not audited.
- ❑ Select **F7 (Accept one)** and audit an entry or select **Alt+F7 (Accept all)** to audit all entries.

Tally Audit Listing		Universal Enterprises		Ctrl + M	
List of New/Modified Vouchers				1-Apr-2008 to 31-Mar-2009	
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
1-3-2009	Office Rent Canara Bank Entered By : Ganesh Altered By: somesh on 9-Mar-2009	Payment	341	3,500.00	
4-3-2009	Janata Timbers HDFC Bank Entered By : Rajesh Altered By: somesh on 9-Mar-2009	Receipt	110		21,98,045.25
8-3-2009	Jet Roadways (P) Ltd., Canara Bank Entered By : somesh	Payment	347	5,000.00	
9-3-2009	Print Devices India Purchase - Interstate Entered By : bharat Altered By: payal on 9-Mar-2009	Purchase	95	1,51,500.00	1,51,500.00
12-3-2009	Prism Softlinks HDFC Bank Entered By : payal	Receipt	113		5,000.00
14-3-2009	Travelling & Conveyance Cash Entered By : payal	Payment	351	2,891.00	
15-3-2009	Repairs & Maintenance - Guest Accomd. Cash Entered By : Rajesh Altered By: payal on 9-Mar-2009	Payment	352	4,500.00	

Figure 6.6 Tally Audit Listing Screen

**To audit entries those have been altered:**

If any entry that is audited by you is altered by a user, then Tally.ERP 9 displays the entry in the Tally Audit report.

- Click **F12: (Configure)** > Set the parameter **Show Entered / Altered By** to **Yes**.

You will find a list of all entries that are altered with the names of person entering it, person altering it and date of alteration.



*The Administrator can once again audit the entries that have been altered after verifying the same.*

## 6.7 Tally Vault

Tally.ERP 9 offers a data encryption option called Tally Vault. The Tally vault password given cannot be broken by any means. Tally.ERP 9 follows D E S (Data Encryption Standard) encryption method.

### To activate Tally Vault option

You can activate the Tally Vault facility at the time of creating a new Company or when altering an existing one.

#### For a new Company:

- Click **Tally icon > Company Info. > Create**
- Type the **Name of the Company** and other related details.
- Type the **Tally Vault Password** and repeat the same.
- Save screen.

#### For an existing Company:

- Click **Tally icon > Company Info. > Select Company**
- Select **Alt+F3 (Cmp Info) > Change TallyVault**
- Type New Password and repeat.
- Save screen.

## 6.8 Administration and Manageability

### 6.8.1 Simple and Rapid Installation

Tally.ERP 9 has a simple menu driven installation procedure. At the time of installation you can install the program files on any drive (i.e. if the hard disk has partitions) or specify a directory for installation. You can also specify the location of the data directory. It only take about 30 MB in total including the option to install all languages supported by Tally.ERP 9

#### To install Tally.ERP 9:

- Insert the Tally.ERP 9 Installation CD in the system's CD drive.
- Select **My Computer** on Desktop.
- Select CD drive.
- Run **Install.exe > Specify Path** (for Program files and data directory).
- Click **Install**.
- After Installation a message '**Installation Successful**' is displayed.
- Click **OK**.



The Tally.ERP 9 package is installed on the required drive of the system. You can find the Tally.ERP 9 icon created on the desktop.

### 6.8.2 Removal of data into separate company

Tally.ERP 9 allows you to maintain a company for any number of financial years. Once the books of accounts are completed for previous financial years and if you wish you could split the company data into multiple companies as per financial periods required. Tally.ERP 9 therefore offers a feature to split your company data. You 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 opening balance for the next period (second company).

#### To split data:

- ❑ Load the company for splitting.
- ❑ Select **Alt+F3 (Cmp Info)** ->Split Company Data.
- ❑ Select **Company**.
- ❑ Specify the date in Split from (this is the starting date of the new period)
- ❑ Save screen.

Tally.ERP 9 splits your company data as per the periods specified.



Figure 6.7 Splitting of Company Data Screen

### 6.8.3 Multi- Directory for Company Management:

You can create multiple directories in your system to store Tally.ERP 9 data. Specify the path in Tally.ERP 9 to access the data directly in these directories.

#### How to create companies in different directories:

- ❑ Click **Alt+F3 > Create Company**.

- ❑ Specify **path** for Directory in Company Creation.
- ❑ Specify **name** for the company and other related details.
- ❑ Save screen

**To Load Companies from different directories:**

- ❑ Click **Alt+F3 ->Select Company**.
- ❑ Specify **path** for Directory and company for Name.
- ❑ Press **Enter**

**If you want to select one more company from a different directory:**

- ❑ From **Company Info screen > Alt+F3 (Cmp Info) > Select Company**.
- ❑ Specify **path** for Directory and company for Name.
- ❑ Press **Enter**.

If needed, you can merge the two companies and view the consolidated reports.

## 6.9 Extensibility (TDL - Tally Definition Language)

The most powerful and important technical capability which is available in Tally.ERP 9 is the Tally Definition Language (TDL). This is a rapid business application development language using which Tally.ERP 9 itself has been developed. Almost anything in Tally.ERP 9 can be altered, customized, extended using this language. New reports can be easily written or existing ones altered using this language and added on to Tally.ERP 9 just by adding them to the INI file. All reports written in TDL will automatically become available in HTML, XML format along with capability to print them, mail them, publish them and so on. Our partners provide you the services for extending Tally.ERP 9 and even ready-made extensions are available from them.

This language capability is built into all the editions of the product and you have to just get the specific extensions done as required for your business. The language is easy to learn and we provide the necessary courses and tools just in case you want to do it yourself!!!

## 6.10 Others

**Print Preview:**

Before printing any report you would ideally like to view the content and format of reports / Invoices / Vouchers. Tally.ERP 9 offers you a facility to preview the report before printing or mailing. This is the print preview option.

**Unlimited Multi-User support:**

You can install a Multi-user Version (Gold) of Tally.ERP 9 on a network having any number of machines (computers) working with different operating systems like NT, Win 95, 98, Win 2000; on a single subnet. Tally.ERP 9 works on any kind of network (i.e. NT, Novell, Peer-Peer N/W etc). The protocol required is TCP/IP.

**Concurrent Access of a Company Data by Multiple Tally.ERP 9 Silver Installations:**

Many businesses using two or more licenses of Tally.ERP 9 on their Local Area Network (LAN) would like to access the common data. This was not possible in the earlier versions of Tally.ERP 9 within a LAN. If one of your users was accessing the data of a company, then the other user on the LAN would not be able to access the database of the same company. The database would be rendered inaccessible.

Now Tally.ERP 9 comes with an enhanced feature, wherein more than one Tally.ERP 9 Silver license user can access the data of a single company concurrently on a LAN (within a single subnet).

**Selection of Company data by the Administrator**

- ❑ Go to **Gateway of Tally** > Click **F1** to select a company
- ❑ Against Directory the path of the Data folder displays
- ❑ Against Name, select the required company from **List of Companies**
- ❑ Press **Enter**

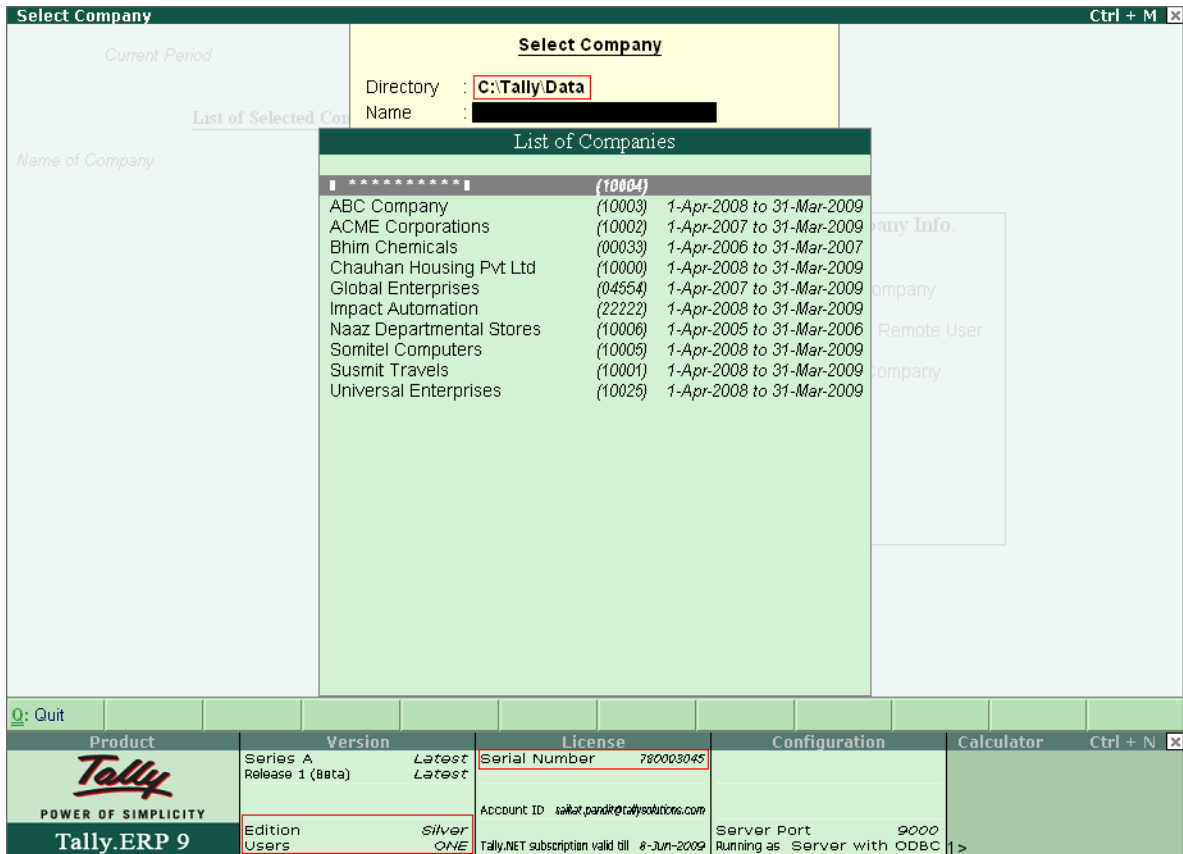


Figure 6.8 Company Selection Screen with Path Details

### Generation of Report

- Go to **Gateway of Tally > Balance Sheet**
- Click **Alt+F1** to view a detailed report

Balance Sheet		Universal Enterprises		Ctrl + M
Liabilities		Universal Enterprises		
		as at 31-Mar-2009		
<b>Capital Account</b>		<b>55,00,000.00</b>		
Current A/c				
Balasubramanian's Share Capital A/c	7,13,000.00			
Kavitha's Share Capital A/c	2,76,500.00			
Mohan's Share Capital A/c	15,00,000.00			
Priya Ganesh's Share Capital A/c	5,65,500.00			
Sathish's Share Capital A/c	14,00,000.00			
Suresh's Share Capital A/c	4,75,500.00			
Vijayakumar's Share Capital A/c	5,69,500.00			
<b>Loans (Liability)</b>		<b>4,63,216.03</b>		
Unsecured Loans	4,43,316.03			
HDFC Silver Credit Card	19,900.00			
<b>Current Liabilities</b>		<b>56,88,860.51</b>		
Duties & Taxes	64,406.54			
Provisions	91,618.38			
Sundry Creditors	53,26,540.00			
EDLI Admin Charges @ 0.01%				
EDLI Contribution @ 0.5%				
Employee's ESI Contribution @ 1.75%				
Employee's PF Contribution @ 12%				
ESI Payable	210.00			
Interest on Car Loan A/c	1,56,275.59			
PF Admin Charges @ 1.10%				
		<b>7 more ...</b>		
<b>Total</b>		<b>1,69,27,659.66</b>		
		<b>Assets</b>		
		Universal Enterprises		
		as at 31-Mar-2009		
		<b>Fixed Assets</b>		<b>24,62,489.68</b>
		Accumulated Depreciation on Fixed Assets		(-)6,02,622.20
		Land & Building		14,00,000.00
		Plant & Machinery		5,25,000.00
		Airconditioner		21,500.00
		Computers & Peripherals		90,460.00
		Furniture & Fixtures		1,22,420.00
		Motor Car - Hyundai GLX		9,05,731.88
		<b>Investments</b>		<b>5,00,000.00</b>
		Investments		5,00,000.00
		NSC		
		<b>Current Assets</b>		<b>1,39,65,169.98</b>
		Closing Stock		15,80,439.38
		Loans & Advances (Asset)		15,99,000.00
		Sundry Debtors		64,02,232.68
		Cash-in-hand		12,36,005.25
		Bank Accounts		28,97,492.67
		Advance Tax		2,50,000.00
		<b>Total</b>		<b>1,69,27,659.66</b>

Q: Quit					R: Remove Line	U: Restore Line	U: Restore All	Space: Select
<b>Product</b>	<b>Version</b>	<b>License</b>	<b>Configuration</b>	<b>Calculator</b>	<b>Ctrl + N</b>			
	Series A Release 1 (Beta)	Latest Latest	Serial Number 780003045					
POWER OF SIMPLICITY		Account ID saikat.pandit@tallysolutions.com		1 16:54:00 : Connected to Tally.NET				
<b>Tally.ERP 9</b>	Edition Users	Silver ONE	Tally.NET subscription valid till 8-Jun-2009	2 16:54:00 : Universal Enterprises - Company connected successfully				
			Server Port Running as Server with ODBC	3 >				

Figure 6.9 Fig. 7.9 Balance Sheet Screen of Tally.ERP 9

**Access to Company data to make entry by the user**

- Go to **Gateway of Tally > Click F1** to select a company
- Against Directory the path of the Data folder displays
- Against this field use Backspace key to enter the path of the shared folder Data, located on the Administrator's system
- Select the required company from **List of Companies**
- Save screen

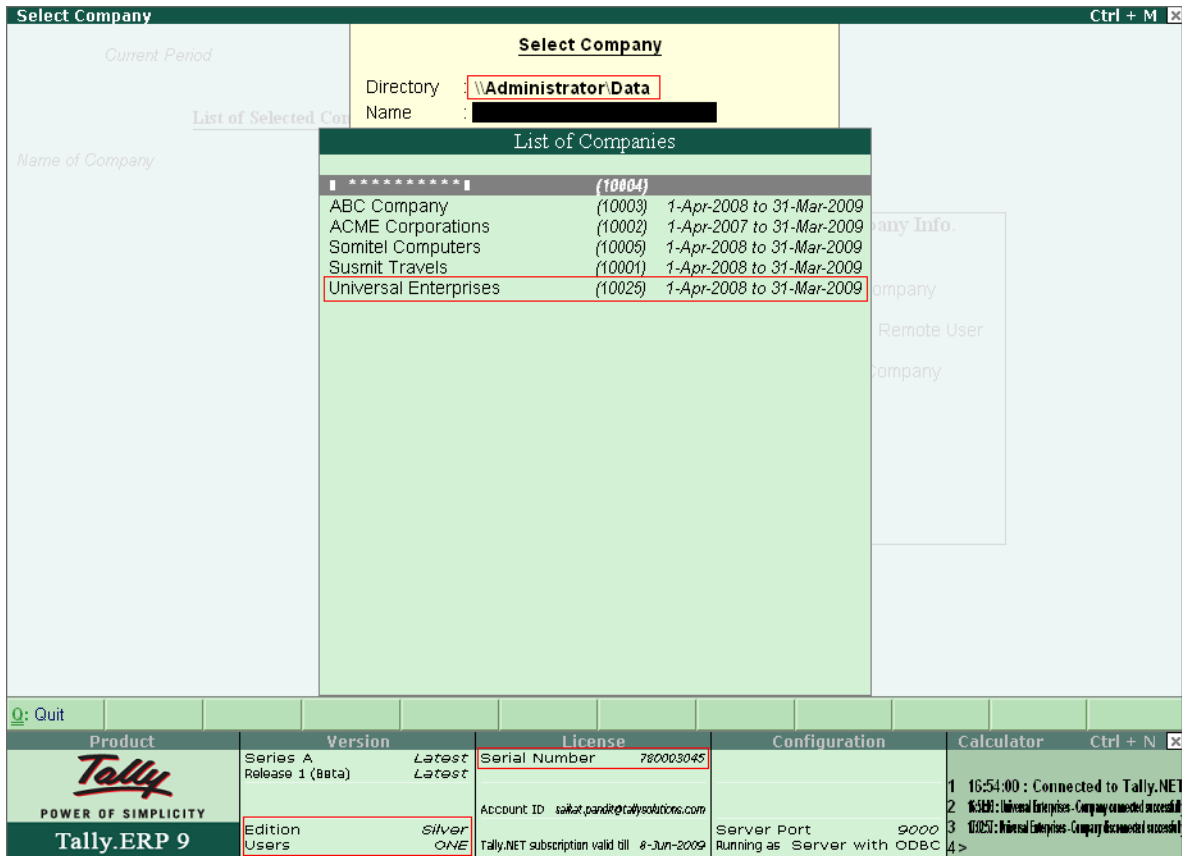


Figure 6.10 Company Selection Screen - Tally.ERP 9

### Accounting entry by the user

- ❑ Go to **Gateway of Tally > Accounting Vouchers**
- ❑ Select the required voucher screen (e.g. **F5- Payment/F6 - Receipt**)
- ❑ Make the required entry
- ❑ Save screen

As a user you can view the entry screen in your system and can execute all functions of Tally.ERP 9 as if you are working on Tally.ERP 9 on your local system.



Accounting Voucher Creation Universal Enterprises Ctrl + M

**Receipt** No. 118 31-Mar-2009 Tuesday

Account : **HDFC Bank**  
Cur Bal: 3,38,080.44 Dr

Particulars	Amount
<b>All India Computer Institute</b> Cur Bal: 320.00 Dr Agst Ref 11 60 Days 25,000.00 Cr (16-Mar-2009)	25,000.00
<b>Bright Traders</b> Cur Bal: 2,52,640.00 Dr On Account 95,000.00 Cr	95,000.00
<b>Computer Junction</b> Cur Bal: 41,660.00 Dr Agst Ref 9 30 Days 52,000.00 Cr (4-Jun-2008)	52,000.00
<b>1,72,000.00</b>	

Narration:  
Payment received from parties

**Accept ?**  
Yes or No

Q: Quit A: Accept D: Delete X: Cancel

Product	Version	License	Configuration	Calculator	Ctrl + N
Tally POWER OF SIMPLICITY Tally.ERP 9	Series A Release 1 (Beta)	Latest Latest Serial Number 780003045	Server Port 9000 Running as Server with ODBC	1	5>
	Edition Users	Silver ONE Account ID saikat.pandey@tallysolutions.com Tally.NET subscription valid till 8-Jun-2009		2 3 4	

Figure 6.11 Receipt Voucher Creation in Tally.ERP 9

**Accessing Data on another system**

- Open the Explorer window and open the folders section.
- Open the folder Tally.ERP 9
- Right click on the sub-folder Data and then select Sharing and Security.

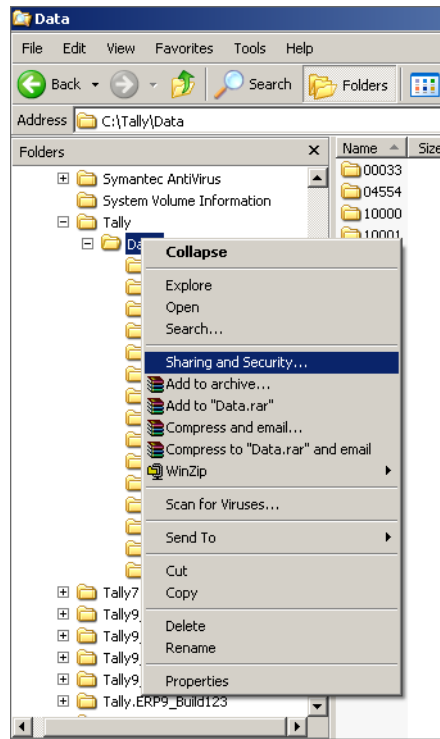


Figure 6.12 Sharing and Security of Tally.ERP 9 Data Folder

By default the Share name is the name of the active folder, Data.

- ❑ Select the option **Share** this folder.
- ❑ Select **Maximum allowed for User limit**.
- ❑ Click **Apply & OK**



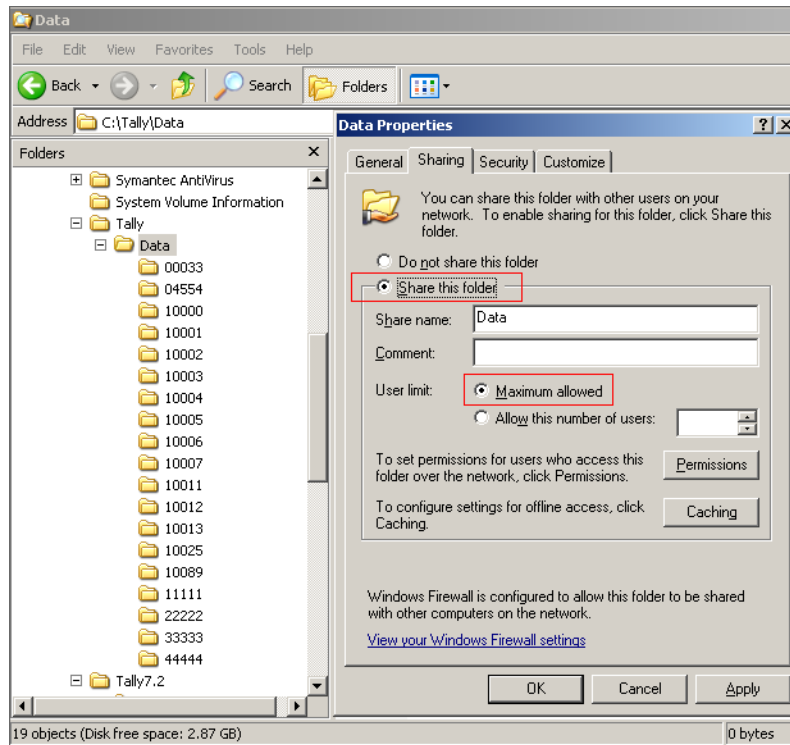


Figure 6.13 Data Properties Window

- ❑ Click **Security**.
- ❑ Under **Groups** or user names, select the required option.
- ❑ Under **Permissions - Allow**, check all the options.
- ❑ Click **Apply & OK**.

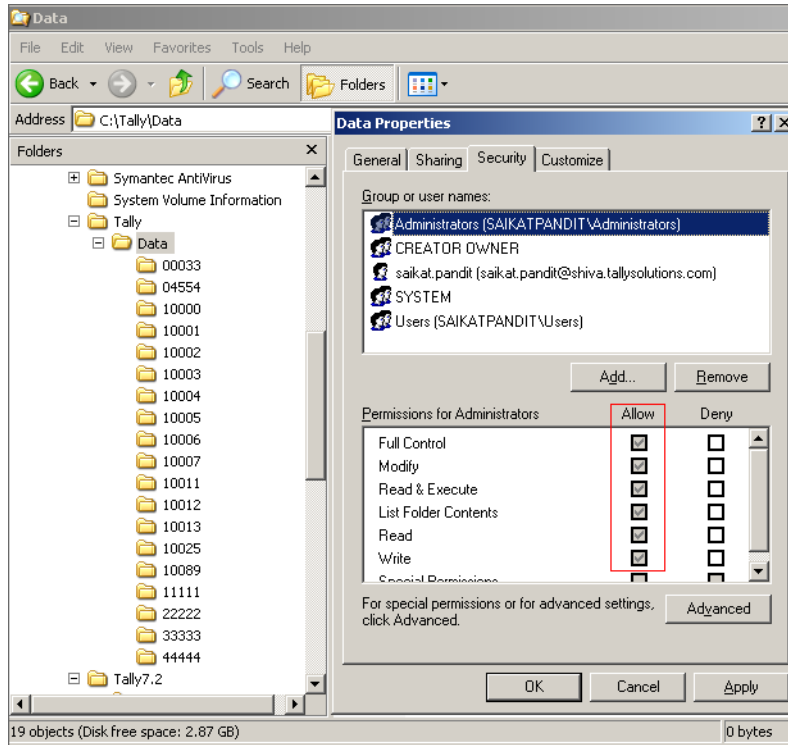


Figure 6.14 Data Properties Allow Permissions

This will facilitate the other users to carry out all functions for the shared folder

- Login Tally.ERP 9 as a user
- Go to **Gateway of Tally > Click F1 (Select Cmp)** to select a company

The Select Company screen with the List of Companies opens

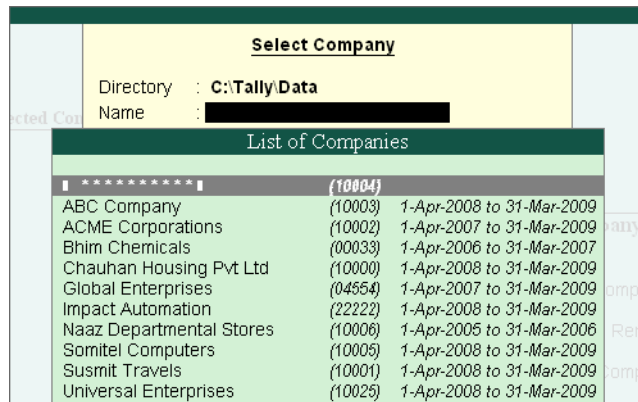


Figure 6.15 Select Company Screen

The Directory field contains the path of the local data.

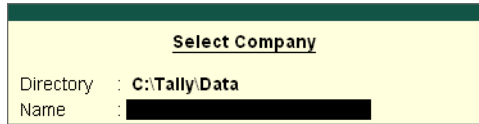


Figure 6.16 Data Directory Window

Use the **backspace** key to change the Directory.

Type the location of the shared folder Data. (You can type in the Administrator's system name where the shared Data folder is located).

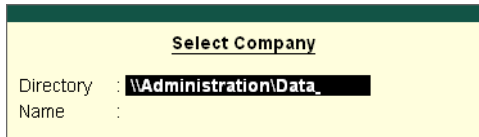


Figure 6.17 Data Directory with Name Details

**OR**

Alternatively you can type the IP Address of the Administrator's system where the shared folder is located.

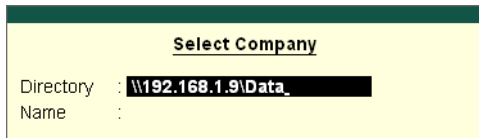


Figure 6.18 Data Directory with IP Address Details

If your company's database has to be shared on a default basis, then make the following changes in the Tally.ini file.

You can mention the system name

**OR**

Enter the system's IP address.

```
;;;Specify location of Data files  
Data=\\Administrator\Data  
;;;Specify list of companies to preload,  
;;; ** TO STOP DEFAULT LOADING set the following line to NO
```

Figure 6.19 Tally Ini file with Name

```
;;;Specify location of Data files  
Data=\\192.168.1.9\Data  
;;;Specify list of companies to preload,  
;;; ** TO STOP DEFAULT LOADING set the following line to NO
```

Figure 6.20 Tally Ini file with IP Address

After defining these steps you can use Tally.ERP 9 to work in a shared environment where more than one user of Tally.ERP 9 silver can access the company database.

## 6.11 Internal Backup / Restore

Tally.ERP 9 has in-built user friendly features of backup and restore. You can take a backup in the local hard disk or any external media. Tally.ERP 9 provides you with the capability to take backup of one or more companies or all companies in a single directory.

### To take a Backup:

- ❑ Click **Alt+F3 > Backup**
- ❑ Select **Source** (specify path)
- ❑ Select **Destination** (specify path)
- ❑ Select the Company/Companies for data backup
- ❑ Save screen.

### To Restore data:

- ❑ Click **Alt+F3 > Restore**
- ❑ Select **Destination** (specify path)
- ❑ Select **Source** (specify path)
- ❑ Select the Company/Companies for data restore
- ❑ Save screen

### 6.11.1 Import / Export of Data

Tally.ERP 9 allows you to import data from as well as export data to other software. You can import and export in ASCII, Excel and XML formats. XML is now the most widely used format of exporting data in the world. Any type of transactions can be exported to other software after suitably altering their current structures to accept Tally.ERP 9 data. The reverse is also possible if you write a small TDL program to accept data from other software. The data that is imported into Tally.ERP 9 can be in either XML or DBF formats.

#### Export Tally.ERP 9 Reports to MS Excel

Tally.ERP 9 now comes with the functionality wherein all reports can be exported to Microsoft Excel spreadsheet. This feature enables you to export any report generated by Tally.ERP 9 into Excel.

Subsequently, you can generate graphical representations of the data for better visual presentation. This process of export can be explained with a few simple steps, as shown below.

- Go to **Gateway of Tally > Balance Sheet**. The following screen is displayed.

Liabilities		Assets	
Universal Enterprises as at 31-Mar-2009		Universal Enterprises as at 31-Mar-2009	
Capital Account	55,00,000.00	Fixed Assets	24,62,489.68
Loans (Liability)	4,63,216.03	Investments	5,00,000.00
Current Liabilities	56,88,860.51	Current Assets	1,39,65,169.98
Profit & Loss A/c	52,75,579.57		
Opening Balance			
Current Period	<u>52,75,579.57</u>		
Unadjusted Forex Gain/Loss	3.55		
<b>Total</b>	<b>1,69,27,659.66</b>	<b>Total</b>	<b>1,69,27,659.66</b>

Figure 6.21 Export Option in Tally.ERP 9

- ❑ Click **Export**.
- ❑ Select **Restricted** (ASCII only).
- ❑ Select **Excel (Spreadsheet)** in Format.
- ❑ Type the name of file for **Output File Name** as required.
- ❑ Specify other details.

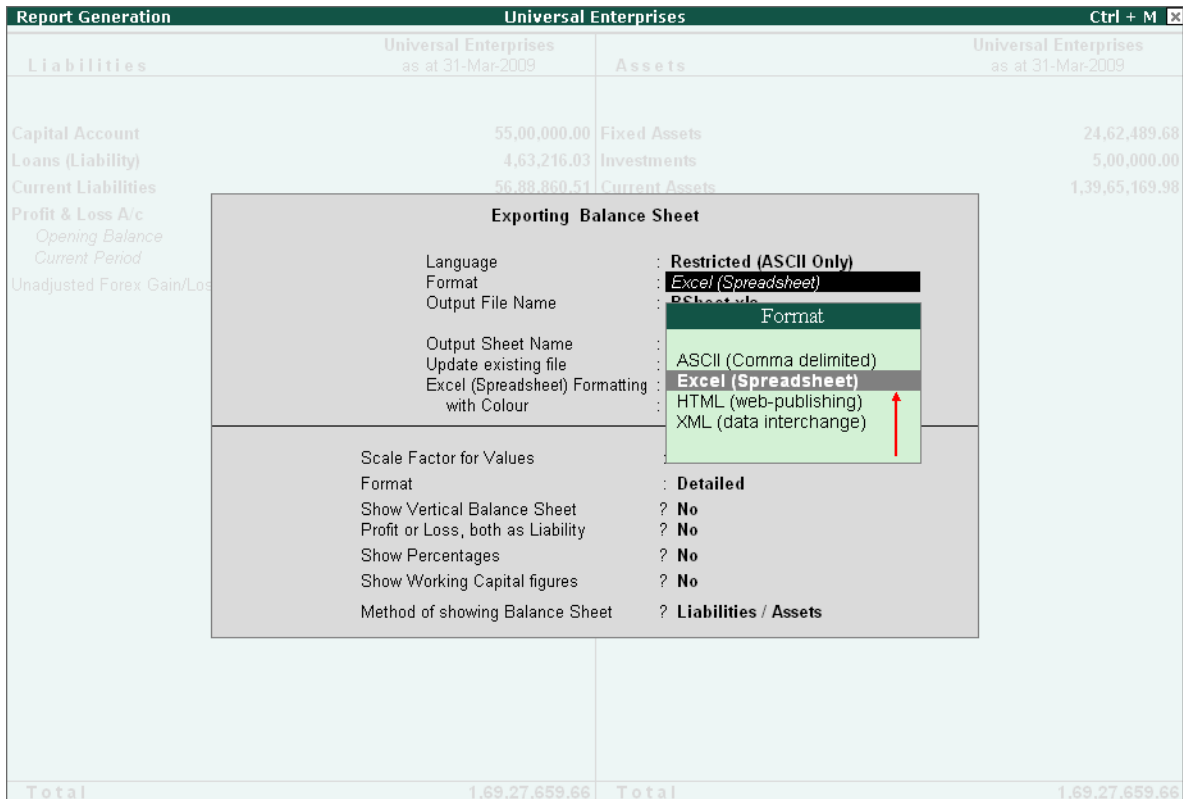


Figure 6.22 Report Generation Screen for Excel

- ❑ Click **Yes** for Export.

By default the exported report in Excel format is saved in the Tally.ERP 9 folder. **Open** this file to view the report.

A	B	C	D	E	F
	<b>Universal Enterprises</b>			<b>Universal Enterprises</b>	
	as at 31-Mar-2009			as at 31-Mar-2009	
<b>Liabilities</b>			<b>Assets</b>		
<b>Capital Account</b>		<b>5500000.00</b>	<b>Fixed Assets</b>		<b>2462489.68</b>
Current A/c			Accumulated Depreciation on Fixed Assets	-602622.20	
Balasubramanian's Share Capital A/c	713000.00		Land & Building	1400000.00	
Kavitha's Share Capital A/c	276500.00		Plant & Machinery	525000.00	
Mohan's Share Capital A/c	1500000.00		Airconditioner	21500.00	
Priya Ganesh's Share Capital A/c	565500.00		Computers & Peripherals	90460.00	
Sathish's Share Capital A/c	1400000.00		Furniture & Fixtures	122420.00	
Suresh's Share Capital A/c	475500.00		Motor Car - Hyundai GLX	905731.88	
Vijayakumar's Share Capital A/c	569500.00		<b>Investments</b>		<b>500000.00</b>
<b>Loans (Liability)</b>		<b>463216.03</b>	Investments	500000.00	
Unsecured Loans	443316.03		NSC		
HDFC Silver Credit Card	19900.00		<b>Current Assets</b>		<b>13965169.98</b>
<b>Current Liabilities</b>		<b>5688860.51</b>	Closing Stock	1580439.38	
Duties & Taxes	64406.54		Loans & Advances (Asset)	1599000.00	
Provisions	91618.38		Sundry Debtors	6402232.68	
Sundry Creditors	5326540.00		Cash-in-hand	1236005.25	
EDLI Admin Charges @ 0.01%			Bank Accounts	2897492.67	
EDLI Contribution @ 0.5%			Advance Tax	250000.00	
Employee's ESI Contribution @ 1.75%					
Employee's PF Contribution @ 12%					
ESI Payable	210.00				
Interest on Car Loan A/c	156275.59				
PF Admin Charges @ 1.10%					
PF Payable					
Professional Tax					
Salary Payable	49810.00				
<b>Profit &amp; Loss A/c</b>		<b>5275579.57</b>			
Opening Balance					
Current Period	5275579.57				
Unadjusted Forex Gain/Loss		3.55			
<b>Total</b>		<b>16927659.66</b>	<b>Total</b>		<b>16927659.66</b>

Figure 6.23 Report in Excel Imported from Tally.ERP 9

### 6.11.2 Graphical Analysis of Data

Pictorials like graphs convey better information than just numbers. Tally.ERP 9 also provides you feature for graphical (Bar graph) analysis of data. You can do a graphical analysis of reports like Sales register, Purchase register, Ledgers, Funds flow, Cash flow, Item registers etc. This helps you to analyse the financial data fully. Tally.ERP 9's graphical analysis provides for month wise graphs and compares them with any other period. This feature helps you to locate quickly the high and low periods (variations) in a financial year.

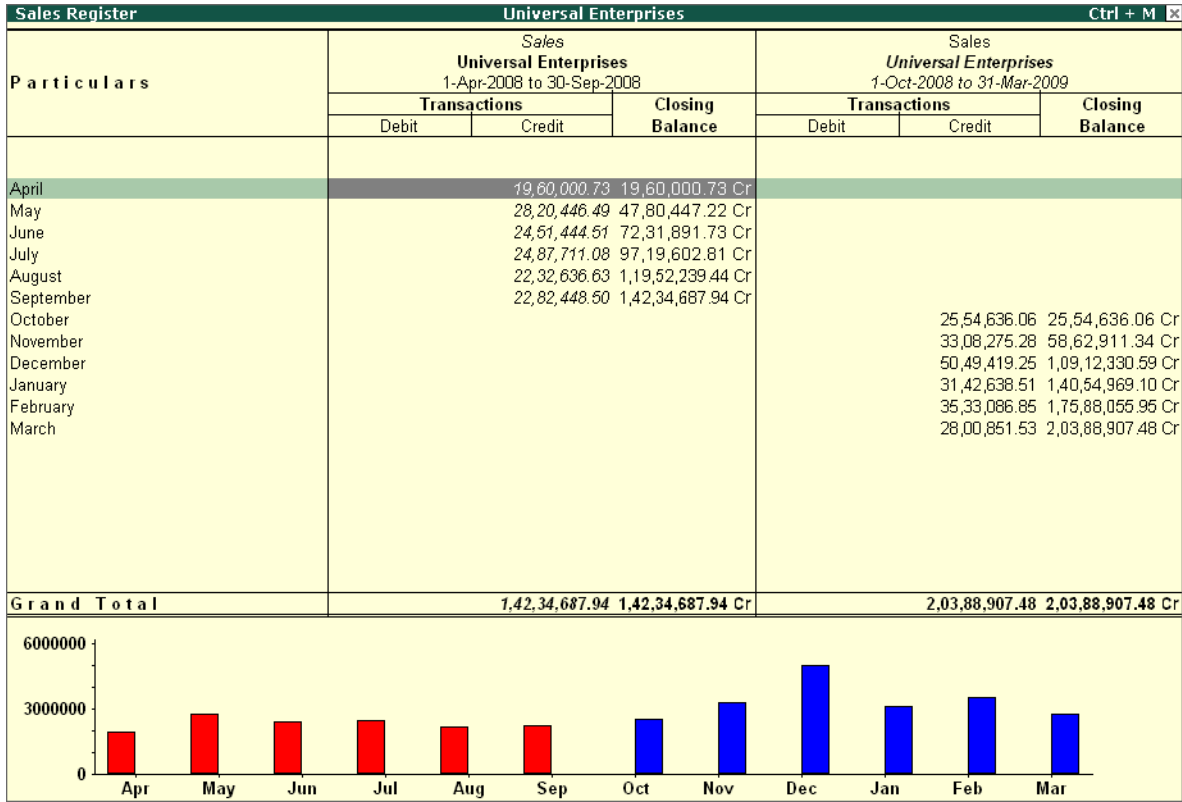


Figure 6.24 Graphic Display of Sales Register Screen

**Comparison for e.g. Sales Registers (Month wise):**

Go to **Gateway of Tally > Display > Account Books > Sales Register > Alt + C (New Column)**

- ❑ Specify the financial year period for comparison.
- ❑ Save screen.
- ❑ Tally.ERP 9 also shows month wise comparisons.



## 6.12 Concurrent Multi-lingual Capability

With Tally.ERP 9, you can maintain your accounts in any Indian language, view them in another language, and print them in a third language, with greater speed and power than ever before! You can perform all these actions concurrently and without much effort. Tally.ERP 9 ensures that you are able to transact business across the length and breadth of India in any language provided by Tally.ERP 9 without any barriers. Some important aspects of this functionality are:

- ❑ Can display Tally.ERP 9 in **any language** that the user chooses from any screen in Tally.ERP 9.
- ❑ Supports **Translation of Pre-Defined Masters**.
- ❑ Supports **Transliteration** for the allowed languages.
- ❑ Can capture data entered using the **phonetic** language or **system** language.
- ❑ Can capture language specific **Names** and **Aliases**.
- ❑ Can print and display **Reports, Vouchers** and **Invoices** in any language.
- ❑ Can copy text from Tally.ERP 9 to Windows and vice versa. Use **Ctrl +Alt +C** to copy and **Ctrl +Alt +V** to paste.

## 6.13 Tally.NET

Tally.NET is an enabling framework which establishes a connection through which the remote user can access the Client's data without copying / transferring the data. In other words, the remote user can access the company data, provided the Company is open and connected on Tally.NET.

Using Tally.NET features, the user can create remote users (ids), authorize & authenticate them for accessing the connected (available) companies. The remote users can be mapped to a particular user and assigned security controls based upon their security levels (viz., Tax Auditor / Administrator, Data Entry etc.). The remote user can further create sub-ids under him to assign tasks based on their security levels.

The user making the company available and a person accessing the data behave as clients to Tally.NET, thereby rendering a secure exchange system.

### Tally.NET Features

Tally.NET is a default feature available in the product and provides a host of capabilities.

- ❑ Register and Connect companies from Tally.ERP 9
- ❑ Create and maintain Remote Users
- ❑ Remote access of data by any user (including BAP users)
- ❑ Remote availability of Auditors' Edition of Tally License
- ❑ Synchronization of data (via Tally.NET)

## 6.14 New Licensing Mechanism

Tally.ERP 9 brings a simple and more user-friendly Licensing mechanism, which addresses many of the licensing activities for any user from a single window (screen). Besides, allowing activation of Single User (Silver) and Multi User (Gold) license, it also extends features for multi-site Licensing. The new licensing process provides the user with the flexibility and compatibility to manage multiple license running at different locations/ sites centrally in a secured environment.

### Site Licensing

A new concept known as Site Licensing is introduced from Tally.ERP 9. A site refers to a location comprising of a single Tally.ERP 9 License or multiple Tally.ERP 9 licenses linked to it. The site licensing may be broadly classified into two viz., Single Site and Multi-Site

- ❑ **Single Site** : means a single instance of Tally.ERP 9 (Silver or Gold) is active at a time on a single machine under a given account.
- ❑ **Multi Site**: means more than one instance of Tally.ERP 9 (Silver or Gold) license are active on different machines (may be at different locations) under a **single account** comprising of the **same** or **different serial numbers**.

## 6.15 Control Centre

**Tally.ERP 9** provides a powerful feature named **Control Centre** to its users, which works as an interface between the user and Tally.ERP 9 installed at different sites, it enables the user to centrally configure and administer Site/User belonging to an account.

The features of the Control Centre are as follows:

- ❑ Manage Licenses
- ❑ Central Configuration
- ❑ Manage Users
- ❑ Manage Company Profile
- ❑ Manage Accounts (using My Tally.NET Accounts)
- ❑ Change Passwords
- ❑ Jobs and Recruitments
- ❑ Activity History

With the help of Control Centre, you will be able to

- Create users with predefined Security levels
- Centrally Configure & manage your Tally.ERP 9
- Surrender, Confirm or Reject activation of a Site
- Maintain Account related information

- Manage Licenses and Activity History
- Manage Jobs and Recruitments

### **Create users with predefined Security levels**

Using the Control Centre feature, the Account Administrator can create users and map them to a predefined security level and authorise them to access a Site/Location linked to that Account. And further the system administrator can also create Remote users and allow / disallow them to remotely access the data.

The predefined security levels in Tally.ERP 9 are:

- Owner
- Site Administrator
- Tally.NET User
- Tally.NET Auditor
- Standard User

### **Centrally Configure and manage your Tally.ERP 9**

The Control Centre provides the flexibility to make changes to product configurations in the Tally.ini (Configuration file) and apply them to immediate effect without restarting the application.

The following master configurations set can be made from the Control Centre

- Add/Modify the Tally.ini parameters
- Assign TDL's to a site or all the sites under an Account
- Permit or Deny changes to the local configurations

The master configurations set created is applied initially to the Account centrally which is inherited by the site(s) on updation of license, based on the site level permissions by the Account Administrator.

### **Surrender, Confirm or Reject activation of a Site**

The Account Administrator is authorised to surrender, confirm a site license or Reject the request received on activation from another site.

### **Maintain Account related information**

Allows you to maintain information about the organisation. Based on the requirements, the Account Administrator can merge multiple accounts into one or split an account into multiple account for easy and better management.

## 6.16 Support Centre

**Tally.ERP 9** provides a new capability to its users known as **Support Centre**, wherein a user can directly post his support queries on the functional and technical aspects of the Product. Using Support Centre feature, the user can view all the support queries reported via Support Centre and also through other modes viz., Email, Chat, Calls, etc.

The Support Centre features facilitates viewing queries for a activated license alongwith the Status i.e., Closed / Pending and Ticket Summary. The report is viewed based on Date, Status and Location and so on.

### **Faster reach for help and support**

The Support Centre feature makes it easy and convenient to reach out to Tally.ERP 9 service partner and Tally-support team for any product help and support, by click of a button from within the product.

### **Access solutions to your problems any time**

This feature facilitates instant reference to the solutions provided for your queries at any point of time.

### **Avoid repeated explanations**

Availability of information on the issues, interactions and resolutions, to Tally Service Partners and Tally Support Team, largely reduces the possibilities of repeated explanations on the issues/ support queries and thereby ensures quality help and support.

### **Track your issues on real-time basis**

The Support Centre makes available the status of your queries including the full chain of interactions irrespective of the mode of communication. i.e., if you have posted a query onto the Support Centre feature in Tally.ERP 9 and then interacted over phone, even in such cases, the complete discussion will be available to you.

### **Access issues of any Location/Site**

In Multi-site License, using the Support Centre feature you can view details of issues of any location /site from any of your Location(s).

### **Reach out to your nearest Service Partner instantly**

You can search for a service partner and post your queries instantly.

### **Access your Support Centre remotely from any Tally.ERP 9**

The Support Centre feature can also be accessed remotely from any Tally.ERP 9 from anywhere, as an authorised Tally.NET user.

## 6.17 Auditor's Edition of Tally.ERP 9

Tally.ERP 9 offers a special Auditors' Edition of Tally.ERP 9, which provides auditing and compliance capabilities exclusively for Chartered Accountants. The Audit capabilities provided in Auditors' Edition are available by default, regardless of Tally.NET subscription. Using Tally.NET features, Tally.ERP 9 provides the capability to Chartered Accountants to Audit in following scenarios :

- ❑ Audit at CA's office by accessing local data
- ❑ Audit at Client's place by accessing local data
- ❑ Audit at his place by accessing Client's data remotely

## Lesson 7: Statutory Compliance Capabilities in Tally.ERP 9

Tally.ERP 9 provides the following Statutory Compliance Capabilities namely,

- ❑ Value Added Tax (VAT)
- ❑ Service Tax
- ❑ Tax Deducted at Source (TDS)
- ❑ Excise (Manufacturers & Dealers)
- ❑ Fringe Benefit Tax (FBT)
- ❑ Tax Collected at Source (TCS)
- ❑ Central Sales Tax (CST)

### 7.1 Value Added Tax (VAT)

Tally.ERP 9 provides VAT solution to across 32 states in India and other international countries like Indonesia, Phillipines and Bangladesh. The VAT compliance in Tally.ERP 9 is completely integrated with Accounting, Inventory & Reporting and simplifies these aspects with absolute ease, accuracy and speed.

As per VAT Regulations, every registered business under VAT is required to generate VAT compliant **Tax Invoice** and file **Statutory Returns** periodically in prescribed forms and documents of the respective state.

#### 7.1.1 Enable Value Added Tax (VAT)

To enable **Value Added Tax (VAT)** in Tally.ERP 9, follow the steps given below :

Go to **Gateway of Tally > F11: Features**



Figure 7.1 F11 : Features menu

- Select **Statutory & Taxation (F3)** and press **Enter**

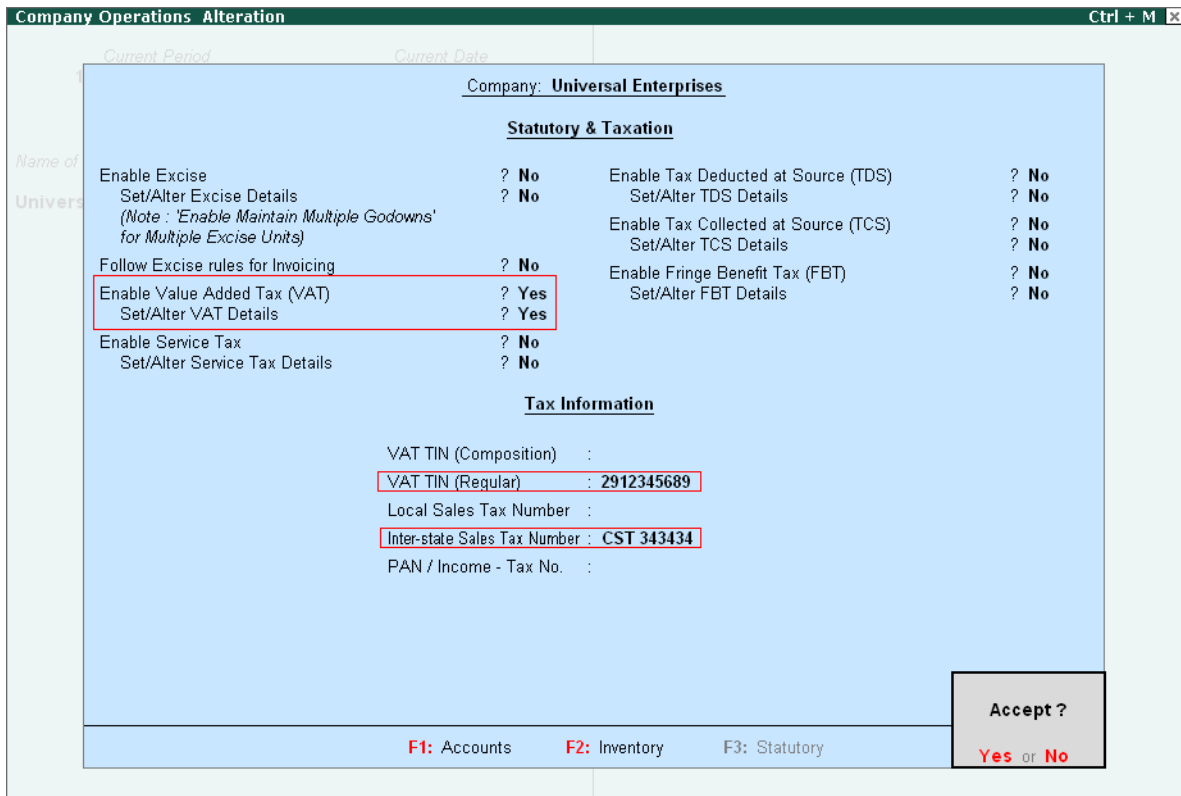


Figure 7.2 F11: Statutory & Taxation screen

- In the **Statutory & Taxation** screen,

- Set **Enable Value Added Tax** to **Yes**
- Enable **Set/Alter VAT details** to **Yes** and press **Enter**, the **VAT Details** screen appears
- Select **State** and **Type of Dealer** and the **applicability date** of VAT
- Press **Enter** to go back to **F11: Company Features** screen
- Type **VAT TIN, Inter-State Sales Tax Number** and **Tax Information** details
- Save screen

### 7.1.2 Create VAT Ledger Masters

Value Added Tax (VAT) is charged at every level of purchase and sales and thus the purchase and sales transactions involve VAT. create necessary Purchase, Sales, Input and Output VAT ledgers with the required VAT Classifications.

To create **VAT Ledger Masters** in Tally.ERP 9, follow the steps given below :

Go to **Gateway of Tally > Accounts Info. > Create**

- Type the **Name** of the **Ledger**
- Select the required **Group**
- Select the **Type of Duty/Tax** as **VAT**
- Select the required **VAT Classification** from the list of VAT Classification in the **VAT/Tax Class** field (The **Percentage of Calculation** and **Method of Calculation** is automatically defaulted with the % and **On VAT Rate** respectively)



Ledger Creation		Universal Enterprises		Ctrl + M	X
Name	: Output VAT @ 4%			Total Op. Bal.	
(alias)	:				
Under	: Duties & Taxes (Current Liabilities)			<div style="border: 1px solid black; padding: 5px;"> <p style="text-align: center;"><b>Mailing Details</b></p> <p>Name : Address :</p> <p>State : PIN Code :</p> <p style="text-align: center;"><b>Tax Information</b></p> <p>PAN / IT No. :</p> </div>	
Type of Duty/Tax	: VAT				
VAT/Tax Class	: Output VAT @ 4%				
Inventory values are affected	? No				
Percentage of Calculation (eg 5)	? 4 %				
Method of Calculation	: On VAT Rate				
Rounding Method	: I Not Applicable				
Opening Balance ( on 1-Apr-2008) :				<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>                      Yes or No                 </div>	

Figure 7.3 Output VAT Ledger Creation

- ❑ Save screen



*While creating Sales / Purchases Ledgers, enable the following*

- ❑ Set **Used in VAT Returns** to **Yes** and select the required **VAT/Tax Class**

*While creating Party Ledgers, enable the following*

- ❑ Specify the **TIN/Sales No.** details

### 7.1.3 Create VAT Transactions

To create VAT transactions in Tally.ERP 9, follow the steps given below :

Go to **Gateway of Tally > Accounting Vouchers > F8: Sales /F9: Purchase**

- ❑ Select the **Party's Name**
- ❑ Select **Stock Item, Quantity & Rate** Details

- Select **VAT Ledger (Output VAT for Sales Voucher and Input VAT for Purchase Voucher)**

Accounting Voucher Creation		Universal Enterprises		Ctrl + M
<b>Sales</b> No. 19				31-Mar-2009
Ref. : ABC/310301				Tuesday
Party's A/c Name : Debtor				
Current Balance : 99,180.00 Dr				
Name of Item	Quantity	Rate per	Amount	
Item 1	2 Nos	48,000.00 Nos	96,000.00	
Output Vat 4%		4 %	3,840.00	
Show Statutory Details ? Yes				
Narration:				
Sales of 2 Nos of Item 1_				
				2 Nos 99,840.00

Figure 7.4 Sales Voucher screen

- Save screen

### 7.1.4 Print VAT Invoice

To print **VAT Invoice**,

- Press **Pg Up** from the above screen
- Press **Alt + P**, the **Voucher Printing** screen appears
- Specify required details and press **Enter** to print

The VAT Invoice is printed as shown

INVOICE						
<b>Universal Enterprises</b> Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore E-mail : sales@universalenterprises.com			Invoice No.		Dated	
			19		31-Mar-2009	
			Delivery Note		Mode/Terms of Payment	
Buyer <b>Debtor</b> 178 kaveri JP Nagar Bangalore Karnataka-78			DN/002		Cheque	
			Supplier's Ref.		Other Reference(s)	
			ABC/310301			
			Buyer's Order No.		Dated	
			Ord0019		31-Mar-2009	
			Despatch Document No.		Dated	
			Doc/0019		31-Mar-2009	
			Despatched through		Destination	
			Payal Travels		Bangalore	
			Terms of Delivery			
			Immediate			
Sl No.	Description of Goods	VAT %	Quantity	Rate	per	Amount
1	Item 1	4	2 nos	48,000.00	nos	96,000.00
	Output Vat 4%				4 %	3,840.00
Total			2 nos			99,840.00
Amount Chargeable (in words)						<i>E. &amp; O.E</i>
Rs. Ninety Nine Thousand Eight Hundred Forty Only						VAT % Assessable Value VAT Amount
VAT Amount (in words)						4 % 96,000.00 3,840.00
Rs. Three Thousand Eight Hundred Forty Only (Rs. 3,840.00)						
<i>Remarks:</i>						
Sales of 2 Nos of Item 1						
Company's VAT TIN : 2912345689						
Company's CST No. : CST 343434						
Buyer's VAT TIN/Sales Tax No. : 1345678911						
					Date & Time : 31-Mar-2009 at 14:31	
Declaration					<b>for Universal Enterprises</b>	
We declare that this invoice shows the actual price of the goods described and that all particulars are true and correct.					Authorized Signatory	
This is a Computer Generated Invoice						

Figure 7.5 Printed VAT Invoice

### 7.1.5 View VAT related reports

To view **VAT Reports**, follow the steps given below :

Go to **Gateway of Tally > Display > Statutory Reports > VAT Reports**

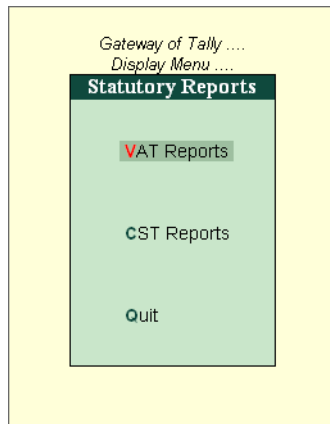


Figure 7.6 VAT Reports Screen under Statutory Reports

The **VAT Reports** menu consists of two reports, namely

- **VAT Computation**
- **VAT Forms**
  - VAT Return Forms
  - VAT Annexures

#### **VAT Computation Report**

The VAT Computation report displays various types of Input VAT Tax and Output VAT tax ledgers employed and transacted during voucher entry. Tally.ERP 9 provides a clear-cut presentation on how VAT is computed for a given period. It also provides a bird's eye view of all transaction related to VAT.

To view **VAT Computation Report**

Go to **Gateway of Tally > Display > Statutory Reports > VAT Reports > VAT Computation**

VAT Computation		Universal Enterprises		Ctrl + M
Particulars	Universal Enterprises			
	1-Apr-2008 to 31-Mar-2009			
	Assessable Value	Tax Amount		
<b>Sales</b>				
<b>A. Output Tax</b>				
Inter-State Sales	2,53,200.00	14,170.00		
Output VAT @ 1%	9,000.00	90.00		
Output VAT @ 12.5%	18,000.00	2,250.00		
Output VAT @ 20%	27,000.00	5,400.00		
Output VAT @ 4%	1,93,030.00	15,608.20		
<b>Total Output Tax</b>	<b>5,00,230.00</b>	<b>37,518.20</b>		
<b>Purchases</b>				
<b>B. Input Tax</b>				
<i>Excess Input Credit Brought Forward</i>				
Input VAT @ 1%	10,000.00			
Input VAT @ 12.5%	20,000.00	2,855.00		
Input VAT @ 20%	1,30,000.00	25,700.00		
Input VAT @ 4%	40,000.00	712.00		
Purchases - Capital Goods @ 12.5%	10,000.00	1,250.00		
Purchases - Capital Goods @ 4%	10,000.00	400.00		
<b>Total Input Credit</b>	<b>2,20,000.00</b>	<b>30,917.00</b>		
<b>VAT Payable</b>		<b>6,601.20</b>		

Figure 7.7 VAT Computation Report

### VAT Forms

The VAT Return Forms are State specific VAT Forms and Annexures to be submitted by the registered VAT Dealer on Monthly / Quarterly basis.

#### To print VAT Return Forms

Go to **Gateway of Tally > Display > Statutory Reports > VAT Reports > VAT Forms > VAT Return Forms > Form VAT 100**

The printed **VAT Form 100** of Karnataka state will appear as shown :

FORM VAT 100 (See Rule 38)					
<b>1. General Information:</b>					
1.1) LVO/VSD CODE	: 1345	1.2) Tax Period (Month/ Quarter):	First Quarter, 2008		
		1.3) Type of Return	: Original/Corrected/Revised/Final		
1.5) TIN No.	: 2912345689	1.4) Date of filing Return	: 30-Jun-2008		
1.6) Full Name of the Dealer	: Universal Enterprises				
1.7) Address of the Dealer	: _____ Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore				
1.8) Tax Invoices issued in the Month*	From: _____	To: _____	1	17	
	From: _____	To: _____			
PARTICULARS OF TURNOVERS					
2.	Total Turnover(Local)	2,29,199.00	3.	Total Turnover(InterState / Exports / Import / Consignment)	3,50,450.00
	2.1) Sales return, discounts, labour charges etc. as per Rule 3(2)	14,020.00		3.1) Sales return, discounts, labour charges etc. as per Rule 3(2)	4,080.00
	2.2) Consignment Sales / C.A.	18,000.00		3.2) Stock Transfers/ Consignment Sales	19,000.00
	2.3) Tax Collected (VAT)	10,179.00		3.3) Exempted Sales	22,200.00
	2.4) Exempted Sales	27,000.00		3.4) Direct Exports	40,000.00
	2.5) Others	Nil		3.5) Deemed Exports (Against H Form)	20,000.00
	2.6) Taxable Turnover (local) (Box 2 less (Box 2.1 to Box 2.5))	1,60,000.00		3.6) Sales in Transit (E-I and E-II)	45,000.00
				3.7) Sales in the course of import (High Sea Sales)	20,000.00
				3.8) CST Collected	14,170.00
				3.9) Taxable (Interstate) (Box No.3 less (Total of Box No.3.1 to 3.8))	1,66,000.00
<b>4. Net Tax Payable</b>					
	4.1) Output Tax Payable (Refer Box No. 8.3)			15,461.00	
	4.2) B/F of Previous month			Nil	
	4.3) Input Tax Credit (Refer Box No.11)			19,388.00	
	4.4) Net Tax Payable [Box No.4.1-(Box No. 4.2 + Box No.4.3)]			Nil	
	4.5) Tax Deducted at Source (Certificate Enclosed)			1.00	
	4.6) Balance Tax Payable (Box No.4.4 - Box No. 4.5)			Nil	
	4.7) Refund Yes / No	Rs. 777.00	4.8) Credit Carried Forward Yes / No	Rs. 3,151.00	
	4.9) Net Tax refund as per Incentive Notification	Rs. 8,888.00			
Note: if you exercise option 'YES' in both box numbers 4.7 and 4.8 then the option exercised in respect of box no 4.8 alone will be considered					
5. Tax Payment Details					
	Details	Amount	Cash/DD/Cheq /Challan No:	Bank	Date
	5.1) Tax Payable as per Box No.4.6	Nil	DD 343434	HDFC	2-Jun-2008
	5.2) Interest	1,111.00			
	5.3) Others	555.00			
	5.4) Total of Box No.5.1, Box No.5.2 and Box No.5.3	1,666.00			
FOR CTD/BANKS USE ONLY					
	Date of Receipt of Return :	_____			
	Recd. Rs. :	_____			
	In Words :	_____			
	Challan No. :	_____	Date :	_____	
Signature and Seal of LVO/VSO					
*Note: If the serial numbers of Tax Invoices are of different series then it should be mentioned separately.					

Figure 7.8 Printed Karnataka Form VAT 100 - Page 1

<b>6. Details of Local Sales/ URD Purchases and Output Tax/Purchase Tax Payable</b>				
6.1	Taxable Turnover of sales at rate of 1% Tax	9,000.00	6.8 Output Tax Payable (relating to Box No.6.1)	90.00
6.2	Taxable Turnover of sales at rate of 4% Tax	86,000.00	6.9 Output Tax Payable (relating to Box No.6.2)	1,440.00
6.3	Taxable Turnover of sales at standard rate of Tax 12.5%	18,000.00	6.10 Output Tax Payable (relating to Box No.6.3)	2,250.00
6.4	Taxable Turnover of sales at standard rate of Tax 20%	27,000.00	6.11 Output Tax Payable (relating to Box No.6.4)	5,400.00
6.5	Taxable Turnover of URD purchases (specify rate of tax)	20,000.00	6.12 Purchase Tax Payable (relating to Box No.6.5)	999.00
6.6	Others, if any (Please specify)	Nil	6.13 Output Tax Payable (relating to Box No.6.6)	
<b>6.7</b>	<b>Total (Box No. 6.1 to 6.6)</b>	<b>1,60,000.00</b>	<b>6.14 Total Output Tax Payable (Box No 6.8 to 6.13)</b>	<b>10,179.00</b>
<b>7. Details of Interstate Sales and CST Payable</b>				
7.1	Taxable Turnover of Inter-State Sales at 1%	10,000.00	7.7 Output Tax Payable (relating to Box No.7.1)	100.00
7.2	Taxable Turnover of Inter-State Sales against C Forms at 3% Tax	56,000.00	7.8 Output Tax Payable (relating to Box No.7.2)	1,120.00
7.3	Taxable Turnover of Inter-State Sales without C Forms at 4% Tax	30,000.00	7.9 Output Tax Payable (relating to Box No.7.3)	1,200.00
7.4	Taxable Turnover of Inter-State Sales without C Forms at 12.5% Tax	30,000.00	7.10 Output Tax Payable (relating to Box No.7.4)	3,750.00
7.5	Others, if any (Please Specify)	40,000.00	7.11 Output Tax Payable (relating to Box No.7.5)	8,000.00
<b>7.6</b>	<b>Total (Total of Box Nos. 7.1 to 7.5)</b>	<b>1,66,000.00</b>	<b>7.12 Total Output Tax Payable (Total of Box Nos. 7.7 to 7.11)</b>	<b>14,170.00</b>
<b>8.</b>				
8.1) Total Output Tax (Total of Box No. 6.14 and Box No. 7.12)			24,349.00	
8.2) Output Tax deferred to Industries as per Incentive Notifications			8,888.00	
8.3) Net Output Tax Payable (Box No. 8.1 Less Box No. 8.2)			15,461.00	
<b>9. Details of Purchases and Input Tax</b>				
9.1	Net value of purchases at 1% Tax	Nil	9.11 Input Tax (relating to Box No. 9.1)	Nil
9.2	Net value of purchases at 4% Tax	Nil	9.12 Input Tax (relating to Box No. 9.2)	Nil
9.3	Net value of purchases at standard rate of tax at 12.5%	Nil	9.13 Input Tax (relating to Box No. 9.3)	Nil
9.4	Value of URD purchases to the extent used or sold (specify rate of tax)	22,200.00	9.14 Input Tax (relating to Box No. 9.4)	888.00
9.5	Others, if any (please specify)	1,00,000.00	9.15 Input Tax (relating to Box No. 9.5)	20,000.00
9.6	Value of VAT exempted goods	Nil		
9.7	Purchases from Composition Dealer	Nil		
9.8	Value of goods Imported and / or purchased in the course of Inter - State trade including EI and EII Purchase.	Nil		
9.9	Value of goods received by Stock Transfer / Consignment Transfer	Nil		
<b>9.10</b>	<b>Total Value of Purchases (Total of Box Nos. 9.1 to 9.9)</b>	<b>1,22,200.00</b>	<b>9.16 Total Input Tax (Total of Box Nos. 9.11 to 9.15)</b>	<b>20,888.00</b>

Figure 7.9 Printed Karnataka Form VAT 100 - Page 2

<b>10. Ineligible Input Tax Credit</b>		
10.1	Non-Deductible Input Tax being restricted u/s 11 of VAT Act.	100.00
10.2	Non-Deductible Input Tax Pre-registration Purchases u/s 13 of VAT Act.	200.00
10.3	Non-Deductible Input Tax - under special rebating scheme u/s 14 read with Section 11 of VAT Act.	300.00
10.4	Non-Deductible Input Tax - under partial rebating scheme u/s 17 of VAT Act.	400.00
10.4.1	Non-deductible input tax on return of goods purchased.	Nil
10.5	Others, Please Specify	500.00
10.3	<b>Total Ineligible Input Tax Credit (Total of box No. 10.1 to Box No. 10.5)</b>	<b>1,500.00</b>
<b>11.</b>	<b>Eligible Input Tax Credit (Box No. 9.18 - Box No. 10.6)</b>	<b>19,388.00</b>
<b>DECLARATION</b>		
I / We declare that the particulars furnished above are true and complete in all respects. I / We hereby declare that I am / We are aware that there are penalties for making false declarations or incomplete Returns.		
Place	: Bangalore	Signature :
Date	: 30-Jun-2008	Name and Designation/Seal : Susmit Manager (Accounts)
<b>12. ENTRY TAX</b>		
(Applicable to dealers who are liable to Tax Under the Karnataka Tax on Entry of Goods ACT, 1979)		
12.1	TOTAL PURCHASES : Value of goods liable for Entry Tax both Local, Interstate and Imports including freight and inward expenses	_____
	LESS:	
12.2	Purchases within the Local Area, Purchases against Form 40	_____
	Purchase Returns, Re-exports	_____
12.3	Others	_____
12.4	TAXABLE TURNOVER	_____
CALCULATION OF ENTRY TAX PAYABLE		
	Description of Goods	Taxable Value Tax Payable
12.5	Goods Taxable @ 1%	
12.6	Goods Taxable @ 2%	
12.7	Goods Taxable @ 5%	
12.8	Goods Taxable (Others)	
12.9	TOTAL	
12.10	Tax paid Particulars:- Rs. _____ Cash/DD/Challan No. _____ Date _____ Bank _____	
I/We declare that the particulars furnished above are true and complete in all respects. Place : Bangalore Signature : Date : 30-Jun-2008 Name and Designation/Seal : Susmit Manager (Accounts)		
<b>13. SPECIAL ENTRY TAX</b>		
(Applicable to dealers who are liable to Tax Under the Karnataka Special Tax on Entry of certain Goods Act, 2004)		
13.1	TOTAL PURCHASES : Value of goods liable for KSTECG both Interstate and Imports including freight and inward expenses	_____
	LESS:	
13.2	a) Exemption (Please Specify)	
	b) Purchase Returns	
	c) Re-exports	
	d) Others	
13.3	TAXABLE TURNOVER	_____
	Description of the Notified Goods	Taxable Value Tax Payable
13.4	Goods Taxable @ 4%	
13.5	Goods Taxable @ 12.5%	
13.6	Goods Taxable (others)	
13.7	TOTAL	
13.8	Less: CST Paid as per Section 4(2) of KSTECG Act.	
13.9	Balance Tax Payable	

Figure 7.10 Printed Karnataka Form VAT 100 - Page 3



13.10	Tax paid Particulars: Rs. _____	Cash/DD/Challan No. _____	Date _____	Bank _____
I/We declare that the particulars furnished above are true and complete in all respects.				
Place	: Bangalore	Signature :		
Date	: 30-Jun-2008	Name and Designation/Seal : Susmit Manager (Accounts)		

Figure 7.11 Printed Karnataka Form VAT 100 - Page 4

Similarly, to generate VAT Annexures follow the path given below and print the annexures

**Go to Gateway of Tally > Display > Statutory Reports > VAT Reports > VAT Forms > VAT Annexures**

## 7.2 Service Tax

Tally.ERP 9 tracks bill-wise (bill-by-bill) details and automatically calculates **Service Tax** payable and **Input Service Tax Credit** on each service bill. It also allows you the flexibility to make adjustments later.

Tally.ERP 9 contains statutory masters predefined with Service Tax rates and abatements for each taxable service. With the help of Tally.ERP 9, you can adjust input credit against the service tax payable and account for abatements / expenses and also specify exemption notification details. It also facilitates generation and printing of Service Tax related reports, forms and challans in the prescribed formats (viz., GAR 7 Challans and ST-3 Challans)

### 7.2.1 Enable Service Tax

To activate **Service Tax** in Tally.ERP 9, follow the steps given below :

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

- ❑ Set **Enable Service Tax** to **Yes**
- ❑ Enable **Set/Alter Service Tax details** to **Yes**
- ❑ Press **Enter**, the **Service Tax Details** screen appears,
- ❑ Type all details in **Company Service Tax Details**
- ❑ Save screen

The screenshot shows the 'Company Service Tax Details' screen. At the top, it displays 'Company: Universal Enterprises' and 'Statutory & Taxation'. Below this, there are several fields for enabling and setting tax details, such as 'Enable Excise', 'Set/Alter Excise Details', 'Enable Tax Deducted at Source (TDS)', 'Set/Alter TDS Details', and 'Enable Tax Collected at Source (TCS)'. A pop-up window titled 'Company Service Tax Details' is open, showing the following information:

Company Service Tax Details			
Service Tax Registration No. :	ABCD1234EE	Division	
Date of Registration :	15-Mar-2008	Code	8762EE34
Assessee Code :	12ABDE	Name	BANGALORE/JAYANAGAR
Premises Code No. :	PP0091	Range	
Type of Organisation :	Individual/Proprietary	Code	456181
Is Large Tax Payer :	No	Name	KARNATAKA
Large Tax Payer Unit :		Commissionerate	
		Code	35045781
		Name	Somesh Jain

At the bottom of the screen, there are function key shortcuts: F1: Accounts, F2: Inventory, and F3: Statutory.

Figure 7.12 Company Service Tax Details Screen

## 7.2.2 Create Service Tax Ledger Masters

Service affects those services that have been notified by the Government on input and output services, create input and output service tax ledgers.

To create **Service Tax Ledger Masters** in Tally.ERP 9, follow the steps given below :

Go to **Gateway of Tally > Accounts Info. > Create**

- ❑ Type the **Name** of the **Ledger**
- ❑ Select the required **Group**
- ❑ Select the **Type of Duty/Tax** as **Service Tax**
- ❑ Select the required **Service Tax Category** from the list of Service Tax Categories in the **Category Name** field

Ledger Creation		Universal Enterprises		Ctrl + M
Name	: Input Service Tax on Maintenance			Total Op. Bal.
(alias)	:			
Under	: Duties & Taxes (Current Liabilities)			
Type of Duty/Tax	: Service Tax			
Category Name	: Maintenance Or Repair Service			
Inventory values are affected	? No			
		<b>Mailing Details</b> Name : Address : State : PIN Code :		
		<b>Tax Information</b> PAN / IT No. :		
Opening Balance ( on 1-Apr-2008) :				Accept ? Yes or No

Figure 7.13 Service Tax Ledger Creation

- Save screen



While creating **Services Ledgers** under **Direct/Indirect Incomes** Group, enable the following

- Set **Is Service Tax Applicable** to **Yes** and select the required **Service Category**
- Set **Is Abatement Applicable** to **Yes** and specify the **Notification No.** and **Percentage** details (if any)

While creating **Party Ledgers**, enable the following

- Set **Is Service Tax Applicable** to **Yes**
- Enable **Set /Alter Service Tax Details** to **Yes** and specify the **Service Tax No.** and **Service Tax Reg. Date** details

### 7.2.3 Create Service Tax Transactions

To create **Service Tax** transactions in Tally.ERP 9, follow the steps given below :

Go to **Gateway of Tally > Accounting Vouchers > F8: Sales /F9: Purchase**

- ❑ Select the **Party's Name**
- ❑ Select the Service and value of Services rendered
- ❑ Select **Service Tax Ledger**, the rate of service tax and the service tax amount is prefilled automatically

Accounting Voucher Creation		Universal Enterprises	Ctrl + M
<b>Sales</b>	No. 20		31-Mar-2009 Tuesday
Ref. :			
Party's A/c Name : M/s Wintech Computers			
Current Balance :			
Particulars	Rate	per	Amount
Sale Maintenance Service			10,000.00
Output ST on Maintenance	10 %		978.50
	(Cess 2 %, Sec Cess1 %)		
Narration:			10,978.50
Received Services from Wintech computers			

Figure 7.14 Sales Invoice screen

- ❑ Save screen

### 7.2.4 Print Service Tax Invoice

To print **Sales Invoice** for Services rendered in Tally.ERP 9, follow the steps given below :

- ❑ Press **Pg Up** from the above screen
- ❑ Press **Alt + P**, the **Voucher Printing** Screen appears
- ❑ Specify required details in **Voucher Printing** screen



- ❑ Select the **Bank Ledger** in the **Account** field
- ❑ Select the **Party** details
- ❑ Select the relevant **Service Tax Category** in the **Service Tax Ledger** field of **Bill-wise Allocations** for screen and press **Enter**

The screenshot displays the 'Accounting Voucher Creation' window for 'Universal Enterprises'. The voucher type is 'Receipt' (No. 1) dated '31-Mar-2009 Tuesday'. The account selected is 'HDFC Bank' with a current balance of '10,000.00 Dr'. The voucher contains one entry for 'M/s Wintech Computers' with a current balance of '978.50 Dr' and an amount of '10,000.00' debited against 'Ref 20A'. The entry is described as 'Output ST on Maintenance'. A narration is provided: 'Ch. No. :421512 Received from Wintech computers'. A dialog box in the bottom right corner asks 'Accept?' with 'Yes or No' options.

Particulars	Amount
M/s Wintech Computers Cur Bal: 978.50 Dr Agst Ref 20A	10,000.00
	10,000.00

Figure 7.16 Receipt of Payments for Services Rendered

- ❑ Save screen

### 7.2.6 Service Tax Abatement facility

Tally.ERP 9 allows you to account for applicable abatements for respective taxable services. You can avail abatement against the output tax payable for a given period. In Tally.ERP 9, the details of abatements are available in the Statutory masters containing the taxable services.

To view **Service Categories**,

Go to **Gateway of Tally > Display > Statutory Info. > Service Categories**

Service Category		Universal Enterprises			
Name : Maintenance Or Repair Service					
Applicable to Country : India					
Code : 00440246					
Accounting Code : 00440245					
Category Code : MRS					
Sub-Clause No. : zzg					
Service Tax Details					
Applicable From	Abatement (%)	Notification No.	Service Tax Rate (%)	Cess Rate (%)	Sec Cess Rate (%)
1-4-2005			10 %	2 %	
18-4-2006			12 %	2 %	
11-5-2007			12 %	2 %	1 %
24-2-2009			10 %	2 %	1 %

Figure 7.17 Service Category Details

### 7.2.7 Payment of Service Tax

The Service Tax has to be paid to the credit of the Central Government by the 5th of the month immediately following the calendar month in which the payments are received, towards the value of the taxable services. The Service Tax Payments are required to be paid in GAR-7 Challan, Tally.ERP provides the facility to generate GAR-7 with the required information.

To make payments for Service Tax,

Go to **Gateway of Tally > Accounting Vouchers > F5: Payment**

- ❑ Select the **Bank Ledger** in the **Account** field
- ❑ Select the **Output Service Tax** Ledger
- ❑ Set **Provide Details** to **Yes** and specify the **Payment Details**

### 7.2.8 Print GAR 7 Challan

To generate **GAR 7** Challan for payment of Service Tax,

- ❑ Press **Pg Up** from the above screen
- ❑ Press **Alt + P**, the **Voucher Printing** appears
- ❑ In the **Voucher Printing** screen, ensure **Print GAR - 7 Challan** option is set to **Yes**
- ❑ Press **Enter** to Print

### 7.2.9 View Service Tax Reports

According to Service Tax Rules, every registered service provider is required to maintain proper Books of Accounts and Records for all input services consumed and output services provided by them during the specified period. In Tally.ERP 9, the following Service Tax reports are available :

- Service Tax Payables
- Input Credit Form
- ST3 Report

To view **Service Tax Reports**, follow the steps given below :

Go to **Gateway of Tally > Display > Statutory Reports > Service Tax Reports**

#### **Service Tax Payable**

The **Service Tax Payable** Report delivers information on total value of taxable services rendered and realised during the given period. It provides party-wise and category-wise tax obligation of the assessee for the particular period. You can generate the service tax payable report to know the Service Tax liability before adjustment.

Go to **Gateway of Tally > Display > Statutory Reports > Service Tax Reports > Service Tax Payables**





Service Tax Payable										
Universal Enterprises										Ctrl + M
Service Tax Payable as at 31-Mar-2009										
Date	Ref. No.	Partys' Name	Category Name	Bill Value			Realised Value			Total Payable
				Assessa-ble Value	Service Tax	Cess	Assessa-ble Value	Service Tax Payable	Cess Payable	
30-Mar-2009	Sale/19	M/s Wintech Computers	Maintenance Or Repair Service	16,820.00	1,682.00	50.46	16,820.00	1,682.00	50.46	1,732.46
31-Mar-2009	Sale/20	M/s Wintech Computers	Maintenance Or Repair Service	9,500.00	950.00	28.50	8,653.30	865.33	25.96	891.29
<b>Total</b>				<b>26,320.00</b>	<b>2,632.00</b>	<b>78.96</b>	<b>25,473.30</b>	<b>2,547.33</b>	<b>76.42</b>	<b>2,623.75</b>

Figure 7.18 Service Tax Payable Report

To view the **Service Tax Payable** Report in detailed mode, press **Alt+F1**

### Input Credit Form

If the assessee has availed credit of Service Tax, he/she is required to furnish a return in proforma in terms of rule 5(4) of the service tax credit rules, along with his half yearly return. If the input credit is in excess of output service tax payable during a particular month or quarter, the surplus is transferred to the next period and is available for set off during that month or quarter, as the case may be.

To view **Input Credit Form**,

Go to **Gateway of Tally > Display > Statutory Reports > Service Tax Reports > Input Credit Form**

Input Credit Form											
Universal Enterprises										Ctrl + M	
as at 31-Mar-2009											
Date	Ref. No.	Partys' Name/ Tax No.	Party Address	Category Name	Bill Value			Realised Value			Total Credit
					Assessab- le Value	Service Tax	Cess	Assessab- le Value	Service Tax Credit	Cess Credit	
25-Mar-2009	Purc/96	Fast Couriers		Courier Agency	4,000.00	480.00	14.40	4,000.00	480.00	14.40	494.40
27-Mar-2009	Purc/92	Fast Couriers		Courier Agency	1,100.00	132.00	3.96	1,100.00	132.00	3.96	135.96
27-Mar-2009	Purc/93	Telephone Link Ltd.,		Telephone Services	1,250.00	150.00	4.50	1,250.00	150.00	4.50	154.50
<b>Total</b>					<b>6,350.00</b>	<b>762.00</b>	<b>22.86</b>	<b>6,350.00</b>	<b>762.00</b>	<b>22.86</b>	<b>784.86</b>

Figure 7.19 Service Tax Input Credit Form

### Print ST 3 Half Yearly Return

According to Service Tax Rules, an assessee is required to submit half-yearly return in **Form ST-3** within 25 days of the end of the half-year. Tally.ERP 9 facilitates the generation of half-yearly ST-3 Challans in the manner as prescribed under Rule 7 of the Service Tax rules 1994.

To view the **ST 3** half-yearly return

Go to **Gateway of Tally > Display > Statutory Reports > Service Tax Reports > ST3 Report**

- In the **Printing** screen,
  - Specify **April- September 2008** in the **Period For** field
  - Type **Place** and **Date details**

## 7.3 Tax Deducted at Source (TDS)

Tax Deducted at Source is one of the modes of collecting Income Tax from the taxpayers as per the rates mentioned under IT Act and Rules. The deductor of the Tax (TDS) deducts the tax from the deductee, on payment of specified Incomes and deposits the same to the credit of Central Government within the specified period alongwith the challan in prescribed format.

Tally.ERP 9's TDS feature is designed to handle all your TDS requirements easily and with complete flexibility. It allows you to configure the TDS ledgers, by specifying the nature of payments and type of assessee along with the TDS rates.

With the help of Tally.ERP 9, you can generate and file Quarterly/Monthly Returns, Challans viz., Form16 A and Certificates in prescribed formats. You can also generate e-TDS and file in NSDL compatible formats.

### 7.3.1 Activate Tax Deducted at Source (TDS)

To activate TDS in Tally.ERP 9, follow the steps given below :

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

- ❑ Set **Enable Tax Deducted at Source** to **Yes**
- ❑ Enable **Set/Alter TDS details** to **Yes**

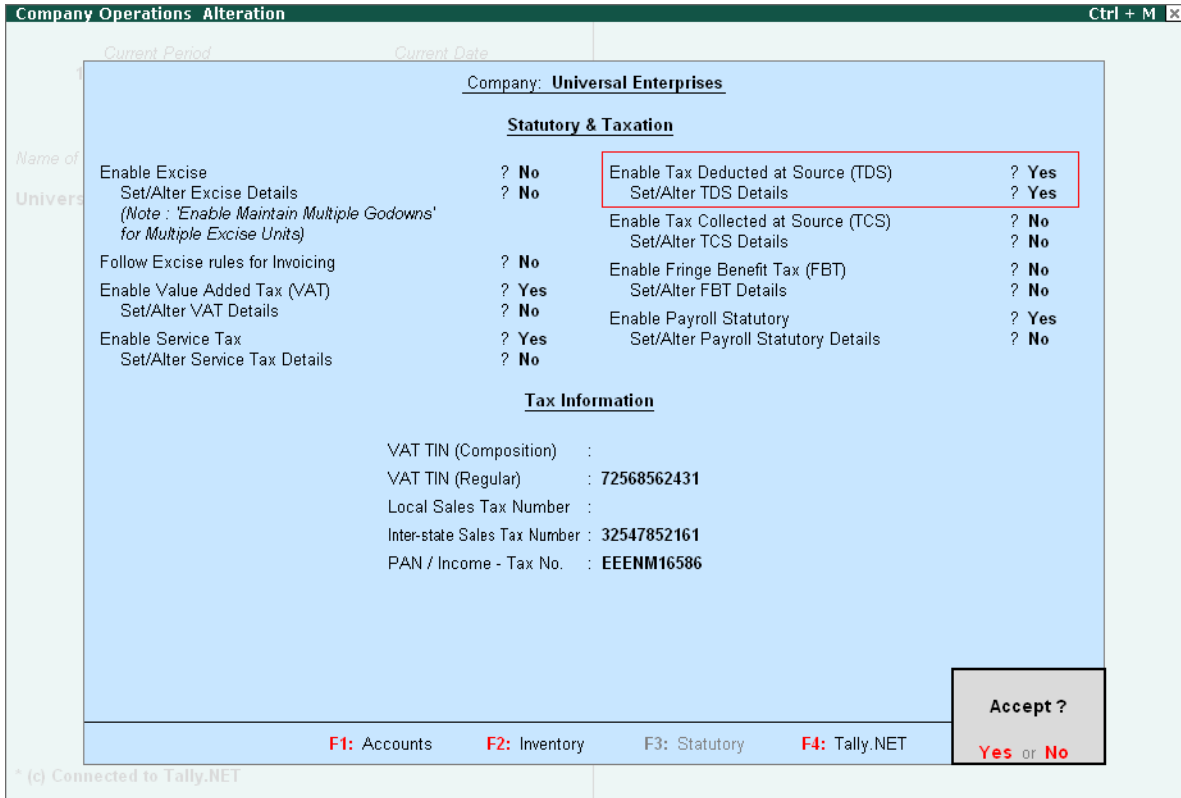


Figure 7.20 TDS Setup Screen

- ❑ The **Company TDS Deductor Details** appears
  - Specify the **TAN Number, IT Circle, Deductee Type** and other details
  - Save screen
- ❑ Specify **PAN/Income Tax No.**
- ❑ Save **F11: Statutory & Taxation** screen

### 7.3.2 View Deductee Types

To view **Deductee Types** predefined in Tally.ERP 9,

Go to **Gateway of Tally > Display > Statutory Info. > Deductee Types**

- ❑ Select the **Deductee Type** (For e.g., select **Company Resident**). from the **List of Deductee Types**

Deductee Type Display		Universal Enterprises						Ctrl + M	
Name : Company - Resident									
Residential Status : Resident									
Deductee Status : Company									
Active ? Yes									
Module Type : Both									
<b>Deductee TDS Details</b>									
Nature of Payment	Applicable From	TDS		Surcharge		Ed Cess		Sec Ed Cess	
		Rate	Exemption Limit	Rate	Exemption Limit	Rate	Exemption Limit	Rate	Exemption Limit
<b>Any Other Interest on Securities As Per Sec.193</b>									
Commission on Sale of Lottery Tickets	1-4-2004	20 %	2,500.00	10 %		2 %			
	1-4-2007	20 %	2,500.00	10 %	1,00,00,000.00	2 %		1 %	
	1-4-2008	20 %		10 %	1,00,00,000.00	2 %		1 %	
Commission Or Brokerage	1-4-2004	10 %	1,000.00	10 %		2 %			
	1-4-2007	10 %	1,000.00	10 %	1,00,00,000.00	2 %		1 %	
Deemed Dividend U/s 2(22)(E)	1-4-2004	5 %	2,500.00	10 %		2 %			
	1-4-2007	5 %	2,500.00	10 %	1,00,00,000.00	2 %		1 %	
	1-6-2007	10 %	2,500.00	10 %	1,00,00,000.00	2 %		1 %	
	1-4-2007	20 %	2,500.00	10 %	1,00,00,000.00	2 %		1 %	
43 more ...									

Figure 7.21 Deductee Type Details Screen

### 7.3.3 View TDS Nature of Payments

To view **TDS Nature of Payment** masters predefined in Tally.ERP 9,

Go to **Gateway of Tally > Display > Statutory Info. > TDS Nature of Pymt**

- Select any type from the **list of TDS Nature of Payments** to go to **TDS Nature of Pymt Display**

TDS Nature Of Pymt Display		Universal Enterprises		Ctrl + M	
Name : Payments to Contractors (Other Than Advertisement)					
Full Name : Payment to a contractor (other than an advertising contract)					
Section : 194C					
Payment Code : 94C					
Single Bill Value Limit : 20,000.00					
Section Name : Contractors & Sub-Contractors					
Gateway of Tally ... Display Menu ... Statutory Info.					

Figure 7.22 TDS Nature of Payment Screen

### 7.3.4 Create TDS Ledgers

To create TDS ledgers in Tally.ERP 9, follow the steps given below :

Go to **Gateway of Tally > Accounts Info. > Create**

- ❑ Type the **Name** of the **Ledger**
- ❑ Select the required **Group**
- ❑ Select the **Type of Duty/Tax** as **TDS**
- ❑ Select the required **Nature of Payment** from the drop down list

Ledger Creation		Universal Enterprises		Ctrl + M	✕
Name : TDS on Contractors			Total Op. Bal.		
(alias) :					
Under	: Duties & Taxes (Current Liabilities)	<b>Mailing Details</b>			
Currency of Ledger	: Rs.	Name	:		
Type of Duty/Tax	: TDS	Address	:		
Nature Of Payment	: Payments to Contractors (Other Than Advertisement)	State	:		
Inventory values are affected	? No	PIN Code	:		
Cost centres are applicable	? No	<b>Tax Information</b>			
Activate Interest Calculation	? No	PAN / IT No.	:		
Opening Balance ( on 1-Apr-2008) :			<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>                      Yes or No                 </div>		

Figure 7.23 TDS Ledger Creation

- ❑ Enter other details and save the screen



While creating **Expenses Ledgers** under **Direct/Indirect Expenses Group**, enable the following

- ❑ Set **Is TDS Applicable** to **Yes**
- ❑ Select the **Default Nature of Payment** from the **List of TDS Nature of Pymt**

While creating **Party Ledgers**, enable the following

- ❑ Set **Is TDS Deductible** to **Yes**
- ❑ Select the **Deductee Type** from the **List of Deductee Types**
- ❑ Specify the **PAN / IT No.** details

### 7.3.5 Create TDS Transactions

To create transactions involving TDS, follow the steps given below :

#### Step 1 : Booking of Expenses and TDS Deduction

Go to **Gateway of Tally > Accounting Vouchers > F7: Journal**

- ❑ Select the **Expenses** Ledger and total amount in the **Debit** side
- ❑ Select the **Party Name** and the amount in the **Credit** side
- ❑ Press **Enter**, the **TDS details** screen appears

TDS Details		Universal Enterprises				Ctrl + M		
Journal	No. 1	Voucher Class : Not Applicable				5-Apr-2008 Saturday		
Particulars				Debit	Credit			
Dr Advertisement Expenses				5,00,000.00				
					Cr Bal: 5,00,000.00 Dr			
TDS Details								
Type of Ref	Name	Nature of Payment		TDS Duty Ledger	Assessable Amount	Deduct now	TDS Amount	Payable Amount
New Ref	Jml / 1-1	Payments to Contractors (Other Than Advertisement)		TDS on Contractors	5,00,000.00 Cr	Yes	10,300.00 Cr	4,89,700.00 Cr
	Income Tax	2 %	On 5,00,000.00 Cr	10,000.00 Cr				
	Surcharge	0 %	On 10,000.00 Cr					
	Education Cess	2 %	On 10,000.00 Cr	200.00 Cr				
	Secondary Education Cess	1 %	On 10,000.00 Cr	100.00 Cr				
<b>Total</b>					<b>5,00,000.00 Cr</b>		<b>10,300.00 Cr</b>	<b>4,89,700.00 Cr</b>

Figure 7.24 Booking of Expenses using Journal Voucher

- Press **Enter** to accept the **Nature of Payment**
- Set **Yes/No** to **Deduct TDS Now** in the transaction or later
- Select the **TDS Ledger** in the **TDS Duty Ledger** field
- Press **Enter** to accept the screen
- Select **TDS ledger** and press **Enter** to accept the amount



Accounting Voucher Creation		Universal Enterprises		Ctrl + M
Journal No. 1		Voucher Class : Not Applicable		5-Apr-2008 Saturday
Particulars		Debit	Credit	
Dr Advertisement Expenses		5,00,000.00		
<i>Cur Bal: 5,00,000.00 Dr</i>				
Cr Avanthi Constructions			4,89,700.00	
<i>Cur Bal: 4,89,700.00 Cr</i>				
New Ref 1	5,00,000.00 Cr			
New Ref 1	10,300.00 Dr			
Cr TDS on Contractors			10,300.00	
<i>Cur Bal: 10,300.00 Cr</i>				
Narration:		5,00,000.00	5,00,000.00	

Accept ?  
Yes or No

Figure 7.25 TDS Deduction during Booking of Expenses

- ❑ Save the screen

**Step 2 : Payments to Third Parties after TDS deduction**

To account for payment made to party after deduction of TDS

Go to **Gateway of Tally > Accounting Vouchers > F5: Payment**

- ❑ Select **Bank Ledger** in the **Account** field
- ❑ Select the **Party Name** and specify the **amount**

Accounting Voucher Creation		Universal Enterprises	Ctrl + M
<b>Payment</b> No. 2			5-Apr-2008 Saturday
Account : <b>HDFC Bank</b> Cur Bal: 2,380.44 Dr			
Particulars		Amount	
<b>Avanathi Constructions</b>		4,89,700.00	
Cur Bal: 0.00 Dr			
Agst Ref 1	4,89,700.00 Dr		
Narration:			
Ch. No. :326598			
		<div style="border: 1px solid black; padding: 5px; display: inline-block;">           Accept ?            Yes or No         </div>	

Figure 7.26 Payments made to Third Parties

- ❑ Save screen

### 7.3.6 TDS Deduction on Advance Payments

To deduct TDS on advance payments made to third parties, follow the steps given below :

Go to **Gateway of Tally > Accounting Vouchers > F5: Payment (As Voucher)**

- ❑ Select **Party Name** and specify the **amount** in the **Debit** side
- ❑ Select the **TDS ledger** in the **Credit** Side and specify the **Nature of Payment** in the **TDS Details** screen
- ❑ Select **End of List** and press **Enter**
- ❑ Select the **Cash / Bank Ledger** in the **Credit** side
- ❑ Save the screen

### 7.3.7 Deduction of TDS separately

If the expenses are booked on a earlier date and the TDS is required to be deducted at a later date, follow the steps given below :

Go to **Gateway of Tally > Accounting Vouchers > F7 : Journal**

- Press **Alt+S (TDS Deduction)** and enter the following details
  - Specify the **Till Date**
  - Select the **Party Details**
  - Select **Nature of Payment**



*You can deduct **TDS** on a later date, if while booking expenses (using Journal / Payment Voucher) **Deduct Tax** is set to **No** in the **TDS Details** subscreen.*

### 7.3.8 Payment of TDS

Go to **Gateway of Tally > Accounting Vouchers > F5: Payment**

- Press **Alt+S (TDS Helper)** and enter the following details
  - Specify the **Deducted Till Date**
  - Select the **Section** under which deducted
  - Select **Nature of Payment**
  - Select the **Deductee Status**
  - Select the **Cash/Bank** Ledger
- Set **Provide Details** to **Yes** and specify the **Payment Details** (Cheque/DD No. and Date etc.)

Accounting Voucher Creation		Universal Enterprises	Ctrl + M
<b>Payment</b> No. 1			5-Apr-2008 Saturday
Account : <b>HDFC Bank</b> Cur Bal: 4,92,080.44 Dr			
Particulars			Amount
<b>TDS on Contractors</b>			10,300.00
Cur Bal: 0.00 Dr			
<b>Agst Ref Jrnl / 1-1</b>	<b>10,300.00</b>		
Income Tax	10,000.00 Dr		
Surcharge			
Education Cess	200.00 Dr		
Secondary Education Cess	100.00 Dr		
Provide Details : <b>Yes</b>			
Narration:			
Ch. No. : 167845			
			10,300.00
			<b>Accept ?</b>
			<b>Yes or No</b>

Figure 7.27 Payment of TDS

### 7.3.9 Print ITNS 281 Challan

To Print ITNS 281 challan, follow the steps

- Press **Pg Up** from the above screen
- Press **Alt+P**
- In the **Voucher Printing screen**,
  - Set **Print as TDS Challan** to **Yes**
  - Specify the **Filing Date**
  - Press **Enter** to Print



T.D.S. TAX CHALLAN		Single Copy (to be sent to ZAO)
<b>CHALLAN No./ ITNS</b> 281	<b>Tax Applicable (Tick one)*</b> <b>TAX DEDUCTED AT SOURCE FROM</b> (0020) COMPANY DEDUCTEES <input type="checkbox"/> (0021) NON-COMPANY DEDUCTEES <input checked="" type="checkbox"/>	<b>Assessment Year</b> 2009-10
Tax Deduction Account No. (T.A.N.) <b>45784512511</b>		
Full Name <b>UNIVERSAL ENTERPRISES</b>		
Complete Address with City & State <b>Plot No. 113 &amp; 114,, Industrial Estate, Hongasandra, Bangalore</b>		
<b>Karnataka</b>		
Tel.No. <b>080-66554433</b>		Ph: <b>5600 68.</b>
<b>Type of Payment</b>		Code * <b>94C</b>
TDS Payable by Taxpayer (200) <input type="checkbox"/>		<b>FOR USE IN RECEIVING BANK</b> Debit to A/c / Cheque credited on DD MM YY  <b>SPACE FOR BANK SEAL</b>  Rs. <b>10,300.00</b>
TDS Regular Assessment (Raised by I.T. Deptt.) (400) <input checked="" type="checkbox"/>		
<b>DETAILS OF PAYMENTS</b>		
	Amount (In Rs. Only)	
Income Tax	<b>10,000.00</b>	
Surcharge		
Education Cess	<b>300.00</b>	
Interest		
Penalty		
<b>Total</b>	<b>10,300.00</b>	
Total (In words):		
CRORES	LACS	THOUSANDS
Zero	Zero	Ten
HUNDREDS	TENS	UNITS
Three	Zero	Zero
Paid In Cash/ Debit to A/c /Cheque No. <b>167845</b> Dated <b>5-Apr-2008</b>		
Drawn on <b>HDFC Bank - Koramangalam</b> (Name of the Bank and Branch)		
<b>Date: 15-Apr-2008</b>		<b>Signature of person making payment</b>
----- Tear Here -----		
<b>Taxpayers Counterfoil</b> (To be filled up by taxpayer)		
TAN <b>45784512511</b>		
Received from <b>UNIVERSAL ENTERPRISES</b> (Name)		
Cash/ Debit to A/c /Cheque No. <b>167845</b>		For Rs. <b>10,300</b>
Rs. (In words) <b>Ten Thousand Three Hundred Only.</b>		
Drawn on <b>HDFC Bank - Koramangalam</b> (Name of the Bank and Branch)		
<b>Non Company(0021) Deductees</b>		
on account of Tax Deducted at Source (TDS) from <b>94C</b> for the Assessment Year <b>2009-10</b>		
		<b>Rs. 10,300.00</b>

Figure 7.28 Printed ITNS 281 Challan

### 7.3.10 View TDS Reports

Tally.ERP 9 provides the following TDS Forms, Challans and Reports.

- TDS Computation
- TDS Challan Reconciliation
- Quarterly eTDS Returns
  - Form 26Q
  - Annexure to 26Q
  - Form 27Q
  - Annexure to 27Q
- Annual eTDS Returns
  - Form 26
  - Annexure to 26
  - Form 27
  - Annexure to 27
- Outstandings
- Exception Reports

To view TDS Reports, follow the steps given below

- Go to **Gateway of Tally > Display > Statutory Reports > TDS Reports**

The **Form 16A** issued to third party stating the deduction of TDS details appears as shown :

Certificate No. : IT/KAR/1256/194C

**FORM NO. 16A**  
[See rule 31(1)(b)]

**Certificate of deduction of tax at source under section 203 of the Income-tax Act, 1961**

For interest on securities; dividends; interest other than 'interest on securities'; winnings from lottery or crossword puzzle; winnings from horse race; payments to contractors and sub-contractors; insurance commission; payments to non-resident sportsmen / sports associations; payments in respect of deposits under National Savings Scheme; payments on account of repurchase of units by Mutual Fund or Unit Trust of India; commission, remuneration or prize on sale of lottery tickets; commission or brokerage; rent/fees for professional or technical services; royalty and any sum under section 28 (va); income in respect of units; payment of compensation on acquisition of certain immovable property; other sums under section 195; income in respect of units of non-residents referred to in section 196 A; income from units referred to in section 196 B; income from foreign currency bonds or shares of an Indian company referred to in section 196 C; income of Foreign Institutional Investors from securities referred to in section 196 D

Name and address of the person deducting Tax	Acknowledgement Nos. of all Quarterly Statements of TDS under sub-section (3) of section 200 as provided by TIN Facilitation Centre or NSDL web-site	Name and address of the person to whom payment made or in whose account it is credited	
<b>Universal Enterprises</b> Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore	Quarter	<b>Avanthi Constructions</b> 4/1 Shastri Nagar G.E Road	
	Apr-Jun		KAR/001
	Jul-Sep		KAR/002
	Oct-Dec		KAR/003
	Jan-Mar	KAR/004	

TAX DEDUCTION A/C NO. OF THE DEDUCTOR	NATURE OF PAYMENT	PAN NO. OF THE PAYEE
45784512511	194C	AQBPP8570B
PAN NO. OF THE DEDUCTOR	Payments to Contractors (Other Than Advertisement)	FOR THE PERIOD
EEENM16586		1-Apr-2008 to 31-Mar-2009

DETAILS OF PAYMENT, TAX DEDUCTIONS AND DEPOSIT OF TAX INTO CENTRAL GOVERNMENT ACCOUNT  
**(The Deductor is to provide transaction-wise details of tax deducted and deposited)**

Sr. No.	Amount paid / credited	Date of payment / credit	Tax Deposited				Cheque / DD No. if any	BSR Code of Bank branch	Date on which tax deposited dd/mm/yy	Transfer Voucher / Challan Identification No.
			TDS Rs.	Surcharge Rs.	Ed Cess	Total Rs.				
1	5,00,000.00	5-Apr-2008	10,000		300	10,300	167845	Hdfc0000-153	5-Apr-2008	1245
	<b>Total</b>		10,000		300	10,300				

Certified that a sum of Rs. (In words) Ten Thousand Three Hundred only has been deducted at source and paid to the credit of the Central Government as per details given above.

\_\_\_\_\_  
*Signature of person responsible for deduction of tax*

Place : Bangalore	Full Name : Saikat
Date : 31-Mar-2009	Designation : Manager

Figure 7.29 Printed Form 16A

Similarly, you can generate eTDS Returns and TDS related reports.

## 7.4 Excise (Manufacturer & Dealer)

Tally.ERP 9 provides complete excise solution for manufacturers as well as dealers dealing in excise goods. It facilitates generation of Excise Invoice for traders and manufacturers (covered under the Central Excise Act) as per Rule 11 of Central Excise Rules. It allows you to maintain complete information of purchase and sale of excisable goods and helps in printing the same in the Excise Invoice.

With the help of Tally.ERP 9, you can generate Excise reports and registers in the prescribed formats for Manufacturers and Dealers, as the case may be.

### 7.4.1 Enable Excise

To activate Excise for Manufacturer/Traders,

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

- Set **Enable Excise** to **Yes**
- **Set/Alter Excise Details** to **Yes** and press **Enter**

**Company Operations Alteration** Ctrl + M X

Current Period: \_\_\_\_\_ Current Date: \_\_\_\_\_

Company: **Universal Enterprises**

**Statutory & Taxation**

Enable Excise	? <b>Yes</b>	Enable Tax Deducted at Source (TDS)	? <b>Yes</b>
Set/Alter Excise Details (Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)	? <b>Yes</b>	Set/Alter TDS Details	? <b>No</b>
Follow Excise rules for Invoicing	? <b>No</b>	Enable Tax Collected at Source (TCS)	? <b>No</b>
Enable Value Added Tax (VAT)	? <b>Yes</b>	Set/Alter TCS Details	? <b>No</b>
Set/Alter VAT Details	? <b>Yes</b>	Enable Fringe Benefit Tax (FBT)	? <b>No</b>
Enable Service Tax	? <b>Yes</b>	Set/Alter FBT Details	? <b>No</b>
Set/Alter Service Tax Details	? <b>No</b>	Enable Payroll Statutory	? <b>Yes</b>
		Set/Alter Payroll Statutory Details	? <b>No</b>

**Tax Information**

VAT TIN (Composition) : \_\_\_\_\_  
VAT TIN (Regular) : **72568562431**  
Local Sales Tax Number : \_\_\_\_\_  
Inter-state Sales Tax Number : **32547852161**  
PAN / Income - Tax No. : **EEENM16586**

**Accept ?**

F1: Accounts    F2: Inventory    F3: Statutory    F4: Tally.NET    **Yes or No**

\* (c) Connected to Tally.NET

Figure 7.30 Company Excise Duty Details Screen

- Select **Manufacturer / Dealer** (as the case may be) from the **Registration Types**





Excise Registration Details		Universal Enterprises		Ctrl + M	X
<u>Excise Registration Details</u>					
Registration Type	:	Dealer			
Address	:	Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore			
PIN Code	:	560068			
Telephone No.	:	080-66554433			
<u>Excise Details</u> (Dealer Unit)					
Unit Mailing Name (Will be used in all Excise Reports)	:	Universal Enterprises			
Excise Registration (ECC) No.	:	AAPLS5647MXD003			
Date of Registration	:	1-Apr-2000			
<u>Other Details</u>					
<u>Range</u>		<u>Division</u>		<u>Commissionerate</u>	
Code	:	Code	:	Code	:
09029		09001		009	
Name	:	Name	:	Name	:
Koramangala		Division II		Bangalore I	
Address	:	Address	:	Address	:
I-15 4th Floor 5th Phase Behind Jyoti Nivas Bangalore 560066		Division - II 7th Floor, 'A' Wing, Kendriya Sadan Koramangala, Bangalore - 560094		P. B. No. 5400, Central Revenue Building Queens Road, Bangalore - 560001	

Figure 7.32 Company Excise Duty Details Screen

- Save the screen

### 7.4.2 Create Tariff Classification

To Create Tariff Classification,

Go to **Gateway of Tally > Inventory Info. > Tariff Classifications > Create**

- Type all required details

Tariff Classification Creation		Universal Enterp
Name	: MP4 Player	
(alias)	:	
HSN Code	: 7884578	
Used for	: Excise	
<b>VAT</b>		
Schedule Number	:	
Schedule Serial Number	:	
Notes	: <b>This HSN Code entered as per the letter received dt. 1.4.2008.</b>	

Figure 7.33 Tariff Classification Screen

- Save screen

### 7.4.3 Create Excisable Stock Item

To Create Excisable Stock Items:

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

- Specify the details for **Name** and other information.

Stock Item Creation		Universal Enterprises
Name	: MP4 Player	
(alias)	:	
Under	: <b>E Primary</b>	<b>Tax Information</b>
Units	: <b>Nos</b>	Tariff Classification : <b>MP4 Player</b>
Maintain in Batches	? <b>No</b>	Set/Alter Excise Details ? <b>Yes</b>
		Rate of VAT (%) :
	<b>Quantity</b>	<b>Rate per</b>
Opening Balance	:	<b>Value</b>

Figure 7.34 Excisable Stock Item Creation Screen

- Enable **Set/Alter Excise Details** to **Yes** and specify the details

Excise Details for : MP4 Player Tariff Classification : MP4 Player				
Excise Unit Name	Reporting UOM	Conversion Factor	Set/Alter Duty Details	Stock Item Type
Assembly Floor	Nos		Yes	

Figure 7.35 Excise Duty Details Screen

- Select the applicable **Excise duties**, the **Rate** and **Method of calculation** is defaulted automatically

Excise Duty Details			Universal Enterprises	Ctrl + M
Name : MP4 Player (alias) :			List of Excise Duty Classifications	
Excise Details for : MP4 Player Tariff Classification : MP4 Player				
Duty Details for : MP4 Player Tariff Classification : MP4 Player Excise Unit : Assembly Floor			Yes	
Type of Duty	Rate of Duty	Method of Calculation		
Basic Excise Duty	16 %	On Assessable Value		
Education Cess	2 %	On Duty Value		
Secondary Education Cess	1 %	On Duty Value		
			<ul style="list-style-type: none"> <li>End of List</li> <li>AED (GSI)</li> <li>AED (GSI) of CVD</li> <li>AED on HSD</li> <li>AED on HSD of CVD</li> <li>AED (PMT)</li> <li>AED (PMT) of CVD</li> <li>AED (TTA)</li> <li>AED (TTA) of CVD</li> <li>AED (TTW)</li> <li>AED (TTW) of CVD</li> <li>Countervailing Duty (CVD)</li> <li>Education Cess on CVD</li> <li>NCCD</li> <li>NCCD of CVD</li> <li>Secondary Education Cess on CVD</li> <li>SED of CVD</li> <li>Special AED</li> <li>Special AED of CVD</li> <li>Special Excise Duty</li> </ul>	

Figure 7.36 Excise Duty Details Screen

### 7.4.4 Create Excise Voucher Type

To Create an Excise Voucher Type for purchase,

Go to **Gateway of Tally > Accounting Info. > Voucher Types > Create**

- ❑ Set **Use for Excise** to **Yes**
- ❑ Specify the **Default Excise Unit**
- ❑ Specify all other required details as shown

Voucher Type Creation		Universal Enterprises		Ctrl + M
Name	: Excise - Purchases			
(alias)	:			
<b>General</b>		<b>Printing</b>		<b>Name of Class</b>
Type of Voucher	: Purchase	Print after saving Voucher	? No	
Abbr.	: Purc			
Method of Voucher Numbering	? Automatic			
Use Advance Configuration	? No			
Use EFFECTIVE Dates for Vouchers	? No			
Make 'Optional' as default	? No			
Use Common Narration	? Yes			
Narrations for each entry	? No			
Use for Excise	? Yes			
Default Excise Unit	: <b>Assembly Floor</b>			
List of Excise Units				
<b>Assembly Floor</b>		<b>Dealer</b>		
Stores		Dealer		
Stores II		Dealer		

Figure 7.37 Excise Purchase Voucher Type Creation

- ❑ Save screen

Similarly, create a Excise Sales Voucher Type for recording an excisable sales.

### 7.4.5 Purchase of Excisable Goods

To account for excise duty paid on purchases of excisable stock items,

Go to **Gateway of Tally > Accounting Vouchers > F9: Excise Purchase**

- ❑ Enter the **Party Name**
- ❑ Specify the **Supplier Details**

Party Details		Universal Enterprises	Ctrl + M
Excise - Purchases No. 1			5-Apr-2008
Supplier Invoice No. : 559		Date : 5-Apr-2008	Saturday
Excise Unit : Assembly Floor			
<b>Receipt Details</b>			
Receipt Note No.(s) : [ End of List			
<b>Order Details</b>			
Order No(s) : [ End of List			
<b>Supplier's Details</b>			
Supplier : <b>Sterling Business Solutions</b>			
Address : Plot-178			
Yeshwanthpur Industrial Area			
Bangalore			
TIN/Sales Tax No. : 32215487541			
Excise Regn No. : AFGHN12457812652			
Range : Koramangala			
Division : Yeshwanthpur			
Commissionerate : Bangalore GPO			
<b>Manufacturer / Importer Details</b>			
Name :			
Address :			
Excise Regn No. :			
Range :			
Division :			
Commissionerate :			
Invoice No. :			
Invoice Date :			

Figure 7.38 Party Details for Excise Purchase

- Specify the **Excise Details** as shown

Excise Details		Universal Enterprises		Ctrl + M
Excise - Purchases No. 1				5-Apr-2008
Supplier Invoice No. : 559		Date : 5-Apr-2008		Saturday
Excise Unit : Assembly Floor				
Party's A/c Name : Sterling Business Solutions				
Excise Details for : <b>MP4 Player</b> (Tariff Classification : MP4 Player)				
<b>Supplier Invoice Details</b>		Quantity	Rate per	Disc % Amount
Supplier Invoice No. : <b>559</b>		100 Nos	3,250.00	Nos 3,25,000.00
Supplier Invoice Date : 5-Apr-2008				
RG 23D Entry No. :				
Assessable Value : 3,25,000.00				
<b>Manufacturer / Importer Invoice Details</b>				
Invoice No. :				
Invoice Date :				
RG 23D Entry No. :				
Billed Qty : 100 Nos				
Assessable Value : 3,25,000.00				
<b>Type of Duty</b>	<b>Rate of Duty</b>	<b>Duty Amount</b>	<b>Mfgr / Importer Duty Amount</b>	
Basic Excise Duty	16 %	52,000.00	52,000.00	
Education Cess	2 %	1,040.00	1,040.00	
Secondary Education Cess	1 %	520.00	520.00	
<b>Total</b>		<b>53,560.00</b>	<b>53,560.00</b>	
			100 Nos	3,25,000.00

Figure 7.39 Excise Details for Stock Item Sub-screen

- Set **Yes** to **Show Statutory Details** to verify/check the calculation of **Assesable Value**



Statutory Details		Universal Enterprises		Ctrl + M		
Excise - Purchase	<u>Statutory Details</u>				5-Apr-2008	
Supplier Invoice No					Saturday	
Excise Unit	<b>Particulars</b>		<b>VAT</b>			
Party's A/c Name	<b>Assessable Value</b>		<b>3,25,000.00</b>			
Nature of Purchase	<i>MP4 Player</i>		3,25,000.00			
Current Balance :	<i>Item Value</i>		3,25,000.00			
Name of Item					%	Amount
MP4 Player	<b>VAT Amount</b>		<b>13,000.00</b>		3,25,000.00	
Input VAT @ 4%	<i>Input VAT @ 4%</i>		4 %			
	<i>MP4 Player @ 4 % On 3,25,000.00</i>		13,000.00		13,000.00	
Show Statutory De						
Narration:					3,38,000.00	

Figure 7.40 Statutory Details Sub-screen



The **Excise Purchase voucher** appears as shown :

Accounting Voucher Creation		Universal Enterprises		Ctrl + M
<b>Excise - Purchases</b> No. 1		Date : 5-Apr-2008		5-Apr-2008
Supplier Invoice No. : 559				Saturday
Excise Unit : Assembly Floor				
Party's A/c Name : Sterling Business Solutions				
Nature of Purchase : First Stage Dealer				
Current Balance : 14,062.50 Dr		Credit Limit: 9,00,000.00 Dr		
Name of Item	Quantity	Rate per	Disc. %	Amount
MP4 Player	100 Nos	3,250.00	Nos	3,25,000.00
Input VAT @ 4%			4 %	13,000.00
Show Statutory Details ? Yes				
Narration:		100 Nos		Accept ?
				Yes or No

Figure 7.41 Purchase Creation Screen for Excisable Goods

### 7.4.6 Sale of Excisable Goods

To account for excise duty chargeable on sales of excisable stock items,

Go to **Gateway of Tally > Accounting Vouchers > F8: Excise Sales**

- ❑ Specify the required details as explained in the previous section
- ❑ Save screen
- ❑ Press **Alt+P** to **Print Excise Invoice** under Rule 11.

### 7.4.7 View Excise Reports

With the help of Tally.ERP 9, you can generate Excise reports and registers in the prescribed formats for Manufacturers as well as dealers dealing with Excisable goods. Tally.ERP 9 provides the following reports for Excise Dealers :

- Quarterly returns (Form 2 )
- Excise Stock Register (RG 23D)
- Excise Purchase Bill Register
- Sales and Purchase Extract

To view Dealer Excise Reports,

Go to **Gateway of Tally > Display > Statutory Reports > Dealer Excise Reports**

#### Excise Stock Register

Every Registered Dealer has to maintain a Excise Stock Register to record the daily receipt and issue of excisable goods ready for inspection by the officers of the department. The Excise Stock Register in Tally.ERP 9 gives the purchase and sales information. It has two sections, which are, the Receipt section for Purchases and Issues section for the Sales/Debit Note/Credit Note details.

Go to **Gateway of Tally > Display > Statutory Reports > Excise Reports > Dealer > Excise Stock Register**

Excise Stock Register		Universal Enterprises						Ctrl + M	
Unit Name : Assembly Floor		1-Apr-2008 to 5-Apr-2008							
Stock Item : MP4 Player									
Units : Nos		Excise Tariff Classification : MP4 Player							
Receipt									
Sl. No.	Invoice No. / Date	Name and Address of the Supplier	Nature of Purchase	Quantity	Rate	Assessable Value	Duty per Unit	Total Duty	Cess per Unit
1	559 5-Apr-2008	Sterling Business Solutions Plot-178, Yeshwanthpur Industrial Area, Bangalore	First Stage Dealer	100	3,250.00	3,25,000.00	520.00	52,000.00	15.60
2	215487 5-Apr-2008	Computer Point 123/4 Hosur Main Road, Industrial Area, Bangalore	Manufacturer	200	3,100.00	6,20,000.00	496.00	99,200.00	14.88
<b>Total</b>				<b>300</b>		<b>9,45,000.00</b>		<b>1,51,200.00</b>	

Figure 7.42 Excise Stock Register Report

- Use **arrows** to scroll to right side of the report



Excise Stock Register						Universal Enterprises			
Unit Name : Assembly Floor						1-Apr-2008 to 5-Apr-2008			
Stock Item : MP4 Player									
Units : Nos						Excise Tariff Classification : MP4 Player			
Sl. No.	Invoice No. / Date	Duty per Unit	Total Duty	Cess per Unit	Total Cess	Issue			
						Duty Details	Issued Quantity	Total Duty	Total Cess
		← ... 5 more							
1	559 5-Apr-2008	520.00	52,000.00	15.60	1,560.00	Duty Passed On Duty Not Passed On			
						<b>Total</b>			
						<i>Balance Duty</i>	100	52,000.00	1,560.00
2	215487 5-Apr-2008	496.00	99,200.00	14.88	2,976.00	Duty Passed On Duty Not Passed On			
						<b>Total</b>			
						<i>Balance Duty</i>	200	99,200.00	2,976.00
			1,51,200.00		4,536.00				

Figure 7.43 Excise Stock Register Report

### Form RG 23D

The Form RG 23D report provides the details of Excise purchases and the corresponding Sales transactions.

FORM RG 23D Universal Enterprises Ctrl + M										
Unit Name : Assembly Floor 1-Apr-2008 to 30-Apr-2008										
Item Name : MP4 Player Excise Tariff Classification : MP4 Player										
Invoice No. / Date	RG 23D No.	Name and Address of Manufacturer / Importer including Central Excise Regn. No. / Range / Division / Commissionerate	Quantity	Rate	Assessable Value	Basic Excise Duty	Education Cess	Secondary Education Cess	Excise Duty per Unit	Total Excise Duty
215487 5-Apr-2008 / Excise - Purchases	M11245	Computer Point 123/4 Hosur Main Road, Industrial Area, Bangalore	200 Nos	3,100.00	6,20,000.00	99,200.00	1,984.00	992.00	510.88	1,02,176.00
		Balance Duty	200 Nos			99,200.00	1,984.00	992.00		1,02,176.00
559 5-Apr-2008 / Excise - Purchases	M12451	Sterling Business Solutions Plot-178, Yeshwanthpur Industrial Area, Bangalore	100 Nos	3,250.00	3,25,000.00	52,000.00	1,040.00	520.00	535.60	53,560.00
		Balance Duty	100 Nos			52,000.00	1,040.00	520.00		53,560.00

Figure 7.44 RG 23 D Report Screen

Similarly, you can generate other Excise Reports for a Excise Dealer viz.,

- ❑ Excise Purchase Bill Register
- ❑ Sales and Purchase Extract
- ❑ Form 2

Tally.ERP 9's simple yet powerful Excise feature enables you to record transactions related to Excise with ease. The Excise for manufacturer functionality in Tally.ERP 9 is more advanced and works similar to Excise for dealers functionality. Tally.ERP 9 provides the following reports for Excise Manufacturers :

- ❑ Excise Computation
- ❑ PLA Register
- ❑ Daily Stock Register
- ❑ Form ER1
- ❑ CENVAT Credit Availed report

## 7.5 Fringe Benefit Tax

The Fringe Benefit Tax is levied on employer in respect of fringe benefits provided/deemed to be provided by him to his employees during any financial year commencing on or after 1.4.2005. The Fringe Benefit Tax is payable at the rate at the 30% of the assesable value of fringe benefits. In Tally.ERP 9, Fringe Benefits classifications are predfined with the assessable value and the rate of FBT for each nature of Fringe benefits.

### 7.5.1 Enable Fringe Benefits Tax

To enable **Fringe Benefits Tax** in Tally.ERP 9, follow the steps given below :

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

- ❑ Set **Enable Fringe Benefit Tax (FBT)** to **Yes**
- ❑ Enable **Set/Alter FBT Details** to **Yes**

The screenshot shows the 'Company Operations Alteration' window for 'Universal Enterprises'. The 'Statutory & Taxation' section is active, displaying various tax-related settings. The 'Enable Fringe Benefit Tax (FBT)' option is highlighted with a red box and set to 'Yes'. Below this section, the 'Tax Information' section is visible, showing VAT TIN (Regular) as 72568562431, Local Sales Tax Number, Inter-state Sales Tax Number as 32547852161, and PAN / Income - Tax No. as EEENM16586. The bottom of the window shows function key shortcuts: F1: Accounts, F2: Inventory, F3: Statutory, and F4: Tally.NET.

Company: <b>Universal Enterprises</b>			
<u>Statutory &amp; Taxation</u>			
Enable Excise	? <b>Yes</b>	Enable Tax Deducted at Source (TDS)	? <b>Yes</b>
Set/Alter Excise Details (Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)	? <b>No</b>	Set/Alter TDS Details	? <b>No</b>
Follow Excise rules for Invoicing	? <b>No</b>	Enable Tax Collected at Source (TCS)	? <b>No</b>
Enable Value Added Tax (VAT) Set/Alter VAT Details	? <b>No</b>	Set/Alter TCS Details	? <b>No</b>
Enable Service Tax Set/Alter Service Tax Details	? <b>Yes</b>	Enable Fringe Benefit Tax (FBT)	? <b>Yes</b>
	? <b>No</b>	Set/Alter FBT Details	? <b>Yes</b>
	? <b>Yes</b>	Enable Payroll Statutory	? <b>Yes</b>
	? <b>No</b>	Set/Alter Payroll Statutory Details	? <b>No</b>
<u>Tax Information</u>			
VAT TIN (Composition)	:		
VAT TIN (Regular)	:	72568562431	
Local Sales Tax Number	:		
Inter-state Sales Tax Number	:	32547852161	
PAN / Income - Tax No.	:	EEENM16586	

F1: Accounts    F2: Inventory    F3: Statutory    F4: Tally.NET

Figure 7.45 F11: Statutory & Taxation Features

- ❑ Type details in **Company FBT Assessee Details**

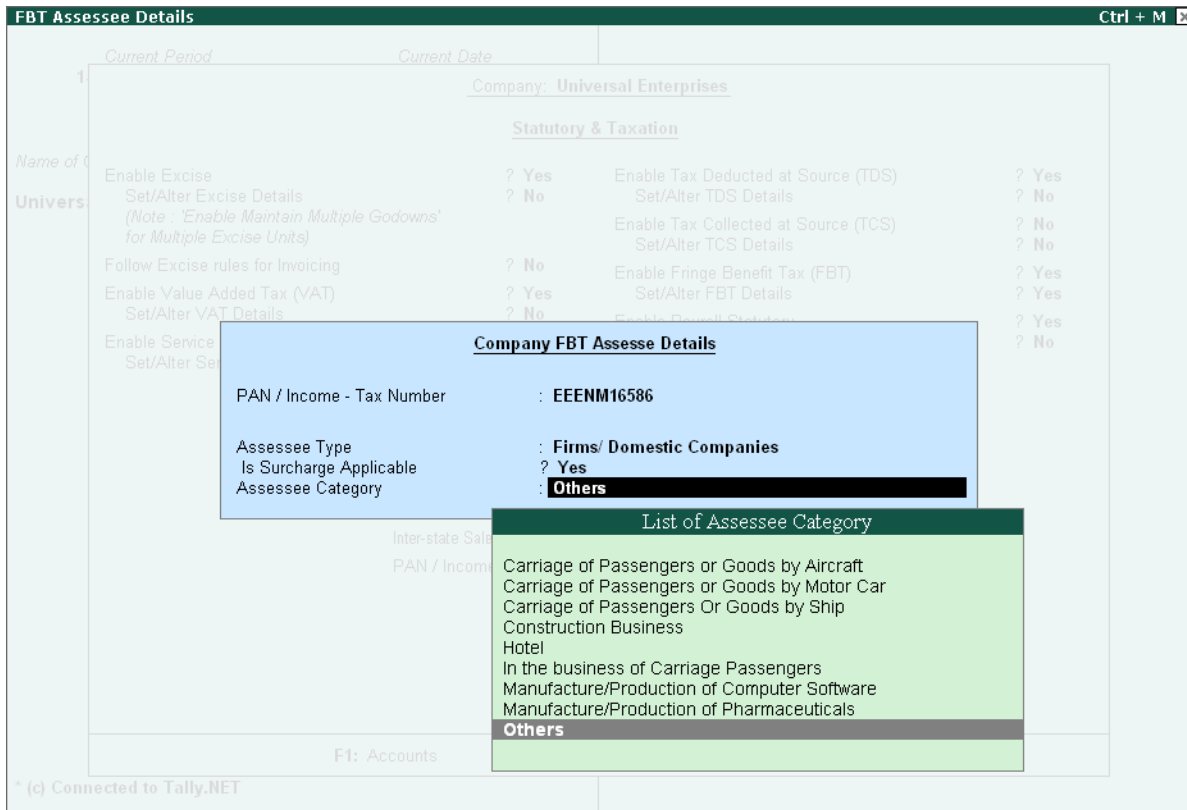


Figure 7.46 Company FBT Assessee Details sub form screen

- Save screen

### 7.5.2 View FBT Assessee Type Masters

The FBT Assessee details provides the rates of tax, surcharges and Cess that are to be deducted and remitted to the Government.

To view the **FBT Assessee Type** details,

Go to **Gateway of Tally > Display > Statutory Info. > FBT Assessee Type**

Master Report Display		Universal Enterprises			Ctrl + M
Name : Firms/ Domestic Companies					
<b>FBT Assessee Details</b>					
Applicable From	Rate of FBT	Surcharge	Addl Surcharge (Cess)	Addl Education (Cess)	
1-4-2005	30 %	10 %	2 %		
1-4-2007	30 %	10 %	2 %	1 %	

Figure 7.47 FBT - Assessee Type Masters

### 7.5.3 View FBT Category Masters

The FBT Category details provides the details of eligible percentage of the expenditure that is to be considered while computing the FB Tax.

Master Report Display		Universal Enterprises		Ctrl + M
Name : Entertainment				
Section : 115WB(2)(A)				
<b>FBT Category</b>				
Assessee Category	Applicable From	Eligible Percentage		
Carriage of Passengers or Goods by Aircraft	1-Apr-2005	20 %		
Carriage of Passengers or Goods by Motor Car	1-Apr-2005	20 %		
Construction Business	1-Apr-2005	20 %		
Hotel	1-Apr-2005	20 %		
In the business of Carriage Passengers	1-Apr-2005	20 %		
Manufacture/Production of Computer Software	1-Apr-2005	20 %		
		6 more ...		

Figure 7.48 FBT - Category Master Report Display



### 7.5.4 Create FBT Masters

To create FBT Tax Ledgers, follow the steps given below :

Go to **Gateway of Tally > Accounts Info. > Ledger > Create**

- ❑ Type the **Name** of the Ledger
- ❑ Select the required **Group**
- ❑ Select **FBT** in the **Type of Duty/Tax**

Ledger Creation		Universal Enterprise
Name	: Fringe Benefit Tax - Entertainment	Total Op. Bal.
(alias)	:	
Under	: Duties & Taxes (Current Liabilities)	
Type of Duty/Tax	: FBT	
Opening Balance ( on 1-Apr-2008) :		Accept ? Yes or No

Figure 7.49 FBT Tax Ledger

- ❑ Save screen



While creating **Expenses Ledgers** under **Direct/Indirect Expenses** Group, enable the following

- ❑ Set **Is FBT Applicable** to **Yes**
  - i. Select the required **FBT Category**
  - ii. Specify **Exemption Amount in Vouchers** to **Yes**, if required

### 7.5.5 Create FBT Transactions

To account expenses that attract FBT using accounting vouchers, follow the steps given below :

Go to **Gateway of Tally > Accounting Vouchers > F5: Payment**

- Specify the following details

Accounting Voucher Creation		Universal Enterprises	Ctrl + M
<b>Payment</b>	No. 382		31-Mar-2009 Tuesday
Account : <b>HDFC Bank</b> Cur Bal: 1,22,380.44 Dr			
Particulars			Amount
<b>Entertainment Expenses</b> Cur Bal: 20,000.00 Dr			20,000.00
Name on Cheque : <b>Hotel Tridon</b> Cross cheque using ? <b>A/c Payee</b> Narration: Ch. No. :322011 Dinner expenses incurred by CFO for entertaining guests.			
			<b>Accept ?</b> Yes or No

Figure 7.50 Payment of Expenses subject to FBT

- Save screen.

### 7.5.6 Payment of FBT

To remit fringe benefit tax deducted to the Government, follow the steps given below :

Go to **Gateway of Tally > Accounting Vouchers > F5: Payment**

- Press **Alt+F: FBT Helper**
- In **FBT Filters**,
  - Specify details for **Type of Payment**
  - Select **FBT Ledger**
  - Specify details in **From Date & To Date**

FBT Filters		Universal Enterprises	Ctrl + M																						
Payment	No. 384		31-Mar-2009 Tuesday																						
Account :																									
Cur Bal:																									
Particulars	Amount																								
<table border="1"> <thead> <tr> <th colspan="2">FBT Filters</th> </tr> </thead> <tbody> <tr> <td>Type Of Payment</td> <td>: Tax On Regular Assessment (400)</td> </tr> <tr> <td>FBT Ledger</td> <td>: Fringe Benefit Tax - Entertainment</td> </tr> <tr> <td>From Date</td> <td>: 1-3-2009</td> </tr> <tr> <td>To Date</td> <td>: 31-3-2009</td> </tr> <tr> <th colspan="2">Challan Details</th> </tr> <tr> <td>Bank Challan No.</td> <td>: 99772</td> </tr> <tr> <td>Challan Date</td> <td>: 31-3-2009</td> </tr> <tr> <td>Cheque/DD No</td> <td>: 322019</td> </tr> <tr> <td>Bank Name</td> <td>: HDFC Bank</td> </tr> <tr> <td>BSR Code</td> <td>: 0000053</td> </tr> </tbody> </table>				FBT Filters		Type Of Payment	: Tax On Regular Assessment (400)	FBT Ledger	: Fringe Benefit Tax - Entertainment	From Date	: 1-3-2009	To Date	: 31-3-2009	Challan Details		Bank Challan No.	: 99772	Challan Date	: 31-3-2009	Cheque/DD No	: 322019	Bank Name	: HDFC Bank	BSR Code	: 0000053
FBT Filters																									
Type Of Payment	: Tax On Regular Assessment (400)																								
FBT Ledger	: Fringe Benefit Tax - Entertainment																								
From Date	: 1-3-2009																								
To Date	: 31-3-2009																								
Challan Details																									
Bank Challan No.	: 99772																								
Challan Date	: 31-3-2009																								
Cheque/DD No	: 322019																								
Bank Name	: HDFC Bank																								
BSR Code	: 0000053																								
Narration:																									

Figure 7.51 FBT Filters Screen

- Press **Enter** to save the screen

Accounting Voucher Creation		Universal Enterprises	Ctrl + M
<b>Payment</b> No. 383		31-Mar-2009 Tuesday	
Account : <b>HDFC Bank</b> Cur Bal: 80,873.44 Dr			
Particulars		Amount	
<b>Fringe Benefit Tax - Entertainment</b> Cur Bal: 1,507.00 Dr		1,507.00	
Name on Cheque : <b>Hotel Tridon</b>			
Cross cheque using ? <b>A/c Payee</b>			
Narration:			
Ch. No. :322019 Entertainment expenses incurred by CEO for March 2009.			
		1,507.00	
		<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>Accept ?</b>                      Yes or No                 </div>	

Figure 7.52 Payment of FB Tax Screen

- ❑ Save the screen

### 7.5.7 Print ITNS 283 Challan

To **Print ITNS 283** challan, follow the steps

- ❑ Press **Pg Up** from the above screen
- ❑ Press **Alt+P**
- ❑ In the **Voucher Printing** screen, ensure **Print as FBT Challan** is set to **Yes**
- ❑ Press **Enter** to Print

### 7.5.8 View Fringe Benefit Tax Reports

To view **Fringe Benefit Tax Reports**, follow the steps given below

**Go to Gateway of Tally > Display > Statutory Reports > FBT Reports > FBT Computation**

The report generated is as follows;

FBT Computation		Universal Enterprises		Ctrl + M
FBT Computation		1-Mar-2009 to 31-Mar-2009		
Particulars	Fringe Benefit Details		Total Tax	
	Nett Expenditure	Value of Fringe Benefit		
Employees Welfare	641.00	128.20	43.58	
Entertainment	20,000.00	4,000.00	1,359.60	
Repair,Running and Maintenance of Motor Cars	1,520.00	304.00	103.33	
<b>Total</b>	<b>22,161.00</b>	<b>4,432.20</b>	<b>1,506.51</b>	
<b>Fringe Benefit Tax</b>			<b>1,506.51</b>	
<b>Total Tax Paid</b>			<b>1,507.00</b>	

Figure 7.53 FBT Computation Report

- Press **Enter** and you can view all ledgers of FBT Category.

Ledgers of FBT Category		Universal Enterprises				Ctrl + M				
FBT Category : Entertainment - 115WB(2)(A)		1-Mar-2009 to 31-Mar-2009								
Name of the Ledger	Fringe Benefit Details					Tax Details				
	Expenditure Amount	Exempt Amount	Amount Recovered	Nett Expenditure	Value of Fringe Benefit	FBT	Surcharge	Education Cess	Secondary Education Cess	Total Tax
Entertainment Expenses	20,000.00			20,000.00	4,000.00	1,200.00	120.00	26.40	13.20	1,359.60
<b>Grand Total</b>	<b>20,000.00</b>			<b>20,000.00</b>	<b>4,000.00</b>	<b>1,200.00</b>	<b>120.00</b>	<b>26.40</b>	<b>13.20</b>	<b>1,359.60</b>

Figure 7.54 Ledgers of FBT Category Report

To view **Fringe Benefit Tax Return in Form 8**,

Go to **Gateway of Tally > Display > Statutory Reports > FBT Reports > FBT Returns**

The FBT Returns in prescribed Form 8 appears with annexure.

### 7.6 Tax Collected at Source (TCS)

TCS is the Tax Collected at Source by you (collector) from a Buyer/lessee (collectee/payee). This tax to be collected at source is applicable to goods, as specified under Section 206C of the Income Tax Act, 1961. If the purchase value of goods is X, the amount payable by the buyer is X+Y, where Y is the value of Tax at Source. The seller deposits the tax amount Y at any designated branch of banks authorised to receive such payments.

As a seller, lessor or licensor, you are responsible for the collection of tax from the buyer, lessee or licensee. The tax is collected for sale of goods or on transactions which involve receipt of amounts from buyers in the form of cash or cheque, draft or any other mode.

The certificate of collection of Tax at Source has to be submitted in Form No. 27D by persons collecting tax at source within a week from the last day of the month in which the tax was collected.

### 7.6.1 Enable Tax Collected at Source (TCS)

To activate **Tax Collected at Source** in Tally.ERP 9, follow the steps given below :

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

- Set **Enable Tax Collected at Source (TCS)** to **Yes**
- Enable **Set/Alter TCS Details** to **Yes** and press **Enter**

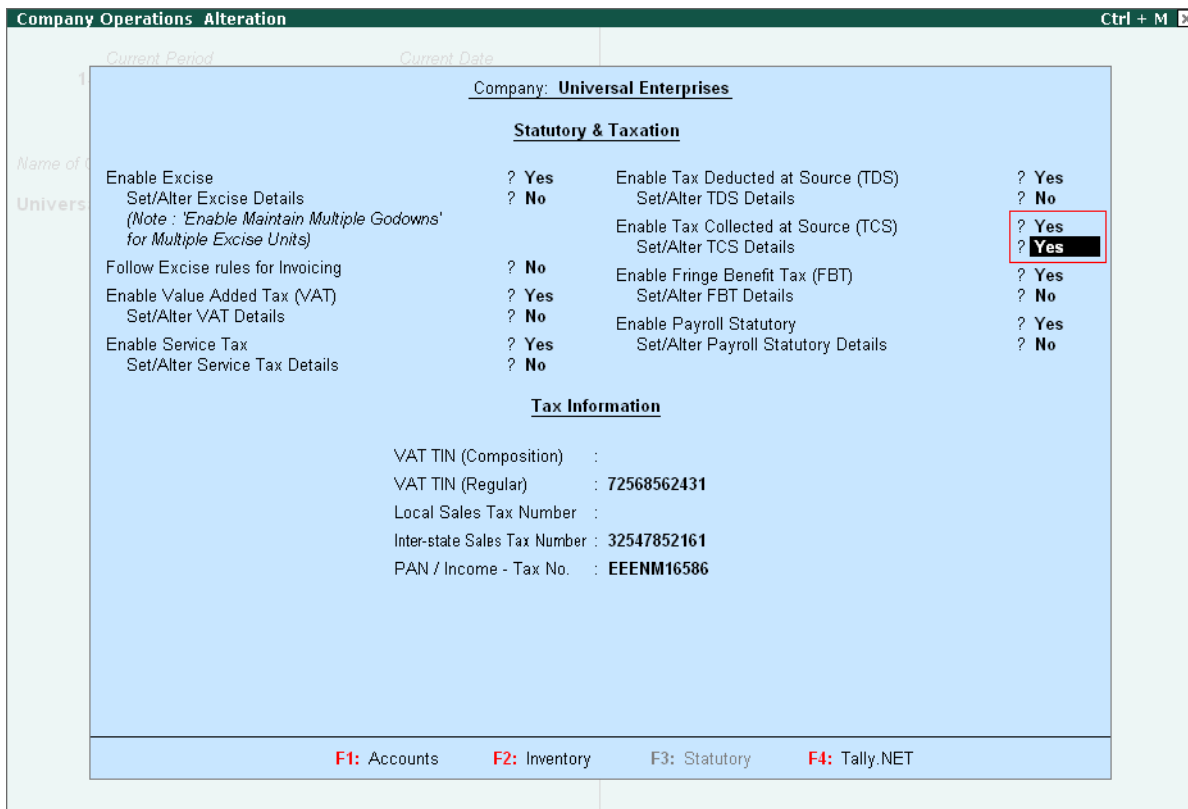


Figure 7.55 TCS Activation- Company Features Alteration Screen

- In the **Company Deductor/Collector Details** screen, specify the required details

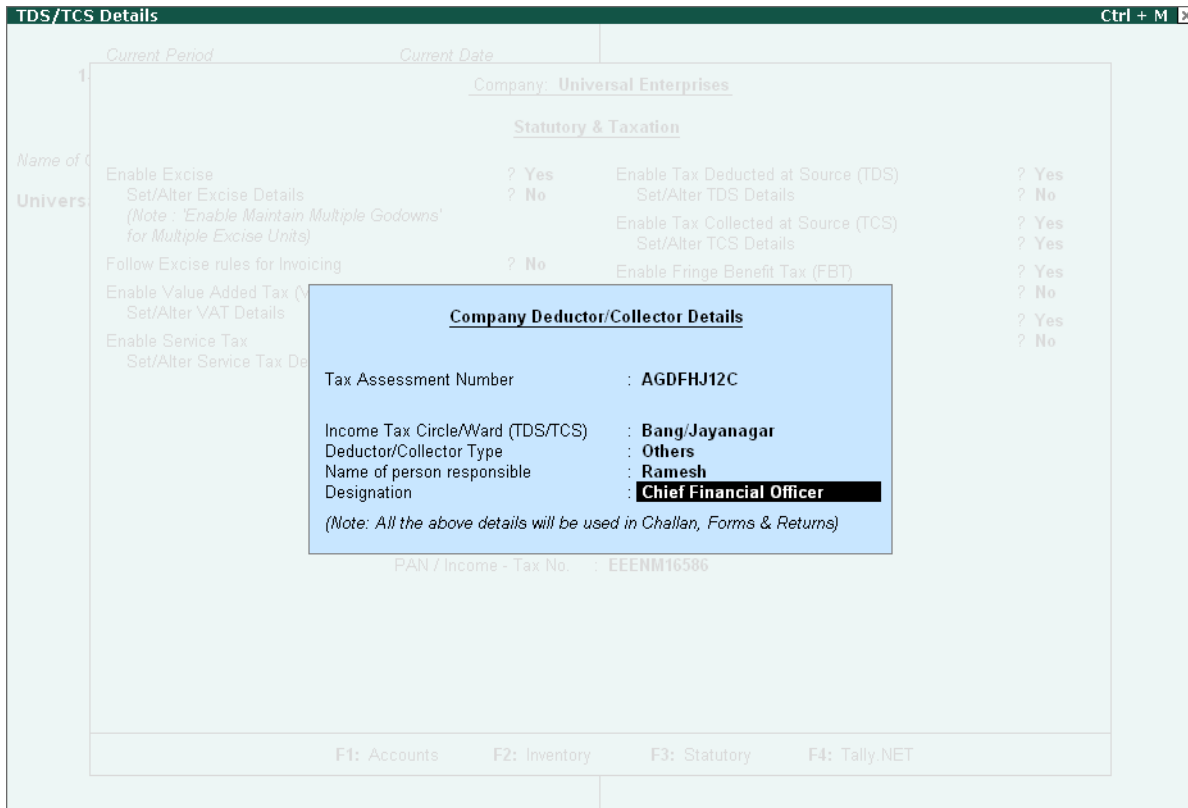


Figure 7.56 Company Deductor/Collector Details subform screen

- Save the screen

### 7.6.2 View TDS Nature of Goods

To view **TCS Nature of Goods** masters, follow the steps given below :

Go to **Gateway of Tally > Display > Statutory Info. > TCS Nature of Goods**

- Select **TCS Nature of Goods** from the **List of TCS Types** to display



TCS Nature Of Goods Display			Universal Enterprises	Ctrl + M
Name : Scrap			2009	Gateway of Tally ... Display Menu ... <b>Statutory Info.</b>  VAT Classifications EXcise Duty Classifications SErvice Categories TDS Nature of Pymts Deductee Types TCS Nature of Goods Collectee Types FBT Assessee Type FBT Category Quit
Section : 206C			of Last Entry	
Payment Code : 6CE			1-Mar-2009	
Tax Rate Details				
Collectee Type	Applicable From	Rate		
Body of Individuals	14-2004	1 %		
Association of Persons	14-2004	1 %		
Company - Non Resident	14-2004	1 %		
Company - Resident	14-2004	1 %		
Co-Operative Society	14-2004	1 %		
Individual/HUF - Non Resident	14-2004	1 %		
Individual/HUF - Resident	14-2004	1 %		
Local Authority	14-2004	1 %		
Partnership Firm	14-2004	1 %		

Figure 7.57 TCS Nature of Goods Master

The details in the screen comprise of the fields Name, Section and Payment Code and a table, where you can view details such as Collectee Type, Applicable from, Exemption Limit and Rate. Here you are viewing the details in the alteration mode.

### 7.6.3 View TCS Collectee Types

To view TCS Collectee Types,

Go to **Gateway of Tally > Display > Statutory Info. > Collectee Types**

- Select from the **List of Collectee Types** to display the **Collectee Type**

Applicable From	Surcharge Exemption Limit	Surcharge	Addl Surcharge (Cess)	Addl Education (Cess)
1-4-2004		10 %	2 %	0 %
1-4-2007	1,00,00,000.00	10 %	2 %	1 %

Figure 7.58 TCS Collectee Types

The details of this screen comprises of the fields, Name, Residential and Collection Status. There is a table, where you view details such as, Applicable From, Surcharge exemption Limit, Surcharge %, Additional Surcharge (Cess) and Additional Education (Cess).

### 7.6.4 Create TCS Masters

To create TCS tax ledgers, follow the steps given below :

Go to **Gateway of Tally > Accounts Info. > Ledger > Create**

- ❑ Type the **Name** of the Ledger
- ❑ Select the required **Group**
- ❑ Select **TCS** in the **Type of Duty/Tax**
- ❑ Select the required **TCS Type of Goods** in the **Nature of Goods/Contract/License/Lease** field

Ledger Creation		Universal Enterprises	Ctrl + M
Name : TCS - Scrap Materials Sale (alias) :		List of TCS Types	
Under : Duties & Taxes (Current Liabilities)		Alcoholic Liquor for Human Consumption Any Other Forest Produce (Not Being Tendu Leaves) Contractors/Licensee/Lease Relating to Mine/Quarry Contractors/Licensee/Lease Relating to Parking Lots Contractors/Licensee/Lease Relating to Toll Plaza	
Currency of Ledger : Rs.	Name	Scrap	
Type of Duty/Tax : TCS	Address	Tendu Leaves Timber Obtained by Any Mode Other Than Forest Lease Timber Obtained Under Forest Lease	
Nature Of Goods/Contract/License/Lease : Scrap	State		
Inventory values are affected ? No	PIN Code		
Cost centres are applicable ? No	PAN / IT No		
Activate Interest Calculation ? No			
Opening Balance ( on 1-Apr-2008) :			

Figure 7.59 TCS Tax Ledger creation

- Save screen

Similarly create ledger accounts for the sale of items that attract TCS.

### 7.6.5 Create TCS Stock Item

To Create TCS Stock Items, follow the steps given below

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

- Specify the **Name** of the Stock Item
- Select the required **TCS Nature of Goods**

Stock Item Creation		Universal Enterprises		Ctrl + M
Name : <b>Electronic Scrap</b> (alias) :				
TCS Nature Of Goods : <b>Scrap</b>				
Description : <b>Scrap generated during manufacturing a component</b>				
Under : <b>Components</b>		<b>Tax Information</b>		<b>Behaviour</b>
Units : <b>Nos</b>		Tariff Classification : <b>[I] Not Applicable</b>	Costing Method : <b>Avg. Cost</b>	Market Valuation Method : <b>Avg. Price</b>
Alternate Units : <b>[I] Not Applicable</b>		Rate of VAT (%) : <b>4</b>	Ignore Diff. due to Physical Counting ? <b>No</b>	Ignore Negative Balances ? <b>No</b>
Maintain in Batches ? <b>No</b>			Treat all Sales as New Manufacture ? <b>No</b>	Treat all Purchases as Consumed ? <b>No</b>
Set Components (BoM) ? <b>No</b>			Treat all Rejections inward as Scrap ? <b>No</b>	
Set Standard Rates ? <b>No</b>				
Opening Balance :		<b>Quantity</b>	<b>Rate per</b>	<b>Value</b>
				<b>Accept ?</b> Yes or No

Figure 7.60 TCS Stock Item Creation

- Save screen

### 7.6.6 Create Sales involving TCS

To create Sales Invoice for sale of TCS goods, follow the steps given,

Go to **Gateway of Tally > Accounting Vouchers > F8: Sales**

- Select the **Party Name**
- Enter the **Stock Item, Quantity and Rate** details
- Select the **TCS Ledger** and press **Enter**



TCS Computations		Universal Enterprises		Ctrl + M	
Sales No. 117		Voucher Class : I Not Applicable		31-Mar-2009	
Ref : ElectScrap/Mar09				Tuesday	
Party's A/c Name : Bangalore Scrap Merchants		Price Level : I Not Applicable			
Current Balance :					
Name of Item	Quantity	Rate per	Disc. %	Amount	
Electronic Scrap	3 Nos	20,000.00	Nos	60,000.00	
TCS - Scrap Materials Sale			1.03 %	618.00	
<b>TCS Details</b>					
TCS Party Ledger		: Bangalore Scrap Merchants			
Gross Amount		: 60,000.00			
Income Tax	: @	1 %	600.00		
Surcharge	: @	0 %			
Cess	: @	2 %	12.00		
Addl Ed Cess	: @	1 %	6.00		
Total TCS	:	<u>618.00</u>			
<b>TCS - Bill Wise Detail for : TCS - Scrap Materials Sale</b>					
Type of Ref	Name	Due Date, or Credit Days	Amount	Dr/	Cr
New Ref	Sale/117	7-Apr-2009	618.00		Cr
			3 Nos	60,618.00	

Figure 7.61 TCS - Computation of Tax Screen

- Press **Enter** to accept the **TCS Details** subscreen

Accounting Voucher Creation		Universal Enterprises		Ctrl + M
<b>Sales</b>	No. 117	Voucher Class : <b>£ Not Applicable</b>		31-Mar-2009 Tuesday
Ref. : ElectScrap.Mar09		Party's A/c Name : <b>Bangalore Scrap Merchants</b> Current Balance :		
		Price Level : <b>£ Not Applicable</b>		
Name of Item	Quantity	Rate per	Disc. %	Amount
Electronic Scrap	3 Nos	20,000.00	Nos	60,000.00
TCS - Scrap Materials Sale			1.03 %	618.00
Output VAT @ 4%			4 %	2,400.00
Show Statutory Details ? Yes				
Narration:				
Sale of electronic scrap and collection of tax at source				3 Nos 63,018.00

Figure 7.62 TCS Sales Voucher Screen

- Save screen

### 7.6.7 View TCS Reports

Tally.ERP 9 provides the following **TCS Forms and Reports**,

- Form 27D
- Form 27E (eTCS Forms)
- Form 27EQ (eTCS Forms)
- Form 27B

To view Tax Collected at Source Reports,

Go to **Gateway of Tally > Display > Statutory Reports > TCS Reports > Print Form 27B**

**Form No. 27B**

Form for furnishing information with the statement of collection of tax at source filed on computer media for the period  
(From --/-- to --/-- (dd/mm/yyyy))#

1 (a) Tax Collection Account No.  (c) Financial Year   
 (b) Permanent Account No.  (d) Assessment Year   
 (f) Previous receipt number

*(In Case return / statement has been filed earlier)*

2 Particulars of the collector

(a) Name	Universal Enterprises
(b) Type of Collector*	Others
(b) Branch / Division (if any)	
(c) Address	
Flat No.	Plot No. 113 & 114,
Name of the premises / building	Industrial Estate, Hongasandra
Road / Street / Lane	Bangalore
Area / Location	
Town / City / District	
State	Karnataka
Pin code	5600 68.
Telephone	080-66554433
E-mail	sales@universalerprises.com

3 Name of the person responsible for collection of tax

(a) Name	Ramesh
(b) Address	
Flat No.	Plot No. 113 & 114,
Name of the premises / building	Tech Park-II
Road / Street / Lane	Industrial Estate
Area / Location	Hongasandra
Town / City / District	Bangalore
State	Karnataka
Pin code	560068
Telephone	080-66554433
E-mail	sales@universalerprises.com

4 Control totals

Sr.No.	No. of party records	Amount paid Rs.	Tax Collected	Tax deposited (Total challan amount) Rs.
Total	21	1,63,55,000.00	3,86,218.00	3,86,218.00

5 Total Number of Annexures enclosed

6 Other Information

**VERIFICATION**

I, Ramesh, hereby certify that all the particulars furnished above are correct and complete.

Place: Bangalore Signature of person responsible for collecting tax at source \_\_\_\_\_  
 Date: 31-Mar-2009 Name and designation of person responsible for collecting tax at source Ramesh, Chief Financial Officer

Figure 7.63 Printed Form 27B Report

Similarly, you can generate other TCS Reports in Tally.ERP 9.

## 7.7 Central Sales Tax

CST is a tax levied on inter-state sales of goods by dealers by the Central Government. CST is applicable only if you sell goods to dealers in other states but not levied on sales made intra state or on import/export sales. The Inter-state sale occurs when sale or purchase constitutes movement of goods from one state to another. Accordingly, when you send consignments to your agents or transfer goods to your branch/ other offices, this is not a considered as sale under the CST Act.

CST is payable in the state from where you sell the goods and commence its movement. The tax you pay is collected and retained by the state where the transaction originated. The CST collection and administration is performed by the authorities of your state's Sales Tax Dept. Thus, the State Government Sales Tax officer who assesses and collects VAT (state) also collects and assesses and CST.

The CST feature is enabled automatically once the VAT feature is enabled in Tally.ERP 9.

### 7.7.1 Create CST Ledgers

To create tax ledgers for CST, follow the steps given below :

Go to **Gateway of Tally > Accounts Info. > Ledger > Create**

- ❑ Type the **Name** of the **Ledger**
- ❑ Select the **Group** as **Purchase Accounts**
- ❑ Set **Is VAT Applicable** to **Yes** and select the **VAT Classification**

Ledger Creation		Universal Enterprise
Name	: CST on Purchases	Total Op. Bal.
(alias)	:	
Under	: Tax on Purchases (Purchase Accounts)	
Inventory values are affected	? Yes	
Percentage of Calculation (eg 5)	? 0 %	
Rounding Method	: [ Not Applicable	
<u>Statutory Information</u>		
Is Service Tax Applicable	? No	
Used In VAT Returns	? Yes	
Is TDS Applicable	? No	
Opening Balance ( on 1-Apr-2008) :		Accept ? Yes or No

Figure 7.64 CST Ledger Creation

- ❑ Save screen





Create the appropriate **Purchase** and **Sales** ledger accounts with the required **CST Classification** for accounting CST purchase and sales transactions.

### **Create Stock Items for CST Sales**

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

- ❑ Specify name and other details.
- ❑ Save screen

### **7.7.2 Create CST Sales Transactions**

To Create accounting entry for CST,

Go to **Gateway of Tally > Accounting Vouchers > F8: Sales**

- ❑ Specify the required information
- ❑ Save screen



Accounting Voucher Creation		Universal Enterprises		Ctrl + M
<b>Sales</b>	No. 112	Voucher Class : <b>[ ] Not Applicable</b>		12-Mar-2009
Ref. : AICI/112/120309				Thursday
Party's A/c Name : <b>All India Computer Institute</b>				Price Level : <b>[ ] Not Applicable</b>
Current Balance : 25,320.00 Dr				
Sales Ledger : <b>Interstate Sales</b>				
VAT/Tax Class: <b>Inter-State Sales</b>				
Name of Item	Quantity	Rate per	Disc. %	Amount
Printer - Deskjet	5 Nos	8,200.00	Nos	41,000.00
CST @ 2%			2 %	820.00
Form to Receive : <b>C Form</b> Form No. : 912562      Date : 12-Mar-2009				
Show Statutory Details ? <b>Yes</b>				
Narration:				
Sales made during Inter-State trade				
				5 Nos      41,820.00

Figure 7.65 CST - Inter State Sales Creation Screen

### 7.7.3 View CST Reports

To view CST Reports, follow the steps given below :

Go to **Gateway of Tally > Display > Statutory Reports > CST Reports > Forms Receivables->Group/Ledger**

#### Forms Receivable Report - Groupwise



Forms Receivable		Universal Enterprises				Ctrl + M		
Group Name : Sundry Debtors						1-Apr-2008 to 31-Mar-2009		
Date	Particulars	Vch Type	Vch No.	Assessable Value	CST Amount	Invoice Form Amount Type	Form Number	Form Date
2-4-2008	Computer Junction	Sales	1	51,420.00 Dr		51,420.00 Dr C Form		
10-4-2008	Universal Systems	Sales	6	2,31,300.00 Dr		2,31,300.00 Dr C Form		
25-4-2008	Silverplus Computers	Sales	11	4,61,100.00 Dr	4,61,100.00 Dr Default			
5-5-2008	Computer Junction	Sales	15	1,59,500.00 Dr		1,59,500.00 Dr C Form		
25-5-2008	Worldwide Computers	Sales	19	6,52,500.00 Dr		6,52,500.00 Dr C Form		
25-6-2008	Computer World	Sales	29	5,22,500.00 Dr		5,22,500.00 Dr C Form		
2-7-2008	Computer Junction	Sales	32	1,04,000.00 Dr		1,04,000.00 Dr C Form		
2-7-2008	Batiwala & Co.	Sales	35	18,720.00 Dr		18,720.00 Dr C Form		
25-7-2008	Computer World	Sales	40	2,62,500.00 Dr		2,62,500.00 Dr C Form		
10-8-2008	Silverplus Computers	Sales	46	2,52,100.00 Dr		2,52,100.00 Dr C Form		
25-8-2008	Universal Systems	Sales	49	3,92,500.00 Dr		3,92,500.00 Dr C Form		
1-9-2008	M.M.Lal	Sales	52	8,970.00 Dr		8,970.00 Dr C Form		
25-9-2008	Worldwide Computers	Sales	59	4,60,100.00 Dr		4,60,100.00 Dr C Form		
25-10-2008	Computer World	Sales	68	2,31,300.00 Dr		2,31,300.00 Dr C Form		
25-10-2008	Universal Systems	Sales	69	4,60,100.00 Dr		4,60,100.00 Dr C Form		
10-11-2008	Worldwide Computers	Sales	73	3,45,700.00 Dr		3,45,700.00 Dr C Form		
26-11-2008	Silverplus Computers	Sales	79	5,22,500.00 Dr	5,22,500.00 Dr Default			
10-12-2008	Silverplus Computers	Sales	87	2,62,500.00 Dr	2,62,500.00 Dr Default			
25-12-2008	Worldwide Computers	Sales	92	4,60,100.00 Dr		4,60,100.00 Dr C Form		
10-1-2009	Computer World	Sales	96	4,60,100.00 Dr		4,60,100.00 Dr C Form		
11-2-2009	Worldwide Computers	Sales	105	5,74,500.00 Dr		5,74,500.00 Dr C Form		
25-2-2009	Silverplus Computers	Sales	107	5,22,500.00 Dr	5,22,500.00 Dr Default			
25-2-2009	Universal Systems	Sales	108	2,31,300.00 Dr		2,31,300.00 Dr C Form		
10-3-2009	Worldwide Computers	Sales	111	4,60,100.00 Dr		4,60,100.00 Dr C Form		
25-3-2009	Silverplus Computers	Sales	115	5,22,500.00 Dr	5,22,500.00 Dr Default			

Figure 7.66 CST - Forms Receivable Report - Group

### Forms Receivable - Ledgerwise Report

Forms Receivable		Universal Enterprises				Ctrl + M			
Ledger Name: All India Computer Institute					1-Apr-2008 to 31-Mar-2009				
Date	Particulars	Vch Type	Vch No.	Assessable Value	CST Amount	Invoice Amount	Form Type	Form Number	Form Date
12-3-2009	Interstate Sales	Sales	112	41,000.00 Dr	820.00 Dr	41,820.00 Dr	C Form	912562	12-Mar-2009
				<b>Total</b>	<b>41,000.00 Dr</b>	<b>820.00 Dr</b>	<b>41,820.00 Dr</b>		

Figure 7.67 CST - Forms Receivable Report- Ledger

Similarly, you can generate reports under **Forms Issuable** Report.

## Lesson 8: Payroll Compliance in Tally.ERP 9

Payroll refers to a series of accounting transactions involved in the process of paying employees for services rendered after taking into account all statutory and non-statutory deductions. The efficient payroll system in Tally facilitates error-free, accurate and timely employee payments while ensuring that the employment is well within the valid work permit.

Payroll in Tally.ERP 9 handles all the functional, accounting and statutory requirements of the payroll department. It provides you with the flexibility to define earning & deduction heads and supports the computation and deduction of ESI, EPF, Gratuity, etc. It supports user defined production units like attendance, production, time based remuneration, and other methods of calculating payroll. Comprehensive reports based on cost centers and employee wise cost can be generated.

### 8.1 Enable Payroll

To activate payroll feature,

Go to **Gateway of Tally >F11: Features > Press F1: Accounting Features**

- ❑ Set **Maintain Payroll** to **Yes**
- ❑ Set **More than ONE Payroll / Cost Category** to **Yes**
- ❑ Save screen

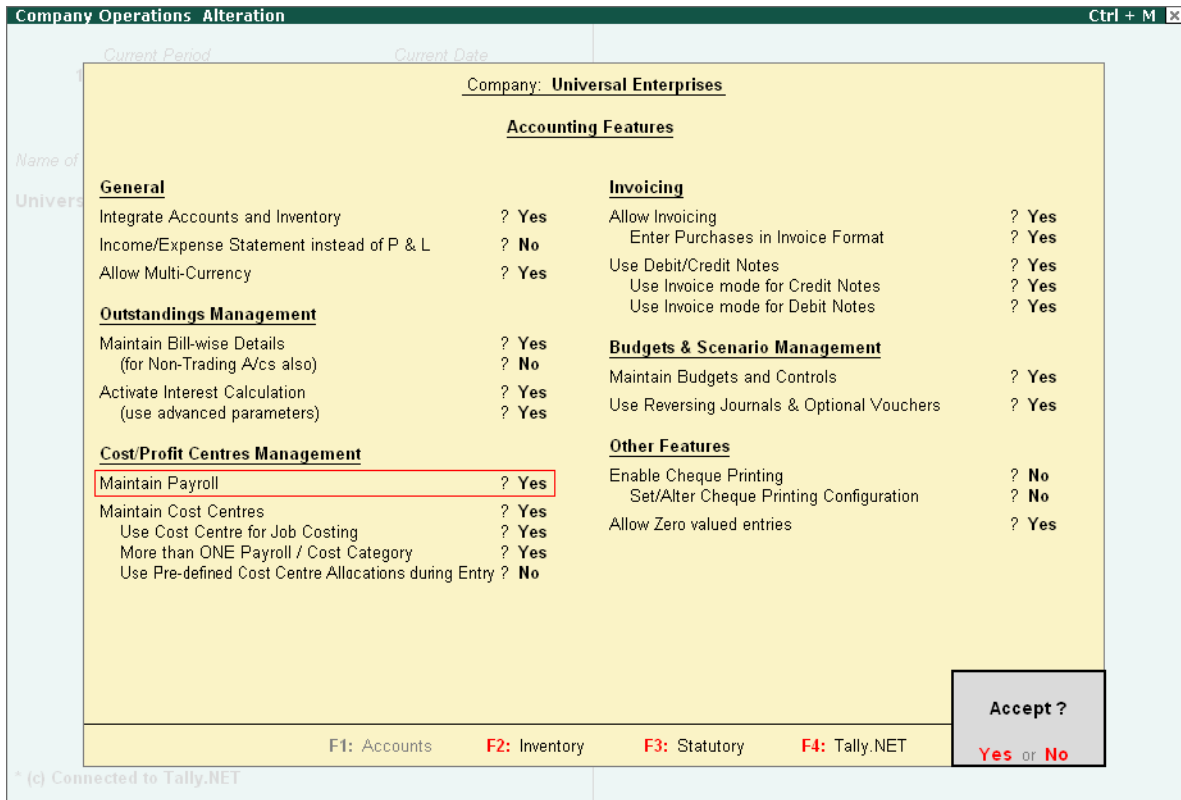


Figure 8.1 F11: Statutory & Taxation screen

### To activate Payroll Statutory Features

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

- ❑ Set **Enable Payroll Statutory** to **Yes**
- ❑ Set **Set/Alter Payroll Statutory Details** to **Yes**
- ❑ Save screen

Company Operations Alteration Ctrl + M

Current Period:      Current Date:

Company: **Universal Enterprises**

**Statutory & Taxation**

Enable Excise	? No	Enable Tax Deducted at Source (TDS)	? Yes
Set/Alter Excise Details	? No	Set/Alter TDS Details	? No
<i>(Note : 'Enable Maintain Multiple Godowns' for Multiple Excise Units)</i>			
Follow Excise rules for Invoicing	? No	Enable Tax Collected at Source (TCS)	? No
Enable Value Added Tax (VAT)	? Yes	Set/Alter TCS Details	? No
Set/Alter VAT Details	? No	Enable Fringe Benefit Tax (FBT)	? No
Enable Service Tax	? No	Set/Alter FBT Details	? No
Set/Alter Service Tax Details	? No	Enable Payroll Statutory	? Yes
		Set/Alter Payroll Statutory Details	? Yes

**Tax Information**

VAT TIN (Composition) :  
VAT TIN (Regular) :  
Local Sales Tax Number :  
Inter-state Sales Tax Number :  
PAN / Income - Tax No. :

F1: Accounts    F2: Inventory    F3: Statutory    F4: Tally.NET

† (c) Connected to Tally.NET

Figure 8.2 F11: Statutory & Taxation Features screen

## 8.2 Create Payroll Masters

To create payroll masters:

Go to **Gateway of Tally > Payroll Info.**

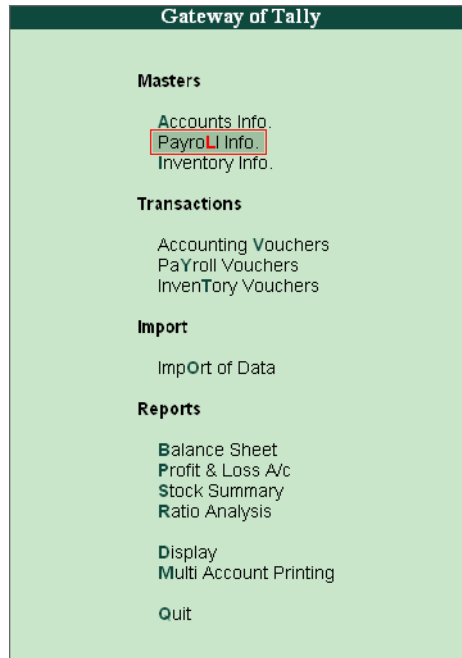


Figure 8.3 Payroll Feature menu in Gateway of Tally

The **Payroll Info.** Screen is displayed. You can create masters for Employee Groups, Employees, Units(Work), Attendance/Production Type, Pay Heads, Salary Details and Voucher Types.

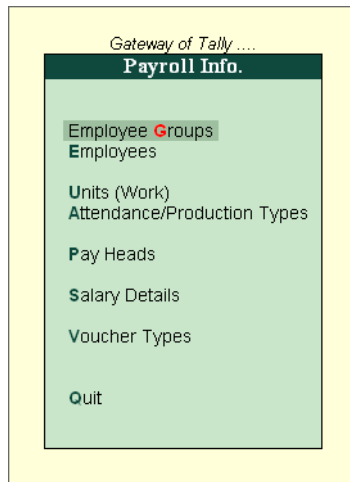


Figure 8.4 Payroll Info. Screen



**To Configure Payroll:**

Go to **Gateway of Tally > F12:Configuration > Payroll Configuration**

- ❑ Set **Show Statutory Details** to **Yes**
- ❑ Set **Show Passport & Visa Details** to **Yes**
- ❑ Set **Show Contract Details** to **Yes**
- ❑ Set **Show Deactivated Employees** to **No**

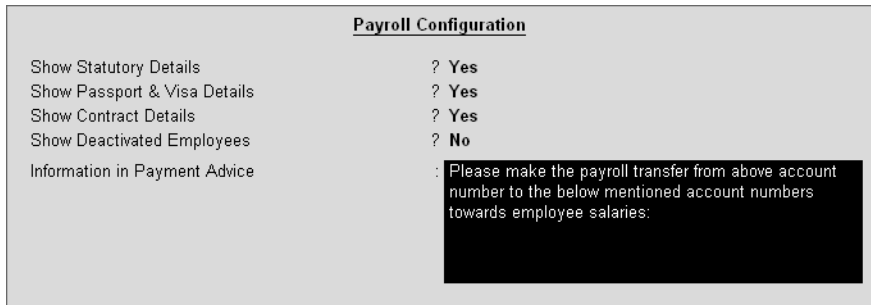


Figure 8.5 F12: Payroll Configuration screen

**8.2.1 Create PayHeads**

To Create Pay Heads

Go to **Gateway of Tally > Payroll Info. > Pay Heads > Create**

- ❑ Specify the **Name** of Pay Head.
- ❑ Specify the related details under **Pay Head Info.**
- ❑ Save screen.

Pay Head Creation		Universal Enterprises	Total Op. Bal.
Name	: Basic Salary		
(alias)	:		
<p><b>Pay Head Info</b></p> <p>Pay Head Type : <b>Earnings for Employees</b></p> <p>Under : Direct Expenses</p> <p>Affect Net Salary ? Yes</p> <p>Name to appear in Payslip : <b>Basic Salary</b></p> <p>Currency of Ledger : Rs.</p> <p>Use for Gratuity ? No</p> <p>Calculation Type : As User Defined Value</p>		<p>List of Pay Head Types</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Not Applicable</li> <li><input type="checkbox"/> Deductions from Employees</li> <li><input checked="" type="checkbox"/> <b>Earnings for Employees</b></li> <li><input type="checkbox"/> Employees' Statutory Deductions</li> <li><input type="checkbox"/> Employer's Statutory Contributions</li> <li><input type="checkbox"/> Gratuity</li> <li><input type="checkbox"/> Loans and Advances</li> <li><input type="checkbox"/> Reimbursements to Employees</li> </ul>	
Opening Balance (on 1-Apr-2008) :			

Figure 8.6 Pay Head Creation Screen

Similarly you can create pay heads for DA, HRA, Conveyance etc..

### 8.2.2 Create Employee Group

To Create an Employee Group:

Go to **Gateway of Tally > Payroll Info. > Employee Groups > Create**

- ❑ Select **Category**
- ❑ Specify details for **Name & Under**
- ❑ Save screen

Employee Group Creation		Univ
Category	: Primary Cost Category	
Name	: Executive	
(alias)	:	
Under	: I Primary	<p>Accept ?</p> <p>Yes or No</p>

Figure 8.7 Employee Group Creation Screen

### 8.2.3 Create Employee Master

To Create an Employee Master:

Go to **Gateway of Tally > Payroll Info. > Employees > Create**

- ❑ Select **Category** and type **Name** of Employee.
- ❑ Specify all related details - like **Under, Date of Joining**, etc.
- ❑ Save screen.

Employee Creation		Universal Enterprises		Ctrl + M	
Category	: Primary Cost Category				
Name	: Mahendra.T				
(alias)	:				
Under	: Executive (# Primary)				
Date of Joining	: 30-May-2006				
<b>General Info</b>		<b>Payment Details</b>		<b>Passport &amp; Visa Details</b>	
Employee Number	: 30567	Bank Name	: HDFC Bank	Passport Number	: KA/BN/PAS130/105
Designation	: Sales Executive	Branch	: M.G Road	Country of Issue	: India
Function	: Sales Promotion	Bank A/c Number	: 10025457423512	Passport Expiry Date	: 31-Dec-2014
Location	: Bangalore	<b>Statutory Details</b>		Visa Number	:
Gender	: Male	Income Tax Number (PAN)	: AQMPP85741	Visa Expiry Date	:
Date of Birth	: 12-Oct-1983	PF Account Number	: KN/BN/18/185/199	<b>Contract Details</b>	
Blood Group	: AB Positive	ESI Number	: ESI/BN/35420/310	Work Permit Number	:
Father / Mother Name	: Ramanathan				
Spouse Name	: Rima				
Address	: 450, J.P Nagar 4th Main 3rd Phase Bangalore - 560078				
Contact Numbers	: 9341532201				
E-Mail ID	: mahi@universal.com				
					Accept ? Yes or No

Figure 8.8 Employee Creation Screen

### 8.2.4 Create Salary Details

To Create Salary Details,

Go to **Gateway of Tally > Payroll Info. > Salary Details > Create**

- ❑ Select **Employee** from Name of **Employee/Group**
- ❑ Specify all related details - like **Under** and **Salary Details**.
- ❑ Save screen

Salary Details Creation						
Universal Enterprises						
Name : Mahendra.T (30567)						
Under : Executive (# Primary)						
Salary Details						
Effective From	Pay Head	Rate	Per	Pay Head Type	Calculation Type	Computed On
30-May-2006	Basic Pay	10,000.00	Months	Earnings for Employees	On Attendance	Basic Pay
	House Rent Allowance			Earnings for Employees	As Computed Value	
	Conveyance	800.00	Months	Earnings for Employees	Flat Rate	
	Overtime Pay	55.00	Hrs	Earnings for Employees	On Production	
	Variable Pay			Earnings for Employees	As User Defined Value	
	Gratuity Expenses (Provisional)			Gratuity		
	Employee's PF Contribution @ 12%			Employees' Statutory Deductions	As Computed Value	Basic Pay
	Employee's ESI Contribution @ 1.75%			Employees' Statutory Deductions	As Computed Value	(Basic Pay + House Rent Allowance) + Conveyance + Overtime Pay
	Professional Tax			Employees' Statutory Deductions	As Computed Value	On Current Earnings Total

Accept ?  
 Yes or No

Figure 8.9 Salaries Details Creation Screen

### 8.3 Record Attendance Voucher

To record Attendance through Attendance Vouchers:

Go to **Gateway of Tally > Payroll Vouchers > Ctrl+F5**

- Press **Alt+A** (Attendance Auto Fill) to prefill employee payroll details
- In **Employee Filters** screen,
  - Type the date values in **From** and **To** fields.
  - Select the appropriate **cost category** from **List of Categories**.
  - Select the **Employee/group** from **List of Group/Employees**.
  - Select the **Attendance/Production Type** from **List of Attendance/ Production Types**.
  - Specify the **Voucher Date** as applicable.

Attendance Voucher Creation		Universal Enterprises		Ctrl + M
Attendance No. 5				30-Jun-2008 Monday
Employee Name	Attendance/Production Type	Value	Unit	
Ajay	Present	Cur Bal: 295 Days	25 Days	
Mahesh	Present	Cur Bal: 286 Days	20 Days	
Rahul	Present	Cur Bal: 284 Days	25 Days	
Suresh	Present	Cur Bal: 240 Days	14 Days	
Vijay Kumar	Present	Cur Bal: 274 Days	26 Days	
Narration: Attendance for June 08				Accept ? Yes or No

Figure 8.10 Attendance Voucher Creation Screen

### Payment of Salaries

To record Salary Payment through Payroll Vouchers:

Go to **Gateway of Tally > Payroll Vouchers > press Alt+A**

- In **Employee Filters** screen,
  - Type the date values in **From** and **To** fields.
  - Select the appropriate cost category from **List of Categories**.
  - Select the employee/group from **List of Group/Employees**.
  - Select the bank account for **Payroll ledger**.
- Press **Enter** to return to payroll voucher screen. Under **Particulars** the values against the Pay Heads and Amount appear automatically. This happens for Calculation Type being **Flat Rate** and **As Computed Value**.
- Type values for **Pay Heads** whose **Calculation Type** is **User Defined Value**.
- Save screen.

Payroll Voucher Creation		Universal Enterprises		Ctrl + M
<b>Payroll</b> No. 34				31-Mar-2009 Tuesday
Account : <b>Salary Payable</b> Cur Bal: 49,810.00 Cr				
Particulars				Amount
<b>Primary Cost Category</b>				<u>1,03,355.00 Dr</u>
<b>Ajay</b>				<u>14,220.00 Dr</u>
Basic Pay	10,000.00	Dr	Cur Bal: 1,13,462.00	Dr
House Rent Allowance	2,000.00	Dr	Cur Bal: 22,691.00	Dr
Conveyance	2,000.00	Dr	Cur Bal: 24,000.00	Dr
Overtime Pay	2,200.00	Dr	Cur Bal: 11,400.00	Dr
Variable Pay	1,000.00	Dr	Cur Bal: 6,500.00	Dr
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 0.00	Dr
Professional Tax	200.00	Cr	Cur Bal: 30.00	Cr
Staff Salary Advance	2,000.00	Cr	Cur Bal: 0.00	Dr
<b>Mahesh</b>				<u>60,597.00 Dr</u>
Basic Pay	43,269.00	Dr	Cur Bal: 4,94,998.00	Dr
House Rent Allowance	17,308.00	Dr	Cur Bal: 1,98,001.00	Dr
Conveyance	1,000.00	Dr	Cur Bal: 12,000.00	Dr
Employee's PF Contribution @ 12%	780.00	Cr	Cur Bal: 1,920.00	Dr
Professional Tax	200.00	Cr	Cur Bal: 0.00	Dr
<b>Rahul</b>				<u>11,075.00 Dr</u>
Basic Pay	5,000.00	Dr	Cur Bal: 54,617.00	Dr
House Rent Allowance	2,000.00	Dr	Cur Bal: 21,845.00	Dr
Conveyance	800.00	Dr	Cur Bal: 9,600.00	Dr
Overtime Pay	2,200.00	Dr	Cur Bal: 6,100.00	Dr
Variable Pay	2,000.00	Dr	Cur Bal: 7,000.00	Dr
				16 more ... ↓
Narration:				<u>1,03,355.00 Dr</u>
Pay Period : 1-Mar-2009 to 31-Mar-2009				

Figure 8.11 Payroll Voucher Creation Screen

## 8.4 View Payroll Reports

To view Payroll Reports:

Go to **Gateway of Tally > Display > Payroll Reports**

You can generate the following reports in Tally.ERP 9 viz., Statements of Payroll, Attendance Sheet, Attendance Register, Gratuity Report etc.

### To view Payslip

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payslip**

- Select the required **Employee** and press **Enter**

**Universal Enterprises**  
Plot No. 113 & 114,  
Industrial Estate, Hongasandra  
Bangalore

**Payslip**  
for 31-Mar-2009

**Ajay**

---

Employee Number : 001	Income Tax Number (PAN): VKIO5487P
Function : Sales	PF Account Number: KN/BN/1818/564
Designation : Area Sales Manager	ESI Number :
Location : Bangalore	Passport Details : KN/PAS231/004
Bank Details : 001423137862, HDFC Bank, Koramangala	Visa Expiry Date : 11-Oct-2010

---

Attendance Details	Current Period	YTD
Overtime	22- 0 Hrs	135- 0 Hrs
Present	26 Days	295 Days

Earnings	Current Period	YTD	Deductions	Current Period	YTD
Basic Pay	10,000.00	1,13,462.00	Employee's PF Contribution @ 12%	780.00	9,360.00
House Rent Allowance	2,000.00	22,691.00	Employee's ESI Contribution @ 1.75%		
Conveyance	2,000.00	24,000.00	Professional Tax	200.00	2,050.00
Overtime Pay	2,200.00	11,400.00	Staff Salary Advance	2,000.00	10,000.00
Variable Pay	1,000.00	6,500.00			
Bonus	10,000.00	10,000.00			
<b>Total Earnings</b>	<b>27,200.00</b>	<b>1,88,053.00</b>	<b>Total Deductions</b>	<b>2,980.00</b>	<b>21,410.00</b>
			<b>Net Amount</b>	<b>24,220.00</b>	<b>1,66,643.00</b>

Amount (in words): for Universal Enterprises  
Rs. Twenty Four Thousand Two Hundred Twenty Only

Authorised Signatory

Figure 8.12 Payslip

**To view Pay Sheet**

**Go to Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Pay Sheet**

**Universal Enterprises**  
Plot No. 113 & 114,  
Industrial Estate, Hongasandra  
Bangalore

**Pay Sheet**  
1-Mar-2009 to 31-Mar-2009

Page 1 (A)

Particulars	Basic	Bonus	Conveyance	HRA	Overtime Pay	Variable Pay	Total Earnings
<b>Primary Cost Category</b>	<b>70,885.00</b>	<b>50,000.00</b>	<b>5,200.00</b>	<b>26,355.00</b>	<b>4,400.00</b>	<b>3,000.00</b>	<b>1,59,840.00</b>
<b>Accounts</b>	5,000.00	10,000.00	800.00	2,000.00	2,200.00	2,000.00	<b>22,000.00</b>
Rahul	5,000.00	10,000.00	800.00	2,000.00	2,200.00	2,000.00	<b>22,000.00</b>
<b>Administration</b>	12,616.00	10,000.00	1,400.00	5,047.00			<b>29,063.00</b>
Suresh	4,154.00	5,000.00	600.00	1,662.00			<b>11,416.00</b>
Vijay Kumar	8,462.00	5,000.00	800.00	3,385.00			<b>17,647.00</b>
<b>Sales</b>	53,269.00	30,000.00	3,000.00	19,308.00	2,200.00	1,000.00	<b>1,08,777.00</b>
Ajay	10,000.00	10,000.00	2,000.00	2,000.00	2,200.00	1,000.00	<b>27,200.00</b>
Mahesh	43,269.00	20,000.00	1,000.00	17,308.00			<b>81,577.00</b>
<b>Grand Total</b>	<b>70,885.00</b>	<b>50,000.00</b>	<b>5,200.00</b>	<b>26,355.00</b>	<b>4,400.00</b>	<b>3,000.00</b>	<b>1,59,840.00</b>

Figure 8.13 Pay Sheet

**Universal Enterprises**  
Plot No. 113 & 114,  
Industrial Estate, Hongasandra  
Bangalore

**Pay Sheet**  
1-Mar-2009 to 31-Mar-2009

Page 1 (B)

Particulars	ESI@1.75 %	EPF@12%	Profession Tax	Staff Salary Advance	Total Deductions	Net Amount
<b>Primary Cost Category</b>	287.00	3,438.00	950.00	2,000.00	6,675.00	1,53,165.00
<b>Accounts</b>	175.00	600.00	200.00		975.00	21,025.00
Rahul	175.00	600.00	200.00		975.00	21,025.00
<b>Administration</b>	112.00	1,278.00	350.00		1,740.00	27,323.00
Suresh	112.00	498.00	150.00		760.00	10,656.00
Vijay Kumar		780.00	200.00		980.00	16,667.00
<b>Sales</b>		1,560.00	400.00	2,000.00	3,960.00	1,04,817.00
Ajay		780.00	200.00	2,000.00	2,980.00	24,220.00
Mahesh		780.00	200.00		980.00	80,597.00
<b>Grand Total</b>	287.00	3,438.00	950.00	2,000.00	6,675.00	1,53,165.00

Figure 8.14 Pay Sheet

**To view Payroll Statement**

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payroll Statement**

**Universal Enterprises**  
Plot No. 113 & 114,  
Industrial Estate, Hongasandra  
Bangalore

**Payroll Statement**  
For All Employees  
1-Mar-2009 to 31-Mar-2009

Page 1

Particulars	Basic
<b>Primary Cost Category</b>	70,885.00
<b>Accounts</b>	5,000.00
Rahul	5,000.00
<b>Administration</b>	12,616.00
Suresh	4,154.00
Vijay Kumar	8,462.00
<b>Sales</b>	53,269.00
Ajay	10,000.00
Mahesh	43,269.00
<b>Grand Total</b>	70,885.00

Figure 8.15 Payroll Statement



**To view Payment Advice**

Go to **Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payment Advice**

**Universal Enterprises**  
 Plot No. 113 & 114,  
 Industrial Estate, Hongasandra  
 Bangalore

**Payment Advice**

31-Mar-2009

**The Manager**  
HDFC Bank

Dear Sir,

**Payment Advice from Universal Enterprises A/C # for period 1-Mar-2009 to 31-Mar-2009**

Please make the payroll transfer from above account number to the below mentioned account numbers towards employee salaries:

Sl. No.	Name of the Employee	Account No.	Amount
1.	Ajay	001423137862	14,220.00
2.	Mahesh	001453276895	60,597.00
3.	Rahul	001245766542	11,075.00
4.	Suresh	004523727221	5,746.00
5.	Vijay Kumar	001254624565	11,717.00
<b>Total</b>			<b>1,03,355.00</b>

Yours Sincerely  
**for Universal Enterprises**

Authorised Signatory

Figure 8.16 Payment Advice

**To view Payroll Register**

**Go to Gateway of Tally > Display > Payroll Reports > Statements of Payroll > Payroll Register**

<b>Universal Enterprises</b> Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore  <b>Payroll Register</b> 1-Jan-2009 to 31-Mar-2009					
Date	Particulars	Vch Type	Vch No.	Debit Amount	Credit Amount
31-1-2009	<b>Employer EPS @ 8.33%</b> <b>Employer EPF @ 3.67%</b> <b>PF Payable</b> <i>Pay Period : 1-Jan-2009 to 31-Jan-2009</i>	Payroll	28	2,415.00 1,065.00	3,480.00
31-1-2009	<b>Basic Pay</b> <b>House Rent Allowance</b> <b>Conveyance</b> <b>Overtime Pay</b> <b>Employee's PF Contribution @ 12%</b> <b>Professional Tax</b> <b>Employee's ESI Contribution @ 1.75%</b> <b>Salary Payable</b> <i>Pay Period : 1-Jan-2009 to 31-Jan-2009</i>	Payroll	29	74,500.00 27,800.00 5,200.00 3,300.00	3,480.00 670.00 258.00 1,06,392.00
31-1-2009	<b>Employer ESI @ 4.75%</b> <b>ESI Payable</b> <i>Pay Period : 1-Jan-2009 to 31-Jan-2009</i>	Payroll	30	699.00	699.00
28-2-2009	<b>Basic Pay</b> <b>House Rent Allowance</b> <b>Conveyance</b> <b>Overtime Pay</b> <b>Variable Pay</b> <b>Employee's PF Contribution @ 12%</b> <b>Professional Tax</b> <b>Staff Salary Advance</b> <b>Employee's ESI Contribution @ 1.75%</b> <b>Salary Payable</b> <i>Pay Period : 1-Jan-2009 to 31-Jan-2009</i>	Payroll	31	74,115.00 27,646.00 5,200.00 420.00 1,000.00	3,480.00 620.00 3,000.00 258.00 1,01,023.00
28-2-2009	<b>Employer EPS @ 8.33%</b> <b>Employer EPF @ 3.67%</b> <b>PF Payable</b> <i>Pay Period : 1-Jan-2009 to 31-Jan-2009</i>	Payroll	32	3,000.00 480.00	3,480.00
28-2-2009	<b>Employer ESI @ 4.75%</b> <b>ESI Payable</b> <i>Pay Period : 1-Jan-2009 to 31-Jan-2009</i>	Payroll	33	699.00	699.00
31-3-2009	<b>Basic Pay</b> <b>House Rent Allowance</b> <b>Conveyance</b> <b>Overtime Pay</b> <b>Variable Pay</b> <b>Employee's PF Contribution @ 12%</b> <b>Professional Tax</b> <b>Staff Salary Advance</b> <b>Employee's ESI Contribution @ 1.75%</b> <b>Salary Payable</b> <i>Pay Period : 1-Mar-2009 to 31-Mar-2009</i>	Payroll	34	70,885.00 26,355.00 5,200.00 4,400.00 3,000.00	3,438.00 760.00 2,000.00 287.00 1,03,355.00

continued ...

Figure 8.17 Payroll Register

**To view Attendance Sheet**

**Go to Gateway of Tally > Display > Payroll Reports > Attendance Sheet**

**Universal Enterprises**  
Plot No. 113 & 114,  
Industrial Estate, Hongasandra  
Bangalore

**Attendance Sheet**  
1-Apr-2008 to 31-Mar-2009

Page 1

Particulars	Absent	Overtime	Present
Branch Office			
Head Office			
Primary Cost Category		339 Hrs 30 Mins	1460 Days
Accounts		61 Hrs	284 Days
Rahul		61 Hrs	284 Days
Administration		106 Hrs	514 Days
Suresh		62 Hrs	240 Days
Vijay Kumar		44 Hrs	274 Days
Sales		172 Hrs 30 Mins	662 Days
Ajay		135 Hrs	295 Days
Mahesh		26 Hrs 30 Mins	288 Days
Transport Unit			

Figure 8.18 Attendance Sheet

**To view Gratuity Report**

**Go to Gateway of Tally > Display > Payroll Reports > Gratuity Report**

**Universal Enterprises**  
Plot No. 113 & 114,  
Industrial Estate, Hongasandra  
Bangalore

**Gratuity Summary**  
For All Employees  
As on : 31-Mar-2009

Page 1

Particulars	Date of Birth	Date of Joining	Date of Deactivation	Gratuity Eligible Salary	Gratuity Amount
Primary Cost Category				74,500.00	
Accounts				5,000.00	
Rahul		15-4-2007		5,000.00	
Administration				14,500.00	
Suresh	20-5-1975	10-6-2007		4,500.00	
Vijay Kumar	24-5-1958	1-5-2007		10,000.00	
Sales				55,000.00	
Ajay		1-4-2007		10,000.00	
Mahesh		1-4-2007		45,000.00	
<b>Grand Total</b>					

Figure 8.19 Gratuity Summary

**To view Employeewise Passport Expiry Report**

Go to **Gateway of Tally > Display > Payroll Reports > Expat Reports > Passport Expiry >** press **Ctrl + F7** and select the relevant cost category and Employee Group

<b>Universal Enterprises</b> Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore <b>Passport Expiry Report</b> For All Employees Under Group: Sales				
Page 1				
Particulars	Passport Number	Country of Issue	Date of Joining	Passport Expiry Date
<b>Primary Cost Category</b>				
<b>Sales</b>				
Ajay	KN/PAS231/004	India	1-4-2007	6-1-2015
Mahesh	KA/PAS233/005	India	1-4-2007	22-1-2013

Figure 8.20 Employeewise Passport Expiry Report

**To view Visa Expiry Report**

Go to **Gateway of Tally > Display > Payroll Reports > Expat Reports > Visa Expiry**

<b>Universal Enterprises</b> Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore <b>Visa Expiry Report</b> For All Employees			
Page 1			
Particulars	Visa Number	Date of Joining	Visa Expiry Date
<b>Branch Office</b>			
<b>Head Office</b>			
<b>Primary Cost Category</b>			
<b>Sales</b>			
Ajay		1-4-2007	11-10-2010
Mahesh		1-4-2007	22-1-2009
<b>Transport Unit</b>			

Figure 8.21 Visa Expiry Report

**To view Contract Expiry Report**

**Go to Gateway of Tally > Display > Payroll Reports > Expat Reports > Contract Expiry**

<b>Universal Enterprises</b> Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore <b>Contract Expiry Report</b> For All Employees				
Page 1				
Particulars	Work Permit Number	Contract Start Date	Date of Joining	Contract Expiry Date
Branch Office Head Office Primary Cost Category Administration Suresh Transport Unit		1-6-2008	10-6-2007	1-12-2008

Figure 8.22 Contract Expiry Report

**To view PF Computation Report**

**Go to Gateway of Tally > Display > Payroll Reports > Statutory Reports > Computation > Press Alt+F1**

<b>Universal Enterprises</b> Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore <b>Payroll Statutory Computation</b> 1-Mar-2009 to 31-Mar-2009						
Page 1						
Particulars	Gross Amount	Statutory Details			Liability	
		Percentage	A/c No.	Amount	Payable	Paid
<b>Provident Fund</b>						
<b>Employees' Statutory Deductions</b>					<b>3,438.00</b>	<b>3,438.00</b>
Employee's PF Contribution @ 12%	28,654.00	12%	A/c No.1	3,438.00 Cr		
<b>Employer's Statutory Contributions</b>					<b>3,438.00</b>	<b>3,438.00</b>
Employer EPF @ 3.67%	32,500.00	3.67%	A/c No.1	1,052.00 Dr		
Employer EPS @ 8.33%	32,500.00	8.33%	A/c No.10	2,386.00 Dr		
<b>Employer's Other Charges</b>					<b>328.06</b>	<b>328.06</b>
EDLI Admin Charges @ 0.01%	32,500.00	0.01%	A/c No.22	2.87 Cr		
EDLI Contribution @ 0.5%	32,500.00	0.50%	A/c No.21	10.00 Cr		
PF Admin Charges @ 1.10%	32,500.00	1.10%	A/c No.2	315.19 Cr		
<b>Professional Tax</b>						
<b>Employees' Statutory Deductions</b>					<b>950.00</b>	<b>950.00</b>
Professional Tax	2,10,903.00			950.00 Cr		
<b>Grand Total</b>					<b>8,154.06</b>	<b>8,154.06</b>

Figure 8.23 PF Computation Report

**To view Form 12A**

**Go to Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Form 12A**

(Only for Un-exempted Establishments)

**EMPLOYEES' PROVIDENT FUNDS AND MISC. PROVISIONS ACT, 1952 EMPLOYEES' PENSION SCHEME(PARA 20 (4))  
FORM 12 - A (R)**

(To be filled by the EPFO)

Group Code : **KNBN\12547\00129**  
Establishment status :

Name and Address of the Establishment : **Universal Enterprises**  
Plot No. 113 & 114,  
Industrial Estate, Hongasandra  
Bangalore

Code No. : **KNBN\1245\009**  
Currency period from : **1-Apr-2008 to 31-Mar-2009**  
Statement of Contribution for the month of : **Mar-2009**

	Wages on which Contributions are payable	Amount of Contribution Recovered from the Employees'	Payable by the Employer	Amount of contribution remitted Employee's Share	Employer's Share	Amount of Administrative charges due	Amount of Administrative charges remitted	Date Of Remittance (enclose triplicate copies of Challan)
E.P.F. A/c No. 01	3,23,656.00	38,840.00	11,306.00	35,360.00	11,306.00	3,560.22	3,241.22	30-Apr-2008
Pension Fund A/c No. 10	3,23,656.00	NIL	27,534.00	NIL	27,534.00	NIL	NIL	30-Apr-2008
E.D.L.I A/c No. 21	3,23,656.00	NIL	114.00	NIL	104.00	32.36	29.46	30-Apr-2008

Total No. of Employees : **7** Name & Address of the Bank in which the amount is remitted : **Koramangalam, Bangalore**  
(a) Contract : **2**  
(b) Rest : **0**  
(c) PF Subscribers : **5**

Details of Subscribers	E.P.F.	Pension Fund	E.D.L.I.
No. of Subscribers as per last month (vide Form 12A)	5	5	5
No. of New Subscribers (vide Form 5)			
No. of Subscribers left service (vide Form 10)			
Nett Total Number of Subscribers	5	5	5

**Signature of the Employer with Official (Seal)**

Figure 8.24 Printed Form 12A

**To view PF Monthly Statement**

**Go to Gateway of Tally > Display > Payroll Reports > Statutory Reports > Provident Fund > Monthly Statement**

EMPLOYEE PROVIDENT FUND SCHEME - Monthly Statement										
Name & Address of the Factory or Establishment : <b>Universal Enterprises</b> Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore										
Statement for the Period : 1-Aug-2008 to 31-Aug-2008										
Emp No	PF Number	Employee Name	Work-ed Days	Earned Wages	Employee's Contribution			Employer's Contribution		
					PF 12%	VPF	Total	EPS 8.33%	EPF 3.67%	Total
001	KNBNT1818564	Ajay	24	6,500.00	780.00		780.00	541.00	239.00	780.00
002	KNBNT18184293	Mahesh	26	6,500.00	780.00		780.00	541.00	239.00	780.00
003	KNBNT1920203	Rahul	25	4,808.00	577.00		577.00	401.00	176.00	577.00
008	KNBNT18112534	Suresh	26	4,500.00	540.00		540.00	375.00	165.00	540.00
004	KNBNT18184563	Vijay Kumar	25	6,500.00	780.00		780.00	541.00	239.00	780.00
<b>Total</b>				<b>28,808.00</b>	<b>3,457.00</b>		<b>3,457.00</b>	<b>2,399.00</b>	<b>1,058.00</b>	<b>3,457.00</b>

Figure 8.25 PF Monthly Statement

**To view ESI Computation Report**

**Go to Gateway of Tally > Display > Payroll Reports > Statutory Reports > Computation > F12:Configure > Activate Show Employee State Insurance Details to Yes**

Universal Enterprises Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore						
Payroll Statutory Computation 1-Apr-2008 to 31-Mar-2009						
Particulars	Gross Amount	Statutory Details			Liability	
		Percentage	A/c No.	Amount	Payable	Paid
<b>Employee State Insurance</b>						
<b>Employees' Statutory Deductions</b>					2,662.00	2,404.00
Employee's ESI Contribution @ 1.75%	1,51,885.00	1.75%		2,662.00 Cr		
<b>Employer's Statutory Contributions</b>					7,428.00	6,519.00
Employer ESI @ 4.75%	1,56,316.00	4.75%		7,428.00 Dr		
<b>Grand Total</b>					<b>10,090.00</b>	<b>8,923.00</b>

Figure 8.26 ESI Computation Report

**To view ESI Monthly Statement**

**Go to Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Monthly Statement**

EMPLOYEES' STATE INSURANCE - Monthly Statement									
Name & Address of the Factory or Establishment : <b>Universal Enterprises</b> Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore									
Statement for the Period : 1-Apr-2008 to 31-Mar-2009									
Sl. No	Employee No	Employee Name	ESI No	Worked Days	Earned Wages	Fixed Wages	Employees' Contribution	Employer's Contribution	Total
1	003	Rahul	ESI12312345	284	92,162.00	99,700.00	1,538.00	4,379.00	5,917.00
2	008	Suresh	ESI3452224	240	64,154.00	69,000.00	1,124.00	3,049.00	4,173.00
				<b>Total</b>	<b>1,56,316.00</b>	<b>1,68,700.00</b>	<b>2,662.00</b>	<b>7,428.00</b>	<b>10,090.00</b>

Figure 8.27 ESI Monthly Statement



**To view ESI Form 3**

**Go to Gateway of Tally > Display > Payroll Reports > Statutory Reports > Employee State Insurance > Form 3**

Original	<b>EMPLOYEES' STATE INSURANCE CORPORATION</b> <b>RETURN OF DECLARATION FORM</b> <b>[Regulation - 14]</b>	FORM - 3		
Name & Address of the Factory or Establishment : <b>Universal Enterprises</b> Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore				
Employer's Code No : <b>KNESI23859491</b>				
I send herewith the Declaration Forms in respect of the employees mentioned below:				
I hereby declare that every person employed as an employee within the meaning of Section 2(9) of the Employees' State Insurance Act, 1948 as on 31-Mar-2009 in this factory or establishment and is in receipt of the remuneration not exceeding Rs.10,000/- (excluding remuneration for overtime work) per month, has been included in this list, excluding only those in respect of whom declaration forms have been sent to the Corporation in the past.				
SI No.	Name of Employee	Distinguishing Number with the employer if any	Father's or Husband's Name	Insurance No. allotted by the corporation (to be entered at the branch office)
1	2	3	4	5
1	Suresh	008	Mr. Kannan	KNESI/345/2224
2	Rahul	003		ESI12312345
Place : <b>Bangalore</b>			Signature :	
Dated : <b>31-Mar-2009</b>			Designation : <b>Manager</b>	

Figure 8.28 Printed ESI Form 3

**To view Professional Tax Computation Report**

**Go to Gateway of Tally > Display > Payroll Reports > Statutory Reports > Professional Tax > Computation Report**

<u>PROFESSIONAL TAX PAYABLE BY EMPLOYER</u>							
Return of Tax payable for the period : <b>1-Apr-2008 to 31-Mar-2009</b>							
Name of the Employer : <b>Universal Enterprises</b>							
Address : Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore							
Registration Certificate No. : <b>KA/PT/12445308</b>							
Number of employees during the month in respect of whom the tax is payable as under :							
SN-o.	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	3,000.00		0.00	
2	Rs	3,000.00	to	5,000.00		30.00	
3	Rs	5,000.00	to	8,000.00		60.00	
4	Rs	8,000.00	to	10,000.00		100.00	
5	Rs	10,000.00	to	15,000.00		150.00	
6	Rs	15,000.00	and above		5	200.00	8,020.00
<b>TOTAL</b>					<b>5.00</b>		<b>8,020.00</b>
Amount Paid : <b>8,020.00</b>							
Amount in Words : <b>Rs. Eight Thousand Twenty Only</b>							
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 Susmit solemnly declare that above statements are true to the best of my knowledge and belief.							
Place : Bangalore							
Date : 31-Mar-2009							
						Signature of Employer	

Figure 8.29 Printed PT Computation Report

**To view Professional Tax Statement**

**Go to Gateway of Tally > Display > Payroll Reports > Statutory Reports > Professional Tax >Statement**

PROFESSIONAL TAX - Monthly Statement (Professional Tax)					
Name & Address of the Factory or Establishment : <b>Universal Enterprises</b> Plot No. 113 & 114, Industrial Estate, Hongasandra Bangalore					
Statement for the Period : 1-Apr-2008 to 31-Mar-2009					
Sl.No	Employee No.	Employee Name	Worked Days	Gross Wages	Value
1	001	Ajay	295	1,90,153.00	2,050.00
2	002	Mahesh	286	7,32,299.00	2,400.00
3	003	Rahul	284	1,31,162.00	1,030.00
4	008	Suresh	240	87,070.00	740.00
5	004	Vijay Kumar	274	1,84,905.00	1,800.00
<b>Total</b>				<b>13,25,589.00</b>	<b>8,020.00</b>

Figure 8.30 Printed Professional Tax Monthly Report